



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
8 October 2019
Agenda Item 8

Key Decision [No]

Ward(s) Affected: N/A

Annual summary of Corporate Risks and Opportunities

Report by the Director for Digital & Resources

Executive Summary

1. Purpose

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

2. Recommendations

- 2.1 That the progress in managing the Corporate Risks and Opportunities be noted;
- 2.2 That the Committee consider 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 annual progress report in October 2020.

3. Context

- 3.1 The Committee has previously requested that a summary report on progress in managing the Councils' Corporate Risks and Opportunities be reported to it Annually in accordance with the Risk and Opportunity Management Strategy 2018 - 2020. This will assist the Councils in monitoring the Corporate Risks and Opportunities and is also good practice in effective Risk and Opportunity Management.

4. Issues for consideration

- 4.1 Corporate Risks and Opportunities are reported and updated quarterly to the Council Leadership Team (CLT), in consultation with Heads of Service.
- 4.2 An additional risk has been recently added relating to Climate Change, following the Councils' Climate Emergency Declaration.
- 4.2 A summary of the current monitoring and status for the Corporate Risks and Opportunities is set out in the Appendix to this report. This includes details of the mitigation measures in place and these practices being followed by the Councils continue to highlight the good practice being followed across the organisation in the management of Risks and Opportunities and the importance of risk and opportunity management.

5. Engagement and Communication

- 5.1 The CLT and Organisational Leadership Group (OLG) 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 some 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 an Annual report on the management of the Corporate Risks and Opportunities. 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 - 2018 - 2020

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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 the Councils strategic vision 'Platforms for our Places'. Some of these will 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.

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 and no direct issues identified.

4. Governance

The Risks and Opportunities are aligned with the Councils' priorities contained in 'Platforms for our Places'. As part of good Governance the Councils need to manage Risks and Opportunities effectively and clear governance controls are contained in the Risks and Opportunity Management Strategy which include the requirement to report annually on the Corporate Risks and Opportunities to the Joint Strategic Committee.

Corporate Risks and Opportunities 2019/20

1. That the Council finances continue to be under pressure

High Risk

The Councils have continued to successfully address financial pressures while improving service delivery in recent years. The Medium Term Financial Strategy is regularly refreshed and reported to Joint Strategic Committee. The Councils have developed a number of strategic strands, including commercial property investment, prevention of homelessness, temporary accommodation supply, digital transformation and commercial income growth. Targets set in these work streams have been met or exceeded each year. Significant impacts are expected from budget cuts to be made next year by West Sussex County Council and the Councils have been working for some months on mitigating the impacts of these. Whilst the delay to the fairer funding review alleviates some pressure in 2020/21, this does mean that there remains uncertainty for 2021/22 and beyond and we expect continued financial pressure.

2. Potential impact of Welfare Reform changes

High Risk

DWP have now taken the lead in arranging a multi-agency group to provide an opportunity for all partners to collaborate on this work. Continued partnership work to identify and work those most at risk is embedded in work such as 'Preventing Homelessness' ; Going Local - Social Prescribing and internal service reviews.

The Government announced that from April 2019 the digital and budgeting support that is provided to residents will be provided nationally by Citizens' Advice and funded directly by the Government. A video is available on the Councils web pages to help local communities better understand the new benefit.

The DWP roll out of UC has been further delayed (for the transfer of existing claimants onto the new benefit) and timetables for this are still awaited. At present information is that the impact is slow and although there are clearly individuals who have found the new process challenging and one of the biggest ongoing risks is related to housing costs and homelessness.

3. Economic uncertainty - Risk that key national indicators might impact on the local economy.

Medium Risk

An [Economic Strategy](#) was adopted for 2018-2023, focused on growth through the three dimensions of place, people and prosperity. The strategy seeks to address challenges around employment space, housing and transport infrastructure, and recognises the need to expand on the strengths of our cultural economy and capitalise on the leadership our councils are providing on digital infrastructure. The Platforms for our Places commitments highlight the opportunity to be a trusted partner to support the retention of local business; make the best use of our existing assets to support local economic activity, secure new revenue income streams and position the Councils so that they are well placed to attract public and private investment.

The Councils have developed risk assessments and plans are in place in the event of a 'No Deal' Brexit. There has been involvement with preparations and planning through the Sussex Resilience Forum. The Councils are actively engaging with strategic partners to identify what additional support may be required to support our local businesses (and our communities) as the UK exits the EU.

4. Housing supply - Availability of affordable housing supply including; emergency and temporary accommodation; move on accommodation at LHA rates and suitable/affordable private sector rented accommodation.

High Risk

Significant progress has been made by the Councils in securing additional temporary accommodation units in recent months, and this is having a positive effect on the Councils' budget position, in the face of rising demand.

The Councils Opening Doors scheme which supports private landlords has made a successful start, helping maintain people in private sector tenancies. Reviews are well underway to identify Council land and property that could be redeveloped into homes, as well as exploring opportunities with partners such as West Sussex County Council. There has been a 50% reduction in rough sleeping as a result of effective outreach work, and significant continued MHCLG grant funding will maintain levels of support to the street homeless.

The Adur and Worthing Local Plans highlight the constraints placed upon further outward growth, although we continue to work with registered providers and developers to bring forward new homes as quickly as possible.

- 5. Organisational development - Risk that policies and learning offer are outdated and limit our ability to adapt and drive change. Ageing workforce and need better succession planning.**

Medium Risk

Significant improvements have been made to the organisational development offer over the last two years, including a review of annual review and 1-1 processes, involving training for all managers in “Leading Quality Conversations”. A quarterly Leadership College event brings managers from across the organisation together to engage with council finances, key strategic priorities and leadership development. Recently, all Heads of Service received 360 assessments, helping identify strengths across the senior team, and opportunities for group and individual development, including coaching. A People Working Group has been running for over two years, with representation from across the organisation, and this group has produced a new Staff Handbook, developed a new exit interview approach, reviewed recruitment practices, and HR policies, many of which have been reviewed and simplified over the same period. A key area of focus in the next 12 months will be succession planning. A People Data Dashboard has been produced which is providing managers with key data about their workforce.

- 6. IT Disaster recovery - Hosting applications locally carries increasing risks given the pace of technological change. As for most councils, we have limited resilience in the team, and too much dependence on key personnel. Our data centre cannot be sufficiently protected from physical threats.**

High Risk

Following the introduction of the new digital strategy in 2015, the reliability of ICT services has been radically transformed. Management of the local data centre has been improved significantly, and these changes have been made alongside progressing with the long term strategy to move applications to secure, resilient off-site cloud hosting.

A disaster recovery test was undertaken in 2018 which involved a power outage scenario at the Town Hall. This was successful and learning from that was embedded into management and maintenance practices. Regular reports are provided to the Joint Governance Committee.

Business Continuity plans are in place for every service detailing what actions will be taken in the event of ICT failure, and a Business Continuity working group meets regularly to drive continuous improvement of our response plans and incident readiness. Annual Network security tests are carried out. The Senior Management Team recently undertook training via Sussex Police on cyber security where our technical approach was praised and ongoing needs for awareness raising and

training for staff were confirmed. An awareness programme is in development.

7. Major Project delivery - Some major projects remain undelivered and strategically important sites remain vacant. Considerable potential for reputational damage given the high priority attached to these programmes by local communities.

High Risk

A solution based approach working with key partners in the development sector to unlock challenging sites. The councils have embarked on an ambitious programme of development that makes the best use of their existing assets. This is exemplified by Adur District Council's 'design and build' scheme to provide a new office development, pre-let to an expanding local company.

An innovative approach to partnership will help to 'de-risk' projects and create the right conditions for development to take place. For example, Worthing Borough Council has entered into a Land Pooling Agreement to help de-risk the development of Union Place and secure access to the agencies and skills necessary to deliver.

Both councils have used Local Growth Fund monies to deliver the necessary infrastructure to support development. The councils have also played a pro-active role in supporting Coast to Capital in the development of a Strategic Economic Plan to ensure that their priorities for the development of major projects are represented and therefore, more likely to benefit from future public funding in the future.

The councils have provided clear and unambiguous signals to the development sector about their intentions and commitment to deliver. A dedicated team has been established to manage the major projects and capital budgets adjusted to reflect the priority attached to this work. Regular monitoring of progress provides oversight and formal reporting to the relevant executive councillors; internal project groups and formal Committee meetings takes place to oversee progress.

8. Emergency response - Review of capability to respond to emergency incidents

Medium Risk

Significant work has been undertaken to strengthen our approach. A Strategic Duty Officer rota is in place, with all SDOs trained. The Director for D&R and the CEO attended two training sessions in 2018 with county colleagues, including "emergencies on trial" training which role-played an inquest / enquiry scenario.

A scenario test was undertaken in March 2018, which grew the experience of the senior management team, and in 2019 senior officers participated in a cybersecurity scenario run by Sussex Police. An ICT scenario was also undertaken in 2018, and a further scenario test will be undertaken in Spring 2020 to ensure regular refresh

training.

9. Failure to comply with the new GDPR - Risk of fines and associated costs

Medium Risk

A new Senior Information Governance Officer started in September 2019 and will pick up and review the comprehensive action plan. Progress to date includes:-

30+ GDPR leads from each service have been briefed and attended workshops.

They are using an 'Implementing GDPR toolkit' to work through the GDPR activities, namely:

- Complete Register of Processing Activity.
- Update Privacy notices
- Accountability - Documents how the service is complying with the data protection principles
- Contracts with Data Processors reviewed and updated
- Comply with the data protection principles
- Comply with subject access rights
- Review and update retention & disposal details and arrangements
- Review service policies, procedures, staff training.
- Reports to CLT and Joint Governance Committee with GDPR updates.

Opportunities for partnership working with Arun are also being considered.

10. Climate Emergency

High Risk

The Councils have committed to become carbon neutral by 2030, and to work at a systemic level to encourage all organisations to match its ambition. Following the Council's Declaration of a climate emergency in July 2018, the Councils have commissioned experts to produce a Carbon Reduction Plan by December 2019. Significant capital funds have been allocated to support carbon reduction measures and additional resources are being brought in to help drive this significant agenda.

The Councils have made significant progress in recent years, including introducing a discounted public transport scheme Easit - adopted by many local firms - which is part of a wider Staff Travel Action Plan. The Council's electricity supply is 100% renewable, and solar panels have been installed on corporate buildings.

A review and expansion of the Councils' Sustainable AW strategy is underway which will include strengthened sections on biodiversity, climate adaptation, food systems and community action.

Opportunities

- **Place based health - The increasing alignment/integration of Health, Social Care, Wellbeing and District and Borough services creates a real opportunity for Adur and Worthing Councils to influence and shape the long term health and preventative agendas for our residents.**

Medium Opportunity

- The development of Local Community Networks with the heavy involvement and leadership of one of our senior managers on secondment
 - The Chair of our CCG meets regularly with our key Cabinet Members and has invited political involvement in Future Place Based Health Initiative
 - CEO is a representative on the West Sussex Health and Wellbeing Board.
 - Across Adur and Worthing we are running highly innovative Placed Based Health Projects (e.g. Going Local Social Prescribing) and influencing long term health and social care direction.
 - The Council is leading the provision of a new integrated healthcare facility on the Town Hall Car Park site working closely with a range of health partners. The facility would provide a new medical centre for 3 existing town centre GP practices.
- **Place leadership - Civic Governance and the way Adur and Worthing Councils co-lead with a range of community and key stakeholder partners is vital to provide the leadership and direction our communities and places need over the medium and longer term**

Medium Opportunity

- Developing strong place brand and a brand for the Councils and ensuring our place reputation is well managed
- Ensuring the strongest network of partnerships that can genuinely be both strategic and unblock operational and direction issues
- Building and continuing to build the capacity of our CVS infrastructure organisations to ensure key voice of our CVS organisations are plugged into the right conversations
- Developing critical intelligence/data that all leaders of place require
- Progressing our systems leadership work. 3 days of system leadership training has taken place with Worthing LCN participants and 2 days with leaders from the Communities Directorate.
- Ensuring our Local Strategic Partnership remains relevant and adds value in addition to the other underlying thematic partnerships
- Ensure strong and sustained relationships are built and maintained with Greater Brighton partners, LEP, WSCC, Districts and Boroughs, commercial sector, community and voluntary sector, NHS and other statutory partners essential for a collaborative approach to leadership of place.

- **Sustainability - Through *Platform 3* and *Sustainable AW* the council is initiating activity, collaborative relationships and enhanced capacity across Adur & Worthing to deliver positive environmental change.**

Medium Opportunity

A significant stepping up of activity on the sustainability agenda includes a review of the successful Sustainable AW strategy and a comprehensive carbon reduction plan to be presented to Joint Strategic Committee in December 2019, with the aim of becoming carbon neutral by 2030.

The Councils recently hosted a community event on the subject of Food & Land with the aim of improving the local food system, and a large Climate Change Event is planned for January 2020.

- **SameRoom - Build a service design and digital capability to help us transform ours and others' services.**

Medium Opportunity

The Councils have established a national reputation for the use of service design in our service change and digital work, notably the successful multi-agency preventing homelessness project, work on loneliness, a Design Council funded project on Work & Skills, and a number of internal projects such as digital housing repairs, digital waste, and in the project work of the People Working Group.

Our Councils are leading nationally on the creation of a service design apprenticeship which would be used across all sectors, and a wide range of public bodies and private companies are participating including Cancer Research UK, Government Digital Service, Lloyds Bank, Coop and a number of large councils.

- **Social Innovation - This may provide an opportunity to look at issues, whether these be problems or not, in a different way. The key is to find and develop a network of 'innovators' in our places who have the willingness and capacity to work together and with us to explore new ideas.**

Medium Opportunity

There are a number of innovation projects that have been developed. These include

- Beat the Streets - in collaboration with TCV and Intelligent Health
- Food, Land & Learning event
- Going Local social prescribing
- Preventing Homelessness
- Live Well through work and skills
- Worthing Ping and other activity based projects are beginning to develop and will be drawn into the development of the emergent 'Activity Strategy'
- Local Walking and Cycling Group - being used to develop the A&W LCWIP