

REPORT TO:	Audit Committee
DATE:	26th June 2023
REPORT AUTHOR:	Stuart Sambrook (Policy Manager) Amirah Chati (Policy & Information Officer)
TITLE OF REPORT:	Risk Management Monitoring Report

1. **Purpose of Report**

To inform Audit Committee of:

- the outcome of the Strategic, Generic and Operational Risk Registers review;

2. **Recommendation**

That Audit Committee:

- Notes the content of the report.

3. **Background**

Report Background:

- The Councils mission statement in regards to Risk Management is as follows:
 - *The Council is committed to adopting best practices in the identification, evaluation, and cost-effective control of risks to ensure that they are eliminated or reduced to an acceptable level. It is acknowledged that some risks will always exist and will never be eliminated. All employees must understand the nature of risk and accept responsibility for risk associated with their area of work. In doing this they will receive the necessary support, assistance and commitment from Senior Management and Members.*
- The Council's risk management policy is a long-term commitment and is an inherent part of good management and governance practices.
- It states within the Council Financial Procedure rules that the Council is responsible for approving the Council's risk management strategy. The Audit Committee is responsible for the review and monitoring of the Council's risk management arrangements.
- The Council has adopted the following definition produced by the Institute of Risk Management, which states:-
 - *Risk Management is the identification, measurement, control and financing of risks which threaten the existence, the assets, the earnings of the personnel of an organisation, the services it provides, the achievement of its corporate priorities or which may cause undue harm to the public.*

The Risk Management Process:

- Risk management must not be the responsibility of just a few specialists. It must be a primary management responsibility for all managers and supervisors and must be a consideration for all employees.
- Risk assessments are about asking:-
 - What can go wrong
 - What is the likelihood of it going wrong
 - What is the impact should it go wrong
 - What can be done to eliminate the threat
 - What should be done to reduce the threat's likelihood or impact

- This 5-point approach can be applied to decisions made every working day, at all levels of the Council.
- The Council risk assessment scoring is based on the guidance of the Institute of Risk Management:
 - 3 being a high risk;
 - 2 being a medium risk;
 - 1 being a low risk.
 - The definitions of High, Medium and Low are also based on the guidance of the Institute of Risk Management and aid assessing Impact and Likelihood.

	High 3	Medium 2	Low 1
Assessing the Likelihood	Very likely to happen. Regular Occurrence. Loss-causing circumstances frequently encountered daily/weekly.	Likely to happen. Likely to happen at some point over the next two years. Loss-causing circumstances encountered few times a year.	Unlikely to happen. Has happened rarely/never before. Loss-causing circumstances rarely encountered.
Assessing Impact	May result in: Fatality Financial loss in excess of £2 million. Non-delivery of service for more than 3 weeks. Adverse international media coverage.	May result in: Serious disabling injury / ill health financial loss in excess of £500,000, significant disruption to provision of service eg. more than 1 week. Adverse national media coverage.	May result in: Minor injury / ill health, Minimal financial loss of less than £500,000. Minor disruption to provision of service for short time eg. less than 1 week. Adverse local media coverage.

Risk Matrix

Risks falling within the table as 6 and 9 are classified as HIGH risk.
 Risks falling within the table as 3 and 4 are classified as MEDIUM risk.
 Risks falling within the table as 1 and 2 are classified as LOW risk.

		IMPACT		
		HIGH	MEDIUM	LOW
LIKELIHOOD	HIGH	9	6	3
	MEDIUM	6	4	2
	LOW	3	2	1

Types of Risk:

- The Corporate Risk Register outlines the key strategic risks facing the Council and the controls currently in place to respond to these risks.

- The Councils Risk Register is summarised as follows:
 - 17 Generic risks - (1 high 4 medium and 12 low)
 - 66 Operational risks - (1 high 19 medium 46 low)
 - 19 Strategic risks - (3 high 5 medium and 11 low)

4. Reasons for Recommendations

To enable Audit Committee to:

- review the amendments to the Strategic, Generic and Operational Risk Registers since the submission of the last risk management report;

5. Changes to the Strategic Risk Register

There has been 6 major change made to the Strategic Risk Register as detailed below.
There have also been 2 minor changes, found in Appendix 1

Area	Change	Risk Rating With Controls
DELETED RISK		
Customer / Citizen	<u>Risk</u> Pandemic can cause harm to the health and wellbeing of the local Hyndburn community <u>Risk Owner</u> Chief Executive	Medium
Economic / Reputational	<u>Risk</u> Pandemic effect on Council's financial services, staffing arrangements and service delivery <u>Risk Owner</u> Chief Executive	Medium
Political / Leader	<u>Risk</u> Pandemic impact on local democracy, decision making process, accountable procedures, transparency and local elections <u>Risk Owner</u> Executive Director Legal and Democratic Services	Medium
Environmental	<u>Risk</u> Warranted environmental / asbestos problems in land / properties following the 2006 LSVT <u>Risk Owner</u> Executive Director Resources	Medium
NEW RISK		
Customer / Economic	<u>Risk</u> A future pandemic can impact council services and cause harm to the health and wellbeing of the Hyndburn community <u>Risk Owner</u> Chief Executive	Low
MOVED RISK		
Professional	<u>Risk</u> Failure to recruit and retain suitably qualified staff <u>Risk Owner</u> Head of OD & Policy	High

6. Changes to the Generic Risk Register

There have been no major change made to the Generic Risk Register but 3 minor changes as detailed in Appendix 2

7. Changes to the Operational Risk Register

There have been 2 major changes made to the Operational Risk Register (below) and a number of minor changes (14). The amended risks are shown in Appendix 3.

Area	Change	Risk Rating With Controls
DELETED RISK		
Financial	Cost implications of legal challenge of Selective Landlord Licensing Risk Owner Head of Regeneration and Housing	Low
MOVED RISK		
Professional	Risk Failure to recruit and retain suitably qualified staff Risk Owner Head of OD & Policy	High

8. Summary Risk Register

A summary list of all risks contained in the Generic, Operational and Strategic Risk Registers is given in Appendix 4.

9. High Risks

We have one Operational risk with a rating classed as “High” – *Theft or damage to vehicles and equipment (URN: 60)*.

One Generic risk classed as “High” - *Failure to conserve energy and reduce emissions thus resulting in excess costs to the Council and negative impact on the environment (URN:2016)*

Two Strategic risks classed as “High” - *Failure to deliver on Council’s Climate Declaration pledge and achieve Council operations Carbon Zero by 2030 (URN:2035); Failing to recruit and retain suitably qualified staff (URN: 2001)*

10. Alternative Options considered and Reasons for Rejection

Not applicable

11. Consultations

Consultation with the Council’s Management Teams and Heads of Service has taken place.

12. Implications

Financial implications (including any future financial commitments for the Council)	.
Legal and human rights implications	
Assessment of risk	n/a
Equality and diversity implications <i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	n/a

**13. Local Government (Access to Information) Act 1985:
List of Background Papers**

Strategic Risk Register
Generic Risk Register
Operational Risk Register

14. Freedom of Information

The report does not contain exempt information under the Local Government Act 1972, Schedule 12A and all information can be disclosed under the Freedom of Information Act 2000.

15. Exempt Report

The report **does not** contain exempt information under the Local Government Act 1972 Schedule 12A

Appendix 1 – Amendments to Strategic Risk Register

CHANGES TO STRATEGIC RISK REGISTER

KEY

New or amended text

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Risk Owner: Chief Executive

CUSTOMERS/CITIZENS RISK 2027

Pandemic can cause harm to the health and wellbeing of the local Hyndburn community

Associated Risk Officers: Management Team

Risk Rating

Likelihood	Impact	Priority
Likely to happen over next 1 to 2 years	Serious disabling injury/ill health; Financial Loss	Medium
	Between £500,000 and £2,000,000; Significant disruption	
	to provision of service exceeding 1 week and/or	
	Adverse national media coverage	

Controls – Measures Currently in Place to Manage Risk

- Full / active participation with the Lancashire Resilience Forum
- Critical incident team set up by the Council
- Supporting local businesses (Business Support Grants)
- Providing businesses with advice, support and enforcement around covid-safe guidelines
- Supporting local people through setting up Community Hub providing support / food need where needed
- Regular communications / campaigns to increase awareness of Covid-19 guidelines and other health support (e.g. flu vaccinations, mental health support)
- Establishment of a multi-agency Local Taskforce and Community Action Network
- The formation of a Local Track and Trace team
- Engaged Business Information Officers / Covid Marshalls across the Borough
- Events held in line with government guidance
- 80% of Hyndburn residents 12+ have received COVID-19 vaccination

Risk Owner: Chief Executive

ECONOMICAL/REPUTATIONAL RISK 2028

Pandemic effect on Council's financial services, staffing arrangements and service delivery

Associated Risk Officers: Management Team

Risk Rating

Likelihood	Impact	Priority
Likely to happen over next 1 to 2 years	Serious disabling injury/ill health; Financial Loss	Medium
	Between £500,000 and £2,000,000; Significant disruption	
	to provision of service exceeding 1 week and/or	
	Adverse national media coverage	

Controls – Measures Currently in Place to Manage Risk

- Critical Incident Team set up
- Participation with the Lancashire Resilience Forum
- Updated Business Continuity Plans & Risk Assessments
- Pandemic related review of critical services
- Regular staff communications and guidance
- Process to enable contact tracing of work colleagues where a positive case reported and follow-up infection control measures
- Changes to staff working arrangements including enabling homeworking where possible
- Monthly monitoring of additional Covid expenditure and reduction in income
- Creation of Covid safe workplaces and implementation of new working practices for Council Staff
- 80% of Hyndburn residents 12+ have received COVID-19 vaccination

Risk Owner: Executive Director Legal & Democratic Services

POLITICAL/LEGAL RISK

2029

Pandemic impact on local democracy, decision-making process, accountable procedures, transparency and local elections

Associated Risk Officers: All Service Managers

Risk Rating

Likelihood	Impact	Priority
Likely to happen over next 1 to 2 years	Serious disabling injury/ill health, financial loss between £500,000 and £2,000,000, significant disruption to service exceeding 1 week and/or adverse national media coverage	Medium

Controls – Measures Currently in Place to Manage Risk

- Updated regulation
- Business Continuity Plans & Risk Assessments
- Online meetings
- Regular briefings / members
- Review of conduct of elections

Risk Owner: Executive Director Resources

ENVIRONMENTAL RISK

1018

Warranted environmental / asbestos problems in land / properties following the 2006 LSVT

Associated Risk Officers: Head of Housing and Regeneration

Risk Rating

Likelihood	Impact	Priority
Rarely or never happened before	Fatality, financial loss in excess of £2,000,000, non-delivery of service exceeding 3 weeks and/or adverse international media coverage	Medium

Controls – Measures Currently in Place to Manage Risk

- Asbestos Survey
- Contaminated Land Survey
- Environmental Warranty until 24/07/2027
- Contribution to special reserve (£3 million)

Risk Owner: Chief Executive

CUSTOMERS/ECONOMIC RISK

2039

A future pandemic can impact council services and cause harm to the health & wellbeing of the Hyndburn community

Associated Risk Officers: Management Team

Risk Rating

Likelihood	Impact	Priority
Rarely or never happened before	Serious disabling injury/ill health; Financial Loss Between £500,000 and £2,000,000; Significant disruption to provision of service exceeding 1 week and/or Adverse national media coverage	Low

Controls - Measures Currently in Place to Manage Risk

- Full / active participation with the Lancashire Resilience Forum
- Business Continuity Plans & Risk Assessments
- Pandemic related review of critical services
- Establishment of a multi-agency Local Taskforce and Community Action Network
- Changes to staff working arrangements including enabling homeworking where possible

Risk Owner: Head of OD & Policy

PROFESSIONAL RISK

2001

Failing to recruit and retain suitably qualified staff

Associated Risk Officers: Management Team

Risk Rating

Likelihood

Likely to happen over the next 1 to 2 years

Impact

Fatality, financial loss in excess of £2,000,000, non-delivery of services exceeding 3 weeks and / or adverse international media coverage
adverse national media coverage

Priority

High

Controls - Measures Currently in Place to Manage Risk

- Equal pay review and job evaluation has taken place for all jobs and is maintained
- Recruitment and selection reviewed regularly and Service / Middle Managers trained
- Staff and wellbeing surveys
- People Strategy
- Alternative advertising and candidate search methods
- Performance and Development Reviews for all Staff and training budget allocated accordingly
- Range of Employee Benefits
- Use of apprentices and trainee posts including higher levels
- Consideration of increased responsibilities to justify a higher salary
- Option to have hybrid working extends range of applicants and supports retention
- Work underway to improve website recruitment information
- New Finance / HR system should improve application experience
- Use of agency staff to cover vacant roles – remote working option extends range of potential candidates

Risk Owner: Chief Executive

FINANCIAL AND REPUTATION RISK

2036

The acquisition of key town centre buildings and delivery of a £22 million regeneration project within Accrington Town Centre

Associated Risk Officers: Management Team

Risk Rating

Likelihood

Regularly occurs daily or weekly

Impact

Fatality, financial loss in excess of £2,000,000
non-delivery of service exceeding 3 weeks and/or
adverse international media coverage

Priority

Medium

Controls - Measures Currently in Place to Manage Risk

- Appointment of experienced bid writing consultant to submit the Council's LUF bid for £20 Million.
- Appointment of experienced consultants such as Architects (AeW), Electrical, Heating & Ventilation (SI Sealy), Property Acquisition advice and costing (CBRE and Womble Bond Dickson) Project Cost Managers (MAC).
- Creation of a wide and diverse group of TC stakeholders plus formation of a Stakeholder Board with independent Chair
- Production of a 10 year TCIP approved by Council/Cabinet
- Regular Member Briefings
- Council and Cabinet support for LUF projects
- Allocation of £2 Million to act as match funding and the creation of a £2 Million Contingency Fund through annual budget setting process
- Use of established OJEU complaint framework/s for the appointment of contractors and professional services
- Appointment of Project Manager to act as Client for the Council
- Dedicated Senior Council Officer to oversee delivery
- Regular finance, project management meetings and Member updates
- Secured experienced partner/operator to manage project interventions
- Compulsory Purchase approved by Cabinet

Risk Owner: Head of Accountancy Services

FINANCIAL RISK

1025

Loss of considerable amount of cash due to deposits within banking sector that are subject to major turbulence.

Associated Risk Officers:

Risk Rating

Likelihood

Rarely or never happened before

Impact

Fatality, financial loss in excess of £2,000,000, non-delivery of service exceeding 3 weeks and/or adverse international media coverage

Priority

Medium

Controls - Measures Currently in Place to Manage Risk

- ~~Increased threshold of approval level for a Bank to be considered for Deposit.~~
- The amounts available are spread amongst different banks
- ~~Moved deposits to banks with strong government guarantees~~
- Monitoring daily news and Treasury Management Flashes
- Executive Director (Resources) involved in making the final decision on investments
- Treasury Management Policy approved by Council **annually and includes review of counterparty listing and limits**
- Matrix of assessments of credit worthiness independently complied by outside City Consultants to determine suitable banks. Conservative approach to deposits with only banks at high end of the matrix
- Use of Link T.M. Services to advise the Council and early identification of concern.

Appendix 2 – Amendments to Operational Risk Register

CHANGES TO GENERIC RISK REGISTER

KEY

New or amended text

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PHYSICAL RISK

2008

Failure to ensure health and safety of employees and members of the public and comply with Health & Safety Legislation both in, around and outside the workplace.

Associated Risk Officers: Management Team

Risk Rating

Likelihood

Rarely or never happened before

Impact

Fatality, financial loss in excess of £2,000,000, non-delivery of service exceeding 3 weeks and/or adverse international media coverage

Priority

Medium

Controls - Measures Currently in Place to Manage Risk

- Health & safety is part of employee induction
- Health & Safety Policy & Procedures
- Regular Training - eg several managers have achieved IOSH
- Implement rolling Corporate H&S plan
- Annual Programme Health & Safety refreshers
- The Executive Director (Environment) manages Health & Safety in accordance with Corporate Health & Safety Policies through the Safety Committee.
- Corporate Health and Safety Officer
- Six monthly reports to CMT
- Union Safety Officer and Safety Representatives
- Comprehensive Risk Assessments
- Pre use safety inspection system for all operations, equipment and vehicles
- Safe Systems of Work procedures issued for Waste Services, Parks and Cemetery, Vehicle Maintenance and other staff undertaking high risk manual operations
- Conflict Resolution training for front line staff dealing with members of the public
- Safety Improvement Group (SIG) Established, with operational safety improvement subgroup group looking at high risk service areas
- Events Safety Group
- Comprehensive Accident / Incident reporting system looking at Root Cause Analysis and trend analysis
- Workplace Wellbeing Charter, awarded excellent status
- Protocols for working alone
- Programme of Risk Assessment Reviews appropriate to Service
- Site specific risk assessments give consideration to both employees and others who may be affected by the Council's operations
- Provision of suitable support, counselling and training
- Corporate Health and Safety Committee
- Business Continuity Plans
- Routine safety inspections for playgrounds, trees, headstones etc.
- **Regular Fleet Meetings**
- Driver safety policy and handbook
 - Regular Driver Competent Assessment Programme
 - **Annual 3 monthly Driving** Licence Checks
 - Vehicle Safety Checks
 - Reverse Assistant Training
 - **Eye tests**

- External qualified consultants have undertaken fire risk assessments to the Council's 7 main (staffed) buildings
- Drug and Alcohol policy with random testing for safety critical roles.
- Provision of trained First Aiders.
- Clear responsibilities for Building Managers.

PHYSICAL RISK

2013

Failure to deliver critical services due unavailability of a key building or facilities, lack of utilities, ICT failure or high levels of staff absenteeism resulting from infectious disease, flu pandemic or other serious incident

Associated Risk Officers: Who?

Risk Rating

Likelihood

Rarely or never happened before

Impact

Serious disabling injury/ill health, financial loss between £500,000 and £2,000,000, significant disruption to service exceeding 1 week and/or adverse national media coverage

Priority

Low

Controls - Measures Currently in Place to Manage Risk

- Service Continuity Plans and Policy produced and approved and available on Hynternet
- Review of continuity plan undertaken
- Civil Contingencies Group established.
- Plan and Policy prepared together with response plans for critical services.
- Progress reported quarterly to CMT.
- Fire alarms / equipment installed and regularly tested / maintained.
- Trained Fire Marshalls
- Regular alarm tests and evacuation procedures.
- Comprehensive/regular maintenance and calibration regimes on all test equipment by external specialist
- A fully operational back-up test lane in the event of the main test lane being inoperative
- Trained competent staff with MOT tester qualifications including mandatory annual training/assessment exam
- On-site Management & Supervision of operational staff
- Regular visits/compliance checks by VOSA Officers
- Transport Manager and Executive Director (Environment) both hold MOT Test Station Manager qualification
- **Transport Manager and Head of Environmental Services both hold Transport Manager CPC qualification**

Risk Owner: Head of Policy and Organisational Development

FINANCIAL RISK

2025

Risk of failure to comply with our duty under the Finance Act 2017 to ensure any contractors we take on are complying with "IR35" legislation (off-payroll working arrangements)

Associated Risk Officers: Payroll and Pensions Manager **and all Service Managers**

Risk Rating

Likelihood

Likely to happen over the next 1 to 2 years

Impact

Minor injury/ill health, financial loss up to £500,000, less than 1 week service disruption and / or adverse local media coverage

Priority

Low

Controls - Measures Currently in Place to Manage Risk

- Recruitment and Selection Policy advises managers to contact HR before taking on workers under these circumstances. HR will escalate any unresolved concerns to Management Team.
- Managers are told that they must complete the HR Revenue & Customs 'Employment Status Indicator' to check the employment status of the worker before the contract starts as the status will need to be included in the contract
- We have a document giving Guidance on the Use of Self-Employed Workers

Appendix 3 – Amendments to Operational Risk Register

CHANGES TO OPERATIONAL RISK REGISTER

KEY

New or amended text

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Risk Owner: Head of Environmental Services

ENVIRONMENTAL RISK

74

Failure to manage cremator operations in accordance with authorisation leading to excessive emissions

Associated Risk Officers: Cemetery and Crematorium Supervisor

Risk Rating

Likelihood

Rarely or never happened before

Impact

Minor injury/ill health, financial loss up to £500,000, less than 1 week service disruption and/or adverse local media coverage

Priority

Low

Controls - Measures Currently in Place to Manage

- Trained Technician
- Regular maintenance by cremator manufacturer including regular servicing and rapid call out for repairs
- Annual Emission monitoring to IPPC undertaken as part of maintenance contract to ensure cremators are operating to permitted standards
- ~~Covid-19 Risk Assessment and agreed operational working plans in place, allowing staff to continue working safely~~
- ~~Cremator manufacturers consulted about increased use during the pandemic~~
- ~~Covid19 support from Lancashire Resilience Forum to restrict numbers of people attending funerals in line with government guidance~~
- New member of staff completed streamlined training package to safely use cremators
- All cemetery operational staff trained to safely use cremators as backup to crematorium technician

PHYSICAL RISK

125

Risk of injury to the public due to the headstones and other memorials in the Borough's cemeteries being in an unsafe condition

Associated Risk Officers: Cemetery Supervisor, Cemetery & Crematorium Officer

Risk Rating

Likelihood

Likely to happen over next 1 to 2 years

Impact

Serious disabling injury/ill health;
Financial Loss

Priority

Medium

Controls - Measures Currently in Place to Manage

- The headstones and memorials in each cemetery are inspected using a nil defects system. The inspection process is undertaken on a plot by plot basis, with the headstones in a particular plot being inspected and those which do not pass the safety test being recorded.
- All memorials which have been found defective are repaired – larger memorials by a monumental mason, smaller memorials are repaired by cemetery staff.
- The cemetery regulations set the size of all new memorials (including headstones) which ensures they are of the correct dimensions
- All new headstones require permission from the cemetery service before installation to ensure they comply to the cemetery regulations
- All new headstones are inspected by cemetery staff after installation and any defects brought to the attention of the memorial mason so they can be rectified or fixed
- Cemetery staff have been on training courses in relation to this activity
- ~~Covid-19 Risk Assessment and agreed operational working plans in place, allowing staff to continue working safely~~

PHYSICAL RISK

Risk of injury to the public, especially children and young people, due to the council's play areas and young people's facilities being in an unsafe condition.

Associated Risk Officers: Senior Parks Development Officer

Risk Rating**Likelihood**

Likely to happen over next 1 to 2 years

Impact

Minor injury/ill health, financial loss up to £500,000, less than 1 week service disruption and/or adverse local media coverage

Priority

Low

Controls - Measures Currently in Place to Manage

- Maintain existing inspection regime and repair/take out of use any damaged/dangerous equipment ASAP
- Maintenance programme
- Weekly inspection regime with prompt reaction to any reports of faulty or broken play equipment.
- Trained staff
- Capital investment in modern play equipment meeting European standards
- Prompt reaction to any reports of faulty or broken play equipment.
- Monitoring to ensure equipment meets H&S requirements
- ~~Covid-19 Risk Assessment and agreed operational working plans in place, allowing staff to continue working safely~~

PHYSICAL RISK

61

Risk of injury to the public due to the council's tree stock being unsafe, diseased or dying.

Associated Risk Officers: Arboriculture and Conservation Officer

Risk Rating**Likelihood**

Rarely or never happened before

Impact

Fatality, financial loss in excess of £2,000,000, non-delivery of service exceeding 3 weeks and/or adverse international media coverage

Priority

Medium

Controls - Measures Currently in Place to Manage

- Continue existing arrangements
- Annual Maintenance programme undertaken each winter by parks staff trained in arboriculture
- Annual Surveys undertaken of the Council's tree stock
- Ad hoc and reactive inspections undertaken when an issue is identified on specific a tree or trees
- Designated officer with specific remit for tree inspections. Necessary work is identified and action taken on a priority basis subject to available resources. Cemeteries have a tree survey and maintenance programme in place.
- Contacts for 'out of hours' tree work in place
- Budget set aside for emergency tree work if parks staff are not available due to undertaking other grounds maintenance work during busy periods
- ~~Covid-19 Risk Assessment and agreed operational working plans in place, allowing staff to continue working safely to undertake tree inspections and general arboriculture work~~

Risk Owner: Executive Director (Environment)

CONTRACTUAL RISK

67

Failure to meet contractual obligations under vehicle service level and contract hire agreements

Associated Risk Officers: Transport Manager

Risk Rating

Likelihood	Impact	Priority
Rarely or never happened before	Minor injury/ill health, financial loss up to £500,000, less than 1 week service disruption and/or adverse local media coverage	Low

Controls - Measures Currently in Place to Manage

- Monthly invoicing
- Regular servicing and MOT of vehicles
- Annual vehicle servicing schedule planned for a full 12 months
- Vehicle management software
- Close liaison and review meetings with Heads of Services, Contractors and vehicle suppliers
- ~~Covid 19 Risk Assessment and agreed operational working plans in place, allowing staff to continue working safely~~

ENVIRONMENTAL RISK

77

Pollution of canal or local environment resulting in suspension of waste transfer at CVMU/Willows Lane

Associated Risk Officers: Transport Manager, Waste Services Officers and Vehicle Coordinator

Risk Rating

Likelihood	Impact	Priority
Rarely or never happened before	Minor injury/ill health, financial loss up to £500,000, less than 1 week service disruption and/or adverse local media coverage	Low

Controls - Measures Currently in Place to Manage

- Regular inspections, maintenance/repairs around waste transfer bays/depot infrastructure to prevent pollution
- Continue existing arrangements
- EA inspections and site licence compliance checks
- Trained competent staff
- Comprehensive maintenance regimes
- On-site Management & Supervision of operational staff
- Low risk materials on site
- Arrangement with CJ Jetz to empty drainage gullies
- Executive Director (Environment) holds a certificate of technical competence to operate the waste transfer facilities as required by the site licence issued by the Environment Agency. Head of Environmental Services and Waste Services Manager are working towards certificate of technical competence to operate waste transfer facilities for business continuity purposes. ~~Second member of staff, within Waste Services, undertaking training.~~

ENVIRONMENTAL RISK

78

Pollution or adverse effect on public health due to failure of refuse collection service

Associated Risk Officers: Waste Services Manager

Risk Rating

Likelihood	Impact	Priority
Rarely or never happened before	Minor injury/ill health, financial loss up to £500,000, less than 1 week service disruption and/or adverse local media coverage	Low

Controls - Measures Currently in Place to Manage

- Use of proven collection methods and systems in place
- Trained Operatives and Supervisors hold LGV licences
- Daily Management & Supervision of staff
- Contingency plans for service continuity of critical services in place, which include other disposal sites and contact details for agency providers and hired vehicles providers
- Operatives can multi-task
- Additional operational staff available from the wider Environmental Services team
- Collection vehicles on a 4 year replacement Contract Hire agreement

- ~~Covid-19 Risk Assessment and agreed operational working plans in place, allowing staff to continue working safely~~
- ~~Covid-19 Member support to suspend non-essential services such as Bulky Collections to ensure the priority waste collections will continue.~~
- ~~Covid-19 LGV driver refresher training given to other drivers within the wider Environmental Services / CVMU team~~
- ~~Covid-19 Additional agency staff engaged to cover increased loss of staff due to positive test result / self-isolation requirements~~

ENVIRONMENTAL RISK

76

Unacceptable vehicle emissions

Associated Risk Officers: Transport Manager

Risk Rating

Likelihood

Rarely or never happened before

Impact

Minor injury/ill health, financial loss up to £500,000, less than 1 week service disruption and/or adverse local media coverage

Priority

Low

Controls - Measures Currently in Place to Manage

- Comprehensive maintenance regimes
- Mayoral car to be a Plug-in Electric / Petrol Hybrid low emissions vehicle.
- As of 2014 waste collection vehicles will include Euro 6 engines, and as of 2020, electric bin lifters
- Higher staff rates for cars purchased through the Council's lease / loan scheme for vehicles with higher CO2 levels
- Lower mileage payments to staff for vehicles with higher CO2 levels
- Regular Vehicle and Plant Replacement Programme normally range from 3 to 7 years
- From April 2023 Council has changed fuel for its vehicle fleet from diesel to Hydro-treated Vegetable Oil (HVO). Using HVO gives a 90% net reduction in CO2 emissions from the fleet.
- Long term the Council is looking to electrify its vehicle fleet and is assessing market conditions in relation to the best time to make this change.

LEGAL RISK

53

Suspension of the Council's vehicle operator's licence

Associated Risk Officers: Transport Manager, Vehicle Co-ordinator

Risk Rating

Likelihood

Rarely or never happened before

Impact

Serious disabling injury/ill health, financial loss between £500,000 and £2,000,000, significant disruption to service exceeding 1 week and/or adverse national media coverage

Priority

Low

Controls - Measures Currently in Place to Manage

- Trained competent maintenance staff
- Transport Manager and Head of Environmental Services both trained to hold National Operator Licence
- Transport Manager and Head of Environmental Services attend regular attend regular Transport Manager CPC refresher courses
- Comprehensive vehicle maintenance and inspection regime (in line with FTA guidance) and records in place
- 'FleetMaster' fleet management software installed and updated in order to improve quality and security of records
- Driver policy and handbook
- Fleet driver assessment in place for new starters and all staff updated on a three yearly basis
- Transport Manager maintains knowledge and keep abreast of legislative change through membership of national transport organisation and attends North West Transport managers meetings
- All driver documentation checked each year (once – grey fleet / four times fleet driven) to ensure all drivers documentation is up to date, meets current legislation and O license requirements
- Fleet Management meetings are in place to identify any O license compliance issues and implement necessary changes in working practice
- Revised recording of driver hours to comply with FTA guidelines

- Each vehicle has been assessed and license required to operate that vehicle identified
- The specifications of all new vehicles brought onto the fleet will be checked to ensure O license conditions are adhered to

TECHNOLOGICAL RISK

72

Breakdown of equipment or vehicles

Associated Risk Officers: Transport Manager, Foreman Mechanic

Risk Rating

Likelihood	Impact	Priority
Likely to happen over next 1 to 2 years	Minor injury/ill health, financial loss up to £500,000, less than 1 week service disruption and/or adverse local media coverage	Low

Controls - Measures Currently in Place to Manage

- Robust Vehicle Replacement Programme in place
- Hire in vehicle if repair cannot be promptly undertaken.
- Regular maintenance regimes. Service vehicles in accordance with schedules to reduce vehicle downtime.
- Trained maintenance staff
- Working foreman to prioritise vehicle repairs in order to reduce impact on service users.
- Drivers daily pre-use check, greasing and cleaning procedures in place
- Reduced in-life operating period of waste collection vehicles 4 years.
- Vehicle chassis / under body wash equipment installed
- 4 years vehicle warranty taken out
- Comprehensive/regular maintenance and calibration regimes on all test equipment by external specialist
- A fully operational back-up test lane in the event of the main test lane being inoperative
- Trained competent staff with MOT tester qualifications including mandatory annual training/assessment exam
- On-site Management & Supervision of operational staff
- Regular visits/compliance checks by VOSA Officers
- Transport Manager and Executive Director (Environment) both hold MOT Test Station Manager qualification
- **Transport Manager and Head of Environmental Services both hold Transport Manager CPC qualification**

LEGAL RISK

129

Drivers not holding a valid driver's licence / the appropriate licence category / vocational licence (Driver CPC) and not carrying Driver CPC card with them when driving.

Associated Risk Officers: Transport Manager, Vehicle Co-ordinator, Supervisors, Drivers

Risk Rating

Likelihood	Impact	Priority
Rarely or never happened before	Minor injury/ill health, financial loss up to £500,000, less than 1 week service disruption and/or adverse local media coverage	Low

Controls - Measures Currently in Place to Manage

- Physical list of each driver's driving licence expiry date, Driver CPC licence expiry date **and Tachograph Driver Card expiry date** on wall in Supervisors and Vehicle Co-ordinators offices.
- All vehicles have sticker on driver door confirming which licence category and if a Driver CPC is required to drive that vehicle.
- Reminder letter sent to driver 3 months prior to their driving licence expiry date, highlighting the driver needs to renew.
- Email to supervisor(s) and section head 2 weeks prior to licence expiring warning member of staff cannot driver Council vehicle if no replacement is forthcoming by expiry date.
- Supervisors and external training partner maintain records of all Driver CPC training and organise ongoing training.
- Fleet driver licence checks every 3 months.
- Grey fleet driver documentation checks every 12 months.
- Regular gate checks and random spot checks to confirm drivers are carrying Driver CPC card.

Risk Owner: Head of Accountancy Services

FINANCIAL RISK

7

Inadequate Treasury Management Arrangements

Associated Risk Officers:

Risk Rating

Likelihood

Rarely or never happened before

Impact

Fatality, financial loss in excess of £2,000,000, non-delivery of service exceeding 3 weeks and/or adverse international media coverage

Priority

Medium

Controls - Measures Currently in Place to Manage

- Prudential Indicators
- CIPFA Treasury Management code of practice
- Engage services of ~~Capita Asset Services-Link~~ consultancy. Agreement subject to periodic review.
- Segregation of Duties
- The annual Treasury Management Strategy is approved by full Council, via a report initially to the Cabinet, prior to the start of the financial year and a half yearly update/monitoring report is made to Cabinet.

FINANCIAL RISK

6

Failure to complete statutory returns e.g. VAT

Associated Risk Officers:

Risk Rating

Likelihood

Rarely or never happened before

Impact

Minor injury/ill health, financial loss up to £500,000, less than 1 week service disruption and/or adverse local media coverage

Priority

Low

Controls - Measures Currently in Place to Manage

- Professional & Experienced Staff
- Professional advice from ~~Lancashire County Council and Chartered Institute of Public Finance's technical PS Tax.~~
- Group member of ~~District VAT PS Tax~~ Forum

Risk Owner: Head of Environmental Health

LEGAL RISK

2032

Failure to complete food programme in ~~2022/23 2021/22 due to Covid-19~~

Associated Risk Officers: Food Safety Manager

Risk Rating

Likelihood

Likely to happen over next 1 to 2 years

Impact

Minor injury/ill health, financial loss up to £500,000, less than 1 week service disruption and/or adverse local media coverage

Priority

Low

Controls - Measures Currently in Place to Manage

- There is a food service plan in place for 2023/24 and appropriate resource to meet the demands
- ~~• There is a backlog of inspections from 20/21 due to the pandemic and the closure of some business sectors for periods of time~~
- ~~• Staff resource is being utilised to manage the pandemic response~~
- ~~• Infection rates are fluctuating and this requires staff to be pulled back from visits both from a safety perspective but also to ensure the Covid response is effective.~~
- Risk based approach to inspections is undertaken in line with FSA guidelines
- ~~• Funding is available to employ further resource to assist with the backlog at the appropriate time in the future~~

Risk Owner: Head of Regeneration and Housing

FINANCIAL RISK

121

Cost implications of legal challenge of Selective Landlord Licensing

Associated Risk Officers: Environmental Protection Manager

Risk Rating

Likelihood

Likely to happen over next 1 to 2 years

Impact

Minor injury/ill health, financial loss up to £500,000, less than 1 week service disruption and/or adverse local media coverage

Priority

Low

Controls – Measures Currently in Place to Manage

- Compliance with legislation and guidance
- Appropriate budget provision
- Dedicated project manager and staff team
- Procure specialist consultancy advice

Appendix 4 – Summary Risk Registers

Generic

ID	Risk	Ratings with controls
1	Failure to conserve energy and reduce emissions thus resulting in excess costs to the Council and a negative impact on the environment (URN: 2016)	High
2	There is a risk that personal, sensitive, or bulk information is released into the public domain resulting in a likely GDPR fine, and a possible financial loss to the citizen. Causes include unauthorised penetration of ICT systems (external hacking); internal misuse of information (internal hacking); careless disposal of waste; loss of equipment/theft of equipment; data quality; process adherence; e-mail sent to incorrect recipient. (URN:2024)	Medium
3	Failure to insure Council buildings for rebuild value in the event of fire or other incident (URN: 2006)	Medium
4	Failure to comply with CDM Regulations (URN: 2021)	Medium
5	Failure to ensure health and safety of employees and members of the public and comply with Health & Safety Legislation both in, around and outside the workplace. (URN: 2008)	Medium
6	Unexpected system failures impacting onto the delivery of services (URN: 2014)	Low
7	Failure to manage projects effectively and ensure contracts are VFM (URN: 2004)	Low
8	Risk of litigation arising from poor advice or work carried out by Officers or non-compliance with legislation (URN: 2007)	Low
9	Financial loss arising from historic claims for industrial injury (URN: 2020)	Low
10	Failure to ensure that personal data is kept securely in accordance with Data Protection Act and Freedom of Information Act 2000 (URN: 2017)	Low
11	Risk of failure to comply with our duty under the Finance Act 2017 to ensure any contractors we take on are complying with “IR35” legislation (off-payroll working arrangements) (URN: 2025)	Low
12	Failure to deliver critical services due unavailability of a key building or facilities, lack of utilities, ICT failure or high levels of staff absenteeism resulting from infectious disease, flu pandemic or other serious incident (URN: 2013)	Low
13	Risk of poor procurement practice resulting in breach of procurement regulations, standing orders or inefficient use of resources. (URN: 45)	Low
14	Failure to monitor and ensure spending is within budgetary limitations (URN: 2003)	Low
15	Failure to adequately protect against IT abuse (e.g. virus infection, hacking, sabotage, accessing unsuitable material, unlicensed software, misuse of personal data, breach of law, theft, fraud) (URN: 2015)	Low
16	Council staff at risk of attack of lone working outside core hours and / or attending out of hours call outs (URN: 2022)	Low
17	There is a risk that ICT hardware, e.g. laptops, smart phone or tablet, could be lost or stolen, exposing confidential information. (URN: 2023)	Low

Operational

ID	Risk	Ratings with controls
18	Theft or damage to vehicles and equipment (URN: 60)	High
19	Failure to meet statutory timescales for delivery of planning decisions (URN:2038)	Medium
20	Non-availability on-site of ICT Officers due to illness and/or self-isolation during pandemic (URN: 2031)	Medium
21	Project Phoenix 1D – Site Preparation Works Grant Homes England default funding event resulting in grant clawback for not achieving completion milestones and State aid compliance (URN: 2033)	Medium
22	Failure to complete food programme in 2020/21 due to Covid-19 (URN:2032)	Medium

23	There is a risk that ICT systems and the network could fail due to insufficient infrastructure capacity or accidental damage, resulting in the degradation or loss of ICT Services on one or more sites. Causes include insufficient bandwidth on network links to handle data and / or voice traffic; insufficient storage space to save data on servers; equipment incapable of carrying out its required function effectively; services being affected due to insufficient licences; accidental damage by 3rd parties (URN: 132)	Medium
24	Forward funding of projects. Risk of not drawing down Action Plan allocations due to lack of forward funding (URN: 97)	Medium
25	Errors in Creditor Payment processes resulting in e.g. duplicate payments, non-payment, overpayment, reduction in credit limits with firms (URN: 2)	Medium
26	Liability for injury to health caused by asbestos in council owned buildings. (URN: 15)	Medium
27	Loss of local land charges records e.g. fire (URN: 28)	Medium
28	Failure/breakdown of CCTV system (URN: 102)	Medium
29	Inadequate Treasury Management Arrangements (URN: 7)	Medium
30	Risk of injury to the public due to the headstones and other memorials in the Borough's cemeteries being in an unsafe condition (URN: 125)	Medium
31	Theft of works of art. (URN: 50)	Medium
32	Risk of injury to the public due to the council's tree stock being unsafe, diseased or dying. (URN: 61)	Medium
33	Risk of flooding from watercourses as a result of lack of maintenance (URN: 58)	Medium
34	Risks due to inadequate maintenance of car parks, bus shelters, HBC highways and lighting including Christmas Lights (URN: 59)	Medium
35	Market Hall loss of income due to low take up of market hall stalls (URN: 122)	Medium
36	Accidental or malicious deletion of data from the HBC network (including e-mail) (URN: 2026)	Medium
37	Failure to produce final accounts on time to appropriate legal & professional standards e.g. current Accounts & Audit Regulations, IFRS (International Financial Reporting Standards) (URN: 23)	Medium
38	Access and availability to HBC data stored in the Cloud, should contractual obligations change or not be renewed. (URN: 2030)	Low
39	Failure to comply with external funding regimes and programmes, notional loss and/or recovery of significant regeneration funding depending on specific arrangements. (URN: 81)	Low
40	Empty dwellings at risk of vandalism / fire damage presenting a danger to third parties (URN: 120)	Low
41	Failure to manage and control expenditure within private sector housing capital programme (URN: 82)	Low
42	Failure to protect customer's personal banking information when making payments over the internet (URN: 41)	Low
43	Failure to maintain the Council's non-housing assets due to lack of funding. (URN: 37)	Low
44	Adequately controlling temperatures of the Council's operational buildings to provide suitable working conditions for staff and prevent disruption to services (URN: 114)	Low
45	Non-delivery of statutory requirements in connection with the Equality Act and age discrimination in respect of building compliance (URN: 26)	Low
46	ICT systems failure affecting service provision due to loss of Academy / Anite / Paris (URN: 39)	Low
47	Failure to follow election procedures (URN: 19)	Low
48	Failure to meet necessary legal requirements leading to claims being made (URN: 20)	Low
49	Risk of injury to the public, especially children and young people, due to the council's play areas and young people's facilities being in an unsafe condition. (URN: 62)	Low
50	Impact on residents arising from flash flooding, sewer surcharge, infrastructure damage, rehousing, power outages etc as a result of adverse / extreme weather (URN: 113)	Low
51	Breakdown of equipment or vehicles (URN: 72)	Low
52	Ignition of flammable liquids in vehicle workshop (URN: 56)	Low
53	Failure to meet statutory deadline for issue of Council Tax Bills at year end (URN: 21)	Low
54	Suspension of the Council's vehicle operator's licence (URN: 53)	Low
55	Loss of planning application and permission records through fire or flood (URN: 65)	Low
56	Failure to generate forecast income from the Council's investment property (URN: 11)	Low
57	Liability for costs on appeal against unreasonable refusal of planning application (URN: 55)	Low

58	Errors in Debtors Administration e.g. Incorrect posting of payments (URN: 3)	Low
59	Errors in Cashiering i.e. posting monies to the wrong account (URN: 4)	Low
60	Failure to react to changes in Benefit Legislation (URN: 18)	Low
61	Risk of assault whilst collecting, counting and banking Market Rents (URN: 36)	Low
62	There is a risk that ICT Systems may fail and affect front line services e.g. Academy, Paris, Microsoft Dynamics, resulting in council staff being unable to carry out their normal working activities impacting on the quality of service delivered to the citizens of Hyndburn. Causes include intentional modification of software, hardware or it's environment; unintentional modification of software, hardware or it's environment; unauthorised modification of software, hardware or it's environment; malicious modification of software, hardware or it's environment. (URN: 131)	Low
63	There is a risk that a computer virus / malware could infect the HBC network due to a failure of protection mechanisms to identify and treat a virus, and the failure of Council staff to observe ICT policies and recommended working practices. (URN: 130)	Low
64	Abuse of children or adults at risk by member of staff or volunteer or failure to respond properly to safeguarding concerns (URN: 52)	Low
65	Risk of claims arising from owners of houses following contracts for group repairs and home improvements supervised by Regeneration and Development Team (URN: 68)	Low
66	Failure to complete audit plan and associated work to give sufficient assurance to External Audit in their Final Accounts Audit (URN: 1)	Low
67	Pollution or adverse effect on public health due to failure of refuse collection service (URN: 78)	Low
68	Drivers not holding a valid driver's licence / the appropriate licence category / vocational licence (Driver CPC) and not carrying Driver CPC card with them when driving. (URN: 129)	Low
69	Theft of Mayoral Chains and car whilst attending official mayoral engagement with associated risk of assault on mayoral party. (URN: 127)	Low
70	Failure to manage cremator operations in accordance with authorisation leading to excessive emissions (URN: 74)	Low
71	Failure to initiate prompt recovery action (URN: 5)	Low
72	Failure to meet contractual obligations under vehicle service level and contract hire agreements (URN: 67)	Low
73	Service or business needs not met due to failure of IT system, failure of network services or other reason (URN: 40)	Low
74	Risk of Damage to the Tiffany glass and paintings whilst moving/cleaning. (URN: 49)	Low
75	Gallery staff at risk of attack on attending out of hours call outs (URN: 64)	Low
76	Unacceptable vehicle emissions (URN: 76)	Low
77	Pollution of canal or local environment resulting in suspension of waste transfer at CVMU/Willows Lane (URN: 77)	Low
78	Failure to achieve and statutory housing responsibilities in terms of homelessness and housing need (URN: 98)	Low
79	Failure to complete statutory returns e.g. VAT (URN: 6)	Low
80	Loss of title deeds or contract documents e.g. fire (URN: 119)	Low
81	Failure to complete Woodnook regeneration project leaving the council with property ownership liabilities for up to 60 empty dwellings (URN: 128)	Low
82	Risk of claims against the Council for unfair dismissal or other employment issues. (URN: 116)	Low
83	Failure of both primary and secondary Air Conditioning units in the Server Room, first floor Scaitcliffe House. (URN: 133)	Low

Strategic

84	Failing to recruit and retain suitably qualified staff (URN: 2001)	High
85	Failure to deliver on Council's Climate Declaration pledge and achieve Council operations Carbon Zero by 2030 (URN:2035)	High
86	The acquisition of key town centre buildings and delivery of a £22 million regeneration project within Accrington Town Centre (URN:2036)	Medium
87	Financial Overreach :--The Council is embarking on a range of major investments supported by significant amounts of External Funding. Overspends or failure to deliver on these Projects could lead to significant additional costs falling on the Council, in terms of extra borrowing costs stemming from meeting additional project costs or the repayment of external funds. (URN:2037)	Medium

88	Substantial reduction in grant from Government (URN: 1027)	Medium
89	Loss of considerable amount of cash due to deposits within banking sector that are subject to major turbulence. (URN: 1025)	Medium
90	Failure to ensure Financial Integrity (URN: 1004)	Medium
91	Failure to have due regard to the need to prevent people from being drawn into terrorism as laid out in the Statutory Prevent Duty.	Medium
92	Failure to address unacceptable exposure from Strategic Partnerships & Joint Working (URN: 1006)	Low
93	Failure to follow correct procurement process (URN: 1015)	Low
94	Failure to safeguard and promote the welfare of children and vulnerable adults (URN: 1023)	Low
95	Failure to address citizens needs in the event of a major incident, including civil disobedience, affecting residents or infrastructure of the Borough. (URN: 1022)	Low
96	Failure to uphold high ethical standards of conduct and consequent reputational damage to the Council (URN: 1001)	Low
97	That the Councils leisure service provider Leisure in Hyndburn cease trading (resulting in the Council becoming responsible for some of their liabilities, eg. Pension deficit) or that they fail to repay debts to the Council. (URN: 1030)	Low
98	Loss of income from unpaid invoices more than 6 months old impacting on General Fund revenue Balances. (URN: 1029)	Low
99	Failure to deliver objectives set out in the Corporate Strategy (URN: 1026)	Low
100	Financial liability arising from legal claim by Rossendale BC to recover losses incurred on Pennine Lancashire Empty Homes Programme as a result of Rossendale BCs sub-contractor, AAW, going in to administration. (URN: 1032)	Low
101	Risk of Council acting unlawfully and failure to meet requirements of new and amended legislation (New legislation imposing significant new burdens will be dealt with as a separate risk if appropriate) (URN: 1014)	Low
102	A future pandemic can impact council services and cause harm to the health and wellbeing of the Hyndburn community (URN:2039)	Low