

COUNCILLORS' INFORMATION BULLETIN

Tuesday, 29 November 2022

Bulletin No: IB/1159

INFORMATION ITEM	Pages
<p>1 Delegated Planning Decisions</p> <p>Delegated planning decisions for the week beginning 21 November 2022 are attached. Contact for enquiries: Jean McPherson, Group Manager (Development Management) on jean.mcpherson@crawley.gov.uk.</p>	5 - 8
<p>2 Temporary Traffic Regulation Orders and Road Closures</p> <p>The following documents are attached in relation to Temporary Traffic Regulation Orders and Road Closures:</p> <ul style="list-style-type: none"> • List of Temporary Traffic Regulation Orders and Road Closures. • Horsham Road, Pease Pottage (Appendix A). • Bonnetts Lane, Ifield / Langley Green (Appendix B). • North Road, Three Bridges (Appendix C). 	9 - 16
<p>3 Consideration Report: Risk Management Strategy</p> <p>Consideration report FIN/599 of the Head of Corporate Finance is attached.</p>	17 - 38
<p>4 Action Taken Under Delegated Authority (Significant Operational Decision): Publication of Authority Monitoring Report 2020/21</p> <p>Local Planning Authorities are required by the Local Plan Regulations 2012 to publish a report from time to time an Authority Monitoring Report (AMR) detailing their performance in the preparation and implementation of local planning policies.</p> <p>They are required to describe:</p> <ul style="list-style-type: none"> • Progress made with documents detailed in the council's Local Development Scheme (LDS); • Performance in the implementation of local planning policies, including identifying policies which have not been implemented and potential causes of/ solutions to non-implementation; 	



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- Details of any Neighbourhood Plans or Neighbourhood Development Orders made;
- Details of Community Infrastructure Levy income and expenditure;
- Details of co-operation undertaken with other councils/bodies in line with the Duty to Cooperate set out in section 110 of the Localism Act 2011.

In addition to these the Report details progress in relation to various indicators linked to the Sustainability Objectives set out in the Local Plan Sustainability Appraisal (SA), and sets out headline information related to the Council's Self-Build and Custom Housebuilding Register.

Publication of the Report fulfils the legal reporting requirements, as well as reinforcing the evidence base for existing and emerging local plan policies. The Report includes an updated picture of recent and anticipated housing delivery in the Borough, and sets out that as of April 2021 the Council was compliant with the requirement under national housing policy to identify a 5-year supply of deliverable housing sites.

Therefore, on 22 November 2022 the Head of Economy and Planning, in consultation with the Cabinet Member for Planning and Economic Development, took the Significant Operational Decision to approve the Authority's Monitoring Report. Once published, the Report will be available on the Council's website [here](#).

5 **Action Taken Under Delegated Authority (Significant Operational Decision): Installation of new Artificial Cricket Wicket in Grattons Park**

On the 25 November 2022 the Head of Community Services, in consultation with Cabinet Member for Wellbeing, granted permission for Sussex Cricket to install a new artificial wicket at Grattons Park and approved an initial 3-year temporary licence with RAMS CC.

Further information on this decision can be found on the Council's [website](#).

6 **Action Taken Under Delegated Authority (Significant Operational Decision): Telford Place Land Proposal (SHAP/86)**

On [6 July 2022](#) Cabinet considered report SHAPS/86 and approved the proposed strategy to dispose of the site at Telford Place for an all-affordable housing scheme, and authority was delegated to the Head of Strategic Housing Services, the Head of Crawley Homes, the Head of Corporate Finance, and the Head of Governance, People & Performance, in consultation with the Leader of the Council and the Cabinet Member for Housing to complete all relevant legal documentation in order to enter into the necessary contracts to achieve the approved recommendations, which included the Council securing the Affordable Rent units within the proposed scheme.

Consequentially, on the 28 November 2022 the Head of Strategic Housing Services, the Head of Crawley Homes, the Head of Corporate Finance, and the Head of Governance, People & Performance (in consultation with

the Leader of the Council and the Cabinet Member for Housing) approved the 'Agreement for Sale' and the 'Agreement for Lease' ready for exchange. This Notice serves to announce this intention to exchange contracts.

This decision will achieve the resolutions agreed by Cabinet on 6 July 2022, which includes the Council securing the Affordable Rent units within the proposed scheme.

7 **Councillor Training: Risk Management**

Zurich will be providing Councillors with Risk Management training on 16 January 2023 at 6.30pm.

It is a requirement that Audit Committee members attend, and it is highly recommended that Cabinet Members (and Shadow Cabinet Members) also attend. All other Councillors are welcome to attend.

This training will be provided via Teams and an invitation will be sent out tomorrow via email from Chris Pedlow.

8 **All-Councillor Seminar: Finance Budget**

Councillors are reminded of the All-Councillor Seminar taking place via Teams on 5 January 2023 at 7.30pm. Councillors would have received an invitation via email from Chris Pedlow.

9 **Access to Modern.gov (Committee Papers)**

Information is attached for Councillors only.

10 **Press Releases**

Press releases are available at www.crawley.gov.uk/news

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CRAWLEY BOROUGH COUNCIL

DELEGATED PLANNING DECISIONS

The following decisions were issued, subject to conditions, under delegated powers for the period 21/11/2022 and 25/11/2022

Application Number	Location	Proposal	Date of Decision	Decision
CR/2014/0061/CC2	PHASE 1B, FORGE WOOD, CRAWLEY	Discharge of conditions 8 (window details) and 9f (brick details) pursuant to CR/2014/0061/ARM for approval of reserved matters for local centre buildings, car parking and associated works pursuant to outline planning permission CR/1998/0039/OUT for a new mixed use neighbourhood	21 November 2022	APPROVE
CR/2019/0542/NM1	MOKA, STATION WAY, NORTHGATE, CRAWLEY	Non-material amendment of approved planning application CR/2019/0542/FUL for amendment to the wording of condition 28 for the submission of a scheme to address noise mitigation and potential overheating	24 November 2022	PERMIT
CR/2022/0302/FUL	27 SOUTHWATER CLOSE, IFIELD, CRAWLEY	Erection of single storey rear extension and two storey side extension following the demolition of the existing garage (amended plans received)	25 November 2022	PERMIT
CR/2022/0312/191	MARTYNS, LANGLEY WALK, LANGLEY GREEN, CRAWLEY	Certificate of lawfulness for existing use of first floor flat as an independent self-contained unit of accommodation	21 November 2022	PERMIT
CR/2022/0328/TCA	TREES & VEGETATION OVERHANGING RICHBOROUGH COURT, CHURCH STREET, WEST GREEN, CRAWLEY	H1 overgrown hedge in the next door property – remove all branches and foliage back to the boundary line H2 line of leylandii and large leaved laurel in next door property – cut back to boundary line T1 – group of Leylandii, Beech and Elderberry – Elderberry fell	23 November 2022	NO OBJECTION

Application Number	Location	Proposal	Date of Decision	Decision
		T5 to T10 - Beech trees situated in and just outside a small brick enclosure between the car park and the rear of the building - fell to ground level		
CR/2022/0452/FUL	4 SOUTHGATE ROAD GARDENS, SOUTHGATE, CRAWLEY	Erection of two storey front and side extension	23 November 2022	REFUSE
CR/2022/0516/TPO	44 HEATHFIELD, POUND HILL, CRAWLEY	Tree in rear garden - reduce height and crown radius by a maximum of 1.5 metres to nearest suitable growth points and remove epicormic growth up to crown break (amended description)	23 November 2022	CONSENT
CR/2022/0529/HPA	54 CLIVE WAY, POUND HILL, CRAWLEY	Prior notification for the erection of a single storey rear extension, which would extend beyond the rear wall of the original house by 4.20m, and have a maximum height of 3m and an eaves height of 3m	21 November 2022	PRIOR APPROVAL NOT REQUIRED
CR/2022/0533/FUL	3 MADDOX DRIVE, POUND HILL, CRAWLEY	Conversion of an internal garage to be used as a family room. Alterations to internal layout on first floor level and removal of the second guest WC to increase the lounge space.	24 November 2022	PERMIT
CR/2022/0621/192	28 GREGORY CLOSE, MAIDENBOWER, CRAWLEY	Certificate of lawfulness for proposed rear dormer, single storey side and rear infill extension	23 November 2022	SPLIT DECISION
CR/2022/0632/192	75 BOOTH ROAD, BEWBUSH, CRAWLEY	Erection of single storey rear extension	25 November 2022	PERMIT
CR/2022/0635/HPA	33 CROSSWAYS, THREE BRIDGES, CRAWLEY	Prior notification for the demolition of existing rear extension and erection of a single storey rear extension, which would extend beyond the rear wall of the original house by 4.86m, and have a maximum height of 3m and an eaves height of 3m	21 November 2022	PRIOR APPROVAL NOT REQUIRED

Application Number	Location	Proposal	Date of Decision	Decision
CR/2022/0662/HPA	65 STAFFORD ROAD, LANGLEY GREEN, CRAWLEY	Prior notification for the demolition of existing conservatory and erection of a single storey rear extension, which would extend beyond the rear wall of the original house by 3.32m and have a maximum height of 3.40m and an eaves height of 2.70m	21 November 2022	PRIOR APPROVAL NOT REQUIRED
CR/2022/0723/TEL	LAND ADJ TO MAIDENBOWER DRIVE, MAIDENBOWER, CRAWLEY	Notification under the electronic communications code regulations 2003 (regulation 5) (as amended) to utilise permitted development rights for the removal and replacement of an existing cabinet, add a GPS node and associated works	21 November 2022	NO OBJECTION

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List of Temporary Traffic Regulation Orders and Road Closures

The following documents are attached in relation to Temporary Traffic Regulation Orders and Road Closures:

- Horsham Road, Pease Pottage (Appendix A).
- Bonnetts Lane, Ifield / Langley Green (Appendix B).
- North Road, Three Bridges (Appendix C).

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Please be advised that West Sussex County Council has received a request for Temporary Traffic Regulation as follows:

Road Name	Horsham Road	
Village/Town/Parish	Pease Pottage, Slaugham CP	
Specific Location	Horsham Road, Pease Pottage	
Reason for TTRO	24hr Road Closure from the junctions with Old Brighton Road to Grouse Road with works taking place outside No. 13-19 to lay new gas service to properties	
Proposed Start Date / Time	Date: 23rd January 2023	Time:
Proposed End Date / Time	Date: 3rd February 2023	Time:
The restriction will be effective	24 hours	
Access arrangements	Access maintained for emergency services, residents and pedestrians	
Applicant name	Fulcrum Pipelines Limited	
Applicant contact tel number	03330146466	
Any other details	For more information about this proposed TTRO please visit: https://one.network/?tm=130605963	

The application is currently being processed and you will be advised further when details are confirmed.

Yours faithfully,

West Sussex County Council

Streetworks Team

[Report a problem with a road or pavement](#) or [raise a highways related enquiry](#)

Follow us at [@WSHighways](#)

Email: ttro@westsussex.gov.uk

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Road Closure: Bonnetts Lane, Ifield / Langley Green

Please be advised that Bonnetts Lane in Ifield will be closed on the dates and times specified for critical line / road markings following completion of Patching works. An alternative route for traffic will be signed on site.

Please note that these works are weather dependant, we will endeavour to inform you should there be significant changes to the programme.

This road closure is covered by the 14.1 order made on 11th January 2022.

Road Name	Location	Date (from and to)	Timing of Closure (eg, 24hr, off peak 09:30 to 16:00, Night 08:00 to 06:00)
Bonnetts Lane, Ifield	Ifield – Charlwood Road to Old Bonnetts Cottage	09/12/2022	09:30 – 12:00

If you have any questions regarding this specific closure, please reply to this email directly.

Further information can also be found via [one.network](#)

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PUBLIC NOTICE

WEST SUSSEX COUNTY COUNCIL TEMPORARY ROAD CLOSURE

NORTH ROAD, THREE BRIDGES

NOTICE IS hereby given that in pursuance of the provisions of Section 14(2) of the Road Traffic Regulation Act, 1984, as amended, the use of **North Road, Three Bridges** from junction with **Gales Drive to junction with West Way** is temporarily prohibited from **29/11/22**.

The restriction will be in place daytime off peak 0930 – 1530.

This emergency closure is necessary to allow **Lanes Group to replace a broken cover in the carriageway.**

It is anticipated the works will be completed by **29/11/22**.

Emergency vehicle, Residential and Pedestrian access will be maintained at all times

The alternative route for traffic will be signed on site

This notice will be effective for a maximum of 21 days from the date given above

Any queries about the effect of the closure on traffic using the highway please contact the West Sussex Contact Centre on 01243 642105

Any queries about the nature of works please contact **Lanes Group on 0208 9474000.**

Dated **29 November 2022**

Matt Davey
Director of Highways, Transport and Planning

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Crawley Borough Council

Consideration Report for Delegated Decision by Cabinet Member for Resources

Expected Date of Decision 7 December 2022

Risk Management Strategy

Report of the Head of Corporate Finance – FIN/599

1. Purpose

- 1.1. The Risk Management Strategy has been updated to ensure that the Council is keeping up with best practice from across the sector. In line with the portfolio responsibilities set out in the Constitution, the Cabinet Member for Resources is requested to approve the revised Strategy.

2. Recommendation

- 2.1. That the Cabinet Member for Resources approve the revised Risk Management Strategy attached as an appendix to this report.

3. Reason for the Recommendation

- 3.1. The Strategy has been updated to include risk appetite and tolerance, better definition of impact to ensure better consistency, and the scoring of risk within the Corporate Risk Register.

4. Background

- 4.1. The Council has reviewed its Risk Management Strategy, including the Council's strategic risks, and an updated Strategy has been produced.
- 4.2. The Leader has delegated authority to the Cabinet Member for Resources to approve the Council's Risk Management Strategy. This delegation is cited in the Council's [Constitution](#).
- 4.3. The Audit Committee has a responsibility to review the effectiveness of the Council's risk management arrangements and, as such, considered the Draft Risk Management Strategy at its meeting on [8 November 2022](#) prior to its consideration by the Cabinet Member.
- 4.4. When considering the Draft Strategy the Audit Committee wished that the following comments be submitted to the Cabinet Member for Resources' consideration when approving the Risk Management Strategy:
 - That operational risks be reviewed by the relevant Cabinet Member on a quarterly basis.
 - That, in addition to the Corporate Projects Assurance Group (CPAG), Cabinet Members' involvement in monitoring and managing strategic and significant

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risks and ensuring improvement plans were adequate and managed effectively be increased.

- That, should Zurich deem it appropriate, reference to “reputation” in the Strategy be widened to include the risk to public trust in the Council.

- 4.5. Zurich were consulted on bullet point three above and agreed that reference to “Reputation” could be widened. These comments have therefore been incorporated in the final Risk Management Strategy which is attached to this report for the Cabinet Member for Resources consideration.

5. Implications

- 5.1. The new strategy will make clearer the responsibilities of Council staff and Councillors.

6. Background Papers

[The “Executive” Function \(The Leader and the Cabinet\)](#) section of the Council’s Constitution.

Report [FIN/589: Draft Risk Management Strategy](#) considered by the Audit Committee on 8 November 2022.

[Minutes of the Audit Committee](#) from its meeting on 8 November 2022.

Report author and contact officer:

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Risk Management Strategy



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1. Risk Management Strategy

1.1. Introduction

Effective risk management is part of a well-run organisation, delivering effective and efficient services and achieving value for money. Crawley Borough Council recognises its responsibility to manage risk as a key component of good governance.

The Council is committed to integrating and embedding risk management into policy, planning and operational management and into the culture of the organisation.

The focus of risk management is the identification and treatment of risks. It increases the probability of success and reduces the likelihood of failure and the uncertainty of achieving objectives. Risk management should be a continuous and evolving process, which runs throughout the Council's strategies and service delivery.

A pro-active corporate approach is important if risks are to be identified and managed systematically and consistently across the organisation. In order to create an integrated risk management culture that is embedded into medium-term planning, a collaborative approach to risk is undertaken. Business/service plans, budgets and risk registers are developed simultaneously, and these are regularly reviewed.

Applying the risk management process - identifying, assessing, controlling and reviewing risk helps strategic decision makers and managers make informed decisions about the appropriateness of adopting policy or service delivery options and helps in improving the performance of services.

There are four levels of risk register linked to the achievement of the corporate priorities:

- (i) **Operational Risk Register** – owned by individual Heads of Service and their service managers - comprising the service risk registers that fall within their area of responsibility
- (ii) **Projects Risk Register** - owned by individual Senior Managers/Groups. These include the New Town Hall and District Heat Network project, Towns Funds and some major Capital project schemes. These are reviewed by the Corporate Projects Assurance Group.
- (iii) **Strategic Risk Register** – owned by the Chief Executive and Corporate Management Team.
- (iv) **Contracts and partnerships** arrangements risk registers.

See Sections 3 and 4 for more information. Project managers and sponsors have the major responsibility for managing the risks on their projects.

Most activities involve risks. If those risks do materialise, they may have an adverse effect on what the Council is trying to achieve. Therefore it needs to manage the risks that it faces. This paper sets out how the Council intends to approach the management of risk across the organisation.

1.2. Policy Statement

Crawley Borough Council will:

Adopt best practice in the identification, assessment and cost-effective control and management of risks to ensure that they are eliminated or reduced to an acceptable level.

The Council is aware that some risks will always exist and will not be totally eliminated. It understands the importance of managing these risks effectively.

All employees must understand the nature of risk and accept responsibility for risks associated with their area of authority. The necessary support, assistance and commitment of Senior Management will be provided.

1.3. Risk Management Objectives

The risk management objectives of the Council are to:

1. Integrate risk management into the culture of the Council by engendering a positive attitude and understanding of risk throughout all service areas
2. Manage risks in accordance with best practice
3. Prevent injury, damage and financial loss to all those connected with the Council's delivery of services

These objectives will be achieved by having in place:

1. Clear roles and responsibilities
2. Full incorporation of risk management considerations into the Council's performance management system (including project management and financial planning)
3. Documented risk assessment and control procedures
4. Appropriate resource allocation
5. Appropriate learning opportunities available on effective risk management for employees and Councillors
6. Contingency plans where risk assessment shows these to be necessary
7. Monitoring and review arrangement

1.4. Risk Management Strategy Review

The Corporate Management team is responsible for ensuring that the Strategy is kept under review. Changes will be agreed with the Audit Committee.

2. Risk Management Framework

2.1. Introduction

The Council has arrangements in place to ensure the effective management of risk throughout the organisation.

There are four main elements to the effective management of risk. The Council adopts this approach to ensure risks are properly managed and reduced to an acceptable level.

- **Identification** – what could happen that could prevent the Council from achieving its

corporate priorities

- **Evaluation/assessment** – what is the impact in terms of cost, reputation, service delivery, and what is the likelihood of the risk occurring
- **Management/control** – the techniques applied to manage the risk e.g. tolerate, treat, transfer, terminate
- **Review** – continual review of risk management to ensure that it is effective and making improvements where necessary

This process applies to existing service activities. It also applies when the Council is entering new partnerships, when embarking on a new project or when a new contract is being procured.

The roles and responsibilities of all employees, managers and Councillors are set out in Appendix 1.

2.2. The Nature of Risk

Likelihood – by definition a risk is something that might or might not happen.

Impact – if a risk does happen, there will be an impact. That impact may be significant – for example it might jeopardise the project. Alternatively it might be relatively insignificant.

Mitigation – usually there is some mitigating action that can either eliminate a risk or, more typically, reduce the likelihood of it happening or the impact if it does.

Costs – taking mitigating action will have associated costs – even if it is only in terms of staff time.

Benefits – often the benefits of completing a project or providing a service are a given. However, the position can be more complicated when looking at options to achieve desired policy outcomes. Sometimes the benefits can vary depending on the choice taken.

2.3. Risk Culture

The risk culture of an organisation can be categorised in a number of different ways. Typically the categorisation is based on the risk appetite of the organisation. Risk appetite has been defined as the “amount and type of risk that an organisation is prepared to seek, accept or tolerate.”

Risk appetite provides a framework which enables the organisation to make informed management decisions. The benefits of adopting a risk appetite include:

- Supporting informed decision-making
- Reducing uncertainty
- Improving consistency across governance mechanisms and decision-making
- Supporting performance improvement
- Focusing on priority areas within an organisations
- Informing spending review and resource prioritised processes.

The risk appetite scales the Council has agreed to adopt are set out below:

Risk appetite	Description
Opposed	Avoidance of risk and uncertainty is key objective
Minimalist	Preference for safe options that have a low degree of inherent risk
Cautious	Preference for safe options that have a low degree of residual risk
Mindful	Willing to consider all options and choose one that is most likely to result in successful delivery
Enterprise	Eager to be innovative and to choose options that suspend previous held assumptions and accept greater uncertainty

There is a strong relationship between the approach to risk and the level of controls an organisation operates. A risk adverse culture requires a significant level of controls, where as a risk receptive organisation requires far less.

If a risk materialises, it can have one or more of several different impacts:

- Financial loss
- Reduction or prevention of service provision
- Health and safety
- Objectives not achieved
- Reputational (which can have political impacts)
- Relationships/partnerships adversely impacted

Another way of categorising risk is between strategic, tactical and operational risks. It is not unusual to refer to project risks as a type of operational risk.

Strategic Risks – are those which may impact on the ability of the Council to achieve its corporate objectives and execute its strategies successfully. By their nature, strategic risks are generally not service or objective specific; they are areas of risk that cut across service and objective boundaries. These risks can be both negative and positive. They include risks associated with projects or procurement, and risks associated with partnership arrangements. They can also be a potential opportunity that enhances and accelerates the achievement of corporate objectives.

Tactical Risks – are those which may impact on those activities that which support the implementation of actions to achieve those corporate objectives.

Operational Risks – are those that may impact on the day to day operations of the Council

Project Risks – are those that may impact on the ability of an individual project to deliver its objectives. These risks will usually be operational, but may be tactical.

2.4. Assessment of Risk

Once risks have been identified, each one is assessed according to the impact on the service if it happened and on the probability that it will happen.

Risks are prioritised using a scoring system as set out in the risk assessment matrix below. Each risk is scored for inherent risk (i.e. with no controls in place) and for residual risk (i.e. with controls in place).

IMPACT	Catastrophic 5	5	10	15	20	25
	Major 4	4	8	12	16	20
	Moderate 3	3	6	9	12	15
	Minor 2	2	4	6	8	10
	Insignificant 1	1	2	3	4	5
		Remote 1	Possible 2	Likely 3	Probable 4	Highly probable 5
PROBABILITY						

See Appendix 3 (Risk Assessment Criteria) for further details for assessing each category.

2.5. Risk Tolerance

The risk tolerance of the Council is the threshold above which the level of risk is not acceptable and requires further action to reduce the risk. The level has been agreed by the Corporate Management Team to be any risk with a residual score of 15 or above (red risks).

2.6. Management/ Control of Risks

Senior Managers have overall responsibility for managing risks in their service area. This may include refusal to take the risk, controlling the risk as far as reasonably possible or transferring (via contract etc.) the risk to another party e.g. insurance. To ensure that this is done in the most effective manner, ownership and control of the risk may be delegated to the person (risk owner) directly responsible for managing the business activity specific to the risk - this will usually be a Business Manager. Risk registers will be updated as new risks arise.

Further actions may be identified that will improve resilience. Where this is the case, an action owner is identified together with a timeframe for this to be achieved.

Heads of Service are required to review and update their Operational Risk Registers at least quarterly to:

- Ensure controls are effective and do not require further planned actions
- Ensure identified risks are still relevant and have not changed over time
- Re-assess risks when change happens e.g. re-organisation, different systems, new equipment etc. or at the start of a new project/procurement
- Review key project, procurement, contract management and partnership risks and, where risks impact on services, consider for inclusion in the relevant Service Risk Register
- Prevent loss and damage and reduce the cost of risk to all involved
- Use best practice to manage risk

The Strategic Risk Register is reviewed quarterly by the Corporate Management Team. This ensures that identified risks are current and relevant to the planned activities for the coming year(s); controls put in place to mitigate risks are effective and adequate resources and budgets are allocated for the delivery of planned projects.

Significant risks are reviewed by the Corporate Projects Assurance Group where key projects have their own business case that has risks and mitigations identified, these use the grid method. The group includes the Chief Executive, the Deputy Chief Executive, the Monitoring and s151 officers Procurement Manager and Corporate Performance Manager. Business cases are reviewed by this group before being progressed further within the organisation. These projects can be where there is major expenditure such as a capital programme scheme or a review of a service delivery such as the new ways of working programme.

It is important to note and accept that no organisation will, or should, have the same approach to all risks at all times. For instance, it would be inappropriate for the Council to behave unlawfully. Therefore, it should have a high level of controls to avoid the risks of acting unlawfully.

It is also true that risks will vary over time, both in terms of their likelihood and impact. Therefore, risks have to be managed – not just recorded for some types of risk.

2.7. Risk Registers

As stated above there are four levels of risk register maintained across the organisation:

Operational Risk Register – owned by individual Heads of Service and their service managers - comprising the service risk registers that fall within their area of responsibility. Each Departmental Management Team is jointly responsible for maintaining.

Projects Risk Register - owned by individual Senior Managers/Groups. These include the New Town Hall and District Heat Network project, Towns Funds and some major Capital project schemes. These are reviewed by the Corporate Projects Assurance Group.

Strategic Risk Register – owned by the Chief Executive and Corporate Management Team. CMT has the responsibility for ensuring that there is effective management of strategic risks. The Head of Corporate Finance has a responsibility to satisfy themselves that effective management is in place and reporting to the Audit Committee.

Risk registers for contracts and partnership arrangements. See Sections 3 and 4 for more information. Project managers and sponsors have the major responsibility for managing the risks on their projects.

See Appendix 2 for information on categories of risk.

2.8. Risk Management Assurance Framework

The Council has a risk management assurance framework in place which ensures that controls put in place for mitigating risks are effective. The framework is applied to risks on the Strategic and Significant Risk Registers.

It aims to give the Council assurance that the controls defined for each of these risks are in place and operate effectively.

See Appendix 4 for further information.

2.9. Reporting Risks

As stated above the Corporate Management Team (CMT) receive a risk management update on a quarterly basis which includes the Strategic Risk Register.

Departmental Management Teams ensure that they review their operational risks on a quarterly basis.

Special projects such as the Town Hall board have an agenda item on each meeting to review the risk register, this register is presented to the Audit Committee together with the Strategic Risks.

Financial risks are included within the annual Budget Report and the Budget Strategy report(s).

2.10. Incorporating Risk in Reports

Risk management is a fundamental part of the decision making process. It is therefore critical that risks are identified and included in Committee reports, to enable Councillors to make informed decisions. All reports to Cabinet are reviewed by the Head of Governance, People and Performance and the Head of Corporate Finance who will ensure that they are satisfied that risks have been identified and any mitigations covered.

3. Project/ Procurement/ Contract Risk

3.1. Project Management

In the context of a project, it is the project's objectives that are at risk. These will include completing the project to a number of targets, typically covering time, cost, quality, scope and benefits. Each major project should have its own risk register containing information on all of the identified threats and opportunities relating to the project. In the context of a project, a threat is an uncertain event that could have a negative impact on the project's objectives; an opportunity is an uncertain event that could have a favourable impact on the objectives. Both the Business Case and Project Initiation Document templates includes a Risk Register template.

3.2. Procurement Approach

In instances where there is a commercial relationship involved in the project (i.e. supply is contracted out to a third party) risk should be placed with the party best able to manage that risk. The procurement approach employed determines the way in which risk is managed. A well-defined, low risk project will suit traditional tendering and contracting approaches where transferred risk can be readily quantified and competitively priced by the market. At the other end of the spectrum, partnering contracts suit projects of higher risk and complexity that require collaboration under risk reward sharing arrangements.

3.3. Contract Management

Contracts where the risk of contract failure poses significant risk to the Council (for example, it provides a significant income stream, delivers a key service to residents, is integral to the Council's operations, would result in the Council itself being in breach of contract/statute and/or incurring significant reputational damage) are likely to require the most focus (high levels of reporting and pro-active monitoring), whilst a lighter touch approach with exception reporting may be acceptable for lower risk contracts.

The degree of contract management may need to be periodically re-assessed in light of the service provider performance, previous experience of delivering such contracts and the contract

maturity. Risk registers should include:

- How will you ensure that risks related to the contract are formally identified, appropriately mitigated and regularly reviewed, with 'obsolete' risks removed from consideration where appropriate? Is there clear identification of who is best placed to manage risk?
- What escalation and reporting routes are in place for risk governance?
- What contingency planning will the provider undertake, and what contingency planning are you putting in place? Consider both temporary and long-term failure/default, with arrangement proportional to the business impact or the difficulty in moving to a new service provider. Does the service provider's contingency plan integrate with the Council's own contingency plans?
- Have you diarised your tracking of the on-going financial health of the service provider, any guarantor and/or any key sub-contractors.

4. Partnership Risk

Partnership working and joint arrangements are playing an increasingly important and practical role in helping local authorities, including Crawley Borough Council, to maintain service and financial resilience. In this context the term partnership working involves achieving objectives by co-operation.

Examples of partnership working include:

- Joint commissioning with other public bodies
- Joint management teams
- Joint provision with other local authorities
- Joint ventures with the public sector
- Partnerships and joint ventures with the private sector
- Local authority companies, social enterprises and trusts

Partnership working can bring many benefits, but can also carry significant risks. It is therefore imperative that, as part of the process of setting up partnerships, that relevant risks are identified, shared and a risk management plan agreed.

In Crawley partnerships are for the most part shared service arrangements (where there may be a contract in the form of an inter-authority agreement) where in reality rights aren't typically going to be enforced in a legal way, so having good governance arrangements is more important than in a commercial arrangement. Unlike commercial contracts, where consideration is given upfront as to how long the relationship will last, in a shared service environment, the duration of arrangements are more long-term, and so having a review function to make sure that the shared service is still fit for purpose and working for all partners is probably more important.

The key questions to consider are:

- What are our objectives?
- What will stop us from achieving them?
- What mitigating factors can we apply?

Clear reference should be made as to which partner has responsibility for each risk, control and improvement plan. In joint working (shared services), certain responsibilities are held by the lead authority. If it is not clear who the lead authority is (e.g. in a consortium) or where the lead may

change depending on the activity (e.g. in a Community Safety Partnership) there should be a clear understanding between the partners of who is responsible for what and, ideally, that agreement should be recorded.

The Council's objective for being involved in the partnership can be identified by undertaking it as part of a strategic risk exercise. It should address how the terms of the partnership deal with risk allocation, seek assurance that the partners understand risk management and consider how robust the partnership is. Risk management may have a direct effect on resource requirements and all parties need to agree on the allocation of risk. The control of some risks will be in the hands of partners and the Council will need to have a means of assurance that the risk is being suitably managed. The choice of partner at the outset might be the Council's main control but monitoring and break clauses can provide ongoing assurance.

Councillors	<p>All Councillors</p> <ul style="list-style-type: none"> • Apply principles of risk management in all aspects of their functions/duties • Ensure that risks have been considered during all decision making 	<p>Cabinet</p> <ul style="list-style-type: none"> • Oversees effective risk management across the Council and ensure that key risks are identified, managed and monitored • Ensures that key risks within their portfolio are effectively managed through discussions with Senior Managers • Are proactive in raising risks from the wider Crawley area and community 	<p>Audit Committee</p> <ul style="list-style-type: none"> • Ensures that an effective Risk Management Strategy is in place and implemented • Approves major changes to the Risk Management Strategy • Regularly reviews the effectiveness of the Council's risk management strategy and overall arrangements • Ensures an appropriate challenge is provided to risks identified
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The Corporate Management Team (CMT)

- Implements and drives policies on risk across the Council
- Ensures the Risk Management Strategy is regularly reviewed
- Annually carries out a strategic risk and issues assessment and review of the risk tolerance level
- Sets priorities for dealing with unacceptable risk and significant improvable risks
- Considers proposals for additional funding for risk control measures
- Ensures that regular and appropriate risk management briefings are made to Cabinet Members
- Ensures that risk is an integral element of decision making
- Oversees departmental risks and ensures they are being actively managed with appropriate controls in place and working effectively

Corporate Projects Assurance Group (CPAG)

- Monitors and manages strategic and significant risks and ensures improvement plans are adequate and managed effectively
- Supports a framework of corporate controls to manage risks across the Council

Service Managers

- Has responsibility for the identification, assessment, management and control of all risks arising out of the activities, assets and resources under their authority
- Documents risk assessment and controls i.e. maintain their Operational Risk Register
- Ensures that risk, including project and procurement risk, is effectively managed within their departments and across service areas as a whole.
- Regularly reviews and reports on risks as part of the business review and monitoring process
- Identifies partnership and contract arrangements where the risk is shared and ensures that these are managed appropriately
- Provides information to the Insurance Officer on new assets, liabilities, significant risks and other matters on request to enable the insurance programme to be put in place and maintained
- Provides information to the Insurance Officer on risk incidents, accidents and losses so that any insurance claim may be made and post-incident analysis carried out
- Regularly reports and offers appropriate assurance on management of risks within the Council

Project Managers

- Identify and assess risks arising from any new or proposed projects in line with the Council’s Project Management Approach
- Document all risk assessments and put controls in place to eliminate or reduce risks to a manageable level
- Identify partnership or contractual arrangements where the risk is shared and ensure that these are effectively managed
- Consider high project risks, where relevant, for inclusion in the Operational Risk Register

All Staff

All staff have a responsibility for managing risks effectively within their own work and area of authority, and to report risks to management

Insurance

Insurance will sometimes be an appropriate control for financial risks. The Head of Corporate Finance / Chief Accountant, together with the Insurance Officer will:

- Consider how insurance should be funded
- Manage the operation of any internal insurance fund
- Review insurance policies and new exclusions and assess their impact on the internal insurance fund
- Review the Council’s insurance renewal strategy
- Determine the most economic balance between self-retention and Insurance purchase

Categories of Risks¹

Appendix 2

The risk categories are neither prescriptive nor exhaustive; they however provide a framework for identifying and categorising a broad range of risks facing each service.

1. Strategic Risks

Strategic risks are risks to be taken into account in judgements about medium to long-term goals and objectives of the Council.

- **Political:** those associated with a failure to deliver either local or central government policy, or to meet the local administration's manifesto commitments
- **Economic:** those affecting the Council's ability to meet its financial commitments, including internal budgetary pressures, the failure to purchase adequate insurance, inadequate reserves or the consequence of investment decisions
- **Social:** those relating to the effects of changes in demographic, residential or socio-economic trends on the Council's ability to deliver its objectives
- **Technological:** those associated with the Council's capacity to deal with the pace/scale of technological change, or its ability to use technology to address changing demands. They may also include the consequences of internal technological failures on the Council's ability to deliver its objectives
- **Legislative:** those associated with current or potential changes in law (e.g. TUPE² Regulations, Health and Safety Regulations, Human Rights Act, Freedom of Information, Data Protection etc.)
- **Environmental:** those relating to the environmental consequences of progressing the Council's strategic objectives (e.g. energy efficiency, pollution, recycling, landfill requirements, biodiversity, emissions etc.)
- **Competitive:** those affecting the competitiveness of the service (in terms of cost or quality) and/or its ability to deliver best value
- **Customer/Citizen:** those associated with the failure to meet the current and changing needs and expectations of customers and citizens

Managing strategic risk is a core responsibility for Senior Managers in close liaison with elected Councillors. Strategic risk assessments should be undertaken as part of the corporate and service planning process, and as a key element of service reviews. Strategic risk assessment draws on techniques such as group assessment, brainstorming and SWOT³ or PESTLE⁴ analysis.

¹Audit commission – Worth the Risk: Improving Risk Management in Local Government

² Transfer of Undertakings (Protection of Employment) Regulations relating to the possible transfer of staff terms and conditions when in-house work is transferred to an external contractor.

³ SWOT – Strengths, Weaknesses, Opportunities and Threats

⁴ PESTLE – Political, Economic, Social, Technological, Legislative and Environmental.

2. Operational Risks

Operational risks are risks that managers and staff will encounter in the daily course of their work.

- **Professional:** those associated with the particular nature of each profession (e.g. social work service concerns over children at risk; housing service concerns as to the welfare of tenants)
- **Financial:** those associated with financial planning and control and the adequacy of insurance cover
- **Legal:** those related to possible breaches of legislation
- **Physical:** those related to fire, security, accident prevention and health and safety (for example, hazards/risks associated with buildings, vehicles, plant and equipment, etc.)
- **Contractual:** those associated with the failure of contractors to deliver services or products to the agreed cost and specification
- **Technological:** those relating to a reliance on operational equipment (for example, IT systems or equipment and machinery)
- **Environmental:** those relating to air, land and water pollution, noise, biodiversity (which includes the protection of habitats and wildlife), or the energy efficiency of ongoing service operations

3. Organisational Risks

Organisational risks relate to the reputation and tools of the Council such as people, information and corporate governance.

Risk Assessment Criteria

Appendix 3

Risk assessment categorises risk according to impact and probability and results in a total risk score. Risks are assessed on both inherent risk level (no controls in place) and residual risk level (after controls).

1. Impact Criteria

Risk Level		Financial ⁵	Service	Reputation
5	Catastrophic	>£1m	Total service failure	National publicity more than 3 days. Resignation of leading Member or Chief Officer Loss of public trust in the competency of the council
4	Major	£500k - £1m	Serious disruption to service	National public or press interest Damage to the reputation and standing of the council in the public eye
3	Moderate	£50-500k	Moderate disruption to service	Local public/press interest Partial loss of credibility of the council
2	Minor	£5k-£50k	Some minor impact on service	Contained within service Reduced confidence in delivery of individual services
1	Insignificant	<£5k	Annoyance but does not disrupt service	Contained within business unit Mild resident dissatisfaction

N.B: The overall score should be weighted in favour of the highest score in either financial, service or reputational impact. This will include health and safety considerations under 'reputation'.

2. Probability Criteria

Risk level		Description
5	Highly probable	Expected to occur in most circumstances (>80%)
4	Probable	Will probably occur in most circumstances (>50% to 80%)
3	Likely	Fairly likely to occur (>20%-50%)
2	Possible	Could occur at some time (>5%-20%)
1	Remote	May occur only in exceptional circumstances (0%-5%)

The scores are calculated as follows to make up the total risk score:

Total risk score = Impact x probability

Risk Management Assurance Framework

Appendix 4

The Risk Management Assurance Framework aims to give the Council assurances that controls defined for those risks included in the Strategic Risk Register are in place and operate effectively.

Controls in place will be assessed for their effectiveness by the Corporate Governance and Strategy Team during the quarterly review of the Strategic Risk Register.

A gap in assurance will be deemed to exist where there is no evidence that there are controls in place, or that they are effective. Whenever a gap in assurance is identified, an action must immediately be put in place and allocated to an owner.

Where controls exist, levels of assurance will be attributed to them during the review process. Levels of assurance to be applied are:

Assurance Level	Details
Level 1: None	There is no evidence to support the effectiveness of the control and/or based on evidence the control is completely ineffective
Level 2: Limited	The control is appropriately designed, however it is not consistently applied resulting in it being ineffective and inefficient
Level 3: Adequate	The control is working effectively but there is scope for improvement to make it more efficient to reduce the cost of mitigation
Level 4: Substantial	The control is working effectively and efficiently

The Council aims to obtain an assurance level 3 in all cases, depending on the severity of the risk in terms of impact on the Council. A substantial level of assurance needs to be obtained for risks with higher impact, as determined by management.

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Agenda Item 9

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
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