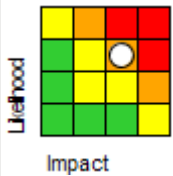


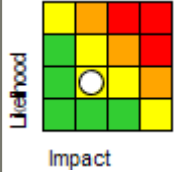
Appendix A - Key Risk Report

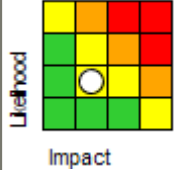
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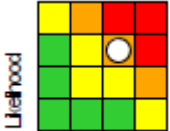


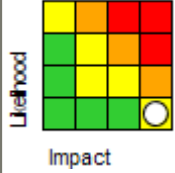
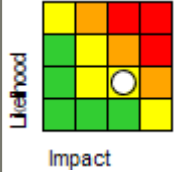
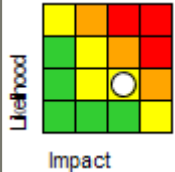
Responsible Service Area	Head of Service	Title of Risk	Potential Effect	6 Monthly Controls Summary	6 Monthly Notes Summary	Current Risk Matrix
CMT	CMT	Cost of Living Crisis	<p>The cost-of-living crisis will impact on all areas of the Council and our stakeholders (e.g., citizens, suppliers, staff etc).</p> <ul style="list-style-type: none"> • It will increase demand for certain services e.g., money advice • It will impact on the ability to pay Council Tax/Rent/other charges • The financial issues around inflation, the weak pound and increased interest rates may impact service delivery/growth/achievement of the Council priorities • Our contractors/suppliers be unable to maintain current service delivery • Staff may leave the organisation to take up higher paid jobs or take on 	<p>A review of fraud arrangements for the Council is taking place.</p> <p>Procurement are carrying out increased due diligence with regards to financial checks on suppliers.</p> <p>Human Resources have offered lunchtime learning sessions on the financial inclusion services that could benefit employees. External webinars are being offered to staff in relation to pre-retirement and financial awareness in February and March 2023.</p> <p>We have social media campaigns aimed at directing residents towards support services.</p> <p>Our housing benefit team are processing household support fund applications.</p> <p>We have set up a cost-of-living support hub, we have gathered a range of support across the Council and are signposting residents to these.</p> <p>We currently have a residential money advisor who is supporting residents with any financial issues, debt issues, and mental health support.</p> <p>In addition to supporting Council Tax Bands A – D we have put together a reserve fund of 260k to support residents in council tax bands E-H. We also have an additional</p>	<p>There are various initiatives in place to support staff and residents through the cost-of-living crisis. In addition, increased checks on the financial stability of contractors reduces the risk of service delivery being disrupted. The council will continue to develop initiatives to provide support to residents and staff where appropriate.</p>	<p>Likelihood</p> <p>Impact</p>


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			<p>second jobs which may lead to burnout.</p> <ul style="list-style-type: none"> The rising costs of fuel, food and other essentials are combining with existing disadvantage and vulnerability within our communities to put many households at greater risk of both immediate hardship and reduced opportunity and wellbeing. Demand for services is continuing to rise just as the price of providing them is also escalating dramatically. An increase in Fraud & Corruption caused by the Current Economic Environment 	<p>£260k that we have allocated towards supporting any resident struggling with energy costs.</p> <p>We have set a funding scheme with citizens advice for all residents of West Lancs to assist with payment of credit utility meters.</p> <p>Food banks continue to operate.</p> <p>We are working with multiple charities in relation to replacement of essential items.</p> <p>We are working with charities in relation to baby clothes and baby items.</p> <p>We have a hardship fund set up for tenants. This will support tenants through one-off life events.</p>		
Corporate & Customer Services	Lisa Windle	Difficulty with Recruitment and Retention of Staff	<ul style="list-style-type: none"> Adverse impact on services unable to meet key priorities. Additional pressure on existing staff covering workloads in the absence of a replacement Difficulty meeting regulatory 	<p>Exit Interviews are used to identify trends where action can be taken to improve retention.</p> <p>Utilising annual appraisals to identify issues and support personal and team development.</p> <p>Exploring alternative method to education managers with Coaching skills other than through the apprenticeships route.</p> <p>Development of Manager and aspiring manager apprenticeships to assist with growing our own talent.</p>	<p>The risk remains of concern. Recruitment has become increasingly challenging at all levels and is experience nationally.</p> <p>Professional and management posts are key risks if we are unable to recruit suitable candidates, but we are reviewing the recruitment trends on this level of post to ensure we have the right tools in place.</p> <p>The Council continues to review its recruitment and retention initiatives to address any difficulties.</p> <p>We are also exploring the enhancement of personal development opportunities to help retain staff and</p>	


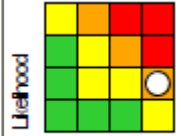


Responsible Service Area	Head of Service	Title of Risk	Potential Effect	6 Monthly Controls Summary	6 Monthly Notes Summary	Current Risk Matrix
			compliance requirements e.g., planning	<p>Use of Agency staff through neutral vendor agency provider Matrix.</p> <p>Workforce planning is integrated into the annual service business planning process. Vacant and new posts are advertised promptly following a robust approval process.</p> <p>Utilising on-line recruitment methods for ease of application and reduction of cost. Monitoring timescales and addressing blockages to reduce recruitment timescales</p> <p>Launching a new induction process to support new employees settle into the authority and understand it's visions and objectives.</p> <p>Effective probation to establish areas of support for new employees.</p> <p>Development of Mandatory training to ensure all new employees receive the initial training they need to become effective in their role.</p>	<p>this I will be enhanced by the launch of the eLearning tool.</p> <p>We are also promoting our offer flexible working arrangements to help attract candidates who may not be local to the West Lancs area.</p>	
Corporate & Customer Services	Lisa Windle	Failure or Prolonged Loss of ICT	<ul style="list-style-type: none"> • Data Integrity Issues with one or more systems • Security Breaches including System Attack (hacking, malware and virus injection) • Infrastructure Failure (hardware or software) • Inadequate Resilience (Infrastructure Hardware or Systems) • Inadequate Measures against theft or 	<p>Corporate sign-off of critical systems</p> <p>Business Continuity arrangements for Services (WLBC)</p> <p>Failover testing of power and infrastructure (LCC Digital)</p> <p>Formal ICT change management process (LCC Digital)</p> <p>Strategic (LCC Digital) roadmap for system upgrades and replacement to deliver a more robust infrastructure.</p> <p>Strategic move from on-premises to hosted infrastructure.</p> <p>LCC Digital has a robust infrastructure to prevent cyber-attacks that could cause</p>	<p>We are currently in the process of reviewing ICT systems to ensure they are at the latest level. This is in relation to hardware and software. Those systems that can be updated will be and others will require replacement or decommissioning.</p>	

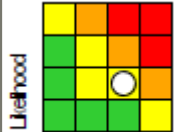

Responsible Service Area	Head of Service	Title of Risk	Potential Effect	6 Monthly Controls Summary	6 Monthly Notes Summary	Current Risk Matrix
			<p>unauthorised removal of ICT equipment</p> <ul style="list-style-type: none"> • Lack of Resource (Staffing) due to high absence levels <p>Possible consequences of any of the above</p> <ul style="list-style-type: none"> • Loss of ICT (Systems, Data, Access, or Connectivity) • Inability to provide business critical systems or services (i.e., contact centre, planning) etc. • Loss of reputation • Loss of productivity 	<p>failure or prolonged loss of ICT that is updated on a frequent basis.</p> <p>LCC Digital has a specialist team trained and certified to implement and maintain this infrastructure.</p> <p>Staff are trained to identify threats and are educated in the basics of cyber security.</p>		
Corporate Compliance & Governance Services	Jacqui Pendleton	Significant failure to comply with General Data Protection Regulation (GDPR) and Data Protection Act 2018.	<p>The GDPR and Data Protection Act 2018 brought considerable changes to the current data protection framework and the Council must deliver its services in accordance with it. There are substantial enhancements to the current</p>	<p>22 controls have been recorded against the risk to evidence the various elements of compliance. All controls have been scored as to their current adequacy and effectiveness.</p> <p>3 have been scored as fully effective where system enforced controls are in place i.e., system access controls, corporate mobile device security features and system back up.</p> <p>16 have been scored as partially effective as there is an element of manual intervention i.e., E Learning modules (generic for all staff and bespoke for Information Asset Owners) Policies and</p>	<p>There is a clear organisational structure for managing Data Protection and Information Governance, which provides strong leadership and oversight, clear reporting lines, responsibilities and effective information flows i.e. Senior Information Risk Officer (SIRO) Data Protection Officer (DPO) Information Governance Officer, Information Asset Owners and Information Governance Link Officers within each service area who also attend the bi monthly Information Governance Committee from which key information is disseminated down to individual service areas and acted upon where necessary.</p> <p>Following the Effective Data Management (EDM)</p>	





Responsible Service Area	Head of Service	Title of Risk	Potential Effect	6 Monthly Controls Summary	6 Monthly Notes Summary	Current Risk Matrix
			requirements as well as some new elements. Compliance had significant resource implications in terms of budget, IT, Governance, and communications. There are a range of sanctions for breaches including fines and damages. Failure to report a breach would result in a fine as well as a fine for the breach itself.	Procedures, Corporate Privacy Notice, Record of Processing Activities (which now combines the detail previously captured on the Retention and Disposal Schedule and the Information Asset Register) and the Data Protection Impact Assessments and Data Sharing Agreements. 3 areas have been scored as not effective with work either underway or in the pipeline to address. All control elements will continue to be examined and enhanced as work continues to strengthen our GDPR compliance.	project significant work has been undertaken to strengthen the controls we have in place and the education of our staff. This work will continue through future data workstreams and the coordination of those activities via the bimonthly Information Governance Committee. To reflect this work, controls have been added to the risk and scored as to their adequacy and effectiveness which has resulted in the risk being re assessed as 4 Cautious.	
Environmental Services	Kathy Sephton	Failure to respond to the climate emergency.	Contributing further to the impacts of climate change from lack of progress in the council achieving its carbon neutral target by 2030, by: 1. Lack of effective strategic planning for mitigation of climate change. * Failure to reduce energy use and from fossil fuels. * Failure to protect and enhance the natural environment. 2. Lack of effective adaptation to climate change. * Failure to adapt	The Council's Climate Change Strategy 2030 has 7 key priorities that covers all aspects of activity, they are 1. Delivering a Carbon Neutral Council 2. Sustainable Procurement 3. Travel and Transport 4. The Domestic Sector 5. The Commercial Sector 6. Community Action 7. The Natural Environment.	Communications: Raised staff awareness of the Climate Change Strategy through three Let's Connect Sessions, personal action through Lunchtime Learning and a Climate Change Risk workshop. Engaging with the public through the Community Orchards Consultation, social media, community group and primary school presentations, and community events: Flourish Cafe and Lancashire Community Climate Action Forum. Updated the solar webpage. Key Council Projects: New leisure centre designs. Existing solar and heat projects. The roll-out of the newest electric vehicle charging infrastructure is nearly complete. Two of the 6 community orchard sites are planted. New wildflower area in Skelmersdale.	 <p>Impact</p>

Responsible Service Area	Head of Service	Title of Risk	Potential Effect	6 Monthly Controls Summary	6 Monthly Notes Summary	Current Risk Matrix
			to climate change.			
Finance, Procurement & Commercial Services	James Pierce	Potential Treasury Management Investment Losses.	Volatility in financial markets can create risks on investments, which means there is the potential that significant sums of money could be lost.	Treasury management policy and strategy in place. Well trained staff make investments with the guidance of brokers and treasury advisors Investments can only be made in top rated UK based institutions or other local Authorities.	The GRA and HRA yearend position show there are material shortfalls in investment returns. The increase in interest rates in response to the inflationary situation in the UK in anticipated to have a favourable impact upon Treasury Management returns in 22-23. Treasury management training has been provided by the Council's TM advisors, Link, on the 26th of October 2022.	
Finance, Procurement & Commercial Services	James Pierce	Not achieving a balanced budget position	On-going reductions in Government funding and other financial pressures will need to be addressed to meet the statutory requirement to set a balanced budget.	Regular Review and update of medium-term financial forecast. Review of any savings requirement & delivery to close any budget gap Provision of regular monthly financial monitoring. This is conducted by the finance team to budget holders. Quarterly reporting to Members. Regular review and update of reserves. CMT are actively managing the pressures identified within the MTFs. Weekly finance update meetings are held with the COO, Corporate Directors, and the S151 officer and Deputy.	The latest iteration of the Medium-Term Financial Strategy indicates a budget gap of c£500k in 23/24 rising to £2.9m in 25/26. It is clear that the current economic conditions are adversely impacting on the Council's finances generally. A savings plan to address the budget gap has been drawn up for consideration by Members.	
Finance, Procurement & Commercial Services	James Pierce	External Funding Uncertainty	Impact on delivery of strategic projects and priorities	Medium Term Financial Strategy in Place. Regularly updated with changes and assumptions revisited. Ensure commercial strategy is fit for purpose. Ensure that all our investments generate a positive financial return for the Council To manage and grow our development company. To ensure our development company continues to generate a profit through its business activities. Regular review of fees and charges.	The commercial strategy has been updated to reflect changes in the PWLB rules (the inability to invest purely for yield purposes). This does not affect development within the Borough. Close attention is being paid to the impact of interest rate rises on proposed capital schemes.	

Responsible Service Area	Head of Service	Title of Risk	Potential Effect	6 Monthly Controls Summary	6 Monthly Notes Summary	Current Risk Matrix
Finance, Procurement & Commercial Services	James Pierce	Failure to ensure an effective procurement process in place to facilitate ethical, complaint and legally sound contracts and service level agreements that provide value for money.	Procurement activities or contracts which are not compliant with PCR 2015 regulations and local procurement policy, could potentially be subject legal challenge from suppliers. This could not only lead to costly financial implications if fines were imposed, but also wider reputational damage to the Council if the process was challenged or projects were delayed or terminated.	<p>The procurement team continue to work across the Council providing advice to service areas relating to compliance with both external and internal procurement rules. As the Council moves to a more centralised function our department is encouraging all areas to liaise with Procurement at an early stage to ensure we can provide comprehensive support to all areas running procurement activities. Regular meetings are now taking place with service areas such as Housing and Environmental Services to discuss upcoming projects. This gives procurement a longer-term forecast of activities requiring the team's involvement. Although no further update has been given by the Government, the team are still preparing for the introduction of the new bill scheduled for 2024. Recent work has taken place to put a new Conflicts of Interest process into place which will support not only the Council's Code of Conduct process, but the new focus on transparency through the new procurement bill.</p> <p>The procurement team are working closely with service areas to ensure all procurements are run in line with current PCR 2015 rules and our internal local procurement policy. Focused on early engagement with procurement is being encouraged across Council, as this will strengthen compliance with contracts and the procurement process holistically. The new procurement bill is due to become law in Spring 2024, however the team are already reviewing policies and procedures to support the new changes which will be included in the new legislation. Representatives from Procurement, Legal</p>	<p>As the procurement team build their relationships across the Council, we are also improving our own internal processes and improving how the team works. A monthly procurement pipeline is now uploaded to the intranet to give a clearer visibility of what work is being planned for the council going forward. This will also feed directly into the proposed new bill due in 2024 as the focus shifts to transparency. Planning future spending activities and embedding processes such as pre-authority and early engagement forms are formalising new processes to ensure we have a clear audit and budgetary approval process in place. The procurement team meet monthly to discuss how we can further improve our procurement function and are currently working on our intranet page to help service areas understand the correct procurement routes to follow.</p> <p>The Procurement team are working closely with other departments including Legal and Audit to ensure that we are running complaint procurement activities. We are also focusing on building relationships with Service Areas to encourage positive early engagement with procurement to ensure their procurements are efficiently run. Ongoing work to understand and begin embedding the new procurement rules coming into law early Spring 2024. Procurement continues to drive value for money and are beginning to focus on capturing savings for all procurement activities.</p>	 <p>Likelihood</p> <p>Impact</p>

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				and Audit will be attending a conference early 2023 which is being held to update delegates on the new bill. As procurement moves to a central function, it is anticipated that contract compliance will increase across the council.		
 Finance, Procurement & Commercial Services, Housing Services, Wellbeing & Leisure Services.	James Pierce, Alan Leicester, Simon Kirby	Failure to comply with regulatory corporate compliance	Failure to comply with regulatory corporate compliance could lead to serious harm to people and property, legal penalties, monetary fines, and considerable reputational damage.	A series of performance indicators are constantly monitored to ensure that compliance is achieved. Commercial Property Portfolio: Responsibility for statutory compliance is passed to tenants through their leases. We are however in the process of preparing a protocol to add to those protections. External legal advice is being sought in this regard. Investment Centre: We have in place robust management processes and documented auditing to ensure compliance.	Work remains ongoing to ensure that we comply with regulatory corporate compliance. We are in the process of identifying the correct specialist compliance system to support transparent management of compliance.	 Likelihood Impact
 Housing Services	Alan Leicester	Failure to comply with Housing Regulatory Compliance Requirements	Injury or death to tenants, resident, or visitors. Significant adverse publicity. Regulatory impact.	Following a compliance audit conducted by an external consultant, all key areas of compliance including gas, electrical, fire risk, water hygiene, lifting equipment & asbestos management were checked and have now been validated. Following the external audit all policies, processes and procedures were revised and updated and will continue to be reviewed regularly. Compliance will continue to be monitored and reviewed by internal Audit in line with required Audit programmes. We enforce a no access and escalation procedure with legal intervention where possible to ensure all properties are inspected within the appropriate	Work continues to ensure all Audit actions are completed within timeframes and weekly compliance meetings ensure a continued focus on compliance. We continue to work closely with Pennington Choices to support effective compliance and we are in the process of agreeing a follow up wider compliance check.	 Likelihood Impact

Responsible Service Area	Head of Service	Title of Risk	Potential Effect	6 Monthly Controls Summary	6 Monthly Notes Summary	Current Risk Matrix
				timescales. We are increasing resources to enable us to meet our regulatory compliance obligations.		
Planning & Regulatory Service	Paul Charlson	Failure to ensure appropriate business continuity and emergency plans, procedures and processes are in place, resulting in an ineffective response to an event.	The impact could be significant dependent on the nature of the emergency. A serious emergency could take large parts of the organisation offline and significantly hinder operations with resultant risks. Delivery of essential services may not be possible.	The service action plan defines frequency of plan review. Plan reviews, updates and tests are routinely scheduled on a proactive basis. Critical services are defined and have specific business continuity plans. A review of the critical business continuity plans is currently underway. For all other services and general Council operations the central Council Emergency Plan exists as an overarching tool. This is also kept up to date and reviewed on a more regular interval than the service level plans. The service also participates actively in real and test emergency planning exercises and updates plans as appropriate based on 'lessons learnt'. Changes will also be made to plans reactively because of changes including when managers change, when new legal requirements or best practice emerges or in response of other factors.	The likelihood of an emergency is low to possible. However, the impact could be significant dependent on the nature of the emergency. A serious emergency could take large parts of the organisation offline and significantly hinder operations with resultant risks. The business continuity plans are in place to help mitigate against these risks.	
Wellbeing & Place Services	Simon Kirby	Not agreeing on the financial capital investment to deliver a sustainable and affordable leisure provision.	If we are not able to deliver this there will be a continued need to subsidise existing buildings and the inability to develop new provision.	Project Governance. Internal project team meetings in place comprising financial, procurement and legal representatives. Regular meetings with CMT and Cabinet. Working Groups to progress sustainable and affordable options.	The contract will be extended to enable the procurement exercise to be undertaken in a full and detailed manner – which in the long term should offer value for money for the Council. The record of decision does enable the Council to extend for an additional six months although the new contract start date we will be working to is at the latest October 2023. Officers will continue to review the timescale throughout the procurement process and make amendments as necessary in the interests of the Council.	

Risk Status	
	Critical
	Concerned
	Cautious
	Comfortable