Section 5 – Major Strategic Risks – what could stop us meeting the needs of local people?

Based upon a risk matrix developed with our partners Zurich, the following risks represent those that have been identified as having the greatest potential to happen and the greatest impact should they occur. The following table also hi-lights what action will be taken to reduce the risk and what action will be taken if the risk becomes a reality. Other risks are managed through a combination of business plans and the operational register process.

We profile our risks using a standard matrix (shown below) which is based on our making two judgements about each potential risk faced by the Council

1. **How likely is it that the risk may occur (likelihood)?**

2. **If the risk did occur, how serious might be the consequences (impact)?**

Therefore a risk rated A1 is the highest risk rating and a risk of F4 is the lowest rating.

Likelihood					
A					
B					
C					
D					
E					
F					
	4	3	2	1	
		Impact			

The references below, in the first column, relate to service business plans and the appropriate risk number within that service plan (eg R1)

CP	Community & Partnerships
CS	Customer Services & e-Government
ER	Economic Regeneration
ET	Executive Team
FS	Financial Services
HR	Human Resources
LDS	Legal & Democratic Services
SD	Spatial Development
SSL	Street Scene & Liveability

The following risks have been categorised according to the Council's primary corporate priority, however in some instances the risk will, in addition, cut across other corporate priorities.

Council Priority – Delivering Quality Services to our Customers

Ref .	Risk	Category	Original Risk Score	Actions in Place	Current Risk Score	Further Actions	Target Risk Score	Impact on Business Plan Actions
CP R1	Local Strategic Partnership (LSP) does not maintain green	Reputation Risks People Risks	D2	Robust delivery plan review and regular performance management of theme group targets	D2	Review LSP improvement plan to bring targets back in line with needs of the community	E2	LSP receives poor rating Negative impact on partnerships across Borough and morale of LSP and staff
CP R3	Staff and partners do not engage with Community Involvement & Engagement Strategy	People Risks	C2	Training for all staff on engagement	C2	Ensure Chief Executive and senior mangers involved in process and drive adoption through the organisation	D2	Community are not involved in changes to service provision Customer expectations are not met Customer satisfaction is not improved or worsens
CS R2	Failure to meet customer service expectations	Strategic Business	C4	Promotion of Customer Service Standards Development of Customer Access Strategy	C4	Review and revise Customer Access Strategy Increase monitoring of Customer Service Standards Increase customer consultation and use customer feedback more effectively	D3	Reduced customer satisfaction levels

Ref	Risk	Category	Original Risk Score	Actions in Place	Current Risk Score	Further Actions	Target Risk Score	Impact on Business Plan Actions
						Increase communication activity around council services improvement		
LDS R5	Failure to organise 2008 local elections	Strategic	B2	Management Review and Supervision	B3	Regular review	B4	Democratic process is undermined
ET R2	Failure of enhanced two tier proposals in delivering improvements to customers	Strategic	C1	Performance Management Framework Lancashire Locals Lancashire Leaders and Chief Executives Forum	C1	Reinforcement of agreed priorities and delivery mechanisms	D2	Business Plan actions though achieved in isolation miss the opportunity of wider collective action and impact

Council Priority – Delivering Regeneration across the borough

Ref .	Risk	Category	Original Risk Score	Actions in Place	Current Risk Score	Further Actions	Target Risk Score	Impact on Business Plan Actions
ER R3	Valley Centre project does not go ahead	Business	C2	Regular meetings with developer to review progress and plan ahead	D1	Professional advice to Council from specialist lawyers and town centre retail development consultants	F1	Failure to deliver key projects
ER R4	New location cannot be found for Rossendale Transport Limited's	Business	B2	Negotiations ongoing for new premises	C2	Ongoing search for alternative locations	F1	Redevelopment prejudiced

	bus depot							
ER R5	Lancashire County Council is not able to commit sufficient funding to development of suitable new Rawtenstall bus interchange	Business	B2	Regular meetings with LCC	B2	Pre-planning application consultations. Design review of proposals	E1	Delay in delivery
ER R6	External funding is not forthcoming from Elevate and Northwest Development Agency	Business	C2	Regular liaison with funders and submission of funding proposals	C2	Ongoing review of alignment of regional, sub-regional and local strategies to maximise local access to external funding	D3	Key projects will not be delivered
LDS R4	Failure to support regeneration projects	Business	B2	Regular meetings of the Land Disposals Group	C3	Regular review of actions taken	D4	Adverse impact on regeneration opportunities
LDS R6	Planning failure to respond to appeal dates	Business	B2	Supervision training	C3	Regular review in relation to specific cases	D4	Damage to reputation

Planning decision not implemented |
| **SD R1** | Failure to progress the Local Development Framework | Strategic | B3 | Resources identified and progress monitored | B3 | Delivery of actions as set out in the Spatial Development Business Plan | C3 | Adverse impact on the Council's ability to shape development within and secure the regeneration of the borough |

Council Priority – Keeping our borough clean and green

Ref .	Risk	Category	Original Risk Score	Actions in Place	Current Risk Score	Further Actions	Target Risk Score	Impact on Business Plan Actions
SSLR1	Resource Recovery Centre is not developed	Strategic	A2	Feasibility Study undertaken to ensure all areas are investigated Funding progressed through Lancashire County Council & future partners	A2	Member approval Public Consultation Planning Application	D3	No improvements to depot Efficiencies and savings will not be realised

Council Priority – Improving health and well being across the borough

Ref .	Risk	Category	Original Risk Score	Actions in Place	Current Risk Score	Further Actions	Target Risk Score	Impact on Business Plan Actions
CP R5	Rossendale Leisure Trust (RLT) performance	Strategic Financial	B2	Six-weekly meetings with RLT to ensure delivery against agreed targets as set out in partnership and business plans	B2	Identify areas of under-performance and produce improvement plan	C2	Cost to council of RLT not performing Customer satisfaction and health negatively impacted
ET R3	Failure to manage and deliver Lancashire's Local Area Agreement targets	Operational	C1	Performance Management Framework Business Plans and member	C1	Re-inforcement of service business plans and personal objectives	D2	Customer service improvements (safety, health and general well being) not achieved

Ref .	Risk	Category	Original Risk Score	Actions in Place	Current Risk Score	Further Actions	Target Risk Score	Impact on Business Plan Actions
				reporting				Reward grants not achieved therefore reduced resources for customers
CP R4	Community Cohesion action plan not delivered	Reputation Risks	C2	Robust baseline developed and monitored; secure funding to ensure action plan delivered	C2	Find ways to reassure public and deliver against action plan	D2	Issues around Community Cohesion not raised and action not taken to address cohesion issues in Borough

Community leadership role not recognised

Customer satisfaction negatively impacted |

Council Priority – A well managed Council

Ref .	Risk	Category	Original Risk Score	Actions in Place	Current Risk Score	Further Actions	Target Risk Score	Impact on Business Plan Actions
FS R1	Instil the need across the authority for rigorous Financial Management	Financial Management	C1	Audit Commission Study, CIPFA follow-up, Medium Term Financial Plan, Capital Strategy, Asset Management Plan, Treasury Strategy	D2	Delivery of actions set out in the Financial Services Business Paln	F2	The current business plan actions have been designed to consolidate the progress to date and further instil the need for Financial Management throughout the Council
FS R3	Inadequate	Financial	C1	Internal Audit	C2	Instilling the need	D3	Targeting of annual

	Internal Control	Management		Heads of Service assurance statements Corporate Governance		for Financial and Risk Management		internal audit plan to ensure a robust Statement of Internal Control
HR R2	Provision of effective Health and Safety Service	Strategic Financial	C1	Initial exploration of partnership working Developing transitional action plan Expanding training within Human Resources	C1	Options appraisal and conclusions especially into partnership working	D1	Risk to well being of staff Potential increase in sickness absence
CS R7	Sungard Contract Management	Strategic Business	A1	Establish formal liaison meetings between Rossendale and Sungard Existing contract has been fully analysed and any redundant variation orders have been removed from the contract New technologies deployed which remove further costs from the contract and improve quality of	C2	Contract contingency plans	D2	Full benefits of the contract do not materialise

				service				
CS R8	Develop ICT Business Continuity Management (BCM)	Strategic Business	C1	Developed BCM for all Revenues & Benefits applications including Electronic Documents Management System (EDMS) A Disaster Recovery Strategy (DR) has been implemented across four data centres two of which are located in Germany and America respectively	C1	A full Disaster Recovery Strategy needs to be developed for all other council systems	D1	Council fails to deliver frontline customer services
LDS R1	Successful legal challenge to Council activity	Business	B2	Supervision training	C3	Regular reviews of open cases	D4	Risk of costs Adverse publicity
LDS R3	Lack of community leadership	Strategic	B1	Management Review One-Ones Team Meetings	B2	Regular review of practice	C3	Poor representation for the community
LDS R7	Failure to consider Human Rights Act 1998	Business	B2	Supervision training	C3	Regular review of practice	D4	Damage to the standing of the Council Risk of compensation
ET R1	Changes as a result of local government	Strategic	B1	Performance Management Framework and	B1	Re-inforcement of Corporate, Service Business Plans and	C2	Business Plan actions may not be fully delivered

	reorganisation distract the Council from its Corporate Plan and Priorities.			regular monitoring		Personal objectives i.e. "The Golden Thread"		