



ADUR & WORTHING  
COUNCILS

Joint Strategic Committee  
6 March 2025

Key Decision [No]

Ward(s) Affected:N/A

**Corporate Risks and Opportunities updates**

**Report by the Director for Sustainability and Resources**

**Officer Contact Details:**

Mark Lowe

Scrutiny and Risk Officer

mark.lowe@adur-worthing.gov.uk

**Executive Summary**

**1. Purpose**

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

**2. Recommendations**

**That the Committee:-**

- 2.1 Reviews the Risk and Opportunities report and considers any recommendations or comments to be presented to the Joint Audit and Governance Committee by the Joint Strategic Committee;
- 2.2 Considers if it would like any further information on any of the Corporate Risks and Opportunities; and
- 2.3 That the Committee agree to receive a further progress report in September 2025.

### **3. Context**

- 3.1 The Accounts and Audit Regulations 2015 require that the Councils have in place effective arrangements for the management of risk. These arrangements are kept under constant review and it is important that the Risks and Opportunities are soundly based to help the Councils optimise the achievement of the Councils' objectives and prioritise actions for managing the risks and opportunities.
- 3.2 The Corporate Risks and Opportunities register is a key document in the Councils' approach to the management of risk. It has captured high level strategic risks relating to issues contained in the Corporate Plan and the register is used to help inform decision making about business planning, budget setting, transformation and service delivery.
- 3.3 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, the latest summary of the Corporate Risks and Opportunities register is attached as an Appendix to this report to assist the Councils in the monitoring and management of the Corporate Risks and Opportunities and this is also good practice in effective Risk and Opportunity management. As requested by the Committee, the register now provides the date when the risks and opportunities were added.

### **4. Issues for consideration**

- 4.1 Corporate Risks and Opportunities are reported and updated to the Council Leadership Team (CLT) and in consultation with Heads of Service and relevant Officers. A general overview report on Risks and Opportunities is also provided to the Joint Audit and Governance Committee twice a year in order that it can monitor the effective development and operation of Risk and Opportunity management in the Councils and the next report will be presented to that Committee on 11 March 2025.
- 4.2 The Corporate Risks and Opportunities are key issues which have been identified by the Leadership Team as having the potential to impact on the operations and delivery of the Strategic 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 our Corporate Missions - 'Thriving People - Thriving Places, Thriving environment and Thriving economy'.

- 4.3 The inclusion of these issues on the Risks and Opportunities register 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 aims and Objectives and move in the direction prescribed in the Corporate Plan.
- 4.4 The Leadership Team undertake regular reviews of the Corporate Risks and Opportunities to ensure that the key issues impacting the Councils are included and that the risks and opportunities align with the priorities of the Councils. There are currently 19 Risks and 4 Opportunities (Compared with 18 Risks and 2 Opportunities when reported to the Committee in September 2024). The most recent review has led to the risk relating to rent setting and debt collection for Adur Homes and Housing due to the systems in place with limited functionality to change, being referred down to the Service Risk level from the Corporate level. Risks and Opportunities relating to Devolution and Local Government reorganisation have also been added as set out in the attached Appendix to this report. The role of the Committee is to review and monitor the management of these risks and opportunities.
- 4.5 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 register but at the moment there are 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:-

Councils finances - Keys areas of financial challenge/risk identified are  
Housing needs/homelessness, housing benefit subsidy, planning income and Building Control income;  
Housing demand, supply and management  
Major Projects development;  
The organisational design of the Councils

Statutory obligations in compliance

Issues with data systems

Local Government reorganisation - With Sussex being accepted onto the Government's fast track priority programme this will present both opportunities and risks over the next few years and beyond.

- 4.6 The operating context for Adur and Worthing Councils continues to be challenging and this was outlined in the December 2024 budget update report. The combined impact of pay inflation, stubborn interest rates and insufficient funding to address key service pressures in Housing has made the task of presenting a balanced budget more difficult.
- 4.7 To address the risk, the councils approved a new financial strategy in July 2024 and the positive impact of the new asset strategy approved in November 2024 has been built into the budget.
- 4.8 Through the organisational redesign programme, the Councils have identified savings of £4.35m over the 2 years with £2m of this reflected within the 2025/26 revenue budgets.
- 4.9 The Financial Strategy developed and the Organisational Design demonstrates that the Councils are not only redesigning services to meet significant financial challenges but also actively improving outcomes for our communities in ways that are more sustainable and cost-effective in the long term. These changes are more than a response to immediate pressures and it is a fundamental shift in how the Councils act as a steward of our place. By embedding the changes, the Councils are creating a foundation for delivery that is better for our communities, more empowering for our staff, and more robust for our finances. This positions us to adapt to an increasingly uncertain social and economic environment and, critically, to shape and influence that change for the better.
- 4.10 There is still uncertainty with respect to the financial implications of the environment act, particularly around implementation and revenue costs for food waste collections, which are due to start in March 2026. There is now very little time before implementation to mitigate any adverse impacts. This will be closely monitored through the year. Due to the financial challenges the Medium Term Financial Plan excludes any additional revenue costs on the assumption the councils will require new burdens revenue funding to meet the impact of the new service requirement. Confirmation of the new burdens funding allocation for revenue costs is still to be confirmed.

4.11 There is also pressure on the shared service arrangements. The shared service arrangement has successfully delivered for both councils since 2007. It has provided effective service delivery and enabled each council to deliver on their priorities and separate commitments. This has continued to be the case despite experiencing a period of considerable turbulence. However, the financial positions of the two councils are not the same. This brings with it risk for the partnership as any asymmetry in the capacity of each council needs to be addressed in the shared delivery model. This has been taken into account in the organisational design work, however it remains a considerable risk for both councils and the shared service arrangement. To ensure that the Joint Strategic Committee continues to balance the budget there will need to be a continuing emphasis on delivering the financial strategy, and focus on efficiency and value for money in the annual savings exercise.

## **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 Strategic Committee has responsibility for receiving a report on the management of the Corporate Risks and Opportunities at least twice a year. 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](#)

## **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 Corporate Risks and Opportunities to the Joint Strategic Committee twice a year.