




Corporate Risk and Opportunity Register – Quarter 1 (April – June) 2024/25

Risk Description	CORP1: Sustainability – Medium Term Financial Strategy Failure to deliver a sustainable financial strategy that supports the delivery of the corporate strategy and four priorities.									
Risk Owner	Executive Director of Resources: Mark Wynn									
Last Update	Q1 2024/25		Target Date		March 25 / ongoing					
Target Score	Amber (12)		Target Likelihood		Possible 3		Target Impact		Major 4	
Current Score	Red (16)		Current Likelihood		Probable 4		Current Impact		Major 4	
Risk Confidence Profile (Likelihood of achieving target score by target date)	22/23	Q3	Q4	23/24	Q1	Q2	Q3	Q4	24/25	Q1
Reputation Impact Assessment	Moderate		Financial Impact Assessment		Band 8		Expected Direction of Travel			
Progress	<ul style="list-style-type: none"> Overall, the council has an appropriate level of reserves available to manage the financial risks it is facing within the medium-term financial strategy (MTFS) period. However, additional savings will be required to bring the council to a financially sustainable position. The 2024/25 revenue budget was approved at Full Council in February following the outcome of the local government finance settlement and final taxbase information from district councils, with a very small contribution from reserves of £0.856m following and with £37m of new agreed savings. The updated MTFS is forecasting a gap of £10.4m in 2025/26 and £3.3m in 2026/27 however there are a number of risks inherent within that forecast position including future levels of demand for service, inflationary changes and savings delivery, with c£100m of agreed savings embedded within the 2024/25 budget and MTFS. 2024/25 Quarter 3 monitoring position presented to Cabinet in February showed a forecast small revenue overspend of £5.828m (0.56% of the revenue budget) with pressures on demand-led services, particularly children's social care and home to school transport being mitigated by offsetting cost reductions. Update on the proposed 2025/26 budget development process was presented to EMT w/c 11/3/24 and work is progressing with district councils regarding improved local tax collection. 									

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Risk Description	CORP2: Workforce Unable to attract and recruit candidates and retain staff leading to an inability to deliver services.										
Risk Owner	Executive Director of Resources: Mark Wynn										
Last Update	Q1 24/25		Target Date	March 25 / ongoing							
Target Score	Amber (9)		Target Likelihood	Possible 3			Target Impact	Major 3			
Current Score	Red (16)		Current Likelihood	Probable 4			Current Impact	Major 4			
Risk Confidence Profile (Likelihood of achieving target score by target date)	22/23	Q3	Q4	23/24	Q1	Q2	Q3	Q4	24/25	Q1	
Reputation Impact Assessment	Low		Financial Impact Assessment	Band 0			Direction of Travel				
Progress	<ul style="list-style-type: none"> • People strategy developed which gives a coherent and cohesive direction of travel for the business in terms of attraction, recruitment, retention, and development with associated metrics. • A new People Services operating model to commence in April 2024 with key priorities established and including a talent acquisition function. • Review of contingent workforce being refreshed to identify required staffing levels and skills and recruitment process to be redesigned and benchmarked against emerging and best practice. • Leadership and management performance framework agreed and ready for roll out. • Revised approach to strategic workforce planning launched November 2023 and has been integrated into the business planning process. • Adult Social Care vacancy rate reducing overall from 20% to 15% over last 12 months (however still running at 30% in some services such as Acute Services). 										


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Risk Description	CORP3: Promoting Independence and Reducing Demand Demand for client-based services continues to increase resulting in increased budget pressures and poor outcomes for those people in receipt of our services									
Risk Owner	Executive Director of Adult Social Care: Louise Taylor and Executive Director of Education and Children's Services: Jacqui Old									
Last Update	Q1 24/25		Target Date		March 25 / ongoing					
Target Score	Amber (9)		Target Likelihood		Possible 3		Target Impact		Moderate 3	
Current Score	Amber (12)		Current Likelihood		Probable 3		Current Impact		Major 4	
Risk Confidence Profile (Likelihood of achieving target score by target date)	22/23	Q3	Q4	23/24	Q1	Q2	Q3	Q4	24/25	Q1
Reputation Impact Assessment	High		Financial Impact Assessment		Band 8		Direction of Travel			
Progress	<p>Adult Social Care Waiting lists and backlogs are a priority in the improvement plan. Facilitate Consultancy leading the review and have secured additional resource to support the reduction in people waiting. New strength-based practice model will improve processes around front-line assessment and the creation of new Wellbeing and Early support function will reduce waiting times. Focus on 'demand management' through Adult Social Care Savings programme/Finance Board, participation in hospital escalation calls to undertake mitigating actions required as appropriate, and ongoing dialogue with partners.</p> <p>Placements for Children with Complex Needs Where our Children Live Capital Bid to DfE and bid to DfE for children's home capital funding both successful, and proposals to develop additional in-house home support supported by specialist NHS team. Low occupancy complex needs in house children's homes being developed to meet need. Recruitment strategy in place to equip our workforce with the skills and knowledge to meet the needs of these children.</p> <p>SEND Additional SEN Units continue to be established and agreement to establish new SEN provision in North of the County. Refreshed Alternative Provision Strategy 2023-26 agreed by Cabinet September 2023. SEND Inspection readiness work continues to strengthen oversight and refreshing the SEND Improvement Plan. Strengthened Early Help offer through Family Hubs Networks and further Hubs being launched in March 2024. However, there is currently a backlog of Education, Health and Care Plans and a recovery plan is in place to ameliorate the issue.</p>									


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	<p>Home to School Transport</p> <p>The service is introducing more attractive Transport Assistance Grants (TAG) and putting additional resources into encouraging their uptake. (A TAG is a regular payment to a parent/carer to provide transport themselves for their eligible children. Many families find the payment very attractive, and we benefit from considerable cost savings cf. a taxi). Independent Travel Training is being pursued to give young people the skills to travel on conventional transport. (This gives young people valuable life skills whilst reducing our costs). A Dynamic Purchasing System (DPS) has been introduced to manage transport tenders and the option for reverse auctions is included. Additional vehicles are to be introduced into the in-house fleet of minibuses. Most of the new vehicles will have a lower capacity which will have the benefits of being able to be deployed flexibly and driven by drivers who don't possess D101 licence exemptions. This will help us to consolidate journeys on several taxis and will particularly help where taxi provision is weak and/or costly. We are looking to keep single occupancy journeys to a minimum recruit additional drivers and passenger assistants and service budgets are being increased to accommodate additional costs.</p>
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Risk Description	CORP4: Customer Centric Service Delivery That the council will not be sufficiently radical or innovative to transform services at the required pace to achieve the scale of change needed over the 4 years of the current MTFS period 2022/23-2025/26										
Risk Owner	Executive Director of Resources: Mark Wynn										
Last Update	Q1 24/25		Target Date	March 25 / ongoing							
Target Score	Amber (9)		Target Likelihood	Possible 3			Target Impact	Moderate 3			
Current Score	Red (16)		Current Likelihood	Probable 4			Current Impact	Major 4			
Risk Confidence Profile (Likelihood of achieving target score by target date)	22/23	Q1	Q2	23/24	Q1	Q2	Q3	Q4	24/25	Q1	
Reputation Impact Assessment	Moderate		Financial Impact Assessment	Band 8			Direction of Travel				
Progress	<ul style="list-style-type: none"> Revised change governance in place through the Change and Digital Board, meeting monthly and Priority Change portfolio agreed by Executive Management Team in Jan 2024. Single view of change requirements developing through collaboration between Change and Digital Board and People Board, plus links to property programme and contracts programme. Change Service restructure completed and recruitment ongoing, with service live by March 2024. Service redesign proofs of concept completed with phasing plan in place with first redesign commencing April 24. Work underway on Resources-wide redesign and agreed areas of the council's blueprint. 										

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Risk Description	CORP5: School Places Insufficient school Places in some parts of Lancashire meaning children and young people are missing out on education.										
Risk Owner	Executive Director of Education and Children's Services: Jacqui Old										
Last Update	Q1 24/25			Target Date	March 25						
Target Score	Amber (9)			Target Likelihood	Possible 3			Target Impact	Moderate 3		
Current Score	Amber (12)			Current Likelihood	Possible 3			Current Impact	Major 4		
Risk Confidence Profile (Likelihood of achieving target score by target date)	22/23	Q3	Q4	23/24	Q1	Q2	Q3	Q4	24/25	Q1	
Reputation Impact Assessment	Moderate			Financial Impact Assessment	Band 5			Direction of Travel			
Progress	<ul style="list-style-type: none"> • Developed approaches to better support new arrivals to county/country including support to address language barriers. • Publicity, including social media has reduced the number of late applications, and the website now shows levels of subscription for individual schools and maps of geographical priority areas. • Officers attend open evenings for the most oversubscribed schools, and year 6 parent information sessions are held in the areas with the most pressure for places. • The expansion of popular schools and the number of places available for Year 7 pupils has been increased, as has the availability of places in higher year groups to accommodate in-year admissions. • Consultations have taken place in respect of primary and secondary schools in Preston. • 11 secondary schools increased their intake of pupils to reflect the growth in demand. 										

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Opportunity Description	Opportunity ID CO1: Sub Regional Place Leadership and Governance There is an opportunity for Lancashire to secure appropriate sub-regional governance, powers and resource to maximise shared outcomes and priorities (e.g. Combined Council Authority and Devolution Deal(s)) through Central Government legislation, negotiation, reorganisation or other mechanism.										
Risk Owner	Executive Director of Growth, Environment, Transport and Health: Phil Green										
Last Update	Q4 23/24			Target Date	Autumn 25						
Target Score	Blue (16)			Target Likelihood	Possible 3			Target Impact	Major 4		
Current Score	Light Blue (12)			Current Likelihood	Probable 4			Current Impact	Major 4		
Risk Confidence Profile (Likelihood of achieving target score by target date)	22/23	Q3	Q4	23/34	Q1	Q2	Q3	Q4	24/25	Q1	
Reputation Impact Assessment	Moderate (positive)			Financial Impact Assessment	Band 8 (positive)			Direction of Travel			
Progress	<ul style="list-style-type: none"> • A Devolution Deal was signed by the 3 UTLA Leaders and the Levelling Up Minister in November 2023. Full Council approval for the deal and subsequent consultation was achieved in late November. • The process for securing the Deal and the CCA is ongoing with risks being managed. • Resources required to support the next phase of work, drawing on all UTLAs is being agreed, ahead of a more detailed design of the CCA Governance, Organisational design, and funding proposals. • Resource allocation and recruitment proposals are being considered. 										

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Scoring Matrix

	CATASTROP HIC (for risk) OUTSTANDIN G (for opportunity)	5	10	15	20	25
	MAJOR	4	8	12	16	20
	MODERATE	3	6	9	12	15
IMPAC T	MINOR	2	4	6	8	10
	INSIGNIFICAN T	1	2	3	4	5
		RAR E	UNLIKELY	POSSIBL E	LIKEL Y	CERTAI N
			LIKELIHO OD			

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Risk Estimation

It is important that the council as a whole uses the same methodology to calculate risk to ensure that LCC has an accurate overview of the risks that are posed. The risks are scored using two criteria scales that are then multiplied together to produce a total score by which the risk is assessed as to the impact to the directorate and then to the council. The two criteria used are the Likelihood of an event occurring and the Impact that event could have.

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Corporate Impact Assessment Criteria of Risk Category								
Scale	Financial (Cost per annum)	Reputational	Physical Injury/Health and Safety	Environmental Damage	Service/Operational Disruption/Key Targets/Objectives	Statutory Duties/legal Implications	Partnership Implications	Stakeholder Implications
5 Very High	>£25,000,000	Lasting or permanent brand damage resulting from adverse comments in national press and media. Members/Officers forced to resign	Death or severe life-changing injuries	Major national or international	Severe disruption/loss of service more than 7 days	Multiple Litigation	Complete failure / breakdown of partnership	Stakeholders would be unable to pursue their rights and entitlement and may face life threatening consequences
4 High	£10,000,000 to <£25,000,000	Temporary brand damage from coverage in national press/media	Extensive or multiple injuries/ Incidents reportable to HSE	Major local impact	Disruption/Loss of service less than 7 days	Litigation	Significant impact on partnership or most of expected benefits fail	Stakeholders would experience considerable difficulty in pursuing rights and entitlements
3 Medium	£5,000,000 to <£10,000,000	Extensive coverage in regional press/radio/TV/social media	Serious injuries/ incidents reportable to HSE	Moderate locally	Disruption/Loss of service less than 48 hours	Ombudsman	Adverse effect on partnering arrangements	Some minor effects on the ability of stakeholders to pursue rights and entitlements, eg other sources or avenues would not be available to stakeholders
2 Low	£2,500,000 to <£5,000,000	Minor adverse comments in regional press/social media	Minor (i.e. first aid treatment)/ No time lost from work	Minor locally	Internal disruption only, no loss of service	Individual Claims	Minimal impact on Partnership	Minimal impact without needing to look at other sources or avenues
1 Negligible	<£2,500,000	Minimal adverse comments with minimal press/social media	None	None/ Insignificant	No loss of service	No impact	No Impact	No impact

Likelihood Scoring

5	Almost certain	The event is expected to occur every year.
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4	Probable	The event could occur every year.
3	Possible	The event could occur every two years.
2	Unlikely	The event could occur every five years.
1	Rare	The event could occur every 10 years or longer.

Reputational Risk

Each risk is assessed for the potential reputational brand damage to the council if the risk materialised.

Extremely high	Lasting or permanent national/local brand damage resulting from adverse comments in national press and media. Members/officers almost certainly forced to resign. For example – S114 notice or criminal investigation.
High	Temporary national/local damage lasting up to two years from coverage in national and/or regional press/media. Members/officers potentially forced to resign. For example – major service failure leading to inadequate inspection.
Moderate	Temporary local brand damage lasting up to one year from extensive coverage in regional press/media. For example – budget savings resulting in service reduction or inability to meet demand pressures.
Low	Temporary local brand damage lasting up to a few weeks from minor adverse comments in regional press/social media. For example – response to local incident such as flooding or fire and/or Ombudsman reports.
Extremely low	Negligible local brand damage from limited adverse comments with minimal press/social media. For example – closure of a local service point.

Financial Risk

Each risk is assessed for the potential range of capital and/or revenue loss to the council if the risk materialised.

Band 8	Loss over £20 million
Band 7	Loss between £10 million and £20 million
Band 6	Loss between £5 million and £10 million
Band 5	Loss between £3 million and £5 million
Band 4	Loss between £1 million and £3 million
Band 3	Loss between £100,000 and £1 million
Band 2	Loss between £50,000 and £100,000
Band 1	Loss under £50,000

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Band 0	No financial loss
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