

Crawley Borough Council

Report to the Audit Committee

14 December 2021

Risk Management Update

Report of the Head of Corporate Finance – FIN/545

1. Purpose

- 1.1 The Committee is asked to review the action taken by relevant Managers on risk based issues identified by Internal Audit.

2. Recommendations

- 2.1 The Committee is requested to receive and note the report.

3. Reasons for the Recommendations

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

4. Background

- 4.1 The Corporate Management team regularly review the Strategic Risks of the Council and look at the mitigations of those risks. The updated risks are presented to the Audit Committee at their meetings. The internal audit service will give an annual report and opinion on the organisation's framework of Governance, risk management and contra based on the audit work conducted in the year. The audit plan looks at these Strategic risks.

5. Corporate Risks November 2021

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

a) **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 are 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, there has however been increased interest over the last few weeks.

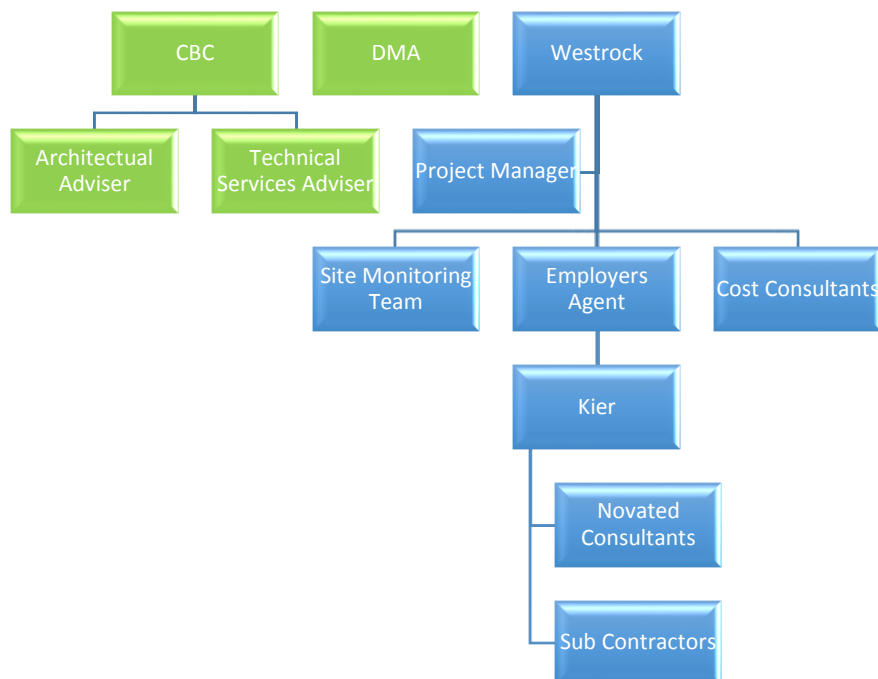
Conversely Covid has accelerated new ways of working that increases confidence that the organisation will be ready to move, and allows the Council to occupy a smaller amount of space. Nonetheless there is significant work required to implement all aspects of new ways of working ahead of the move. Decisions 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.

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

b) District Heat Network

The final element of Phase 1 of the Town Hall Site Redevelopment is the District Heat Network. Kier are currently reporting they are ahead of programme and discussions have taken place regarding the commissioning, practical completion and handover. 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. Works have progressed to budget and the remaining design areas are being finalised. The procurement of the O&M Contractor has been completed and the contractor is working with the Council and with Kier on commissioning process.

c) 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 are being worked up over the autumn period.
- Three Bridges Station Improvement scheme – Network Rail “Station Change” approval procedure / budget review / Planning application
- 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 in Q1 2022.
- 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 in Q1 2022.
- 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 in Q1 2022.
- 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 in Q1 2022.

d) **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.

The 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 this year and a response received in June has 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.

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.

5.2 **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 Corporate Management Team (CMT) and through the Corporate Projects Assurance Board. Projections for the current 4 year delivery period (2018-2021) have to date indicated that delivery could be maintained at a similar level to the previous 4 year monitoring period at just over 1,000 new affordable homes. Delivery was expected to remain at a similar level for the following 4 year monitoring period to 2025.

There are two significant **risks** to delivery:

- The recent water neutrality position statement issued by Natural England has both immediate and future impacts on the delivery programme. A delay of at least 6 months to schemes due to be starting on site now is expected impacting the delivery of 230 new affordable homes. Additional costs arising from the requirement for schemes to evidence water neutrality through on-site and off-setting measures may impact the viability of schemes and the level of affordable housing that can be delivered.

Mitigation: Officers are engaged in discussions with Natural England and Southern Water as well as with neighbouring local authorities in seeking to minimise impacts on the delivery programme. Work is underway to quantify and maximise headroom to take forward new development through offsetting measures within existing stock.

Supported by external consultancy advice officers are working up proposals to evidence water neutrality for key developments caught by the new requirements.

- Beyond the medium term, the majority of larger sites within the Council boundary that can easily be built upon 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.

Mitigation: Work has been undertaken 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.

5.3 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. Given excellent progress and recognising the wider financial and community impacts of Covid, a review of the Transformation Programme was undertaken in 2020 and our plans refreshed to refocus our objectives. These are Channel Shift, New Ways of Working, People Strategy, Service Redesign, Commercialisation and Assets. The recent annual report to the Overview and Scrutiny Commission in November 2021 demonstrated that significant progress was being made and that the plan was on track.

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.

Mitigations:

- 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.
- The Digital and Transformation 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.
- The Corporate Projects Assurance Group (CPAG) provides an additional layer of oversight.

5.4 Disaster Recovery and Business Continuity

a) Migration of Systems to the Azure Cloud

Currently, our migration of systems to the Azure Cloud is 70% complete (Nov 21) with the remaining systems still at the data centre in Redhill. Bewbush remains as a site for face-to-face services even though it wouldn't be required for access to systems.

There remains a small risk that the Surrey Data Centre could go offline during the remaining time we need to use it, 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.) and all currently migrated systems (the 70%), but not service specific systems still hosted at Surrey until the data centre was restored.

Mitigation: The timeline for completing the migration is the end of this calendar year 2021. We continue to work with Surrey County Council to ensure we retain safe services from their data centre.

The move to the Cloud was identified as the optimal strategy in terms of future proofing our IT infrastructure and reducing the associated risks. The Cloud service procured provides full Disaster Recovery, whilst this will de-risk the Council over time, it is recognised that there will be **risks** associated with the change itself and that the DR will only apply to those systems migrated.

- Recruiting and retaining the resources needed to manage systems in the Cloud may prove difficult in the current climate – and we have lost one key individual.

Mitigation: We have been growing our own in house team and as we had recruited two additional temporary engineers to support the business whilst the standing team delivered the project.

*There is a detailed RAID log maintained within the project documentation.

b) **Data Breaches**

Data breach risks relates to a range of activities related to how we manage, share and process data in all formats. There are a long list of **risks** associated with this area of work, some of which are specific to local authorities; examples include:

- Inadequate data sharing and data security arrangements, including failure to maintain public services network accreditation (PSN).
- Improper disclosure of confidential information (in any format – digital, paper etc.)
- Failure to comply with GDPR legislation could lead to major reputational damage, loss of public confidence and the inability to operate key business processes.

Mitigations: The Council has made some considerable strides in this area. Most significantly it has re-secured its PSN certification providing assurance that its infrastructure is robust and secure, for which we are current recertifying again. This will continue to be tested on an annual basis.

- 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.
- The Information Governance Board has been refreshed.
- We recruited an Information Security Officer

c) **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.

5.5 **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 24th November 2021 identified future budget gaps and mitigations. The budget report which was presented to Cabinet and the 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 the 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 2021/2022 Budget Monitoring Report for [Quarter 2](#) shows that this use of reserves has reduced to £142,506.

The results of this Comprehensive Spending Review indicated additional funding for Local authorities; however how this is allocated over the sector will not be known until the financial settlement which will be announced in December 2021.

The impact of COVID-19 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.

5.6 **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 more recently expand to include 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 paid in other local authorities and the private sector is evident and as a result has led to problems with recruitment and retention in roles such as Procurement, Finance, 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.

5.7 **Challenges and Risks: Workforce Capacity, Resilience and Health and Wellbeing**

a) **Workforce Capacity**

The challenges facing the workforce has been unprecedented over the past 20 months 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. As the CJRS has ended, we anticipate further demands on staff in these critical services as clients circumstance again change due to either they are reinstated to their jobs or they are made redundant.

In our response to the demands over the past 20 months staff had, and in some areas continue, to work longer hours which we recognise as not being sustainable in the longer term. When the Council set out to respond to the demand, we could not foresee the levels or duration 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. We also draw on government COMF funding to secure some additional short term resources.

b) **Workforce Resilience**

We have seen the workforce respond and apply flexibility to the demand placed upon them. Despite the challenges over the last 20 months the workforce has largely responded well. We have conducted four 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 increasingly in terms of 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.

c) **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 stay safe and healthy giving them access to health initiatives and links to a variety of support avenues. Staff have gradually returned to the workplace and most are combining both office and home working and this we see for the foreseeable future. We have robust health and safety measures and guidelines in place.

d) **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 may see an increase in staff sickness levels due to Covid cases. We may experience 'burnout' of staff who have worked tirelessly throughout the pandemic and who have not had the usual 'proper holiday', or those who have been supporting a dependant or have caring responsibilities which have increased.

We have experienced, prior to the pandemic, that when some roles become vacant they are hard to fill and we know that nationally there are recruitment challenges which we are seeing in our current campaigns and foresee this will continue.

e) **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. Indeed in recent months the Council is also seeing a higher than previously expected rates of retirement, a trend being seen nationally in the sector.

5.8 **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 Inter-governmental 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 to Cabinet in February this year 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.

5.9 **National Waste Strategy (including 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. If there is a delay in the publication of the National Waste Strategy, the flexibility to amend the specification in advance of the contract re-procurement could be compromised.

5.10 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.

5.11 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 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 the 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.

5.12 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.

5.13 COVID-19

The impact of the pandemic on the town and the ongoing implications remains 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 have ended, this 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 has been extended for a further five years (to March 2027) and continues to provide generic health and wellbeing support to local residents whilst focusing on our most disadvantaged residents and communities experiencing the greatest health inequalities. This includes providing direct support to our more vulnerable residents identified through the work of the Covid help hub. From early 2022 it is anticipated that this provision will also be offered from a central location as plans are progressing to deliver a community hub from within County Mall shopping centre, creating an opportunity to engage residents that are otherwise hard to reach and / or not engaging via traditional routes. This will also create an accessible space to improve partnership working with both internal and external partners.

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. The Community Ambassadors meet regularly and have recently introduced a community newsletter promoting the positive work and achievements of those involved and a Facebook site is currently under construction to facilitate better reach into communities.

The community and voluntary sector small grants programme has recently launched with an additional priority of 'Community Spirit' which aims to connect community groups and residents through the delivery of positive activities whilst also promoting community cohesion and supporting residents out of isolation.

5.14 **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.

5.15 **Water Neutrality**

The Water Neutrality Statement issued by Natural England on 14 Sept 2021 requests that in determining planning applications we must consider water neutrality of each and every scheme. This will have a significant impact on our Planning function for residential and commercial developments and also on our own council development schemes which are now caught up in the water neutrality work. This issue is also dealt with under section 5.2 of this report. Intense discussions are taking place with Natural England and Southern Water as well as with neighbouring local authorities to rectify this situation..

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