

Corporate Risk and Opportunity Register
Executive Summary
Quarter 1 (April – June) 2024-25



Angie Ridgwell, Chief Executive

Since the last risk report, there has been little change in the risk profile of the existing risks however the risk in relation to the Oracle Fusion data breach has been removed following mitigation and confirmation from the Information Commissioner that the matter had been managed effectively and that no further action was necessary. Many of these risks are reflective of either a national position or a partner issue over which our levers to mitigate are limited. As a result, the risk relating to Mental Health Beds has also been removed from the corporate register. That does not mean that the council does not respond to and manage these risks, but simply recognises the fact that it can take time to reduce them to a level aligned to our risk appetite.

Three of our highest risks remain around financial sustainability, our workforce, as well as improvement and transformation of our services. These are all intrinsically interlinked alongside demand and capacity management which are also on the risk register. It is essential that we focus on our ability to innovate and be creative to ensure that we provide the most efficient and effective services that enable our residents to be as independent and self-sufficient as possible. This will free up our constrained resources to focus on the most vulnerable residents who need more assistance as well as those universal services that make all our residents' lives easier.

Using technology and retaining a motivated, skilled, healthy, and adaptable workforce are critical to managing these risks and delivering the best possible outcomes. Significant work is in hand to build the infrastructure to secure these opportunities including our People Strategy which was launched last year and our Digital Strategy that is in development. Our relatively strong financial position gives us the opportunity to capitalise and build on our strengths.

As we progress with the strategic and structural changes to change our delivery model it is equally important to respond to the immediate challenges particularly around demand in social care, SEND, home to school transport, and public expectations of our services in general. New investment in our special educational needs and home to school transport services are being targeted to improve response times and address backlogs.

Our partners, particularly across the public sector, are also critical to achieving our strategic ambitions and face their own challenges. The Integrated Care System is experiencing a significant financial pressure with the Integrated Care Board (ICB) forecasting a £148m deficit in its last monitoring report, despite additional support from NHS England. This is posing a risk to previously agreed arrangements and creating fragility within the partnership. We continue to liaise closely across the Lancashire and South Cumbria footprint with a view to navigating these challenges as a supportive partner to the ICB in the best interests of our residents.

Across the organisation, risks are being proactively managed with appropriate mitigating actions in place. We will continue to monitor and respond to external threats and foster positive relationships with partners to help manage a Lancashire wide response where appropriate, recognising the strength in unity. Strong governance and a good line of sight to inform effective strategic decision making and manage both



strategic and operational risk remains essential; the new governance arrangements including the new Constitution agreed at Full Council recently will assist with this.

Jacqui Old, Executive Director of Education and Children's Services

Our risks relating to children's social care reflect the challenge in securing good quality homes for a small but significant number of children and young people in our care with the most complex needs, for whom we have no choice but to place in unregistered homes. Robust care planning, risk assessments and decision making are helping to mitigate risks. Significantly higher levels of oversight are in place to ensure that we secure the best possible homes and outcomes for children and young people in our care. We continue to work closely with agency providers, and in developing in-house homes, to meet need.

The significant increases in requests for Education, Health and Care Needs Assessments results in continued risks relating to our ability to meet the needs of children and young people with Special Educational Needs and Disabilities in an appropriate and timely manner. Short term investment in additional capacity to help undertake assessments and reviews, together with the establishment of a SEND Helpline in autumn 2023, are providing some mitigation. Following significant investment agreed as part of the 2024/25 budget, further recruitment is underway to ensure that assessments and reviews are progressed, alongside the operation of the Helpline. Alongside this, we are continuing to refresh our Improvement Plan for Inclusion, together with partners, to strengthen the response across the children's system.

Work continues to actively address the challenges posed by the influx of students from other areas and resultant pressures on school places. Through collaboration with Asset Management and with Lancashire's schools, we are working to ensure that all districts have sufficient school places, allowing children to receive the education they deserve.

Louise Taylor, Executive Director of Adult Services

This quarter work has been focused around developing a clear operational plan for people who are waiting for assessment and review. The directorate has made good progress in securing additional resource to improve performance in completion of annual reviews through the application of additional government grant (Market Sustainability and Improvement Fund). This will be also followed by additional investments to reduce waits linked to Deprivation of Liberty Safeguards (DoLS) assessments whilst capacity within the social care teams will be focused on initial reviews, reassessments, and Community DoLS. Work is also underway to ensure risk is being RAG rated in all our waiting lists.

Preparation is underway linked to implementing the strength-based practice model from 1 July which includes ensuring all staff are trained as well as changes to IT system which reflect the model. Staff and managers will be supported by a new practice and managers handbook. Policies and procedures will also be made more easily accessible to staff and residents through the new policy and procedure portal on the internet. This approach sees a change to how the service will manage demand



with the establishment of the Wellbeing and Early support function which will create three front doors to triage community referrals for adult social care for north, east and central. By offering residents access to advice, guidance, and community-based support in the first instance we expect Lancashire will follow trends in other local authorities which has resulted in reducing the need for specialist social care solutions. Data is informing how the model will be implemented and how many staff we will need to respond to both new contacts into the council as well as existing people who are already open to social care. Applying this methodology will also assist in understanding productivity and responding to those waiting for assessments and reviews in the medium-term.

The departmental risk confidence in respect of the workforce (CORP2) has reduced from red to amber. The directorate has appointed a new Director of Quality and Practice / Principal Social Worker who is responsible for delivering the directorate's workforce strategy. Pressures remain linked to retention and turnover. Positive news overall as vacancy rates have reduced from 20% to 15%. We also know however that there are some service areas that have vacancy levels double this and specific action plans are being developed to ensure risks can be mitigated.

Mark Wynn, Executive Director of Resources

Financial sustainability remains one of our biggest risks and it is encouraging that our projected revenue underspend has continued to improve. However, a significant risk factor is in relation to savings delivery, as the budget is based on the delivery of both new and previously agreed savings. It is pleasing to report that mitigation plans have been implemented to reduce the financial impact both in-year and within the Medium-Term

Financial Strategy. The delivery of the capital programme is also on target.

To ensure the council continues to manage this medium-term risk a significant review of all council services is underway to identify best practice from across the country and opportunities to achieve better outcomes for less cost. The outcomes of this review will further support our drive for financial sustainability.

Good progress is being made on developing a clear role and identity for the Resources Directorate. This will enable us to better support the organisation and help mitigate both strategic and operational risks. The second year of Business and Service Planning has focused on the delivery of the council's priorities. As part of the planning process, we have integrated our approach to both risk management and workforce planning to help us ensure we get the right resources in place, at the right time.

In terms of change and improvement, our priority change portfolio has been agreed with the Executive Management Team. Further scoping of programmes and projects is underway to enable forecasting and allocation of resources and production of programme plans for key areas including SEND, Adults Services quality and practice elements and in-house residential review. Recommendations from the change programme health check are being implemented. Recruitment to the Change Service is in progress, with internal and external recruitment taking place and work to deliver against the service redesign financial targets is progressing, with the first redesign project commencing in April 2024.



On the digital front, we are refreshing our digital strategy and reducing risk from cyber-attacks by improving our security. Good progress continues with the delivery of our property strategy, aimed at delivering savings, providing suitable locations for service delivery, and managing our carbon impact. We are already moving forward with options that will help deliver, and possibly exceed the target for the next financial year.

Work on improving our governance arrangements continues at pace. The new Constitution was approved by Full Council in March and a new Scheme of Delegation for Officers is being implemented. Work is progressing on the Devolution Deal for Lancashire and Legal Services are providing support for the Building Schools for the Future programme and other major development projects to minimise the risk to the council.

Our People Strategy has been developed which gives a coherent and cohesive direction of travel for the business in terms of attraction, recruitment, retention, and development with associated metrics. It is anticipated that this will help mitigate some of our recruitment and retention challenges. We are supporting the Council to robustly manage sickness levels. This continues to be a key priority including more targeted work that differentiates clearly between approaches to short term and long-term absence management.

Phil Green, Executive Director of Growth, Environment, Transport and Health

The directorate remains focused on mitigating risks wherever possible, as set out within the risk registers. The rising costs of home to school transport continues to form part of the financial and demand risk to the Council and mitigation of this pressing issue continues to be worked on by various teams across the council as well as being addressed in the council's budget and Medium-Term Financial Strategy

An emerging risk relates to the procurement of the 0-19 health visiting and school nursing service and the transfer to a new provider from 1 April 2024. The transfer (of service, data and staff via TUPE) is subject to delays with legal and financial implications that have been escalated to ensure appropriate mitigation to reduce the risks to an appropriate level.

As the council faces financial pressures, macro-economic conditions continue to pose investment, development, and construction risks. However as reported in the Q3 performance report, whilst inflation is still high (particularly relating to construction costs), investor markets are now 'guardedly optimistic' with improved confidence. Risks to the delivery of major projects continue to be carefully monitored and mitigated. Increased funding opportunities for infrastructure projects, such as the recently announced Local Transport Funding, continue to emerge which can help mitigate financial gaps. The full potential of this in terms of addressing risks will be better understood when guidance is published.

Detailed assessment of priorities, managing external risk and the allocation of staff is crucial in maintaining delivery as well as a considered approach to securing new funding for projects. Increased funding, whilst welcome, increases the pressure on



already stretched staffing resources to delivery additional programmes of work, with recruitment for additional roles being highly competitive.

Progress continues to be made towards a Devolution Deal and Combined County Authority within Lancashire ('LCCA'). Following approval by the respective Full Councils, the post-consultation proposal has been formally submitted to the Secretary of State. Subject to approval of the next steps, in partnership with Blackpool and Blackburn with Darwen councils, management of the process in the next nine months is crucial, accepting some risks such as the calling of a General Election in 2024, before the LCCA has been put in place, are beyond the control of the three councils.

