

Corporate Risks September 21

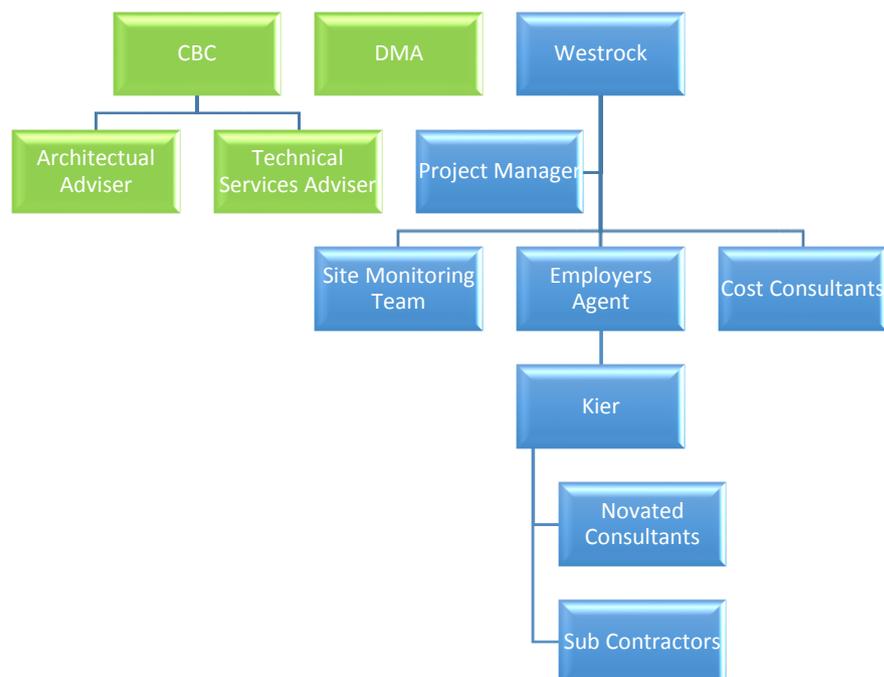
Failure to deliver key infrastructure projects as planned, on time and within budget, such as:

- **New Town Hall**

Despite the challenges of Covid, the construction of the New Town Hall building continues to budget, and working across stakeholders continues to improve. Handover of the building has moved from Dec 2021 to Feb 2022. Negotiations regarding further impacts from Covid and design changes are on-going and programme impacts being monitored. A delay to the programme is advantageous to the Council to realign interdependencies with the District Heat Network and to avoid lost time over the Christmas period. Commercial agents have been appointed and very early indications for tenants are positive, but this remains a key risk. Conversely Covid has accelerated new ways of working that increases confidence that the organisation will be ready to move, and allows the Council to occupy a smaller amount of space. Nonetheless there is significant work required to implement all aspects of new ways of working ahead of the move. Decisions on layout and capacity within the new space have been put on hold wherever possible until the post-Covid picture is clearer. Significant progress has been made around facilities management approach and this will continue. The wider benefits of the redevelopment is being actively pursued albeit that some skills and educational opportunities have been lost due to Covid. The project board overseeing the development has structured itself around these risk areas, and has developed a programme that identifies and manages interdependencies and is actively managing the identified risk. A detailed risk register has been created to reflect this stage of the development and continues to be updated as this stage of the project embeds itself, this is attached as at Appendix A.

Governance Structure –

Contractual Arrangements



Internal Governance

Member Oversight

- Updates to Cabinet Briefing & regular liaison with Portfolio Holders
- Reporting as requested to Overview & Scrutiny Committee
- Member Working Group advising with particular interest in Groups 2, 4 and 6

Town Hall Board

Group 1: Design & Build	Group 2: Moving into NTH	Group 3: Commercial Space	Group 4: Facilities Management	Group 5: District Heat Network	Group 6: Benefits Realisation
<ul style="list-style-type: none"> • Construction monitoring • Car Park works • Contractor liaison • Financial monitoring • Communications • Interface with other developments 	<ul style="list-style-type: none"> • Cat C design and procurement • Link Transformation Programme • Layout and accommodation • Decant planning and moving 	<ul style="list-style-type: none"> • Appointment of commercial agent • Marketing of building • Tenancy agreements • Occupancy arrangements • Interface with FM 	<ul style="list-style-type: none"> • Commissioning & training for M&E and plant equipment • Plant maintenance contracts etc • Emergency planning • Risk assessments • Car Parking • Front of house 	<ul style="list-style-type: none"> • Procurement of O&M contractor • Billing & Client arrangements • Test & Commission plant • Switch over A2D & Kilnmead • Phase 2 planning and business case 	<ul style="list-style-type: none"> • Public Square and 4th Plinth moment • Public spaces within town hall • Sustainability benefits • CSR benefits

- **District Heat Network**

The final element of Phase 1 of the Town Hall Site Redevelopment is the District Heat Network. This element took considerable time to get to contract but this has now been achieved, and the impact of delays mitigated across the wider programme. The project team structure has been agreed and this will continue to report into the Town Hall Board and member oversight mechanisms in the same way as above. The mechanisms for identifying and managing risk also mirror the wider approach. To date works have progressed to programme and budget and the remaining design areas are being finalised. The procurement of the O&M Contractor has been completed and this a key milestone in the project.

- **LEP Infrastructure – Crawley Growth Programme**

CBC, together with WSCC (the lead body) was successful in securing £14.6 million of Local Growth Fund from the Coast to Capital LEP in autumn 2017, as part of the Crawley Growth Programme – a £60m package of public and private sector funding with an additional scheme and further funds added by WSCC to increase the package to £72m. The principal purpose of the Crawley Growth Programme investment is to help bring forward regeneration sites to achieve new homes, jobs, and commercial space.

The Queensway scheme was completed on time and within budget in October 2019. The Town Centre signage scheme was rolled out and completed last year with an additional phase delivered, providing further signage in and around Memorial Gardens. The Station Gateway scheme has been successfully project managed through its initial stage, with the Borough Council able to broker successfully a way forward between Network Rail, GTR, West Sussex County Council and the Arora group on the development of proposals for a brand new Crawley railway station complex and associated public realm / parking / access improvements on site. These proposals, alongside a residential development at Station Gateway, were granted planning permission by Planning Committee on 26 April 2021.

The following projects will be led by CBC as part of the Crawley Growth Programme over the period to March 2025:

- Station Gateway public realm improvement / Town Centre Bus Station – Station Way and Friday Way
- Grade A commercial space development – The designs for the scheme will be worked up over the autumn period.
- Three Bridges Station Improvement scheme – Planning application in preparation / budget review.
- Western Boulevard Cycle Scheme – Designs being finalised.
- Manor Royal Cycle Scheme – Options review being undertaken with MR BID.
- Town Centre and Manor Royal ‘super hub’ bus shelters

The remaining risks associated with the continuing delivery of the Crawley Growth Programme are the following:

- Risk of budget overspend for the future project delivery within the Programme

Mitigation: regular financial monitoring and audit work carried out. Quarterly LEP audit; Head of Corporate Finance attends six weekly Programme Delivery Team meetings with West Sussex County Council. A “mid-term” programme review to take place summer 2021

- Scheme delivery time overruns – Remaining Crawley Growth Programme schemes must be delivered by the end of March 2025.

Mitigation: Regular project monitoring undertaken by individual Project Boards, the Programme Delivery team with West Sussex County Council and reported to the Crawley Growth Board, chaired by the CBC Chief Executive.

- Discontinuation or withdrawal of support from key partners

Mitigation: Regular interaction to identify and resolve issues promptly at project Board level with the Manor Royal Business District, Network Rail, GTR, Metrobus etc. A “mid-term” programme review to take place summer / autumn 2021

- A sustained period of economic downturn which slows up private sector investment on key regeneration sites in the town centre:

Mitigation: The type of infrastructure investment being delivered by the Crawley Growth Programme in public realm, transport and infrastructure transcends the economic cycle and delivers structural improvements to strengthen Crawley's economic prospects. The target date for delivery of regeneration site outcomes is actually 2030 to take account of the economic cycle and potential for a sustained down turn, which is now likely in view of the impact of the COVID-19 crisis nationally and internationally.

- Ineffective co-ordination of delivery across projects, leading to multiple disruption in the town centre and Manor Royal when this was avoidable.

Mitigation: Careful planning and close cooperation between CBC, WSCC officers and third party partners / contractors. A "mid-term" programme review to take place summer 2021

- Absence of CIL funding receipts in contribution to the delivery of the Crawley Growth Programme

Mitigation: Officers will defer from seeking Member approval to progress any elements of a scheme requiring CIL funding until such time as the requisite CIL receipts have been received or until a formally agreed CIL payment plan is in place.

- Ineffective co-operation and communication with WSCC

Mitigation: Where WSCC is the lead partner in the delivery of a Crawley Growth Programme scheme, such as the Eastern Gateway, CBC expects to be kept up to date in a timely and effective fashion well in advance of scheme milestones. This will be channelled through the Crawley Growth Board, chaired by the CBC Chief Executive and the Programme Delivery Team. A "mid-term" programme review to take place summer / autumn 2021

- **Three Bridges Railway Station**

On 11th 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 formally agreed to extend the S106 funding spend deadline to end March 2021. This funding remains on track to be spent by the deadline.

Member approval was granted in June 2016 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. These funds have been combined with the above S106 resources, in addition to a further £89,000 of S106 funds along with over £1.1 million of

Community Infrastructure Levy, (approved by Cabinet on 7th February 2018), subject to receipt of the CIL funds.

At the Full Council meeting on 26 February 2020, Members debated the recommended design option for the Three Bridges Station Improvement scheme in the context of a petition received with over 1,000 signatories objecting to the removal of the right hand turn for vehicles out of the station and a Council motion requesting that an alternative design option is developed retaining the right hand turn and then being subject to public consultation.

Full Council voted to request that Cabinet note the petition and consider its contents and then voted to approve a Council Motion which requested that Cabinet refer the matter of retaining the right hand turn to West Sussex County Council, the Highway Authority, requesting that the Highway Authority determine whether an alternative design option retaining the right hand turn is viable. This course of action was approved by Cabinet in March 2020 and a response received in June 2020 confirmed the Highway Authority's support for the proposed scheme and the preferred design option. A planning application is in preparation for the scheme as well as a budget review and work to secure the outstanding Community Infrastructure Levy required to finance the scheme. This has been delayed due to the pandemic and the finalisation of the planning application is pending the mid-Term Crawley Growth programme review with West Sussex County Council.

A comprehensive risk register is overseen by the Project Board of the Crawley Growth programme. The principal strategic risk looking ahead to the next steps is that a way forward is unable to be agreed.

- **Delivering the affordable housing programme**

The Administration has pledged to build as much affordable housing for local people as possible. Delivery is being programmed through the Strategic Housing Board and scrutinised at CMT and through the Corporate Projects Assurance Board. Projections for the current 4 year delivery period (2018-2021) indicate that delivery can be maintained at a similar level to the previous 4 year monitoring period at just over 1,000 new affordable homes. Approximately 2/3rds of this delivery will be by the Council and the remainder by other Registered Providers of affordable housing. Delivery is expected to remain at a similar level for the following 4 year monitoring period to 2025.

The greatest risk to the delivery of affordable housing lies beyond the medium term, once the current programme has been delivered. This reflects the fact that the majority of larger sites within the Council boundary that can easily be built will have been developed. This will leave smaller sites that are more challenging and contentious in nature and therefore more resource intensive to bring forward, or finding other opportunities such as regeneration.

Work has been undertaken that will seek to identify these future sites and opportunities, feeding into the Local Plan and developing programmes of work. The Strategic Housing Board has reviewed and strengthened its governance to adapt to the new development environment and the associated risks this will bring.

Work has been undertaken that will seek to identify these future sites and opportunities, feeding into the Local Plan and developing programmes of work. Planning and Housing teams continue to work proactively to maximise opportunities afforded by development within neighbouring Districts and Boroughs adjoining the Council's boundaries.

- **Transformation Programme**

The Council had set itself a change agenda to be completed ahead of the move to the new Town Hall and to help us meet future demand, needs and financial pressures. One impact of the Covid19 pandemic has been the move of almost all staff to more flexible working arrangements, thereby achieving in a matter of days, a shift in mind-set towards more agile ways of working that might well have taken months to achieve.

Given this progress and recognising the wider financial and community impacts of Covid, a review of the Transformation Programme has been completed and our plans refreshed to refocus our objectives. These are Channel Shift, New Ways of Working, People Strategy, Service Redesign, Commercialisation and Assets.

At a programme level, the key risks are:

- Financial – restricting the scope of work and change arising
- Capacity to deliver the scale of the Transformation Programme given other pressures
- The interdependencies between the areas of work not being recognised

The Transformation Board at CMT level brings together and provides oversight at a high level plan to ensure coherence, manage interdependencies and change, allocate resources and ensure delivery. Furthermore the Digital, Transformation and Corporate Support teams have been reinforced to ensure there is sufficient capacity both to support and deliver the transformation programme. Finally significant work is taking place with third and fourth tier managers to ensure to support implementation.

A further senior management group – Corporate Project Assurance Group - ensures appropriate governance of projects and that key projects beyond the transformation programme are not adversely impacted from the constraint of capacity and resources.

- **Disaster Recovery and Business Continuity.**

Currently, our core data centre is based at the Surrey Data centre in Redhill. 99% of all systems are hosted there with a few remaining hosted at the Town Hall. The migration of users to Office 365 in the cloud, means that core communication tools like Outlook are available from anywhere. The rollout of hybrid devices, the new Virtual Private Network (VPN) and the rollout of MS Teams has successfully delivered the capability for staff to work in any location where an internet connection is available. Bewbush remains as a site for face-to-face services even though it wouldn't be required for access to systems.

There remains a risk that the Surrey Data Centre could go offline, leaving CBC unable to access some its line of business systems. This has been a key

consideration in the development of the Move to Cloud work outline below. Until such time there remains the following risk.

- The Surrey Data Centre were to go offline – CBC would retain access to Office 365 (MS Teams, Outlook etc.), but not service specific systems hosted at Surrey until the data centre was restored.

- **Move to Cloud**

The Council is undertaking substantial work to modernise its IT Digital Infrastructure to support our Transformation Programme, and ensure its IT estate is fit for purpose ahead of the move to the new Town Hall. The optimal strategy, in terms of future proofing our IT infrastructure and reducing the risks associated with that infrastructure, has identified moving our estate to the cloud. Whilst this will de-risk the Council over time, it is recognised that there will be risks associated with the change itself. Financially it requires a shift from a capital to a revenue model of funding IT and ways of mitigating this are being investigated. Structurally it will require short term investment and medium term shifts in human resources as elements of the Digital Team shifts into new roles. From a data security point of view it will require careful consideration of the implications to ensure the Council is compliant.

Risks of the move to cloud:

- Covid V19 financial impact makes the revenue investment difficult to achieve.

- **Data Breaches**

This risk relates to inadequate data sharing and data security arrangements including failure to maintain public services network accreditation (PSN). Improper disclosure of confidential information, failure to comply with GDPR requirement could lead to major reputational damage, loss of public confidence and the inability to operate key business processes.

The Council has made some considerable strides in this area in recent months. Most significantly it has re-secured its PSN certification providing assurance that its infrastructure is robust and secure. This will continue to be tested on an annual basis. Secondly, and in preparation for the move to the new Town Hall, an Information Management project has been set up to audit all information assets and policies, and prepare them for transfer to a new electronic document and record management system. Thirdly the Information Governance Board has been refreshed and this will oversee all aspects of this work, and is currently reviewing guidance and training for staff.

- **Health & Safety Breaches**

If Health & Safety fails it could result in death or serious injury to staff /public and legal action against the Council, with associated reputational damage. The Council may also be subject to an inspection by the Health & Safety Executive (HSE) generally or with regard to a particular issue.

The Council has an approved a Health & Safety Handbook for Employees, a main Health & Safety Policy together with a suite of supporting policies and guidance.

There is a legal requirement for Managers to ensure that regular risk assessments are conducted in respect to places, activities and people.

During the COVID-19 pandemic, the focus and priority was on ensuring that the workplace (including all operational sites) was COVID-19 secure and compliant with government guidance. The Council is currently in a transitional phase in which it continues to occupy the old Town Hall and looks ahead to occupying the new Town Hall in 2022.

Officers have commenced a piece of work which will involve evaluating the Council's overall Health & Safety compliance status. This will inform an emerging plan as to how the Council will undertake, manage and monitor risk assessments as well as other statutory compliance requirements in the longer term.

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

The Budget Strategy report to [Cabinet](#) on 25th November 2020 identified future budget gaps and mitigations. The budget report which was presented to Cabinet and Full Council included the outcome of decisions made on savings, taking into account the results of the resident's survey.

The Budget and Council Tax 2021/22 [FIN/514](#) report to Cabinet on 3rd February 2021 and Full Council on 24th February 2021 included the outcome of decisions made on savings, taking into account the results of the resident's survey. The report identified in Table 6 £1.819m of savings and efficiencies in order to address the gap and the impact of the pandemic. Despite this there is still a small budgeted use of reserves of £155,506.

The Spending Review [launch letter](#) has been published by the Chancellor: It will be a [multi-year spending review](#) covering the years 2022-23 to 2024-25, and it will "conclude on 27 October 2021, alongside the Autumn Budget 2021"

The results of this Comprehensive Spending Review will be known later in the autumn, the outcome of this will be used for future budget forecasting and decisions making.

The impact of Covid19 is having a significant impact on both the current and future years. The Corporate Management Team will be working on the budget position throughout the new financial year and assessing the impact on the budget due to Covid-19 and will report through regular Quarterly budget monitoring reports to Cabinet and the Overview and Scrutiny Commission. There are sufficient General Fund reserves to cover the initial years of the New Town Hall until the upper floors are let.

- **Organisational Capacity, Recruitment, Retention and Succession Planning.**

There are a number of current and forthcoming workforce challenges facing the Council. As we seek to transform, continuously improve and meet a budget gap, we will be asking more of our staff, potentially with less resource. Some of this will be met through greater productivity, but not all. Having reduced the workforce in recent years from c1000 to c600, the Council is already seeing potential points of

failure, for instance single standalone specialists. It is also recognised that there are teams that are potentially already under-resourced and the impact of Covid 19 is adding other pressures on staff.

Recognising these challenges, the Transformation Plan has as one of its objectives the creation of a People Strategy overseen by a People Board. This will bring corporate drive to addressing some of the following challenges. This group was established at the end of 2020 and will shortly seek wider representation from staff, managers and Unison as it develops its agenda.

The recruitment and retention of key specialist and professional roles can be challenging. The impact of higher salaries in the private sector is evident and as a result has led to problems with recruitment and retention in roles such as Procurement, IT, legal and some Planning and Surveying roles. HR are working with managers to ensure that we promote hard to recruit roles effectively and actively encourage managers to have transparent conversations around salary throughout the recruitment process.

We have also seen a number of skills gaps in the market when recruiting, as a result HR has worked with managers to creatively approach their recruitment by either upskilling employees internally or re-evaluating and recruiting to trainee level posts, this has resolved some retention issues, but it has impacted on workload for these business areas as there are greater levels of support and training for staff in these circumstances.

We offer a generous employee benefits package, with a range of discounts, benefits and wellbeing incentives to suit everyone and by raising the profile of these to prospective and existing employees with our benefits hub and external webpage, we can address candidate attraction and retention.

We continue to promote and support the creation of apprenticeship opportunities and we are making progress with better promoting ourselves as an employer of choice. The Corporate Management team are discussing succession planning and putting processes in place to plan for the future.

- **Challenges and Risks: Workforce capacity, resilience and health and wellbeing.**

Workforce capacity

The challenges facing the workforce has been unprecedented over the last year as the Coronavirus pandemic has affected everyone in some way or another. We have seen the impact upon Crawley residents with local firms making significant job redundancies and firms using the Coronavirus Job Retention Scheme (CJRS) placing staff on furlough. These measures have significantly increased the amount of people using council services and making financial claims that would otherwise not have made claims to us. With forthcoming changes to the government's schemes we expect the demand to continue for several months, therefore placing additional demands on staff in these critical services.

In our response to these demands staff have been working considerably more hours and although this can be attained in the short term with the continued high levels expected, this would be unattainable longer term. When the council set out to respond to the demand we could not foresee the levels or duration that this would be for. Departments put into place their business continuity plans (BCP) however this has been an unprecedented emergency and although the BCP helped the

workforce to respond, these plans were not necessarily designed as long term solutions. To support colleagues we have reassigned staff from different work areas to help meet the need.

Going forward the challenges and risks we face are if further job cuts happen within the borough, more people will seek the services of the council. Our response is to evaluate where we consider these pressure points will be and in advance of the impact identify staff we can reassign and in preparation will have undergone specific training for the roles they may be asked to cover.

Workforce resilience

We have seen the workforce respond and apply flexibility to the demand placed upon them and they have got to grips with the new pieces of legislation and subsequent government changes, of which there have been many.

Despite the challenges over the last 18 months the workforce have largely responded well. We have also conducted three staff surveys to gauge the impact of the pandemic on our staff, services, productivity and morale. Feedback from these staff surveys have confirmed that staff are coping and performing well although the third lockdown did take its toll on staff, particularly their wellbeing and fatigue.

Some staff have been financially impacted as their partners/husbands/wives may have been furloughed or made redundant.

We have increased the measures to support staff with ongoing support and a comprehensive staff wellbeing programme

Health and wellbeing

Throughout this time the organisation has ensured our workplace have been supported in working from home, we have advised staff how to staff stay safe and healthy giving them access to health initiatives and links to variety of support avenues.

We have prepared for when staff return more regularly to the workplace and have robust health and safety measures and guidelines in place.

Challenges and risks we face

We face a number of challenges in the forthcoming months, some we are able to anticipate as mentioned earlier and some we may only know about and experience as they happen.

The Coronavirus pandemic is unprecedented, and should a further spike of the virus occur we could see our workforce health impacted and have a reduced workforce for some time. It is therefore paramount that we continue to establish a core of staff who can be deployed to key critical areas as and when needed.

We have an aging workforce and as some staff members may be able to access their pension, we may see an increase of staff leaving the organisation. It is known that when people experience a life changing event, which one could liken the pandemic, people often re-evaluate their personal circumstances. If this was to present itself we could see a loss of key officers with significant knowledge and skills leave the organisation.

- **Climate Emergency**

In July 2019 the Council declared a climate emergency and pledged to aim to reduce carbon emissions generated by Crawley Borough Council activities by at least 45% by 2030 and to zero by 2050 as recommended by the Intergovernmental Panel on Climate Change (IPCC). The risks here are broadly two-fold, the costs of not acting and the difficult choices involved in acting. A Climate Change Scrutiny Panel was established in autumn 2019 and undertook an assessment of the Council's carbon emissions and a series of meetings to support that assessment. Unfortunately that assessment was significantly delayed due to the pandemic. The Scrutiny Panel presented a report in February this year to

Cabinet with recommendations for the Council's Climate Change Emergency Action Plan. Officers are currently drawing up the Action Plan and this will be submitted to Cabinet for approval, alongside an audit of the Borough's carbon emissions. The officer Climate Emergency Advisory Group is evaluating the recommendations of the Scrutiny Panel as part of the development of the Council's Climate Emergency Action Plan which will be brought to Cabinet for consideration in November.

- **National Waste Strategy (incl Food Waste)**

Final consultation on The National Waste and Resources Strategy concluded in July 2021 with DEFRA indicating the final Strategy will be produced by the end of the year. Although yet to be confirmed, it seems likely that the Strategy will mandate changes to refuse and recycling collections which could place additional resource burdens on waste collection authorities. The Draft Consultation Strategy indicated introduction of a mandatory weekly food waste collection which could then impact upon residual waste and dry mixed recycling collection frequencies. The Council's contract for Waste and Recycling has been extended to allow sufficient time to understand this impact and undertake the planning required to take account of the changes to come.

- **Public Health**

The Covid-19 pandemic reminds us of the risks associated with public health emergencies. As host borough to Gatwick Airport, the Council has additional responsibilities when such issues emerge, in addition to those faced by other Councils.

- **Local Plan Failure to Adopt**

Crawley's refreshed Local Plan 2021-2037 was published for another round of "Regulation 19" consultation on 6th January 2021 and this consultation period closed on 30th June 2021. The Local Plan document was out to consultation alongside a wide range of supporting evidence and documentation. Officers are reviewing the written representations received from the consultation from residents, stakeholders, other local authorities, businesses and developers alongside further evidence related to the Plan. This will be with a view to submitting the refreshed submission Local Plan document to the Planning Inspectorate before the end of the year in order for an examination of it by a Planning Inspector to then take place in the New Year. Subject to process and the outcome of the examination, the Local Plan document would then come back to Cabinet and Full Council for approval to adopt as policy.

- The principal risk associated with adoption at this stage is that the Inspector finds the Local Plan not to be legally compliant, in which case it would not be able to proceed through examination. In addition, there is a risk that the Inspector considers at examination, having taken into account duly made representations, that the Local Plan is not yet "sound" and that it requires significant modification. Only minor modifications can be undertaken by the council before or during the examination process, unless these are required by the Planning Inspector in order to make the Plan "sound". Adoption could be delayed should the Inspector require a revised draft to be produced to go out to a further period of modifications consultation; the examination to be 'paused' to allow significant time to undertake further work; or the council to withdraw the Plan to make substantial amendments where the modifications would go to the heart of the

Plan. The adoption of the Local Plan is a Full Council decision - there is a risk the council may not agree to adopt the Local Plan. Where this has occurred in other authorities it has been due to political changes since the approval for publication and submission, or because of Main Modifications required by the Inspector which were not accepted by the council (there is no allowance to adopt a Plan except in accordance with the Inspector's modifications, the only other option would be to withdraw the Plan and start work on a new Plan). Finally, there is the risk that a third party could ask the Secretary of State to intervene to prevent adoption of the Local Plan, or might subsequently raise a judicial review which could risk the Plan (or a specific part of it) being quashed.

- **Brexit**

The implications to the supply chain is now being impacted due to leaving the EU. There is now evidence of a rising cost of materials and other building supply together with shortages of key building and supply chain workers. This is impacting on Crawley Homes repairs, with a shortage of staff / sub-contractors and building materials together with a backlog of works due to lockdown. This is being monitored by Crawley Homes and will be reported to Cabinet later in the year. This is also impacting on the refuse collection contract with a shortage of workers including drivers. Biffa has introduced recruitment and retention bonus payments for refuse vehicle drivers which has helped to mitigate problems experienced in the summer 2021.

- **Port Health (Gatwick Airport)**

The introduction of Sanitary and phytosanitary (SPS) checks for EU goods entering Great Britain has been delayed until either January or July 2022 (different elements affected). SPS, including the import and export of live animals, products of animal origin and some plants and other agri-food products, are subject to additional checks at the border to ensure they comply with food safety and biosecurity regulations. This is because these products could pose a risk to public, animal or plant health.

As the majority of the EU food trade is imported through the short straits to Dover and Ashford, this is likely to have minimal impact on our Port Health Team at Gatwick. The majority of food imports we receive are from outside the EU and DEFRA's predictions on EU trade moving through Gatwick are low. However, there is always the risk that should there be delays at these ports, then air freight could be seen as a short-term solution until issues at the port are resolved. Given the extended timetable, these ports should be better prepared and the risk low.

- **Covid-19**

The impact of the pandemic on the town and the ongoing implications remain significant and there will inevitably be a sustained and growing call on Council resources and services to support residents and businesses. For example, impacts are now showing as the housing eviction ban has been lifted, courts have reopened and furlough schemes are ending, will place some residents into difficulty. The key implications of the pandemic include likely widening of pre-pandemic health inequalities, pressure on front line health services, increasing unemployment, increasing levels of homelessness and need for housing and reduced viability of some local businesses.

This additional demand comes alongside delivering against our statutory duties around maintaining public health and infectious disease control in an environment

where infection rates, increasing personal freedom and impact on acute health care services is still delicately balanced.

We are trying to mitigate this through supporting eligible residents to apply for Council tax reduction and additional hardship reliefs up to £150 on Council tax bills. At a local level Crawley Borough Council has chosen not to enforce eviction for arrears due to the pandemic for our own properties.

The Environmental Health and Licensing team continue to work in partnership with other statutory agencies such as Public Health England and West Sussex Public Health to manage local outbreaks, enforce where appropriate and implement robust prevention programmes. Short term funding to build greater capacity into these teams comes to an end in March 2022, therefore this should be considered a risk for 2022/23 onwards.

The longer term impact on physical and mental health will have long lasting impacts on Councils and delivery of services. Work is underway with the WSCC Director of Public Health, Local Care Network and Crawley CCG to understand the health inequalities impacting Crawley residents and how these can be addressed. The WSCC funded Crawley Wellbeing hub continues to provide health and wellbeing support to local residents. The Community Development team continues to work in partnership with local voluntary, community and statutory partners to ensure residents can access the services they need. The Community Ambassadors programme, developed in July 2020 in response to the social, economic and health inequalities which were highlighted through Covid-19, continues to thrive involving over 50 community groups and representatives from a wide range of backgrounds with a significant onward reach into the community.

- **Council No Overall Control**

In May 2021, the Crawley Borough Council Elections resulted in a no overall control. The main risk of no overall control and political stability is that decisions may not be taken or agreement not reached on key matters.

**TOWN HALL
PROJECT RISK
REGISTER**

Likelihood
 5 = Almost Certain
 4 = Likely
 3 = Possible
 2 = Unlikely
 1 = Rare

Impact
 5 = Catastrophic
 4 = Major
 3 = Moderate
 2 = Minor
 1 = Negligible

Risk Score = Likelihood x Impact

All risks with a score of 10 or more are considered significant

File Ref:	Town Hall Development	Monitored by:	Project Board	Date Printed:	
Name of Doc:	Risk Register 16 September 2021				
Version No:					
File path:	T:\Town Hall Project\townhallprojectriskregister .doc			No of Pages	11

Responsibility – Project Board

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/ Comments 07/07/2021
PB1	Planning conditions requires amending which impacts on financial viability of the scheme.	2 4 8	1 1 1	2 3 6	<ul style="list-style-type: none"> Pre app meetings held between Westrock and planning officers Conditions for the scheme have been identified and so that ownership and dates can be agreed. Planning conditions project tracker created for WR. 	Risk still active due to Planning conditions on the construction of the New Town Hall
PB2	Impact of construction Phase 1 and Phase 2 to residents and commercial tenants	3 3 9	2 3 6	3 3 9	<ul style="list-style-type: none"> Project agreement includes timescale to build phase 2 Initial rental income projection incorporates phase 2 development impact 	
PB3	Errors or omissions in legal or contractual documentation	2 3 6	1 2 2	2 3 6	<ul style="list-style-type: none"> Internal/External procurement and legal advice taken on all aspects of the contractual arrangements. Legal agreements signed 18 Oct 2019 having sought external advice throughout negotiations. We are now in a fixed price contract with Keir 	
PB4	Decision gateways and need for CBC authority result in delays making key decisions	2 4 8	1 4 4	1 4 4	<ul style="list-style-type: none"> Clear decision making leads identified at member and officer level agreed by Cabinet 	

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/ Comments 07/07/2021
					<ul style="list-style-type: none"> Robust project management and Governance structure established Continued working with consultants to ensure work to timeline. Management structure regarding the relationship with the contractor, the Council and the Development manager is in place. Steering group set up between key officers from CBC and Westrock to Discuss issues. 	
PB5	Westrock unable to obtain development funding for project Phase 2 (market housing)	2 4 8	1 2 2	1 4 4	<ul style="list-style-type: none"> Project agreement will stipulate time period, with CBC having the option to buy back. 	
PB6	Impact of changes to values of offices/housing	2 3 6	1 2 2	2 3 6	<ul style="list-style-type: none"> Valuations obtained, these will be refreshed during the project. Proposed rents still in line with previous estimates 	
PB7	Project exceeds budget	2 4 8	1 4 4	2 4 8	<ul style="list-style-type: none"> Budget agreed and clearly communicated in Final design brief Regular Project Board and Steering Group meetings to review and keep cost projections up to date Contingencies sums identified covering 10% of project costs. 2.4% remaining Value engineering opportunities being explored at Stage 5 Monthly reports and Client meetings to ensure works are agreed and information provided to design team. Regular budget review meetings between Westrock and CBC Cat A and Cat B are now fixed price. 	
PB8	Contractor is declared bankrupt and is unable to complete the construction contract	2 2 4	2 2 4	2 3 6	<ul style="list-style-type: none"> Contract retention of 8% of the contract value has been agreed in lieu of a performance bond as part of Due Diligence process. The mechanism agreed is a 5% retention of construction costs until practical completion of the project. This is in addition to a further 3% retention previously negotiated for quality purposes. The latest results from the contractor see 	Ongoing

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/ Comments 07/07/2021
					<p>Improvements.</p> <ul style="list-style-type: none"> • Kier half year results issued on 21 April 21 show improved results despite the impact of the pandemic with significant progress on operational and financial turnaround strategy. • There is the potential of releasing part of the 5% bond in December 2021 based on Progress. 	

Responsibility – Group 1 – New Town Hall Design and Build

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/ Comments 07/07/2021
G1-1	Errors in detailed design specification – New Town Hall	2 4 8	1 4 4	2 4 8	<ul style="list-style-type: none"> • Consultant Architects appointed as our client to oversee design brief. • Board to monitor mitigation actions to reduce costs, use of value engineering and errors • Regular design team meetings held to ensure variations are discussed before change requested. Consultant procured to provide advice and support to ensure Employers Requirements (ER's) are met and where necessary any changes are in line with original ER's. • Expert advice was given when designing the commercial space and canopy. • Cat B Commercial Office fit out design and fixed cost has been agreed 	
G1-1 DHN	Errors in detailed design specification - DHN	2 4 8	1 4 4	2 4 8	<ul style="list-style-type: none"> • Consultant Architects appointed as our client to oversee design brief. • Board to monitor mitigation actions to reduce costs, use of value engineering and errors • Regular design team meetings held to ensure variations are discussed before 	

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/ Comments 07/07/2021
					<p>Change requested. Consultant procured (Ramboll) to provide advice and support to ensure Employers Requirements (ER's) are met and where necessary any changes are in line with original ER's.</p> <ul style="list-style-type: none"> July 21 Review meeting with RPS/Kier, awaiting issue of complete design review pack, schedule of changes from ER's and commissioning information to undertake review of risk 	
G1-2	New Town Hall not delivered on time	2 3 6	1 2 2	3 2 6	<ul style="list-style-type: none"> Robust monitoring governance agreed with all parties. Monthly meetings with Contractor and Design Team to ensure programme is monitored and changes communicated. Covid-19; Keir and the CMT (Construction Management team) are monitoring the situation. Awaiting confirmation of the programme impact as a result of the Fabric design integration 	Provision for financial penalties built into the contract however the impact of Brexit and the Coronavirus could impact
G1-2 DHN	DHN not delivered on time	2 3 6	1 2 2	3 3 9	<ul style="list-style-type: none"> Provision of temporary heating boilers are included in the Town Hall Contract Connection of DHN to New Town Hall will take place before PC of new Town Hall. 	
G1-3	Members facilities do not meet their requirements	2 3 6	1 2 2	2 3 6	<ul style="list-style-type: none"> Regular consultation with Members and Member Working Group, they are aware of decisions that need to be made Member sign-off to this element of the final design brief of these elements Procurement programme has been aligned with Member engagement to ensure sufficient input from members 	
G1-4	Staff facilities / infrastructure do not meet their requirements.	2 3 6	1 2 2	2 3 6	<ul style="list-style-type: none"> Regular consultation with staff via a number of formats, new ways of working stream within Transformation Plan is picking this up this area of work Desk ratio demonstrates meeting needs and will work with staff to co-ordinate remaining elements. Will be delivering office etiquette guidelines and trails for new ways of working Links with the transformation plan Regular updates at Managers Conference on key issues, activities and timeline People Board created to consider policies and processes to support staff working in the new agile way. 	
G1-5	Customer facilities do not meet their requirements	2 3 6	1 2 2	2 2 4	<ul style="list-style-type: none"> Crawley Homes Tenants Panel have been consulted. Will undertake a consultation with 	

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/ Comments 07/07/2021
					<ul style="list-style-type: none"> customers Will offer significant improvements to current arrangements. Sufficient time to trail new arrangements for customers. TAG (Town Access Group) are being consulted as part of the process, they have Inputted into changes in detailed design. Plans will reflect safe working environments and COVID restrictions where feasible Plans around engagement have been more restricted due to the pandemic, however there will be opportunities to engage. 	
G1-7	New Town Hall building as completed not to required quality/specification	2 4 8	1 2 2	2 2 4	<ul style="list-style-type: none"> Establish robust project management structure Maintain regular contact between CBC/developers to monitor construction against design specification Regular design team meetings held to ensure Stage 4 designs meet requirements. Developers appoint Clerk of Works/Site Agent to oversee construction Within the contract there is a requirement for Kier to provide warranties. Building control are regularly going to the Town Hall site to assess progress. Kier reviewing BREEAM assessment score during construction to ensure excellence is achieved during construction. 	
G1-7 DHN	DHN building as completed not to required quality/specification	2 4 8	1 2 2	2 3 6	<ul style="list-style-type: none"> Establish robust project management structure Maintain regular contact between CBC/developers to monitor construction against design specification Regular design team meetings held with Ramboll to ensure Stage 4 designs meet requirements. Developers appoint Clerk of Works/Site Agent to oversee construction Within the contract there is a requirement for Kier to provide warranties. Building control are regularly going to the Town Hall site to assess progress Regular contact with planning to ensure design and planning conditions are signed off. 	

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/ Comments 07/07/2021
G1-9	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"> Robust project management from construction contractor(s) Consultation programme to include all relevant authorities with regard to health & safety matters Covid-19; Kier CMT (Construction Management Team) to monitor the situation. Kier have implemented their "COVID19-STAYING SAFE" procedures Discussions have been taking place with the contractor they have reviewed site safety and they are implementing further health and safety measures. 	
G1-10	Unforeseen circumstances with the development delay the project; Examples: Problems with any of the utilities, adverse weather; industrial disputes Links to group 2	2 2 4	2 1 2	2 2 4	<ul style="list-style-type: none"> Covered by the contract Early warning of any problems so that the impact of the risk could be prepared for; Impact of Covid is being managed well, early warning notifications will be issues by the contractor, no big issues at the moment. 	Ongoing risk
G1-11	The commercial entrance for the building is delayed Links to group 3	2 2 4	2 2 4	2 1 2	<ul style="list-style-type: none"> Possible for commercial tenants to use the Council staff entrance until the commercial entrance is complete. Included in the Kier delivery programme 	Ongoing risk
G1-12	Delivery of improved car park facilities, allocated spaces and management plan. Consider risk of staff morale by using the Orchard St car park instead of Exchange Road. Links to group 2 and 3	1 1 1	1 1 1	2 3 6	<ul style="list-style-type: none"> Car Park improvements part of development plan Need to review spaces allocations and control systems Car Park management plan to be submitted to planning. Shorter and longer term risks of spaces to meet all the demand there will be sufficient in phase 1 but will be a bigger risk in phase 2. 	
G1-13	WSCC Eastern Gateway project impact on infrastructure	1 3 3	2 2 4	3 3 9	<ul style="list-style-type: none"> Early coordination with WSCC on programme dates. Discussions taking place with WSCC on the risk to delivery to the scheme. 	

Responsibility – Group 2 – Cat C Design and procurement, mobilisation and decant

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/ Comments 07/07/2021
G2-1	Unable to deliver new ways of working to support reduced council operating space	3 3 9	1 2 2	3 3 9	<ul style="list-style-type: none"> Structured approach through Digital & IT Strategy to deliver key projects The transformation plan is a working document which looks to work in new ways Information Gov project will support digitalisation of historic documents and reduce storage requirements. Changes to customer behaviour has resulted in less cash payments and appointments which is likely to continue going forward. Channel shift group looking at range of operational efficiencies for council processes as well as new ways of providing services. 	
G2-2	Delays in mobilisation to new building impacting on services to customers	2 3 6	1 2 2	2 3 6	<ul style="list-style-type: none"> Current plans allow for six month mobilisation, there would be financial penalties if we exceed the six months Will look at additional resources and expertise to manage the mobilisation planning and decant of current building. Delays in procurement & delivery of key furniture can be mitigated by reuse of existing desks and other items if required. 	
G2-3	<p>The Council and its staff are unprepared to move into the New Town Hall</p> <p>There is a lack of succession planning for key staff involved in the New Town Hall Project</p> <p>Managers are unprepared to manage their staff in the changed environment</p> <p>Links to group 4</p>	3 3 9	2 3 6	2 3 6	<ul style="list-style-type: none"> Facilities will ensure that all of the infrastructure including IT is ready for the New Town Hall to be ready for occupation with all statutory permits and insurances in place; Staff and managers will plan and prepare for the new building by visiting the new office accommodation to confirm where they will be located and when they will move; Phased transfer of staff to the new Town Hall so not to disrupt operations; Managers will plan contingency measures if key staff were to leave before the New Town Hall is completed; The transformation programme looks at digital transformation and new ways of working and changing the culture around agreed values and behaviours 	Ongoing risk
G2-4	Scanning solution isn't ready in time to avoid double handling of scanning for teams.	3 3 9	3 2 6	3 3 9	<ul style="list-style-type: none"> New ways of working group closely monitoring 	

Responsibility – Group 3 – Commercial Space

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/ Comments 07/07/2021
G3-1	Impact of demolition of phase 2 and the public square may discourage occupiers of commercial space over first few years	3 3 9	2 2 4	3 3 9	<ul style="list-style-type: none"> Financial projections are cautious for letting, work will take place with Westrock to minimise the impact A robust communications plan will be put into place 	
G3-2	Commercial office space including car park specification/design not attractive to potential occupiers.	2 4 8	1 2 2	2 4 8	<ul style="list-style-type: none"> Design set at required level to attract commercial occupiers Use of consultant architect to provide advice Market changed due to the pandemic due to more hybrid working. Design cannot be split further than half floors 	
					<ul style="list-style-type: none"> and support External advisors state that the quality of the car park is not material to commercial customers Consultant letting agents who will provide advice appointed in June 2020. Professional advice received from the Commercial Agents will help to decrease the impact of the risk. Regular meetings with Commercial Agents on and changes to the design. Marketing has commenced, stating first new Grade A office space in Town Centre for 7 years. 	
G3-3	Letting the top floors commercial office space may be difficult in the new business environment due to: <ul style="list-style-type: none"> An oversupply of available office space in the Borough and with neighbouring Councils The impact of home working on the need for organisations to require new office space to accommodate their staff. <p>This risk could be reduced by the potential for London based organisations to move to Crawley where the costs will be cheaper.</p>	2 4 8	1 1 2	2 5 10	<ul style="list-style-type: none"> Consultant letting agent appointed to market and promote the letting of the office space. Consultant letting agents consider that there is not an oversupply of new, Grade A office space. The ability to let half floors will enable a flexible letting strategy thus marketing the building to those occupiers requiring smaller floor sizes. 	19/11/20 Risk G-3 and G-4 amalgamated

Responsibility – Group 4 – Facilities Management (FM)

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/ Comments 07/07/2021
G4-1	Facilities management services provided do not meet expectation of commercial tenants / building not kept at a level satisfactory to the commercial tenant	2 5 10	1 3 3	2 4 8	<ul style="list-style-type: none"> Work with commercial letting agent to clearly define requirements. Ensure FM provisions are flexible and adaptable to meet various tenants needs Visiting other providers to see how they operate both public and private sector FM Will need to operate two buildings during the mobilisation period. 	

Responsibility – Group 5 – Heat Network

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/ Comments 07/07/2021
G5-1	District Heat Network not being progressed impacts detrimentally on overall scheme	2 2 4	1 2 2	2 3 6	<ul style="list-style-type: none"> See comments in Group 1. 	21/6/21 O&M contractor has been appointed PC still on target for Feb 2022
G5-2	Operational efficiencies DHN costs more to maintain as the O&M contractor does not have the direct relationship with the design and build		1 2 2	2 4 8	<ul style="list-style-type: none"> Ongoing meetings with O&M contractor to update on design Robust commissioning schedule to be implemented 	21/6/21 Following final design review meeting, meeting to present final design to O&M contractor to be arranged
G5-3	Commercial risks -DHN performance does not meet design criteria so costs more to run -Completed scheme does not meet HNIP funding requirements		1 2 2	2 4 8	<ul style="list-style-type: none"> Confirm gas and electricity with LASER Obtain confirmation that final designs meet ERs and funding requirements 	21/6/2021 Following final design review meeting, Westrock has been asked to supply confirmation that final design meets ER's and HNIP requirements

Responsibility – Group 6 – Benefits Realisation

Risk ID	Risk Description	Original Risk	Target Risk	Current Risk	Mitigating Actions	Review Date/ Comments 07/07/2021
G6-1	Project benefits not realised	3 2 6	3 2 6	3 4 12	<ul style="list-style-type: none"> Monthly monitoring of anticipated project benefits from other groups, to track progress. Monthly E&S Plan updates from Kier and bi-monthly meetings to track progress. 	

Risk Scoring = impact x likelihood (I x L)

Impact/ Consequence	Likelihood				
	1	2	3	4	5
	Rare	Unlikely	Possible	Likely	Almost certain
5 Catastrophic	5	10	15	20	25
4 Major	4	8	12	16	20
3 Moderate	3	6	9	12	15
2 Minor	2	4	6	8	10
1 Negligible	1	2	3	4	5