



ADUR & WORTHING
COUNCILS

Joint Audit and Governance Committee
26 September 2024

Key Decision [No]

Ward(s) Affected:N/A

Risks and Opportunities updates

Report by the Director for Sustainability and Resources

Executive Summary

1. Purpose

- 1.1 This report provides the latest updates on the management of the Councils' Risks and Opportunities.

2. Recommendations

- 2.1 That the Committee notes the progress in managing the Risks and Opportunities; and
- 2.2 That the Committee agrees to receive a further progress report in March 2025.

3. Context

- 3.1 The Local Government (Accounts and Audit) Regulations state that “A local authority is responsible for ensuring that the financial management of the authority is adequate and effective and that the authority has a sound system of internal control which facilitates the effective exercise of the authority’s functions; and includes arrangements for the management of risk.
- 3.2 The Councils recognise that there are risks and opportunities involved in everything that they do and they have a duty to manage the risks and opportunities in a balanced, structured and cost-effective way. In line with the Councils’ Risk and Opportunities Management Strategy, this report provides the Committee with the detail of the updates including information on the ‘High/Red’ Service Risks. The last report to the Committee was on 18 January 2024. Further information on the management of Risks and Opportunities by the Councils is contained in the [Risks and Opportunities Management Strategy](#)
- 3.3 The Committee will receive two update reports per year on the general management of the Councils’ Risks and Opportunities to assist the Committee in its role monitoring the effective development and operation of risk management and corporate governance in the Councils.

4. Issues for consideration

- 4.1 The latest summary of the Risks and Opportunities is attached at Appendix A to this report to assist the Councils in the monitoring and management of the Risks and Opportunities and this is also good practice in effective Risk and Opportunity management. Information on the High ‘Red’ Risks is contained in Appendix B to this report and information relating to the Major Projects is contained in Appendix C.
- 4.2 All of the Risks and Opportunities for each Council are reported and updated to the Council Leadership Team (CLT) and in consultation with Heads of Service and relevant Officers. Information relating to the Corporate Risks and Opportunities are also provided to the Joint Strategic Committee on a regular basis in order that it can monitor the effective development and operation of Risk and Opportunity management in the Councils. A report was submitted to that Committee on 12 September 2024 and any comments will be reported from that Committee to this meeting.

4.3 All Risks and Opportunities are key issues which have been identified by the Leadership Team and Senior Officers as having the potential to impact on the operations and delivery of the Strategic and Service objectives and priorities of both Councils and affect the direction contained in the Corporate Plan, 'Our Plan' covering the three years 2023-2025 which sets out for the Councils to be resilient, adaptable and participative and address the big ambitions and complex issues contained in Missions - 'Thriving People - Thriving Places, Thriving environment, Thriving economy and 'Thriving Organisation'. Service Risks and Opportunities relate to the day to day operations of each individual service and are linked to each Service area's Business Plan.

4.4 The inclusion of these issues on the Risks and Opportunities registers does not mean that they will occur but ensures that effective risk and opportunity management arrangements are in place as an integral component of strategic decision making, service planning and delivery which will help increase the likelihood of the Councils achieving the Corporate and Service level aims and objectives and move in the direction prescribed in the Corporate Plan.

4.5 Despite the recent change in national Government, Local Government continues to operate within an environment of substantial budget cuts and major policy changes with potential significant impact/risk on service delivery and organisational structures. The pace and scale of recent changes and the Policy changes being implemented by the new Government requires the Councils to constantly assess the risk and opportunity profile and implement suitable controls to manage those risks and opportunities. There are many different sources of high level risks and opportunities which could impact on the priorities of the Councils and these are included in the risks and opportunities registers, there are also some key strands of risk and opportunity areas set out below which need to be highlighted as seriously impacting on the delivery of services and priorities for the Councils and these are reflected in the Risks and Opportunities which the Councils are managing:-

- Councils finances
- Housing demand, supply and management
- Major Projects development;
- The organisational design of the Councils
- Statutory obligations in compliance
- Issues with data systems

5. Engagement and Communication

5.1 The Council Leadership Team, relevant Officers and Cabinet Members have been consulted on the production of this report.

6. Financial Implications

6.1 There are no direct financial implications as a result of this report but there are financial implications connected with the actual Risks and Opportunities.

7. Legal Implications

7.1 There are no direct legal matters arising as a result of this report. The Joint Audit and Governance Committee has responsibility for receiving a report on the management of the Risks and Opportunities at least twice a year and has the responsibility for monitoring the effective development and operation of risk and opportunity management. The approved Code of Corporate Governance specifies that the Councils should have an effective system of Risk management in place.

Background Papers

Adur and Worthing Councils Risk and Opportunity Management Strategy - 2024 - 2025 [Risks & Opportunities Management Strategy](#)

'Our Plan' - A three year framework for Adur and Worthing Councils
[Our Plan](#)

New Joint Strategic Priorities for Adur and Worthing Councils - [JSC 15/7/24](#)

Officer Contact Details:-

Mark Lowe

Scrutiny & Risk Officer

Tel: 01903 221009

mark.lowe@adur-worthing.gov.uk

Sustainability & Risk Assessment

1. Economic

Matter considered. The Risks and Opportunities are directly linked to the projects and work streams that are in place to help deliver the commitments and activities contained in 'Our Plan and the Councils' priorities and some may impact on the economic development of the areas if they occur.

2. Social

2.1 Social Value

Matter considered. Some of the Risks and Opportunities impact on communities.

2.2 Equality Issues

Matter considered. No issues identified. There is a Corporate Risk on equality issues.

2.3 Community Safety Issues (Section 17)

Matter considered and no direct issues identified.

2.4 Human Rights Issues

Matter considered and no direct issues identified.

3. Environmental

Matter considered. There is a Corporate Risk covering 'Climate Emergency' that considers these issues.

4. Governance

The Risks and Opportunities are aligned with the Councils' priorities and the objectives of 'Our Plan'. As part of good Governance the Councils need to manage Risks and Opportunities effectively and clear governance controls are contained in the Risk and Opportunity Management Strategy which include the requirement to report on the Risks and Opportunities to the Joint Audit and Governance Committee twice a year.