

This report provides an update on the Corporate Risk and Opportunity Register at the end of Quarter 1 2024-25 (April – June) and a summary of identified actions for Quarter 2 2024-25 (July – September).

Lancashire County Council **Corporate Risk Management**

Corporate Risks - Quarterly RAG Assessment

| Corporate Risk | 23/24 Q2 | 23/24 Q3 | 23/24 Q4 | 24/25 Q1 | Change | Exp Direction | Statement |
|---|----------|----------|----------|----------|--------|---------------|--|
| CORP01 - Financial Sustainability | ● 16 | ● 16 | ● 16 | ● 16 | → | → | Financial sustainability a challenge & we continue to reduce our cost base |
| CORP03 - Promoting Independence and Reducing Demand | ● 16 | ● 12 | ● 12 | ● 12 | → | → | Resources in place to respond to increasing demand (ASC & ECS) |
| CORP06 - Cyber Security | | | | | | | |
| CORP02 - Workforce | ● 16 | ● 16 | ● 16 | ● 16 | → | ↘ | Resources in place to look at recruitment & a review of agency use (ASC) |
| CORP05 - School Places | ● 12 | ● 12 | ● 12 | ● 16 | ↑ | → | Agreements in place to respond to demand for school places in Sept. |
| CORP04 - Development of a Council Change Programme | ● 16 | ● 16 | ● 16 | ● 12 | ↓ | → | Work on the new Change Service continues. |
| CORP09 - Building Schools for the Future | | | | | | | |
| CORP07 - Oracle Fusion Post Implementation | | | | | | | |

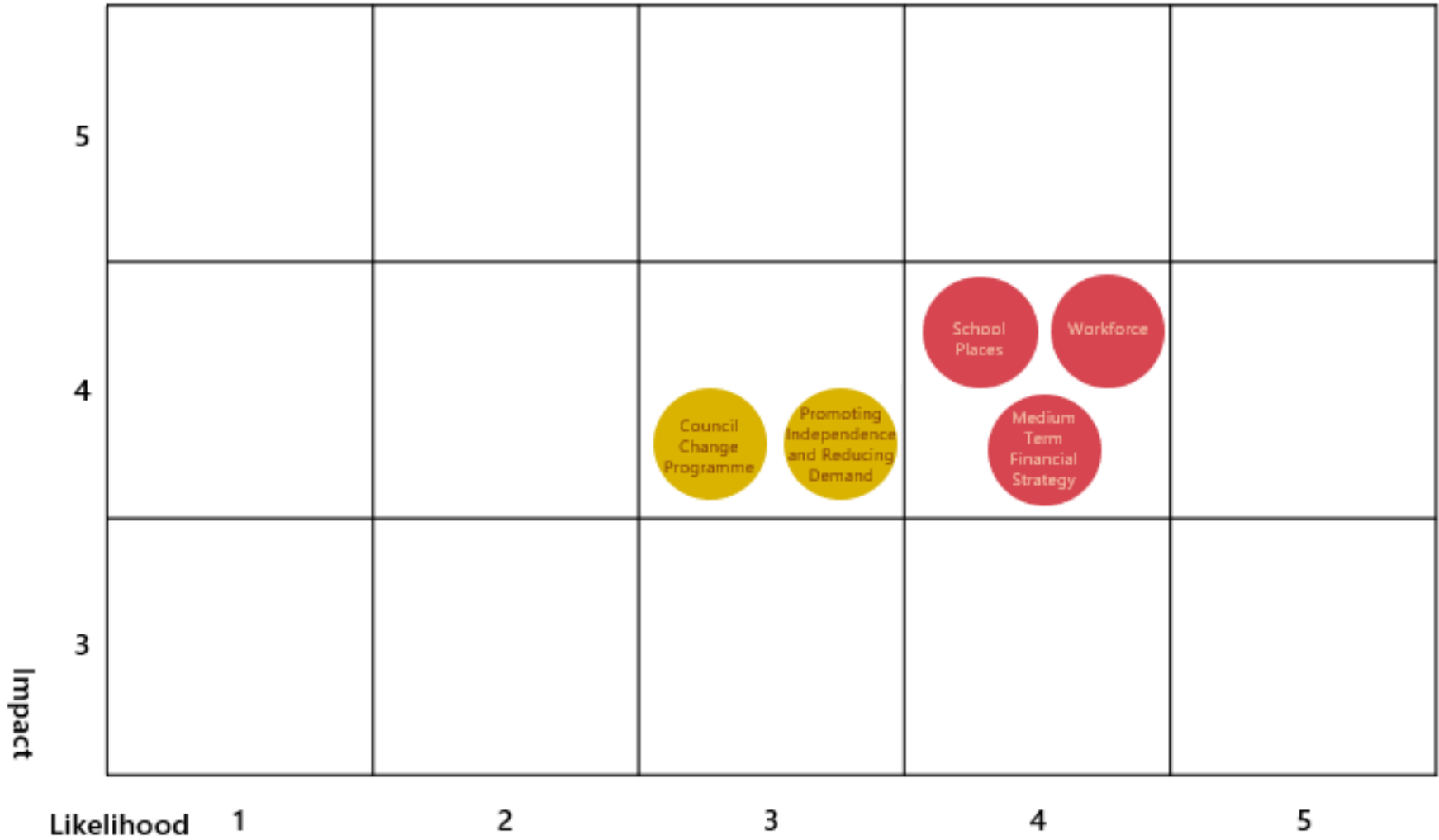
Key:

Red: risk score of 15 or above, **Amber:** risk score of between 9 and 12, **Green:** risk score of 8 or less.

The **change arrow** indicates how the risk score has changed since the last quarterly update.

The **expected direction of travel arrow** indicates whether the risk is expected to increase (upwards arrow), stay the same (horizontal arrow), or reduce (downwards arrow).

Current corporate risk heat map:



It is important that the council as a whole uses the same methodology to calculate risk to ensure it has an accurate overview of the risks/opportunities that are posed. The risks/opportunities on this register are scored using two criteria scales that are then multiplied together to produce a total score by which the risk is assessed as to its impact on the council. The two criteria used are the likelihood of an event occurring and the impact that event could have.

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|---------------|---------------------------------|-------------------|----------|----------|--------|---------|
| IMPACT | CATASTROPHIC / OUTSTANDING * | 5 | 10 | 15 | 20 | 25 |
| | MAJOR | 4 | 8 | 12 | 16 | 20 |
| | MODERATE | 3 | 6 | 9 | 12 | 15 |
| | MINOR | 2 | 4 | 6 | 8 | 10 |
| | INSIGNIFICANT | 1 | 2 | 3 | 4 | 5 |
| | | RARE | UNLIKELY | POSSIBLE | LIKELY | CERTAIN |
| | | LIKELIHOOD | | | | |

*Catastrophic in the case of risks, or outstanding in the case of opportunities.

Risks also have the potential to impact on the council's ability to deliver services and financial position. Each risk is therefore also given a separate service delivery and financial impact assessment.

Service Delivery Impact Assessment:

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|----------------|---|
| Extremely High | Lasting or permanent impact on service delivery across the council. |
| High | Temporary or partial impact on service delivery lasting up to two years across the council. |
| Moderate | Temporary or partial impact on service delivery lasting up to one year. |
| Low | Temporary or partial impact on service delivery lasting up to a few weeks. |
| Extremely Low | Negligible impact on service delivery. |

Financial Impact Assessment:

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| Band 8 | Loss over £20m |
| Band 7 | Loss between £10m and £20m |
| Band 6 | Loss between £5m and £10m |
| Band 5 | Loss between £3m and £5m |
| Band 4 | Loss between £1m and £3m |
| Band 3 | Loss between £100,000 and £1m |
| Band 2 | Loss between £50,000 and £100,000 |
| Band 1 | Loss under £50,000 |
| Band 0 | No financial loss |

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|---|--|----|---------------------------|-------|---|----|-----------------------|---------------------|---------|-----------|----|---|
| Risk Description | CORP 01: 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 | | | | | | | | | | | |
| Target Date | March 2025 | | | | | | | | | | | |
| Progress since Quarter 1 (Target date and status) | Update on the proposed 2025/26 budget development process was presented to EMT week commencing 11/3/24 and work progressed with district councils regarding improved local tax collection. | | | | | | | Director of Finance | | July 2024 | | ✓ |
| Actions for Quarter 2 (Target date and status) | A funding gap is forecast for the medium term, which is to be bridged by the identification of cost reductions and new savings proposals (if needed). | | | | | | | Director of Finance | | Oct 2024 | | |
| Target Score | Amber (12) | | Target Likelihood | | Possible 3 | | Target Impact | | Major 4 | | | |
| Current Score | Red (16) | | Current Likelihood | | Likely 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 | Q2 | |
| Service Delivery Impact Assessment | Moderate | | | | Comparison with Previous Quarter | | | | ↔ | | | |
| Financial Impact Assessment | Band 8 | | | | Expected Direction of Travel | | | | ↔ | | | |

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|-------------------------|--|--|--|--|--|--|--|--|--|--|--|
| Risk Description | CORP 03: 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 | | | | | | | | | | |
| Target Date | March 2025 | | | | | | | | | | |

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| Progress since Quarter 1 (Target date and status) | Adult Social Care Waiting Times: New, short-term services have been introduced in April 2024 to ensure more appropriate and timely support is in place for hospital discharge and people needing a short-term, community-based service. | Director of Adults Community Social Care | July 2024 | ✓ |
| | Adult Social Care Market: Controls in place such as a centralised care brokerage service and multi-agency Housing with Care and Support Steering Group. | Director of Strategic and Integrated Commissioning | July 2024 | ✓ |
| | Placements for Children with Complex Needs: An additional 15 homes and 2 crisis beds were agreed by Cabinet in April 2024. A recruitment strategy is now in place to equip the council's workforce with the skills and knowledge needed to meet the needs of these children. Market analysis supporting decision making. The average cost of new agency homes has stabilised in the last 9 months. | Director of Children's Social Care and Director of Policy, Commissioning and Children's Health | July 2024 | ✓ |
| | SEND: Additional SEN Units established. Strengthened Early Help offer through Family Hubs Networks and further Hubs, which were launched in March 2024. Additional Private Educational Psychologists recruited to support timeliness of assessments. SEND Transformation Programme and Board established. | Director of Education and Skills | July 2024 | ✓ |
| Actions for Quarter 2 (Target date and status) | Adult Social Care Waiting Times: Waiting lists and backlogs are being addressed through additional staffing resource. | Director of Adults Community Social Care | Sept 2024 | |
| | Adult Social Care Market: Joint Lancashire County Council and Lancashire Integrated Care Board strategies are being reviewed for dementia, falls and carers, and opportunities for joint funding being explored. Preparations are in place to manage changes in the care market relating to digital social care records. | Director of Strategic and Integrated Commissioning | Sept 2024 | |
| | Adult Social Care: Implement new practice model, Wellbeing and Early Support function, and refreshed case management system from 1 July. | Deputy Executive Director of Adult Services | July 2024 | ✓ |

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|---|---|----|---------------------------|------------|--|-----------------------|------------|----|-----------|----|----|
| | Placements for Children with Complex Needs: Market analysis extended beyond "high cost" homes. Continued programme to expand in-house residential homes. Continued focus on recruitment of in-house foster carers. | | | | Director of Children's Social Care and Director of Policy, Commissioning and Children's Health | | | | Sept 2024 | | |
| | SEND: Establishment of additional capacity to manage demand for assessments and reviews. Continued development of programme management arrangements and business cases to help address demand and capacity challenges. | | | | Director of Education and Skills | | | | Sept 2024 | | |
| 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 | Q2 |
| Service Delivery Impact Assessment | High | | | | Comparison with Previous Quarter | | | | ↔ | | |
| Financial Impact Assessment | Band 8 | | | | Expected Direction of Travel | | | | ↔ | | |

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|---|---|--|--|--|--------------------|-----------|---|
| Risk Description | CORP 02: Workforce Unable to attract and recruit candidates and retain staff leading to an inability to deliver services. | | | | | | |
| Risk Owner | Direction of People: Lucy Thompson | | | | | | |
| Target Date | March 2025 | | | | | | |
| Progress since Quarter 1 (Target date and status) | 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. | | | | Director of People | July 2024 | ✓ |
| | A new People Services operating model commenced in April 2024 with key priorities established including a talent acquisition function. | | | | | July 2024 | ✓ |
| | Leadership and management performance framework agreed and launched. | | | | | July 2024 | ✓ |

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| | There have been improvements in Adult Social Care's workforce data, with the overall vacancy rate dropping from 20% to 15% over the last 12 months, though there are still significant pressures in some services. All services are maintaining safe staffing levels through recruitment, retention efforts, and using agency staff as necessary. | | | | | July 2024 | ✓ | | | | |
| Actions for Quarter 2 (Target date and status) | Protocol agreed for SLT recruitment to improve recruitment outcomes, set against the new Leading Lancashire framework to ensure we are recruiting the high calibre future leaders. | | | | Director of People | Sept 2024 | | | | | |
| | Talent Acquisition resources in place and will now be focusing on recruitment to all vacant roles, using data insights to support achieve the best outcomes. | | | | | | | | | | |
| | Working with the Employment and Skills Partnership, extend the pathways to support recruitment success. This will explore early careers roles, frontline roles, apprenticeships/graduates, improved engagement with schools and colleges, and showcase what the council has to offer. | | | | | | | | | | |
| | Rigorous review of agency usage in Adult Services, reducing agency usage where possible and applying guiding principles in relation to any hiring or re-hiring of agency staff going forward. | | | | | | | | | | |
| 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 | Q2 |
| Service Delivery Impact Assessment | Low | | | | Comparison with Previous Quarter | | | ↔ | | | |
| Financial Impact Assessment | Band 0 | | | | Expected Direction of Travel | | | ↓ | | | |

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|---|---|----|---------------------------|-------|---|----|-----------------------|----------------------------------|------------|----|----|
| Risk Description | CORP 05: 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 | | | | | | | | | | |
| Target Date | March 2025 | | | | | | | | | | |
| Progress since Quarter 1 (Target date and status) | Developed approaches to better support new arrivals to county/country including support to address language barriers. | | | | | | | Director of Education and Skills | July 2024 | ✓ | |
| | 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. | | | | | | | | July 2024 | ✓ | |
| | Officers have attended open evenings for the most oversubscribed schools, and year 6 parent information sessions held in the areas with the most pressure for places. | | | | | | | | July 2024 | ✓ | |
| | 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. 11 secondary schools increased their intake of pupils to reflect the growth in demand. | | | | | | | | July 2024 | ✓ | |
| | Consultations have taken place in respect of primary and secondary schools in Preston. | | | | | | | | July 2024 | ✓ | |
| Actions for Quarter 2 (Target date and status) | For September 2024, there are agreements to place extra pupils in a number of secondary schools across Lancashire. The additional provision reflects the anticipated demand in 'hot spots' identified by School Place Planning. | | | | | | | Director of Education and Skills | Sept 2024 | | |
| Target Score | Amber (9) | | Target Likelihood | | Possible 3 | | Target Impact | | Moderate 3 | | |
| Current Score | Red (16) | | Current Likelihood | | Likely 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 | Q2 |
| Service Delivery Impact Assessment | Moderate | | | | Comparison with Previous Quarter | | | | ↑ | | |

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| Financial Impact Assessment | Band 5 | Expected Direction of Travel |  |
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| Risk Description | CORP 04: Development of a Council Change Programme The council needs a change programme that identifies and progresses on the key challenges it faces, ensuring it remains a forward-thinking, efficient and effective, leading council providing quality services to Lancashire's residents. | | | | | | | | | | |
| Risk Owner | Director of Strategy and Transformation | | | | | | | | | | |
| Target Date | March 2025 | | | | | | | | | | |
| Progress since Quarter 1 (Target date and status) | Revised change governance in place through the Change and Digital Board, meeting six-weekly. Priority Change portfolio agreed by Executive Management Team in Jan 2024 and under constant review. | | | | | | | Head of Change and Improvement | July 2024 | ✓ | |
| | Change Service restructure completed and Portfolio Managers now working alongside directorate leadership teams to understand and support priority projects in a structured way. | | | | | | | | July 2024 | ✓ | |
| Actions for Quarter 2 (Target date and status) | Refined clarity on scope and delivery programmes for the proposed schemes to be completed. A full three-year programme and resource allocation model to be developed. It is anticipated this risk will be removed from the register once a full programme with scope has been finalised. | | | | | | | Head of Change and Improvement | Sept 2024 | | |
| Target Score | Green (8) | | Target Likelihood | | Unlikely 2 | | Target Impact | | Major 4 | | |
| 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 | Q1 | Q2 | 23/24 | Q1 | Q2 | Q3 | Q4 | 24/25 | Q1 | Q2 |
| Service Delivery Impact Assessment | Moderate | | | | Comparison with Previous Quarter | | | | ↓ | | |
| Financial Impact Assessment | Band 8 | | | | Expected Direction of Travel | | | | ↓ | | |

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|---|--|----|---------------------------|-------|---|----|-----------------------|-------------------------------------|-----------|----|----|
| Opportunity Description | CORP OP 01: 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. | | | | | | | | | | |
| Opportunity Owner | Executive Director of Growth, Environment, Transport and Health: Phil Green | | | | | | | | | | |
| Target Date | Autumn 2025 | | | | | | | | | | |
| Progress since Quarter 1 (Target date and status) | Resources from all UTLAs agreed to support the next phase of work, ahead of more detailed designs for the Combined County Authority's governance, organisational design, and funding proposals. | | | | | | | Director of Growth and Regeneration | July 2024 | ✓ | |
| | Confirmation from Government that all statutory tests to form the proposed County Combined Authority have been met. | | | | | | | | July 2024 | ✓ | |
| | New Business Board for Lancashire established. | | | | | | | | July 2024 | ✓ | |
| Actions for Quarter 2 (Target date and status) | To continue work with the UTLAs, other regional stakeholders, and the Ministry for Housing, Communities and Local Government to progress devolution plans for the proposed County Combined Authority. | | | | | | | Director of Growth and Regeneration | Sept 2024 | | |
| Target Score | Green (16) | | Target Likelihood | | Likely 4 | | Target Impact | | Major 4 | | |
| Current Score | Amber (12) | | Current Likelihood | | Possible 3 | | Current Impact | | Major 4 | | |
| Opportunity Confidence Profile (Likelihood of achieving target score by target date) | 22/23 | Q3 | Q4 | 23/24 | Q1 | Q2 | Q3 | Q4 | 24/25 | Q1 | Q2 |
| Service Delivery Impact Assessment | Moderate (positive) | | | | Comparison with Previous Quarter | | | | ↔ | | |
| Financial Impact Assessment | Band 8 (positive) | | | | Expected Direction of Travel | | | | ↑ | | |

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|---|---|----|---------------------------|-------|---|----|---|----|-----------|----|----|
| Opportunity Description | CORP OP 02: Living Better Lives in Lancashire Adult Services is implementing a new operating model, Living Better Lives in Lancashire, from 1 July 2024; it is a strength-based model to support people to remain independent, reduce waiting times, increase community-based support, and work with partners including the NHS and the voluntary, community, faith and social enterprise (VCFSE) sector. | | | | | | | | | | |
| Opportunity Owner | Executive Director of Adult Services: Louise Taylor | | | | | | | | | | |
| Target Date | March 2025 | | | | | | | | | | |
| Progress since Quarter 1 (Target date and status) | The roll-out of Living better Lives in Lancashire on 1 July 2024. | | | | | | Deputy Executive Director of Adult Services | | July 2024 | ✓ | |
| | Care Act policies have been reviewed and published. | | | | | | | | July 2024 | ✓ | |
| Actions for Quarter 2 (Target date and status) | Communication and engagement to ensure all staff are informed of the changes and have opportunities to provide feedback. | | | | | | Deputy Executive Director of Adult Services | | Sept 2024 | | |
| | Staff to receive training and a new practice handbook. | | | | | | | | Sept 2024 | | |
| | Non-Care Act policies to be reviewed and published. | | | | | | | | Sept 2024 | | |
| Target Score | Green (16) | | Target Likelihood | | Likely 4 | | Target Impact | | Major 4 | | |
| Current Score | Amber (12) | | Current Likelihood | | Possible 3 | | Current Impact | | Major 4 | | |
| Opportunity Confidence Profile (Likelihood of achieving target score by target date) | 22/23 | Q3 | Q4 | 23/24 | Q1 | Q2 | Q3 | Q4 | 24/25 | Q1 | Q2 |
| Service Delivery Impact Assessment | High (positive) | | | | Comparison with Previous Quarter | | | | N/A | | |
| Financial Impact Assessment | Band 8 (positive) | | | | Expected Direction of Travel | | | | ↔ | | |