

## Appendix 2 - Corporate risk list - April 2023

Ref	Risk description	Mitigation	impact / learning
<b>Achieving outcomes</b>			
1.	Failure to deliver strategic improvements for the city, due to wider factors	Maintaining momentum on City Vision work and major strategic activity e.g. Climate change, Sea Defences, CAZ, Local Plan, Health and Care integration, developing Levelling Up Plan.	<p>The ability to move forward with the Local Plan is a key risk for the organisation in terms of the ability to deliver strategic improvements and balance the competing needs in a tightly constrained city.</p> <p>Increased costs, particularly relating to capital works, reduces the ability of the organisation to deliver on ambitions.</p> <p>The approach by Government to the city in light of the levelling up ambitions is also a significant influence on the ability to achieve wider ambitions, from the approach taken to resource allocation, prioritisation of the city's needs, and wider structural issues, including local government reorganisation and devolution.</p>
2.	Reduction in services for vulnerable people, such as domestic violence and substance misuse service, lead to poorer outcomes and increased demand for other services.	Lobbying through Health and Wellbeing Board and other mechanisms including LGA	<p>The impact of lockdown on vulnerable people continues to surface, with increased demand for services for mental health and other health services. The impact on education in Portsmouth relative to other areas of the country, and particularly in relation to the most disadvantaged pupils, is clear, and there are issues emerging in relation to attendance rates and demand for support around special educational need and disability, including neurodiversity and social, emotional and mental health.</p> <p>Ongoing reliance on short term, external funding streams to provide services for residents, examples include domestic</p>

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			<p>violence services, youth services and specialist provision around mental health.</p> <p>The cost of living crisis has created some more vulnerability and demand for service and work is underway to consider how a response to income deprivation and its challenges in the city can be addressed.</p>
<b>Delivery of statutory responsibilities</b>			
3.	<p>Pressures in children's services lead to increased caseloads and therefore increased waiting times for assessment and support - risks of poorer outcomes, for example:</p> <ul style="list-style-type: none"> <li>- Increased vulnerability within families</li> <li>- Impacted ability to regain independence or avoid hospital admissions</li> <li>- Increased risk of harm through abuse/neglect</li> </ul>	<p>Specific actions include:</p> <p>Challenge Home Office application of National Transfer Scheme for unaccompanied asylum seeking children</p> <p>Temporary staffing resource to increase capacity, however this impacts on the budget position.</p>	<p>Challenges around increased non-attendance at school and demand for mental health and neurodiversity support services increasing.</p> <p>Ongoing challenges with care market.</p>

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4.	<p>Significant changes in the social care sphere place new duties and responsibilities on the authority and are likely to create some turbulence in the local market. Including:</p> <ul style="list-style-type: none"> <li>- The Care Cap has been deferred to - October 2025 - ASC will be required to create a 'care account' for anyone who asks for one and then assess care and support needs to understand which needs are eligible for ASC support. Based on eligible needs, this then 'meters' towards limiting how much any individual will pay for care in their lifetime. The capital threshold at which the local authority will begin contributing to an individual's care costs will increase from £20,000 to £100,000. Section 18(3) of the Care Act will be implemented, meaning that an individual funding their own care can ask the local authority to use its rates to pay for their care. This is likely to impact on the current care home market predicated on higher charges for 'self-funders' and lower charges for LA funded placements. There is a risk of potential destabilisation of the market and increased costs for the LA.</li> </ul>	<p>Project commenced, initial analysis of work and leads completed</p> <p>Introduction of a dynamic purchasing system for care home placements</p> <p>There has been an increase in the funding available to adult social care in the 2023/24 and 2024/25 financial years, however inflationary pressures have absorbed much of this funding in order to continue provision of care.</p>	<p>All of the individual reforms would be ambitious individually in terms of resource and impact on systems, even with effective project management, this is likely to prove challenging.</p> <p>Initial grant funding was provided by central government for 22/23, to support both the delivery and implementation of the Fair Cost of Care reforms. This funding has translated into a new Market Sustainability and improvement grant, which has conditions attached to it and requires increased monitoring and returns by the Council</p> <p>DHSC have ruled out a national system of care accounts, discussions with national IT providers commenced in April 2022. Having on-line access to care accounts for individuals will be dependent on PCC creating them with its current supplier.</p> <p>Highly likely to see dispute over eligible need as citizens understandably seek to protect their assets Likely to see an increase in costs to the LA - fund allocation to PCC not yet known.</p> <p>Unlikely to be sufficient allocation to address the loss of income or additional resources required to implement and manage these reforms on an ongoing basis.</p> <p>Likely to see a reduction in suppliers as 'self-funder rates' change, limiting choice of providers and increasing costs.</p>

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	<p>- Inspection of Adult Social Care - April 2023: The inspection of the Local Authority delivery of social care functions will be partly dependent on data returns. ASC in Portsmouth has had key staff leave the authority and has challenges providing data nationally. From 2014 onward, savings were allocated against staffing resource and this reduced the performance function significantly. A successful inspection result will be dependent on competent performance assessment and data submission. The legislation introducing inspection of ASC provides for central government intervention in areas where inspection results are judged unsatisfactory. New Adult Social Care Outcomes Framework (ASCOF) national reporting measures are due to be introduced in 22/23.</p>	<p>Project Board in place and engagement with corporate IT. Temporary specialist resource to provide resilience in current reporting has been recruited. Recruitment to Quality and Performance lead successful - PCC has agreed to fund two data analysis posts in 2023.</p>	<p>Requirement for Corporate IT support for the project. Implementation of workflow to 'warehouse' data is complex and costly.</p> <p>Some 'single point of failure' dependencies related to key staff</p>

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5.	Key responsibilities in the social housing space creating significant demand in wider system, for example supporting wider resettlement programmes and providing temporary accommodation.	<ul style="list-style-type: none"> <li>- Sourcing better quality alternatives to B&amp;B/Hotels</li> <li>- focussing on the work to prevent homelessness</li> </ul> <p>Appointment of co-ordinator to lead on response to resettlement programmes</p>	<p>The level of temporary accommodation use isn't abating and we are now seeing an increase on the housing register. The pressure is both financial (we are spending above the budget available) and potentially a statutory issue if we can't move people out of temporary accommodation.</p> <p>There are significant new burdens linked to resettlement and a risk of failure to sustain the system wide response. Lots of very positive activity in the city, including City of Sanctuary / partnership / use of MOD units/regional links but significant work that needs structured approach.</p>
6.	NHS reorganisation - risks to local resourcing, planning and delivery	Prospectus and Blueprint for Health and Care in Portsmouth as basis for local delivery arrangements in partnership; strong representation on Integrated Care Partnership and associated working groups.	The NHS reorganisation - from a system of local clinical commissioning groups into Integrated Care Systems with associated board and partnership structures - created risks for the local area in terms of where decisions are now made and how resources are allocated. There are also risks to the strong and deep integration of local services for the benefit of residents, where efforts have been made to minimise organisational boundaries and create seamless services as far as possible. This risk continues to be felt as the HIOW ICB reorganises its structure in response to financial pressures.
7.	Failure to protect the city environment, including in relation to air quality, flood defence and natural and heritage assets.	Coastal Defence schemes Air Quality action plan Climate Change Strategy Local Plan framework Draft heritage strategy	The city environment now has high political priority - note the declaration of a climate emergency and a nature emergency, a Notice of Motion to support ocean literacy and support for findings of a biodiversity scrutiny panel. The need to balance stewardship of the environment with

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		<p>Draft parks &amp; open space strategy</p> <p>Greening strategy</p>	<p>development requirements is also being cited in relation to challenges around the Local Plan.</p> <p>Issues of particular concern include:</p> <ul style="list-style-type: none"> <li>- The ongoing Air Quality challenge in the city and the implications for health of residents</li> <li>- The significant potential costs and challenges associated with achieving the Net Zero Carbon commitment in the climate emergency declaration</li> <li>- Parks Service resources are limited, particularly around countryside stewardship and project development, and most directed towards maintenance, meaning there is limited scope for developing approaches to protection and nurturing of our natural open spaces</li> <li>- Coastal development works have been hugely positive developments for the city (and have been a positive driver for change re Linear Park etc) but need to recognise that the seafront strategic development is currently influenced by the seafront coastal works.</li> <li>- Need to address development requirements for housing and employment space a challenge in the light of land constraints - other requirements too, such as burial space and Port expansion.</li> <li>- Existing infrastructure may not be able to cope with adjustments needed to respond to environmental agenda, for example, requirements for more power in the city to enable EV, move away from domestic gas etc.</li> </ul>

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8.	Exposure to national level political and legislative change including impact on scope of duties, powers, responsibilities and service demand.	<p>Ongoing monitoring through the Universal Credit Partnership</p> <p>Engagement with SE Migration Partnership</p> <p>Ongoing resilience forum arrangements</p> <p>Engagement with DEFRA</p> <p>Licensing fee review</p>	<p>New responsibilities and new duties have been passed to Local Authorities to manage the Covid-19 response and help the Covid-19 recovery. Over the past two years this has included changes to health protection responsibilities, changes around the expectations related to homelessness and rough sleeping, and responsibilities around grant distribution.</p> <p>Short notice demand for assurance in key areas increased during the pandemic and is resolving into new frameworks for assurance in the adult social care sphere.</p> <p>The ongoing uncertainties around Brexit have created particular issues in relation to our Port operation. Target Operating Model now published but considerable issues to work through: staffing, border risk categories, funding and IT requirements. Continual liaison with DEFRA.</p> <p>The increased legislative picture means wider remit for existing regulatory team. Resources are focussed on a risk/need analysis. Demand limits ability for proactive interventions - risk that service loses sight of business which are not registering &amp; as such are trading illegally and creating wider risks to public safety Additional burdens resulting from legislative changes - requiring appropriate ringfenced funding. The risk is that new laws remain unenforced due to resource constraints.</p> <p>Licensing - Ability to charge fees locally is increasingly being replaced by statutory fees charged set by government, with licence holders expected to cover the costs. Locally set fees means that full costs can be recovered, avoiding subsidy</p>

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			<p>from local taxpayers. The local tax payer should not subsidise the function, however licensing decisions are facing increased scrutiny particularly over fee setting by business, public and media. Fees have not been increased since 2019 and the service is looking at overspend of approx. 18% without fee review.</p> <p>A further area of risk is the ongoing impact of increased cost of living. We are likely to see a significant impact on residents, and requirements to ameliorate the impacts - there has already been a requirement on local authorities to administer the Council Tax rebate and several rounds of Emergency Household Assistance Grant. It may be that there is increased expectation to develop and implement local measures to address the significant need likely to arise.</p>
9.	Failure to fulfil health, safety and wellbeing responsibilities, including in respect of operational and heritage buildings and open spaces.	<p>Connectivity project</p> <p>Engagement with water authorities.</p> <p>Social housing charter</p>	<p>The Connectivity project recognises the importance of preserving safety and wellbeing of staff in a different way of working. We have also maintained resources into providing staff wellbeing advice and support.</p> <p>As an island city, we have identified the particular need to consider approach to water safety - there are limited resources to monitor increasing public use, but a proportionate approach to the issue has been agreed with Internal Audit</p> <p>Water Quality - pollution being discharged into our harbours - deterioration of bathing water at Southsea East - potential for 'prohibition' at close of summer season 2023.</p>



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		<p>Dedicated officer to support implementation of Martyn's Law legislation. Investment into relevant/required measures to adhere to the legislation.</p>	<p>Legislative requirements relating to domestic building safety are significant given our regulatory role, but also role as a provider of social housing.</p> <p>Rising building and energy costs mean that fulfilling duties around creating safe buildings and spaces is increasingly expensive for the organisation, and many buildings are not being used to full potential.</p> <p>Martyn's Law legislation is expected to be passed in 2024. This will have implications for publicly accessible premises: standard tier - 100 - 799 max capacity, enhanced tier 800+ max capacity. It is likely that the legislation will enforce the implementation of a variety of measures to mitigate a terrorist related attack, many of which will require investment and/or resources.</p>
<b>Organisational governance</b>			
10.	Exposure to system failure, including support expiry, single points of failure, cyber-security and system recovery.	Significant investment enabling increased pace on IT provision and resilience - IT roadmap and Connectivity project.	<p>Changes in ways of working have meant significant changes to how we secure systems and data in the organisation, and also a need to think about how we ensure archiving and recovery of documents and data.</p> <p>This has required additional investment in security measures, following discussion at corporate governance group, and reflects a wider change in the way that digital infrastructure is provided and funded, with increased pressure around ongoing revenue charges.</p>

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11.	Failure to ensure the City Council's information is held and protected in line with Information Governance policies and procedures.	GDPR and information security policies and procedures	Different ways of working have emerged since Covid, including more digital communication through Whatsapp and chat functions on Teams etc, but although the context feels like it has changed, the legal framework still exists and this means that vigilance related to information issues is essential.
12.	Addressing underlying budget pressures and delivering effective and sustainable services, particularly in children's and adults' services.	Bidding and case-making for available grants	<p>Costs increasing and income reducing exacerbating the financial pressures for the council.</p> <p>In-year shocks incurred in 2022-23 have placed further pressure on the authority finances.</p> <p>Increased pressure on services to look to alternative grant funding to meet shortfall/cash limits but short term funding creates some uncertainty and changes in working needed for this model; need capacity for relationship building, bid-writing and commissioning.</p>
13.	Major incident or service disruption (including serious health protection threats) leading to delivery failure that significantly impairs or prevents the Council's ability to deliver key services and/or statutory functions.	<p>Disaster recovery approach</p> <p>Lessons learnt exercises from Covid response</p> <p>Desktop exercises</p> <p>Connectivity to enable flexible working</p>	The new ways of working that have been developed in the pandemic have increased resilience to disruption in some cases, but have increased reliance on remote access to systems and data - the approach taken to resilience and recovery in this new context is critical.

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14.	Challenges in recruiting and retaining key staff and skills into the city, meaning that key services are compromised, and organisational capacity is limited.	<p>Job evaluation scheme and mechanisms such as market supplements</p> <p>Workforce strategy development for health and care</p>	<p>Challenges in key professions and skill sets continue to present themselves.</p> <p>There are high levels of reliance on some key staff and some single points of failure and bottlenecks.</p>