



# **Burnley Borough Council**

## **Strategic Risk Register**

21 December 2016

## Strategic Risk Register Summary

Risk Ref	Risk Description	Risk Score
1	Financial stability	15
8	Inability to influence key decision makers	12
5	Changes in national policy/legislation	9
6	Inability to deliver the regeneration programme	9
7	Inability to drive improvements through information technology	8
9	Risks in responding to demographic changes and increased deprivation	8
10	Workforce, skills and capacity challenges	8
2	Maintaining Partnership Performance	6
3	Damage to the Council's reputation	6
4	Changes in the political landscape	6

# Risk Prioritization Matrix

Likelihood	5							Red - High
	4			<b>10</b>				
	3			<b>2, 4</b>	<b>5, 6</b>	<b>8</b>	<b>1</b>	Amber - Medium
	2				<b>3</b>	<b>7, 9</b>		
	1							Green - Low
	0							Insignificant
		0	1	2	3	4	5	
		Impact						

Likelihood	Impact	Risk Priorities
0 Almost impossible	0 Minimal	Red = High Priority Risk Urgent Action to reduce or mitigate risk
1 Very unlikely	1 Minor	
2 Unlikely	2 Significant	Amber = Medium Priority Risk Action and Monitoring of risk
3 Likely	3 Serious	
4 Very likely	4 Major	Green = Low Priority Risk Keep Reviewed reduce if possible
5 Virtually certain	5 Catastrophic	

Risk Ref 1 Financial stability

Trigger or Cause

Further funding cuts  
 Income loss  
 Insufficient financial controls  
 Expensive decision making  
 External cost pressures  
 Political growth  
 Failing to understand the financial problem  
 Claims against the Council

Possible Consequences of Risk

Organisational sustainability  
 Reduced service delivery  
 Reduced customer satisfaction  
 Reduced reserves  
 Overspends  
 Damaged credit rating  
 Damage to reputation  
 Workforce morale/planning/retention  
 Reduced reputation for financial management

Strategic Link: Cross Cutting

Residual Risk Assessment      IMPACT **5**      LIKELIHOOD **3**      SCORE **15**      Medium Priority Risk

Strategic Commitments

- PF1 - We will embed the partnership with Liberata within the Council's budget, strategic vision and commercial strategy.
- PF2 - We will adopt a Medium Term Financial Strategy that will put the Council on a sustainable footing. This strategy will set the framework for annual budgets, ensuring the annual budget is set within the context of the longer term outlook.
- PF3 - We will develop our digital strategy, so that more residents transact with us online and we are able to deliver services more efficiently.
- PL1 - We will implement a range of initiatives to maintain a clean, safe borough.
- PL4 - We will implement our 2015-25 Green Space Strategy.
- PR1 - We will contribute to the strategic direction of local, sub-regional and regional partnerships, and will position the borough for economic development investment
- PR2 - We will proactively support the borough's businesses to innovate and expand, and make the borough a natural choice for business relocation
- PR3 - We will make the borough attractive to retail and leisure developers, and will identify a sustainable future for the Burnley Market.

Lead Responsibility Head of Finance

**Risk Ref 8 Inability to influence key decision makers**

Trigger or Cause

Change of political control  
 Breakdown of key relationships  
 Change of staff/key relationships  
 Change in reputation for delivery

Possible Consequences of Risk

Loss of external funding opportunities  
 Reduced level of influence over key decision makers  
 Inability to deliver through partnerships  
 Reduced reputation of Council

Strategic Link: Cross Cutting

**Residual Risk Assessment**

IMPACT

**4**

LIKELIHOOD

**3**

SCORE

**12**

**Medium Priority Risk**

Strategic Commitments

PE1 - We will work with partners to make the borough a place of aspiration, including supporting efforts to increase education attainment and skills development, and improve residents' health.

PL3 - We will work with partners to improve the condition of the existing housing stock.

PR1 - We will contribute to the strategic direction of local, sub-regional and regional partnerships, and will position the borough for economic development investment

PR2 - We will proactively support the borough's businesses to innovate and expand, and make the borough a natural choice for business relocation

Lead Responsibility Management Team

**Risk Ref 6 Inability to deliver the regeneration programme**

Trigger or Cause

Economic downturn  
 Lending squeeze  
 Procurement failure  
 Regeneration funding priorities change  
 Changes in funding from Central Government or as a result of the withdrawal from the European Union

Possible Consequences of Risk

Inability of private sector partners to deliver  
 Delivery partner does not have the capacity to delivery  
 Can't deliver the regeneration programme  
 Damaged reputation

Strategic Link: Prosperity People

**Residual Risk Assessment**

IMPACT

**3**

LIKELIHOOD

**3**

SCORE

**9**

**Medium Priority Risk**

Strategic Commitments

- PR1 - We will contribute to the strategic direction of local, sub-regional and regional partnerships, and will position the borough for economic development investment
- PR2 - We will proactively support the borough's businesses to innovate and expand, and make the borough a natural choice for business relocation
- PR3 - We will make the borough attractive to retail and leisure developers, and will identify a sustainable future for the Burnley Market.
- PR4 - We will deliver the Local Plan. This will act as the key supporting framework for encouraging future employment and investment in a range of housing stock.
- PL3 - We will work with partners to improve the condition of the existing housing stock.
- PE1 - We will work with partners to make the borough a place of aspiration, including supporting efforts to increase education attainment and skills development, and improve residents' health.

Lead Responsibility Chief Operating Officer

Risk Ref 5 Changes in national policy/legislation

Trigger or Cause

New functions/loss of existing functions  
 Short term thinking  
 Lack of capacity  
 Changes from the withdrawal from the European Union  
 Changes from the devolution of Powers from Central Government

Possible Consequences of Risk

Reduced control over what you do and how you do it  
 Inability to respond to the new agenda and continue with on-going functions  
 Exclusion from new or evolving regional and sub-regional governance and operating structure  
 Not in a position to deliver new functions or requirements

Strategic Link: Prosperity

**Residual Risk Assessment**

IMPACT

**3**

LIKELIHOOD

**3**

SCORE

**9**

**Medium Priority Risk**

Strategic Commitments

PR1 - We will contribute to the strategic direction of local, sub-regional and regional partnerships, and will position the borough for economic development investment

Lead Responsibility Management Team

Risk Ref 10 Workforce, skills and capacity challenges

Trigger or Cause

Loss of the workforce  
 Loss of organisational memory  
 Loss of organisational skills  
 Lack of commitment to organisational development  
 Lack of investment in training  
 Political direction change

Possible Consequences of Risk

Service failure/deterioration  
 Damaged reputation  
 Increased complaints  
 Low morale  
 Recruitment and retention issues  
 Increased workflow  
 Business resilience  
 Not having the right staff with the right skills

Strategic Link: Cross Cutting

Residual Risk Assessment      IMPACT **2**      LIKELIHOOD **4**      SCORE **8**      Medium Priority Risk

Strategic Commitments

- PF1 - We will embed the partnership with Liberata within the Council's budget, strategic vision and commercial strategy.
- PF2 - We will adopt a Medium Term Financial Strategy that will put the Council on a sustainable footing. This strategy will set the framework for annual budgets, ensuring the annual budget is set within the context of the longer term outlook
- PF3 - We will develop our digital strategy, so that more residents transact with us online and we are able to deliver services more efficiently.
- PL1 - We will implement a range of initiatives to maintain a clean, safe borough.
- PL4 - We will implement our 2015-25 Green Space Strategy.

Lead Responsibility Chief Executive Officer



**Risk Ref 9 Risks in responding to demographic changes and increased deprivation**

Trigger or Cause	Possible Consequences of Risk
Government policy	Not delivering on the regeneration programme
Economic downturn	Poor service delivery
Big ticket issues – crime, health, housing	Poor customer satisfaction
Benefit dependency	Low aspirations
Short term fixes	Damage to reputation
Negative reputation	Failure to improve
Failure to develop opportunities	Increased demand
	Increased costs
	Less funding
	Viability of Burnley

Strategic Link: Cross Cutting

<b>Residual Risk Assessment</b>	IMPACT	<b>4</b>	LIKELIHOOD	<b>2</b>	SCORE	<b>8</b>	<b>Medium Priority Risk</b>
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Strategic Commitments

- PE1 - We will work with partners to make the borough a place of aspiration, including supporting efforts to increase education attainment and skills development, and improve residents' health.
- PE2 - We will continue to develop the leisure and cultural offer of Burnley in partnership with Burnley Leisure.
- PL1 - We will implement a range of initiatives to maintain a clean, safe borough.
- PL2 - We will improve the management of private rented accommodation.
- PL3 - We will work with partners to improve the condition of the existing housing stock.
- PR1 - We will contribute to the strategic direction of local, sub-regional and regional partnerships, and will position the borough for economic development investment
- PR2 - We will proactively support the borough's businesses to innovate and expand, and make the borough a natural choice for business relocation
- PR3 - We will make the borough attractive to retail and leisure developers, and will identify a sustainable future for the Burnley Market.
- PR4 - We will deliver the Local Plan. This will act as the key supporting framework for encouraging future employment and investment in a range of housing stock.

Lead Responsibility Management Team

Risk Ref 7 Inability to drive improvements through information technology

Trigger or Cause

IT partnership failure (to deliver past procurement)  
 IT partnership procurement failure  
 Current IT provision failure  
 Information governance failure

Possible Consequences of Risk

Inability to deliver and develop services and not deliver anticipated savings and service improvement  
 Public confidence in use of Council services through IT lowered

Strategic Link: Performance

Residual Risk Assessment      IMPACT **4**      LIKELIHOOD **2**      SCORE **8**      Medium Priority Risk

Strategic Commitments

PF1 - We will embed the partnership with Liberata within the Council's budget, strategic vision and commercial strategy.

PF3 - We will develop our digital strategy, so that more residents transact with us online and we are able to deliver services more efficiently.

Lead Responsibility Chief Operating Officer

Risk Ref 4 Changes in the political landscape

Trigger or Cause

No overall control  
 Political instability  
 Poor member and officer relationships  
 Poor member and member relationships

Possible Consequences of Risk

Lack of strategic leadership  
 Poor decision making  
 Impact on the Council's reputation  
 Loss of influence with key partners

Strategic Link: People Performance

**Residual Risk Assessment**

IMPACT

2

LIKELIHOOD

3

SCORE

6

Low Priority Risk

Strategic Commitments

PE1 - We will work with partners to make the borough a place of aspiration, including supporting efforts to increase education attainment and skills development, and improve residents' health.

PF3 - We will develop our digital strategy, so that more residents transact with us online and we are able to deliver services more efficiently.

Lead Responsibility Chief Executive Officer

**Risk Ref 3**      **Damage to the Council's reputation**

Trigger or Cause

Service failure  
 Loss of key staff  
 External events  
 Customer Satisfaction not maintained

Possible Consequences of Risk

Strategic plan delivery problem  
 Credibility of the leadership (both political and officer)  
 Low morale  
 Loss of key staff  
 Recruitment and retention issues

Strategic Link: Cross Cutting

**Residual Risk Assessment**

IMPACT

**3**

LIKELIHOOD

**2**

SCORE

**6**

**Low Priority Risk**

Strategic Commitments

PF1 - We will embed the partnership with Liberata within the Council's budget, strategic vision and commercial strategy.

PF2 - We will adopt a Medium Term Financial Strategy that will put the Council on a sustainable footing. This strategy will set the framework for annual budgets, ensuring the annual budget is set within the context of the longer term outlook.

PR1 - We will contribute to the strategic direction of local, sub-regional and regional partnerships, and will position the borough for economic development investment

PL1 - We will implement a range of initiatives to maintain a clean, safe borough.

PF3 - We will develop our digital strategy, so that more residents transact with us online and we are able to deliver services more efficiently.

Lead Responsibility Chief Executive Officer

**Risk Ref 2 Maintaining Partnership Performance**

Trigger or Cause

Procurement method  
 Supply chain failure  
 Commissioning 'v' traditional culture  
 Control transfer  
 Poor implementation  
 Compliance/legal  
 Business continuity  
 Transformational cultural change not achieved  
 Poor or weak contract management

Possible Consequences of Risk

Reduced service delivery  
 Reduced customer satisfaction  
 Political or reputation embarrassment  
 Perceived council failure  
 Poor co-ordination of existing providers and systems  
 Poor relationships  
 Increased costs

Strategic Link: Cross Cutting

**Residual Risk Assessment**

IMPACT

**2**

LIKELIHOOD

**3**

SCORE

**6**

**Low Priority Risk**

Strategic Commitments

PE1 - We will work with partners to make the borough a place of aspiration, including supporting efforts to increase education attainment and skills development, and improve residents' health.

PE2 - We will continue to develop the leisure and cultural offer of Burnley in partnership with Burnley Leisure.

PF1 - We will embed the partnership with Liberata within the Council's budget, strategic vision and commercial strategy.

PF3 - We will develop our digital strategy, so that more residents transact with us online and we are able to deliver services more efficiently.

PL1 - We will implement a range of initiatives to maintain a clean, safe borough.

PL3 - We will work with partners to improve the condition of the existing housing stock.

PL4 - We will implement our 2015-25 Green Space Strategy.

PR3 - We will make the borough attractive to retail and leisure developers, and will identify a sustainable future for the Burnley Market.

Lead Responsibility Management Team