

APPENDIX A

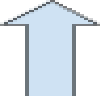
Joint Audit and Governance Committee - 18 January 2024

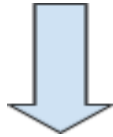
Updates on Risk and Opportunity Management

	July 2023 update	January 2024 update
<u>Corporate Risks and Opportunities</u>	14 Risks 4 Opportunities	19 Risks - Plus 5 3 Opportunities - Minus 1
<u>Service Risks and Opportunities</u> <u>Housing & Communities Directorate</u>		
Residents Services	3 Risks	4 Risks - Plus 1
Community, Capacity & Resilience	4 Risks	6 Risks -Plus 2
Housing, Homelessness & Prevention	8 Risks	13 - Risks revised in consultation with the new Assistant Director/Director to include those set out in the Housing Improvement Plan which is reported elsewhere on the JAGC agenda.
<u>Sustainability & Resources Directorate</u>		
Finance	5 Risks 1 Opportunity	5 Risks
Legal & Democratic Services	6 Risks	6 Risks
Operations & Sustainability	10 Risks	9 Risks - Minus 1
Technology & Design	2 Risks	2 Risks

<p><u>Place Directorate</u></p> <p>Place & Economy Regenerative Development Planning</p>	<p>11 Risks 15 Risks 19 Risks</p>	<p>12 Risks - Plus 1 15 Risks 20 Risks - Plus 1</p>
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<p><u>High Risks on Service Risk registers</u></p> <p>Housing Adur Homes Financial Services Residents Services Regenerative Development</p>	<p><u>July 2023</u></p> <p>2 - No change 1 - Minus 1 4 - No change 1 1</p>	<p><u>January 2024</u></p> <p>Risks being reviewed with new Assistant Director 1 - No change 4 - No change 1- No change 2 - Plus 1</p>
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<p></p> <p>Risks where assessment score has increased since the last report</p>	<p>Major Projects - Decoy Farm development - Risk that a new commercial/industrial development is delayed and that the commercial benefits to the Council of owning a large industrial estate are not realised. Risk increased to Medium from Low because risks are increasing due to misalignment of objects, coupling of non-compatible conditions, and Member desire for operational control around the site/lacking urgency around sale.</p> <p>Major Projects - Provision of flood defences on the Sussex Yacht club site - Risk that if flood defence walls are not built then there may be further flooding which will affect long term investment and growth along the Western Harbour Arm regeneration area.- Risk increased to Medium Risk because of issues relating to rights of way.</p> <p>Major Projects - Development of the Worthing Civic Centre car park site for a new multi disciplinary healthcare hub - Risk of cost overrun prior to completion as a result of issues relating to increased build costs and delays in completion - Risk increased to Medium Risk from Low Risk.</p> <p>Regenerative Development - Risk that all 3 MSCP's require investment to bring them up to acceptable standards if they are to be retained. The condition of Grafton MSCP is of particular concern. Risk of death/injury. Financial and reputational risk. Loss of use of premises.</p>
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Risks where assessment score has reduced since the previous report.

Regenerative Development - Estates income - Risk that the Councils fail to meet property income targets which affects the Council funds. Risk reduced to Medium from High because assets have been generating an increased return through active asset management. Contracts for community assets have improved to reduce council liability. Risks around make up of SPIF (review taking place early 2024), maintenance of assets and having the capability and resilience within the team to deliver our objectives.

Regenerative Development - Risk that commercial leased out premises are not safe, lawful and compliant with requirements. Risk reduced to Low risk because clarity on the risk management approach has been achieved with a number of properties being fully passed over to the estates team for management.

Major Projects - New Monks Farm and Shoreham Airport - Risk that planning applications are not approved and housing and employment land required in the Local Plan is not achieved - Risk reduced to low risk because planning permission granted for additional homes and potential for land to be developed for employment purposes improving.

New Risks/Opportunities added since last report or changes to Risk descriptions

Corporate -

Adjudication with building company re WICC development - Medium Risk

Adoption of the Environment Act - Significant implications for how the Councils collect waste and recycling from households and businesses. Not being in a position to roll out food waste collections due to insufficient resources and not achieving Environment Act targets for 65% recycling by 2035. Potential reputational damage. Legal sanctions. Broader environmental impacts associated with the aim of reducing waste - High Risk

Risk of proposed CCTV contract changes by Sussex Police to cease to operate the current arrangements from post 31 March 2024. This risk could have an impact on the Councils in terms of the costs of change and significant capital investment, ongoing revenue costs and the resources needed to manage compliance with the Surveillance Commissioner. There is also a risk that there could be a delay in implementing the new arrangements which could impact on the partnership with other authorities and the delivery of the CCTV coverage - Medium Risk

Risk of not meeting our duties under the Equality Act - Medium Risk. Adur Council was issued with a

Warning Notice in early 2023 by the Equality & Human Rights Commission to urgently address a number of areas. Following some improvement work the warning notice has been removed. A reviewed set of actions and improvements is scheduled for the Corporate Leadership Team on 21 January which sets out tangible improvements including the review of an Equalities Policy to be prioritised through the organisation's policy review pipeline, a competency framework, workforce planning and employee value proposition, that helps develop a more representative workforce, more integrated service & budget planning for 2025/26 that will include a greater focus on embedding equalities into services, a dedicated project to improve equality data, strengthening of both the Equalities Champions Group and shifting of staff networks to Employee Resource Groups (ERGs) to provide greater purpose, voice and position, and a coordinated approach to Participation that will include embedding of more inclusive engagement.

Risk - Requirement for Corporate Leadership team to have collective understanding of corporate risks arising from major project work across the councils - Medium Risk

Opportunity - for the organisation to make the best use of opportunities to work with partners (including at a local level, sub-regional level, in particular in terms of devolution)

Place & Economy - to signal the possible risk that Worthing Pier and Lido are not maintained to an adequate standard which then leads to a risk to health and safety, becomes a reputational risk and the facilities are no longer used also causing an impact on the local economy - Medium Risk

Community Capacity & Resilience - Going Local, currently renegotiating the service continuance as the 3 year funding period has expired. In addition there is an anticipated end to the Better Care funding which could see a reduction in posts - Medium Risk.

Decommissioning of the E-CINS case management system. This could lead to inability to access the new shared system from April to do the statutory work around information sharing and ASB and also mean losing a system that has corporate memory of ASB cases - Medium Risk

Residents Services - Failure to comply with Ombudsman complaints handling code - Medium Risk

Planning - Implications of the Building Safety Act - Risk that staff do not obtain relevant competencies to provide the Building Control service post April 2024 - Medium Risk

Risks/Opportunities removed since last report.

Corporate - Opportunity removed - Social innovation - Social innovation may provide an opportunity to look at issues, whether these be problems or not, in a different way.

Financial Services - Opportunity removed - Review of VAT position for various sports and leisure and other activities. Council is able to retain a large proportion of income from various activities. Refund now issued by HMRC.

Operations & Sustainability - Potential public safety issues due to driver health issues. Eg Refuse/recycling staff could potentially lead to public safety issues (Glasgow incident)
Risk removed because it has been satisfactorily mitigated and controls in place to reduce the risk

Regenerative Development - Snagging and other defects at Splashpoint - Concerns in relation to build, quality and substantial defects including defective vapour control lining. Defect period has now expired. - Risk removed because agreement with contractors/operators in relation to works at the pool has been reached in relation to funding required works.