

APPENDIX B - CORPORATE /DIRECTORATE HIGH (RED) RISKS										
Category	Ref	Authority	Risk / Opportunity	Latest update and Internal Controls	Owner	Impact	Likelihood	Risk rating	Status	
Corporate	C1	Adur	Risk that Adur Council will fail to comply with statutory health and safety obligations as a social landlord (Adur Homes)	<p>September - The Improvement Plan is well underway and monthly meetings are progressing well with the Regulator for Social Housing. Reporting has continued to JAGC and the Adur Joint Cabinet. The primary focus has continued to be compliance and H&S and the data is now showing good progress in all areas with much work to still do. The fire door programme has been recommissioned and is working well. Surveys are now underway to gather data for the work in relation to Decent Homes. The service redesign will also be completed shortly and ensure that all roles are in place. The AHs Business Plan will be going before the AH Advisory Board once we have data to inform decent homes. Tenant engagement is being commissioned shortly and another survey is being planned. Work is being scoped for the audit required by the Regulator.</p> <p>Data and action around disrepair claims and service history expected to approve post redesign completion, until then mitigating steps have been agreed between Adur Homes and Legal services to settle claims at best available option.</p>	CLT/Rob Jarvis	Major	Very Likely	High	Improved	
Corporate	C2	Joint	Cost of living (coastal inequalities) crisis	<p>September 2024</p> <p>Our Proactive work is well underway and we are supporting our most vulnerable residents through our Proactive Caseworkers and the use of TellJo</p> <p>A snapshot summary of households (on HB or CTS) from the LIFT database shows in total 9,730 low-income households, with 3,360 children; 2,879 households below the poverty line, with 1,346 children; 443 households with a cash shortfall, with 45 children</p> <p>In Adur, there are 3,555 low-income households, with 1342 children; 1117 households below the poverty line, with 546 children; 123 households with a cash shortfall, with 12 children</p> <p>The Worthing figures are 6181 low-income households, with 2018 children; 1762 households below the poverty line, with 800 children; 320 households with a cash shortfall, with 33 children</p> <p>In addition, Citizens Advice data shows (April to June 2024):</p> <p>Worthing, compared to the same period last year, has seen a significant increase in the requirement for crisis support, but a reduction in the advice requested regarding benefits:</p> <p>32% increase in issues compared to a 3% increase in the number of clients, indicating that residents are experiencing multiple/complex challenges. 30% rise in foodbank enquiries 52% increase in threatened homelessness cases 25% increase in actual homelessness cases.</p> <p>In Adur there has been a 14% increase in requests for disability benefit advice (28% of all benefit advice).</p>	CLT/Tina Favier	Major	Very Likely	High	Worse	

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Corporate	C3	Joint	Housing supply - Limited housing supply in all areas and all tenures is a key risk for the Councils in terms of both discharging its statutory duty to prevent homelessness and support those at risk, as well as placing critical budgetary pressures on the Councils. Managing this demand is challenging and places additional capacity pressures on the operational teams.	<p>September 2024</p> <p>Work is underway in respect of the development of the new Housing Strategy. This will look at the priorities for the local authorities around homelessness, housing allocations, housing delivery and keeping people safe and secure in their homes. It is anticipated that a new Housing Strategy will be adopted by the end of the financial year with an extension to the current strategy approved by councillors earlier this year.</p> <p>Given the overspend in temporary accommodation (TA) work has been done to clarify and bring to Members attention the risks and opportunities of the work underway to alleviate these pressures and ensure that our governance for the pipeline of affordable and in-area TA is able to continue.</p> <p>Strategic work continues, the Mental Health Housing Strategy resulting in Mental Health Housing Advisors funded by Sussex Partnership Trust co-locating with the Housing Needs Team, the workers are now embedded, with outcomes currently reported for West Sussex with local District and Borough sets being planned. The work is not only preventing homelessness via case work, but by improving relationships and pathways between services, increasing knowledge of housing and homelessness triggers enabling mental health workers to manage low level issues and refer cases appropriately to the Housing Needs Team.</p> <p>As previously reported, demand for homeless services continues to increase as a result of 'no fault' section 21 notices and family evictions as lack of alternative affordable options leaves households unable to secure their own housing in the private sector.</p> <p>As part of the organisational design work throughout the Council, the housing service has been redesigned to ensure resources are in the right places and have been enhanced where possible. Key changes in respect of housing needs specifically include an increased number of Homeless Intervention & Prevention Officers that will enable us to have the skilled and experienced officers available at the earliest opportunity to prevent homelessness and implement prevention options. An additional benefit of this approach is that citizens needing our advice and support aren't having to transfer case officers as they move through the prevention, relief and main duty stages of homelessness. Further increased capacity in Temporary Accommodation Officer role and Income Recovery Officer supporting citizens placed in temporary accommodation through both income and debt management support but also wider wrap around support including health, addiction, healthy relationships and access to employment opportunities and housing options where needed.</p> <p>Affordable Housing Delivery Group and subgroup continue to meet to identify opportunities to develop our owned and contracted temporary accommodation portfolios to meet current and predicted future demand. As well as building our strategic relationship with Homes England, we are also working closely with the Department for Levelling Up and Communities and Homes England to secure revenue and capital for housing programmes for single homelessness. Increasing our portfolio of owned temporary accommodation is a priority as the most cost effective way to deliver good standard local accommodation.</p>	CLT/Rob Jarvis	Major	Very Likely	High	Worse

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Corporate	C4	Adur	Risk corporate debt collection. Orchard Housing system and ongoing issues with Academy and other systems means payment of Housing Benefit to some Adur Homes tenants might not be reflected on the Orchard Housing system. Risk that some people might be receiving over or underpayments and this might be moving people into debt or giving money that needs to be claimed back. In addition the Council cannot accurately manage the data. No confidence in accurate balance on accounts impacting income /debtcollection as well as inability to print rent statements and produce mail merges for communications to our tenants. Debt owed to the Council is increasing, unable to quantify but presumed high given the current system failures. The longer debts remain outstanding the less likely they are to be fully recovered.	September 2024 - Progress with corporate debt management is now reported regularly to the Strategic Finance Board, and a prioritisation plan is being developed. Housing Redesign means temporary shortage of staff. Officers in business support, tenancy services, digital and finance are working to address a number of issues whilst the key officer is absent. It is intended that the rapid digital improvement team will support system development and data improvement. A number of actions are in place to address the issues: 1. Increasing the number of staff with bank registrations (can take up to 3 months) 2. Contact made with MRI (housing management software provider) to undertake this work and fully map and train staff to undertake the process. 3. Appointment of a temporary finance assistant who has the required specialist knowledge to increase capacity and resilience in this area. Housing business support, tenancy services, digital and finance are meeting each week to address and resolve the situation. Also working to put a Comms Strategy in place to deal with complaints from tenants and Councillor enquiries. Director for Housing and Communities has advised Resident Services teams of the situation who are able to reassure and update residents and councillors as appropriate. Communications Team also briefed. Tenants will make sure that tenants are not disadvantaged as a result of the issues. Generally on this Risk, Officers from the Housing Team are aware of the manual process in generating the file across. The file needs to be moved before the end of each working day so that a new one can be generated. There is currently scoping for this process to be automated. Alternative housing operating systems are to be considered in 2024. Short term and long term impact is high and requires rectification from Benefits and Housing Teams in the event of errors. A debt strategy working group has been set up to commence ethical debt collection.	CLT/Tina Favier/Rob Jarvis/Tracey Strutt	Major	Likely	High	Worse
Corporate	C5	Joint	Wider economic uncertainty in relation to inflation, interest rates and workforce shortages which are impacting on local businesses, including energy costs, upward pressure on wages, inability to fill vacancies, skills shortages	The Councils have agreed to utilise a proportion of the UKSPF funds to a Business Support Programme (BSP). The BSP will be delivered in 2024 by a series of business experts that will support organisations to help navigate the current challenges whilst also exploring new opportunities around innovation, leadership and management and sustainability. Pressures on the local economy are significant and diverse, with the need to also address major local term transitional challenges associated with climate change and the rapid development of artificial intelligence. The Worthing Heat Network is a key strategic initiative which will provide long term price certainty the Councils in terms of building heating whilst providing the opportunity for other businesses and residential customers to achieve the same, whilst also decarbonising their heat. August 2024 - The Councils continue to liaise with strategic partners, including health and education partners, to determine how the wider system is supporting the economic challenges currently being experienced locally.	CLT/Andy Willems	Major	Likely	High	No change
Corporate	C7	Joint	Risk - Strategic Property Investment Fund (SPIF) - Risk that the Councils fail to meet SPIF income targets which affects overall Council funds. This overall Risk also contains:- - risks of non-compliance which might create voids in the estate, - risks of tenant failure which create debt and or risk of voids, - risks of tenant failure to comply with lease terms which create difficulties in managing the estate and consequent potential loss of capital value and or income. There is also property specific risks relating to lack of compliance with MEES and/or new legislation.	September 2024 - What are we doing to mitigate the Risks? Site visits Regular contact with Savills as property managers Regular contact with tenants Use of Lease Event Diary and regular updates from the Estates App to alert forthcoming lease events Market intelligence from agents, social media, business networks Annual revaluations Rent collection data quarterly Risk reserve is held to help manage the volatility in the performance and manage void periods. New asset strategy going to JSC in October 2024. And bespoke, proactive monitoring of SPIF properties.	CLT/Mark Hooper/Chris Maughan	Extreme	Very likely	High	New Risk added July 2024

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Corporate	C10	Joint and Adur and Worthing	Council Finances - Risk that Councils finances will continue to be under pressure	<p>September 2024 - Council finances continue to be under severe pressure, an issue widely experienced across local government. Budget outturn for 23/24 left Worthing with an overspend of £3.052m and Adur £598,000. In order to address budget pressures for 24/25, the Councils have implemented a suite of budget management initiatives to control spend, this has supported both the mitigation of overspends where possible and the delivery of in-year savings. These controls include tighter controls on external spend, vacancy management and agency and consultant spend and triaging purchase requests to bring the forecast overspend, particularly in Worthing, down to addressable levels within reserves. A Budget Management Group meets weekly to review spend requests above £25k, and sub £25k requests are being considered daily by a triage group. Staffing budgets are very carefully controlled. A range of initiatives were identified in the process of forming the budget for 2024/25, with significant organisational design work being included to set a balanced budget and these arrangements will be ongoing. Worthing Councils reserves position is in a critical state as a result of pressures in 23/24, the 24/25 budget is designed to gradually replenish reserves over the next 5 to 10 years. Local government settlement was announced in December 2023 with very little additional funding than previously assumed in the MTFS. For 2024/25 Budgets were balanced with an agreed 2.99% increase in council tax.</p>	CLT/Emma Thomas	Major	Very Likely	High	No change
Corporate	C14	Joint	Risks to service delivery due pace of change, staff vacancies and recruitment difficulties.	<p>September 2024 - As part of the Organisational Design programme, the organisation is redesigning the way it prioritises and manages its programmes and tracks its performance. Through the development of a single organisational work programme based on joint priorities across both Adur & Worthing administrations, the organisation has improved how it prioritises programmes to provide it with a sustainable and manageable programme of work and help prioritise what projects are delivered to support the Councils' joint priorities and manage resources. The Organisational Design programme has made good progress in redesigning services to help the organisation become more resilient. While making good progress, the programme has a very demanding timetable and some delays have been experienced in the early stages the teams are mobilised. As a result the organisation is bringing forward the savings for 2025/26 into 2024/25 – delivering all savings by April 2025 and accelerating the delivery of redesigns. This accelerated timetable is increasing the pace of change and mitigations put in place are stronger review and support by Core Services to support the delivery of the redesigns.</p>	CLT/Noel Hatch	Major	Likely	High	Improved

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Corporate	C17	Joint	Climate emergency risk - Councils need to mitigate climate change, adapt to climate change and prepare for more frequent extreme climate events and impacts.	<p>September 2024 - Progress against the 2030 carbon neutral target is good. The Worthing Heat Network project has progressed well and contract award took place in April 2024. The construction phase is underway starting with decarbonising the Worthing civic centre site and the hospital. It will form the foundation to decarbonise heat for the NHS, new builds, and ultimately all households in Worthing with up to £500m of private investment to grow the network. The corporate fleet strategy and options will be presented to committee in autumn 2024. A £1m project to test the use of hydrogen at the crematorium was the first of its kind in the UK. The trial was completed in May/ June 2024 and the findings are now being evaluated by Ricardo. The Trees for Streets programme launched in June 2023 and work is progressing on an Adur & Worthing Nature Plan to help drive the delivery of nature based solutions in development, public realm and open spaces to be presented to committee in November 2024. The Sussex Bay marine project has recently secured external grant funding from Rewilding Britain and a Research Lead has been appointed to undertake development of a Seascape recovery Framework in the next 12 months.</p>	CLT/Paul Brewer/Chloe Clarke	Major	Likely	High	No change
Corporate	C18	Joint	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.	<p>September 2024 update - In October 2023 the government announced its plans for Simpler Recycling as part of the Environment Act. It requires, amongst other things, local authorities to collect food waste from households by 1 April 2026.</p> <p>There remains uncertainty regarding funding for the new service, the costs of which can not be met from existing council budgets. Capital funding has been announced and allocated (for vehicles and containers) but the previous government did not make announcements regarding implementation or revenue costs before the election.</p> <p>In July 2024, JSC approved the decision to continue with the planning for the roll out of the service, with a cap on revenue spend (75% of the total cost of the service) to minimise the risk of a shortfall in funding. The service will be rolled out to higher density housing in the first instance, with funding options being explored to encourage community and home composting for those areas which may not be included in the first phase.</p> <p>The Environment Act also requires businesses to recycle the same materials as domestic properties. We offer recycling and food waste collections to our commercial customers, but many have not taken these services up yet. We need to be able to offer these services to all commercial customers by March 2025 to enable them to be compliant and to avoid customers moving to other providers, which would have an adverse impact on our income generation. The commercial service is actively engaging with businesses to advise them of the changing requirements and offering the additional services.</p>	CLT/Jan Jonker	Major	Likely	High	Worse

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Financial Services	F1	Joint Adur Worthing	Risk to overall financial position - Known areas of risk within the budget eg Income from demand led services, outcomes of job evaluation, Pay award higher than assumed.	<p>September 2024 - Council holds some contingency budgets against inflationary pressures</p> <p>Council holds reserves to manage the risk of lost income, however reserves have reduced in Worthing.</p> <p>Where a service has been identified as being at risk a close monitoring regime is put in place.</p> <p>The enhanced monitoring for CLT for areas of commercial risk is continuing. .</p> <p>Proactive control of discretionary spend implemented to help resolve areas of overspend within the budget.</p> <p>Budget management strategy in place to build reserves and to better manage risks. Risk still persists due to economic uncertainty and inflation.</p>	Emma Thomas	Major	Very Likely	High	Worse	
Financial Services	F2	Joint Adur Worthing	Future spending requirements are under-estimated - Budgets are insufficient to fund core costs leading to an overspend.	<p>September 2024 - Council has set a balanced budget for 2024/25. Closely monitor progress through Budget/ Performance Monitoring. • Where issues are identified build into budget for the following year.</p> <p>Proactive management of discretionary budgets to manage in year pressures.</p> <p>Annual savings and budget exercise now in progress to reset budget and deal with areas of high pressure. Organisational re-design programme taking place which will help achieve this.</p> <p>A suite of budget management initiatives are also in place to control spend, this has supported both the mitigation of overspends where possible and the delivery of in-year savings. These controls include tighter controls on external spend, vacancy management and agency and consultant spend. A Budget Management Group meets weekly to review spend requests above £25k, and sub £25k requests are being considered daily by a triage group. Staffing budgets are very carefully controlled.</p> <p>Rigorous process for establishing new posts. Other staffing controls – recruitment and selection. Controlling vacancy filling and monitoring against targets.</p> <p>Deferral of expenditure where possible to help mitigate the current financial position.</p>	Emma Thomas	Major	Likely	High	Worse	

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Financial Services	F3	Joint Adur Worthing	Risk that future resources from Government are less than assumed	<p>September 2024 - Councils have lobbied Government for an appropriate resource distribution. • Take action to reduce the overall cost of services or increase income where possible.</p> <p>Councils have responded to the previous Business Rate retention scheme proposals.</p> <p>Councils have responded to the previous funding review consultation.</p> <p>Councils have responded to the previous Local Government settlement consultation.</p> <p>Councils will look to respond to future consultations.</p>	Emma Thomas	Major	Likely	High	Worse	
Financial Services	F4	Joint Adur Worthing	General risk of not finding significant budget savings from both Councils.	<p>September 2024 - Sufficient savings have been identified to meet 2024/25 budget pressures.</p> <p>Introduced Financial Savings Tracker to check savings over 2 years.</p> <p>Risk is now for the 2025/26. Reports to JSC in October 2024.</p>	Emma Thomas	Major	Likely	High	Worse	
Resident Services	RS1	Joint	<p>Revenues and Benefits Team - Reductions in staffing levels may affect service provision. Increase claim turn-around times, increased error/fraud and overpayments, hardship to vulnerable claimants and reputational damage to Councils.</p> <p>Revenues Team has been unable to absorb additional work volumes since April 2013.</p> <p>Opportunity to develop digital solutions that automate some processes.</p> <p>Backlog on Revenues processing times.</p>	<p>September 2024 - The performance of the benefits team has reduced and processing times increased due to less staff and additional work requested by the DWP - full case reviews.</p> <p>The performance of the revenues team has significantly reduced and the backlog increased.</p> <p>Majority of self service work implemented. Staff led discovery work completed and translated into a programme of work which includes the introduction of e-forms and automation of data handling of data provided by customers - Director has oversight of this work.</p>	Tracey Strutt	Major	Likely	High	Worse	

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Legal & Democratic Services	LSDS5	Joint	<p>Elections and referenda - Increasing complexity and frequency implementing legislative changes creating additional responsibilities and activity required of the electoral services team, this increases costs of delivering elections, overspend in 24/25 against budget extent of which cannot yet be assessed until accounts processed. Knowledge limited to key individuals. Risk of staff burn-out. Redesign includes collaboration between Democratic Services and Elections for increased resilience.</p> <p>Robusticity of software against timing of network refresh project.</p>	<p>September 2024 - Learning development between Democratic services and elections teams.</p> <p>Team staying up to date with Electoral Commission and Boundary Commission on the proposed changes and will plan accordingly. Meeting booked to discuss issues with Electoral Commission and ongoing access line for assistance.</p> <p>The Elections Team are continually engaging with the DLUHC and the Association of Electoral Administrators (AEA) following development of legislation and guidance as it develops.</p> <p>Business continuity has been reviewed with the Digital Team and Emergency Planning.</p> <p>Additional pressures in service redesign causing additional costs and concerns of being understaffed to meet needs. Meetings with VL (finance) and TB to go through budgets in detail have been arranged and ongoing.</p>	Jo Lee	Major	Likely	High	No change