


## Crawley Borough Council

### Audit Committee

Agenda for the **Audit Committee** which will be held in **Committee Room A - Town Hall**, on **Tuesday, 28 November 2017 at 6.00 pm**

Nightline Telephone No. 07881 500 227



**Head of Legal and Democratic Services**

**Membership:**

Councillors

K Sudan (Chair), C R Eade (Vice-Chair), R D Burrett, I T Irvine and R Sharma

T G Belben

Please contact Democratic Services if you have any queries regarding this agenda.

[democratic.services@crawley.gov.uk](mailto:democratic.services@crawley.gov.uk)

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The order of business may change at the Chair's discretion

## Part A Business (Open to the Public)

	<b>Pages</b>
<b>1. Apologies for Absence</b>	
<b>2. Disclosures of Interest</b>	
In accordance with the Council's Code of Conduct, Councillors of the Council are reminded that it is a requirement to declare interests where appropriate.	
<b>3. Minutes</b>	3 - 6
To approve as a correct record the minutes of the Audit Committee held on 25 September 2017.	
<b>4. Investigation Team Report</b>	7 - 10
To consider report FIN/429 of the Operational Benefits and Corporate Fraud Manager.	
<b>5. Internal Audit Progress Report as at 31st October 2017 Incorporating Risk Management Update as at 31st October 2017</b>	11 - 24
To consider report FIN/428 of the Audit and Risk Manager.	
<b>6. Supplemental Agenda</b>	
Any urgent item(s) complying with Section 100(B) of the Local Government Act 1972.	

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## Crawley Borough Council

### Minutes of Audit Committee 25 September 2017 at 6.30pm

#### Present:

Councillor	K Sudan (Chair)
Councillor	C R Eade (Vice Chair)
Councillors	R D Burrett, I T Irvine and R Sharma

#### Also in Attendance:

Paul King, Director of Ernst and Young LLP

#### Officers Present:

Chris Corker	Corporate Benefit and Fraud Manager
Karen Hayes	Head of Finance, Revenues and Benefits
Mez Matthews	Democratic Services Officer

#### Apologies for Absence:

Gillian Edwards	Audit and Risk Manager
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#### 11. Members' Disclosure of Interests

No disclosures of interests were made.

#### 12. Minutes

The minutes of the meeting of the Committee held on [26 July 2017](#) were approved as a correct record and signed by the Chair.

A Committee member drew attention to the second paragraph of minute 3 (Minutes) which advised that information relating to grants would be circulated to the Committee by the Director of Ernst and Young LLP. The Committee acknowledged that it had received the information.

The Head of Finance, Revenues and Benefits advised that follow ups relating to matters arising from minute 4 (Audit and Risk Manager's Annual Report 2016/2017) were detailed in report [FIN/419](#) which would be considered later on in the agenda.

## 13. Fraud and Investigation Team Report

The Committee considered report [FIN/420](#) of the Corporate Fraud and Investigations Manager.

The report indicated that the Team had continued to perform successfully. The Committee was provided with details of cases investigated and the Team's investigations, whilst a discussion took place on the Team's work generally. The Committee sought and received clarification on a number of points raised, including the Council's role in investigating fly-tipping, publicising prosecutions, non-occupancy and intelligence regarding fraudulent applications.

### RESOLVED

That the Fraud and Investigation Team Report be noted.

## 14. Internal Audit Progress Report as at 31 August 2017 Incorporating Risk Management Update as at 12 September 2017

The Committee considered report [FIN/419](#) of the Audit and Risk Manager. The purpose of the report was primarily to update the Committee on the progress made towards the completion of the 2016/17 and 2017/18 Audit Plans, and to report on the progress made in implementing the previous recommendations. The report also included an update on the Council's Strategic Risks. Due to ill health, the Audit and Risk Manager was unable to attend the Committee meeting and therefore the Head of Finance, Revenues and Benefits presented the report in her absence.

The Committee discussed and noted the Audit Plan reviews in progress, along with other work detailed in the report and sought and received clarification on a number of points including asset valuation. The Committee's attention was drawn to paragraph 4.6 which detailed follow-ups from the previous meeting. The Head of Finance, Revenues and Benefits informed the Committee of the information provided by the Head of Community Services in relation to the risk assessment of the ground floor of the Town Hall in the evening, now that the area was not staffed. The Committee considered the response, but still had concerns relating to security and were of the opinion that the issue required further investigation. The Chair agreed to write to the Leader to express the Committee's concern regarding Town Hall security during the evening and to request that he look in to the matter. Following a query from a Committee member, the Head of Finance, Revenues and Benefits provided further information regarding the Section 106 Agreements Audit.

The Committee then considered the update on Risk Management and sought and received clarification on several points. The Committee noted that at its meeting on 4 October 2017, the Cabinet would consider the Overview and Scrutiny Commission's recommendation that the risk register relating to the Town Hall redevelopment be included on future agendas of the Audit Committee, and if agreed such information would be included as a standing agenda item for future meetings of the Committee.

# Agenda Item 3

Audit Committee (17)  
25 September 2017

## RESOLVED

1. That the Internal Audit Progress report as at 31 August 2017, Incorporating Risk Management Update as at 12 September 2017, be noted.
2. That the Chair write to the Leader to express the Committee's security concerns regarding not staffing the ground floor of the Town Hall during the evenings, and to ask him to look in to the matter.

## 15. Annual Audit Letter for the Year Ended 31 March 2017

The Committee considered the Annual Audit Letter from Ernst and Young LLP. The Letter was attached as [Enclosure D](#) to the agenda. The Director of Ernst and Young LLP presented the Letter which provided a summary of Ernst and Young's assessment of the Council for 2016/17 and highlighted the key issues. The Committee's attention was also drawn to the section which highlighted the new standards which would be applicable from 2018/19 financial year.

The Committee thanked the Finance Team for their dedication and hard work.

## RESOLVED

That the Annual Audit Letter for the year ending 31 March 2017 be noted.

## 16. Local Government Audit Committee Briefing

The Committee considered the update on the Local Government Sector which was attached for the Committee's information as [Enclosure E](#) to the agenda. The Committee discussed the "key questions for the Audit Committee" which were set out in the report and expressed particular interest in conducting an audit to look at the number of women employed by the Council in senior roles, both currently and in the past, to ascertain whether it indicated a culture change within the Authority.

## RESOLVED

That the Local Government Audit Committee briefing be noted.

## 17. Closure of Meeting

The meeting ended at 7.40pm.

K SUDAN  
Chair

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# Agenda Item 4

## Crawley Borough Council

### Report to Audit Committee

28 November 2017

### Investigation Team Report

Report of the Operational Benefits & Corporate Fraud Manager - Report no. FIN/429

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#### 1. Purpose

- 1.1 The report describes the activity of the Corporate Fraud & Inspection Team in the period 11 July 2017 to 14 November 2017. All outcome figures are taken from closed cases.

#### 2. Recommendations

- 2.1 That the Committee note the report.

#### 3. Reasons for the Recommendations

- 3.1 The Committee has a responsibility to oversee the Council's anti fraud and corruption arrangements. A major part of those arrangements is the activity of the Corporate Fraud & Inspection Team in identifying, investigating and taking action against cases of fraud.

#### 4. Information & Analysis

##### Active Caseload

The fraud team are currently investigating the following case types

Case Type	Number of Cases
Council Tax Liability Investigation	2
Council Tax Reduction Scheme	18
Housing Succession	1
Housing Applications	10
Housing Investigations (General)	15
Housing non occupation	23
Housing Right to Buy	7
CT Single person Discount	5
Fly tipping	2
Total	83

The above cases are all at various stages in the investigation lifecycle and will be reported on when the cases are closed.

# Agenda Item 4

## 4.1 Housing Fraud

During the reporting period the team have achieved the following:

	<u>In period</u>	<u>2017/18 (YTD)</u>
Properties recovered	4	7
Prevented allocation (inc homeless applications)	7	10
Properties recovered for our RSL partners	2	4
Stopped Right to Buy (actual discount value)	3 (£233,700)	12 (£934,800)
Notional value of savings	£467,700	£1,312,800

The previous Audit Commission through their 'Protecting the public purse' studies conservatively estimated, that for each property being misused and not available to the Local Authority it cost the Authority £18,000 per year per property. Housing vulnerable families in Bed & Breakfast on a temporary basis is very expensive and can cost in excess of £100 per night. The Audit Commission figure is therefore used for recovering properties and preventing false applications.

The Right to Buy figures are the actual discounts which would have awarded had the sale of the property gone through.

## 4.2 Single Person Discount (Council Tax Inspectors & Investigators)

A 25% discount in Council Tax liability is given to households where only 1 adult is resident.

The investigators and inspectors throughout the year will routinely look into referrals received from the public or other means suggesting there are 2 adults resident and therefore not eligible to the discount. We will shortly be starting our 2017 data match of single person discounts. This will match various data sets highlighting cases of risk.

	<u>In period</u>	<u>2017/18 (YTD)</u>
Discounts removed	10	16
Loss being recovered	£2,824	£4,864

## 4.3 Council Tax and Business Rates

The team continue to investigate and inspect Council Tax and Business rates.

New billable CT or Rates – Inspectors are constantly looking for properties or businesses that are not on the valuation list and therefore not being billed. Legislation does not require occupiers to report new properties.

	Council Tax		Non Domestic Rates	
	In period	2017/18 (YTD)	In period	2017/18 (YTD)
New billable CT or Rates	£170,439	£404,739	£2,924,173	£3,524,283



# Agenda Item 4

## 4.4 Significant Case Results

### Illegal Eviction

The investigation team have recently become involved in a private sector illegal eviction case. The tenant had a legal valid tenancy agreement and the landlord in this case was looking to remove the tenants during their tenancy. A landlord cannot do this unless there has been a breach of their tenancy and would need to issue proper notices seeking possession with an appropriate court order. There was no breach of tenancy in this case.

We were able to act very quickly in this case and advised the Landlord of the offences he was about to commit if he tried to evict the family. The landlord quickly retracted his intentions to evict the family.

Our actions prevented the family from becoming immediately homeless and gave them the time to seek alternative accommodation if they wished to do so.

## 5 Implications

5.1 There are no implications from the report.

## 6 Background Papers

6.1 None

Report author and contact officer: Chris Corker, Operational Benefits & Corporate Fraud Manager (telephone 01293 438598)

ENDS

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## Crawley Borough Council

### Report to the Audit Committee

28<sup>th</sup> November 2017

### Internal Audit Progress Report as at 31<sup>st</sup> October 2017 Incorporating Risk Management Update as at 31<sup>st</sup> October 2017

Report of the Audit and Risk Manager – FIN/428

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#### 1. Purpose

- 1.1 The Committee has a responsibility to review the Internal Audit Progress report to ensure that action has been taken by relevant managers on risk based issues identified by Internal Audit.

#### 2. Recommendations

- 2.1 The Committee is requested to receive this report and note progress to date.

#### 3. Reasons for the Recommendations

- 3.1 The Committee has a responsibility to ensure that action has been taken by relevant Managers on risk based issues identified by Internal Audit.

#### 4. Background

##### Work Completed

- 4.1 Since the last report, as at 31<sup>st</sup> August 2017, the following review has been completed.

Audit Title	Audit Opinion
Cemetery	Substantial Assurance
Queen's Square	Substantial Assurance
Grounds Maintenance	Satisfactory Assurance
Procurement	Satisfactory Assurance

# Agenda Item 5

## Work in Progress

4.2 The reviews in progress and other work that we have undertaken in the period are shown at Appendix A.

### 4.3 High priority findings in this period

We did not identify any high priority findings in this period.

### 4.5 Follow up Audits

We have not undertaken any follow ups since the last Audit Committee in August 2017.

### 4.6 Follow ups from last meeting were:

- Internal Audit Progress report as at 31.08.17 incorporating Risk Management Update as at 12.09.17 (FIN/419) (paragraph 4.6 stated “The Risk Management Awareness and Training audit is currently being planned, with the Terms or Reference to be agreed by the Chief Executive at the beginning of September. **The start date for this review is mid-September and I will report the findings of our work at the Audit Committee meeting on 28<sup>th</sup> November.**”)

The Audit and Risk Manager will provide a verbal update the meeting as this audit has not yet been concluded.

- Internal Audit Progress report as at 31.08.17 incorporating Risk Management Update as at 12.09.17 (FIN/419) (paragraph 4.6 – non-staffing the ground floor of the Town Hall at night) – **The Chair agreed to write to the Leader to express the Committee’s concern and ask him to look in to the matter.**

### 4.7 Freedom of Information (FOI) Requests

Between 31<sup>st</sup> August 2017 and 31<sup>st</sup> October 2017, we have processed 175 requests, and of these, 19 responses were sent to the requester outside of the 20 working day deadline. This was largely due to the availability of staff during the summer period.

## 5 **Strategic Risks Update**

The following have been identified as strategic risks for the Council at 7<sup>th</sup> November 2017.

**Failure to deliver key infrastructure projects as planned, on time and within budget, such as:**

### • **Town Hall and District Heat Network**

Feasibility work to remodel the existing town hall is largely complete. Alongside this the Council are in discussions with Westrock regarding a potential mixed use development which would see the provision of a new town hall, commercial office space and residential units on the town hall and adjacent car park site. A recommendation on the preferred option was presented to Cabinet early in 2017 and was approved at full Council on 22<sup>nd</sup> February 2017. This proposal will require a partial demolition of the current building to allow for the development of a new Town Hall within the site. Plans are underway to decant affected staff and relocate some services and facilities by March 2018 to allow this to take place. A risk register for the scheme, attached at Appendix B, is updated by the project team on a fortnightly basis and will be shared with the Audit Committee.

# Agenda Item 5

- **LEP Infrastructure**

CBC, together with WSCC (the lead body) has been successful in securing £14.6 million of Local Growth Fund from the Coast to Capital LEP. These resources will be invested in sustainable transport, highway and public realm infrastructure in the town centre and Manor Royal. The principle purpose of this investment will be to help bring forward regeneration sites to achieve new homes, jobs and commercial space. The Coast to Capital Local Enterprise Partnership Board received a presentation from CBC's Chief Executive and the West Sussex CC Executive Director for Economy, Infrastructure and Environment and the LEP Board subsequently confirmed the funding allocation. The Crawley Growth programme will be delivered over a four year period 2017-21 and the total funding investment will amount to over £60 million, including private sector contributions and match funding contributions from CBC and WSCC. The programme delivery will be founded on dialogue and active partnership working with stakeholders such as Metrobus, the Manor Royal BID, Gatwick Airport Ltd, Network Rail and site developers. It will be overseen by the Crawley Growth Board, chaired by CBC's Chief Executive and CBC key decisions on schemes going forward will be subject to Cabinet approval and associated due process.

### **Three Bridges Railway Station**

On 11<sup>th</sup> February 2015 [SHAP/43](#), Cabinet approved the allocation of £430,000 of S106 funding towards the delivery of improvement works to the Station Forecourt. Network Rail have now formally agreed with the Council a Deed of Variation related to the above S106 funds, which extends the spend deadline from end March 2017 to end March 2021.

Member approval has been granted to reallocate £1.5 million of Borough Council capital programme funding, originally earmarked for the Queens Square regeneration scheme, to the Three Bridges station improvements programme. This can be combined with the total of £500,000 of S106 resources (including £70,000 via Forge Wood) already secured for the station improvements. A Programme Manager for Three Bridges station has been appointed and started on 11<sup>th</sup> September in order to engage closely with GTR Southern and Network Rail and to co-ordinate progress delivery of the station forecourt improvement scheme to detailed design stage and the submission of a planning application next spring. Intensive discussions are taking place with GTR Southern and Network Rail to agree the proposed delivery schedule. Both organisations have joined the Programme Steering Group.

- **Town Centre**

Blakedown Landscapes, the principal works contractor, completed the Queens' Square regeneration scheme at the end of September, overseen by CBC's Built Environment Team and Economic Development & Regeneration Team. The scheme was delivered under budget – final amount to be confirmed through the quarterly budget monitoring report process.

A planning application to extend the Queens Square regeneration work along the Queensway, the Pavement and Kingsgate was submitted in October. This follows approval by Cabinet in March this year of a budget allocation to this second phase scheme of £2.2 million. Subject to planning approval, the improvement works will commence next September, following a tender process to appoint a construction contractor.

# Agenda Item 5

## **Delivering the affordable housing programme**

The Administration has pledged to deliver 1,000 new affordable homes over a four year period and to look to add a further 250 new affordable homes to this programme in year five. Meeting this objective requires a twin track approach through both the Council's enabling role and its own-build programme. Progress is closely monitored on a monthly basis through the corporate Strategic Housing Board and is overseen by CMT. The stalling of three phases of the Forge Wood development together with two market led schemes significantly impacts the delivery programme. This impact would be mitigated by the approval of the town hall development site proposals, achieving additionality at Telford Place and, subject to funding being available, enabling windfall schemes. Options are currently being actively explored.

Mitigating actions have been taken to address the impact of the four year 1% rent reduction on the HRA to ensure the delivery programme can be maintained. These included setting affordable rather than social rents for new development, discounted sale as an alternative tenure option, a reduced capital programme for existing stock and re-profiling the delivery programme. Further impacts arising from the Housing and Planning Act provisions relating to the sale of high value stock cannot as yet be quantified as further secondary legislation is still awaited.

The decision to leave the EU may impact upon the costs of housing schemes as future restrictions may increase labour costs, this will be monitored over the coming years.

## **Disaster recovery and business continuity.**

A report to Cabinet on 9<sup>th</sup> September 2015 recommended a more resilient hosting of data by providing a resilient, energy efficient, cost effective and available hosting environment for the IT systems to support our services. A partnership contract has been agreed with Surrey County Council for them to host at the data centre. Migration is underway with 45% of systems now live and being backed up at the SCC Data Centre. The main file servers are due for migration in early November 2017 and the remainder of the physical and virtual servers are due to be completed by the end of 2017.

The Bewbush Centre has been designated as the Council's main alternative site should there be no or limited access to the Town Hall building. There is a link to this centre so that systems will remain operational in the event of the Town Hall being out of operation but the network still running and it is possible for staff to get into the CBC network via this link. Once the move to the SCC data centre is complete then staff will be able to access the CBC network in the event of a network failure in the Town Hall. Wi fi will allow access for up to 70 users at the Bewbush Centre using laptops and a small number of desktop network points.

## **Terrorist Attacks**

In the wake of recent attacks, in May 2017 the UK terror threat level was raised to its highest level of "critical", amid fears that more attacks may be imminent, however this has now been reduced back to "severe". There are no specific threats to Crawley or West Sussex, and CBC is in regular contact with community stakeholders and the police, monitoring for any community tension and providing support where we can.

# Agenda Item 5

## **A balanced budget is not achieved in the medium term resulting in an increased use of reserves, which is not sustainable.**

The [Budget and Council Tax 2017/18 FIN/401](#) report to Cabinet on 8<sup>th</sup> February 2017 showed that we achieved a balanced budget despite a 41.64% reduction in revenue support grant and a cut in the New Homes Bonus. The budget Strategy report was approved by [Cabinet on 8<sup>th</sup> September 2017](#), projections are being constantly updated

The Corporate Management Team continue to work with staff and contractors to identify and implement improved ways of working and to focus on the aim of dealing with matters first time. The refreshed transformation programme of service improvements and efficiencies achieved through systems thinking and other types of review continue with the aim of continual streamlining of internal processes to reduced waste and duplication, and also to focus on the defined purpose of each service. The transformation programme includes an increased focus on achieving new sources of income.

The impact of the decision to leave the EU may have a detrimental impact on the Council's objectives and finances, this will be reviewed as part of the budget strategy.

### **Recruitment and retention**

Recruitment and retention of key specialist and professional roles is challenging. The impact of a period of pay restraint in the public sector combined with an increase in salary levels generally in the South East has led to problems with recruitment and retention in roles such as Finance, IT, Project Management, Legal, and some Housing roles. HR officers are working with managers to ensure we promote these roles effectively. The Council promotes the use of apprenticeships and trainee roles to grow our own skills. There is a recruitment and retention scheme which will allow time limited salary uplifts on appointment but this is only a temporary incentive and it does cause pay inequality within teams. We are exploring other ways of mitigating this risk. The Job Evaluation Scheme has been amended to create a further grade at the top of the scale to assist with the recruitment and retention of third tier managers.

### Summary of Current Strategic Risks

- Failure to deliver key infrastructure projects as planned, on time and within budget;
- Delivering the affordable housing programme;
- Disaster recovery and business continuity;
- Terrorist attacks;
- A balanced budget is not achieved in the medium term resulting in an increased use of reserves, which is not sustainable;
- Recruitment and retention.

## **6 Background Papers**

- 6.1 Risk Management Strategy [FIN/364](#) Audit Committee 24<sup>th</sup> June 2015.  
Risk Management Strategy – update 24<sup>th</sup> September 2015 [FIN/371](#)  
Internal Audit Plan 2017/2018

Report author and Contact Officer: Gillian Edwards, Audit and Risk Manager (01293 438384)

ENDS

# Agenda Item 5

Appendix A

## Internal Audit Plan 2017/2018

### Progress Report as at 30<sup>th</sup> October 2017

Audit	Audit Plan Year	Audit Opinion-Assurance	Number of High Priority Findings	Comments
<b>A. Work Completed in the Current Period</b>				
Cemetery	2017/18	Substantial		
Queen's Square	2017/18	Substantial		
Grounds Maintenance	2017/18	Satisfactory		
Procurement	2017/18	Satisfactory		
<b>B. Work In Progress</b>				
Risk Management Awareness and Training	2017/18			
Grants	2017/18			
Museum	2017/18			
New Town Hall	2017/18			
Housing Benefits	2017/18			
GDPR Implementation	2017/18			
FOI Requests – day to day work				
<b>Other Work</b>				
Mid Sussex District Council	2017/18			Work is ongoing.



## Appendix B

### TOWN HALL PROJECT RISK REGISTER

<b>File Ref:</b> Town Hall Project	<b>Created by:</b> Mike Pidgeon
<b>Name of Doc:</b> Risk Register	<b>Date Created:</b> 02/03/2017
<b>Version No:</b> V8	<b>Monitored by:</b> Project Board
<b>File path:</b> T:\Town Hall Project\townhallprojectriskregister .doc	<b>Date Printed:</b> 13/11/2017
	<b>No of Pages:</b> 1 of 1

<b>Likelihood</b>	<b>Impact</b>
5 = Very High	5 = Catastrophic
4 = High	4 = Critical
3 = Significant	3 = Moderate
2 = Low	2 = Marginal
1 = Very Low	1 = Negligible
Risk Score = Likelihood x Impact	
All risks with a score of 10 or more are considered serious	

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/Comments
1.	Listing of existing Town Hall building	2    5    10	1    5    5	2    5    10	<ul style="list-style-type: none"> <li>Fast Track application has been made which is due to report February 2018</li> <li>External consultants have been engaged to support the Certificate of Immunity (COI) application for CBC which will be valid for 5 years.</li> <li>Working with Historic England and 20<sup>th</sup> Century Society to facilitate their assessment and consultation process as quickly as possible.</li> </ul>	All risks are considered at Fortnightly Officer Board meeting
2a	Errors in detailed design specification or contract documentation	2    4    8	1    4    4	2    4    8	<ul style="list-style-type: none"> <li>Consultant Architects appointed to oversee design brief</li> <li>Internal/External procurement and legal</li> </ul>	

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/Comments
					advice taken on all aspects of the contractual arrangements	
2b	Delays in CBC making key decisions prevents scheme proceeding	2 4 8	1 4 4	2 4 8	<ul style="list-style-type: none"> <li>• Clear decision making leads identified at member and officer level</li> <li>• Robust project management structure established</li> <li>• Delegated authorisation procedure agreed by Cabinet</li> </ul>	
2c	Final detailed negotiations failed	2 4 8	1 2 2	2 4 8	<ul style="list-style-type: none"> <li>• Regular contact at senior level within both organisations with a clear understanding of both parties' main objectives.</li> </ul>	
3a	Project exceeds budget	2 4 8	1 4 4	3 4 12	<ul style="list-style-type: none"> <li>• Budget agreed and clearly communicated in Final design brief</li> <li>• Regular Project Board and Steering Group meetings to review and keep cost projections up to date</li> <li>• Identify robust contingencies sums</li> <li>• Identify value engineering opportunities</li> <li>• Minimise delays/ad-hoc changes</li> </ul>	<ul style="list-style-type: none"> <li>• Inflation &amp; Historic England have caused delays in tendering process</li> </ul>
3b	Cost of Project borrowing Project affected by interest rate fluctuations	2 4 8	1 4 4	1 4 4	<ul style="list-style-type: none"> <li>• Projections are currently estimating interest rates higher than the current market</li> </ul>	
4a	Loss of support for project (Members)	2 3 6	1 2 2	2 3 6	<ul style="list-style-type: none"> <li>• Robust communication and stakeholder consultation plan</li> <li>• Maintain involvement throughout and set out clear responses/justification to</li> </ul>	

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/Comments
					<p>consultation responses in order to manage expectations</p> <ul style="list-style-type: none"> <li>Keep project to timetable and budget and stakeholders up to date with progress</li> <li>Regular consultation with Members to ensure scheme as finally proposed has cross-party support.</li> </ul>	
4b	Loss of support for project (Staff)	2 2 4	1 2 2	2 2 4	<ul style="list-style-type: none"> <li>As above (4a) but tailored approach</li> <li>Consider some small scale additional benefits for staff during decant period</li> </ul>	
4c	Loss of support for project (public)	2 2 4	1 2 2	2 2 4	<ul style="list-style-type: none"> <li>As above (4a) but tailored approach</li> <li>Regular press releases</li> </ul>	
5.	CBC lacking the necessary experience and/or skills to complete the development	2 3 6	1 2 2	2 3 6	<ul style="list-style-type: none"> <li>Consultant Architect and other consultants appointed to supplement in-house resources and expertise.</li> </ul>	
6a	Planning permission: application requires amending which impacts on financial viability of the scheme.	2 4 8	1 2 2	2 3 6	<ul style="list-style-type: none"> <li>Pre app meetings held between Westrock and planning officers</li> </ul>	
6b	Impact on scheme re: changes in planning regulations in respect of starter homes	2 4 8	1 2 2	2 3 6	<ul style="list-style-type: none"> <li>Regular review of potential changes</li> </ul>	
7.	Westrock unable to obtain development funding for project Phase 2 (market housing)	2 4 8	1 2 2	2 4 8	<ul style="list-style-type: none"> <li>Project agreement will stipulate time period, with CBC having the option to develop.</li> </ul>	

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/Comments
8a	Members facilities do not meet their requirements	2 3 6	1 2 2	2 3 6	<ul style="list-style-type: none"> <li>Regular consultation with Members and Member Working Group</li> <li>Member sign-off to this element of the final design brief of these elements</li> </ul>	
8b	Staff facilities do not meet their requirements	2 3 6	1 2 2	2 3 6	<ul style="list-style-type: none"> <li>Regular consultation with staff via a number of formats</li> <li>Close liaison with staff groups during detailed design stage</li> </ul>	
8c	Customer facilities do not meet their requirements	2 3 6	1 2 2	2 3 6	<ul style="list-style-type: none"> <li>Crawley Homes Tenants Panel have been consulted.</li> <li>Will undertake a consultation with customers</li> </ul>	
9.	District Heat Network not being progressed impacts detrimentally on overall scheme	2 2 4	1 2 2	3 3 9	<ul style="list-style-type: none"> <li>Subject to business case funding obtained for initial phase of network</li> <li>Initial network only extended outside of current scheme after commitment obtained from future partners</li> <li>Initial network to be constructed as part of phase 1 of the scheme</li> <li>Sufficient resources/project management allocated to project.</li> <li>Project Manager appointment</li> </ul>	
10a	Commercial office space specification/design not attractive to potential occupiers	2 4 8	1 2 2	2 3 6	<ul style="list-style-type: none"> <li>Design set at required level to attract commercial occupiers</li> </ul>	

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/Comments
10b	Business Rates for new Town Hall higher than estimated (cannot guarantee the valuation)	2 4 8	1 2 2	2 4 8	<ul style="list-style-type: none"> <li>Current projections based on business rates at existing rates and smaller Town Hall.</li> <li>Will work with valuation office when building works progress.</li> <li>Will minimise liability of vacant offices by delaying completion statements</li> </ul>	
11.	Values of offices/housing change significantly before the agreement is signed	2 3 6	1 2 2	2 3 6	<ul style="list-style-type: none"> <li>Recent valuations obtained</li> </ul>	
12a	Affordable housing element of scheme not deliverable or RSL not interested in scheme	2 4 8	1 2 2	2 4 8	<ul style="list-style-type: none"> <li>CBC to fund top up payment</li> <li>Rental/shared ownership mix to reflect most attractive option</li> </ul>	
13	Phase 1 decant works delay construction programme	3 5 15	1 2 2	3 4 8	<ul style="list-style-type: none"> <li>Detailed decant programme agreed and signed off by Project Board/CMT</li> <li>Works/moves programme to allow sufficient contingency should programme slip</li> <li>RBLI to be approached by the property team to ensure that they have alternative accommodation</li> <li>Progress ahead of construction programme</li> </ul>	
14.	Data centre relocation works delay construction programme	3 5 15	1 2 2	1 4 4	<ul style="list-style-type: none"> <li>Detailed works/moves programme agreed and signed off by Project Board/CMT</li> <li>Works/moves programmed to allow sufficient contingency should programme slip</li> </ul>	

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/Comments
15.	Opposition from the public prior to construction	3 4 12	2 2 4	2 4 8	<ul style="list-style-type: none"> <li>• Effective communication and publicity campaign</li> <li>• Advantages of scheme clearly set out in the business case</li> </ul>	
16.	Opposition from the public during construction	3 2 6	2 2 4	3 2 6	<ul style="list-style-type: none"> <li>• Establish clear communications plan for the construction period</li> <li>• Ensure clear signage and access/egress provision to existing building for public</li> </ul>	
17.	Building as completed not to required quality/specification	2 4 8	1 2 2	2 4 8	<ul style="list-style-type: none"> <li>• Establish robust project management structure</li> <li>• Maintain regular contact between CBC/developers to monitor construction against design specification</li> <li>• Regular design team meetings held</li> <li>• Appoint Clerk of Works to oversee construction</li> </ul>	
18.	Health & Safety – ensure compliance during and after the construction period and for the future.	2 3 6	1 2 2	2 3 6	<ul style="list-style-type: none"> <li>• Robust project management from construction contractor(s)</li> <li>• Consultation programme to include all relevant authorities with regard to health &amp; safety matters</li> </ul>	
19.	Facilities specification including car park is not attractive to potential tenants	2 3 6	1 2 2	2 3 6	<ul style="list-style-type: none"> <li>• Maintain regular dialogue with Westrock to ensure specification meets both their and CBC's requirements</li> </ul>	

# Agenda Item 5

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