

Strategic Risk Register

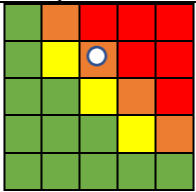
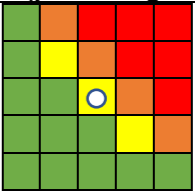
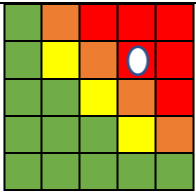
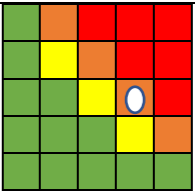
This register details the strategic risks faced by Crawley Borough Council in relation to achieving its priorities and includes the mitigation action being taken to control these risks. The register is owned by the Chief Executive and Corporate Management Team and is updated regularly.

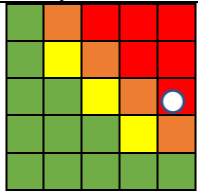
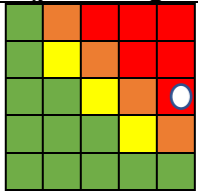
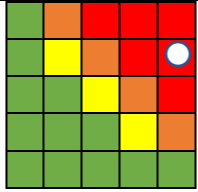
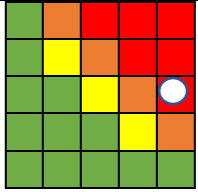
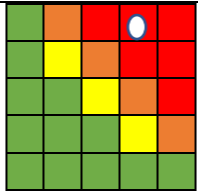
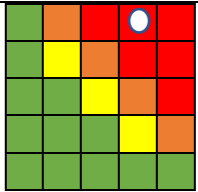
Below is the matrix we use when scoring risk for any project or activity. We have also considered the risk appetite, based on guidance included in the Orange Book – Management of Risk, Principles and Concepts (2020)

Impact/ Consequence	Likelihood				
	1 Rare	2 Unlikely	3 Possible	4 Likely	5 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

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

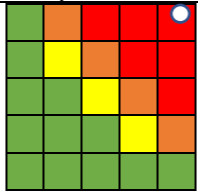
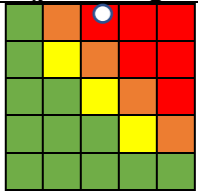
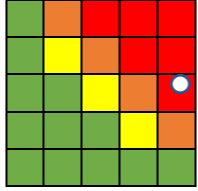
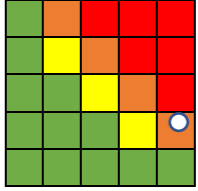
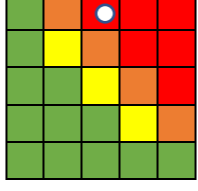
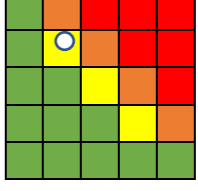
Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
New Town Hall	PC has now been achieved and at the time of writing mobilisation is underway. The Council must be out of the current building by late-April or incurs penalties. This is a new building and there are likely to be issues as we settle in. Focus now shifts to agreeing the final account with Kier.	Deputy Chief Executive		<p>Significant planning has been undertaken for mobilisation and the risk of not being out of the current building in time is minimal. Processes in place to deal with any issues arising and messaging to go to staff and members.</p> <p>Mechanisms within the contract are being used to address delay and cost concerns. Significant effort was taken to ensure these were robust before entering the contract. Professional advice being taken throughout, and communication with key stakeholders being maintained. The Council is close to announcing its first commercial tenant, and interest whilst low in numbers has proven strong. A London-based commercial agent has also been appointed to capture companies wishing to move out of the capital.</p>		Mindful
District Heat Network	The District Heat Network Phase 1 has reached practical completion and has been handed over. The key risks moving forward therefore relate to the ongoing operation, maintenance, and billing. The inflationary context in particular creates a pricing risk, attempting to ensure value for residents whilst achieving the required return. There is significant reputational risk in getting this balance wrong, especially in the context of potential expansion.	Head of Major Projects & Commercial Services		<p>The operation, maintenance and billing has already been contracted out to a specialist, and the onboarding went very well. Two rounds of price setting have been undertaken, which seems to demonstrate that the DHN is able to balance value with return. However, the score remains consistent given that volatility in energy prices.</p> <p>DHN operation is scheduled to be considered as part of the 2022/23 internal audit plan (Q4).</p>		Mindful

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
LEP Infrastructure - Crawley Growth Programme	<p>Risk of failure to deliver the Crawley Growth Programme due to:</p> <ul style="list-style-type: none"> Budget overspend for the future project delivery within the Programme and scheme delivery time overruns. Discontinuation or withdrawal of support from key partners. A sustained period of economic downturn which slows up private sector investment on key regeneration sites in the town centre. Ineffective co-ordination of delivery across projects, leading to multiple disruption in the town centre and Manor Royal when this was avoidable. 	Head of Economy & Planning		<p>Regular financial monitoring and audit work carried out, including quarterly updates to CPAG. The Head of Corporate Finance attends six weekly Programme Delivery Team meetings with West Sussex County Council.</p> <p>A mid-term programme review was undertaken in Q3 2022 to agree a way forward and delivery programme for the remaining projects. The agreed funding protocol between CBC and WSCC is being updated to reflect that outcome of the review.'</p> <p>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.</p> <p>Regular interaction to identify and resolve issues promptly at project Board level with the Manor Royal Business District, Network Rail, GTR, Metrobus etc.</p> <p>The target date for delivery of regeneration site outcomes is 2030 to take account of the economic cycle and potential for a sustained downturn, which has been exacerbated by the impact of the COVID-19 crisis nationally and internationally.</p> <p>Careful planning and close cooperation between CBC, WSCC officers and third-party partners / contractors. All partners within the Crawley Growth Programme follow a Communications protocol to ensure effective coordination and communications around project delivery.</p>		Mindful
Delivering the Affordable Housing Programme	<p>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.</p>	Head of Strategic Housing Services		<p>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.</p> <p>Pilot project in Council's housing stock has generated sufficient water savings to enable development of two key affordable housing sites to be progressed. This work will continue to generate further water savings to support more housing development</p>		Mindful

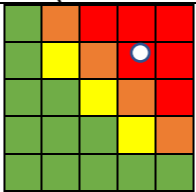
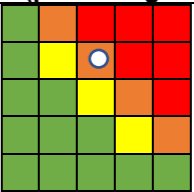
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Delivering the Affordable Housing Programme	Beyond the medium term, the majority of larger sites within the Council boundary that can easily be built upon will have been developed. This will leave smaller sites that are more challenging and contentious in nature and therefore more resource intensive to bring forward or finding other opportunities such as regeneration.	Head of Strategic Housing Services		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. Should the proposal to remove the Duty to Co-operate come into effect this work may be compromised.		Minimalist
Homelessness	Following increased demand for temporary accommodation during the pandemic, levels of homelessness continue to rise. The on-going economic impacts from the pandemic, cost of living rises and increased additional demand arising from asylum and refugee resettlement programmes are placing an unprecedented burden on the Council in meeting temporary accommodation duties. Demand for TA significantly outstrips supply necessitating heavy reliance on expensive nightly paid accommodation with significant budgetary implications. The full TA budget allocation for 2022/23 has been fully spent during Q1.	Head of Strategic Housing Services		Efforts to relieve and prevent homelessness using all available options continue. 5 additional units of TA have been secured and negotiations are in progress in relation to a potential further 45 units including acquisition of a 27unit HMO. All potential acquisition opportunities continue to be explored. Three potential sites have been identified for modular housing and consultation in relation to 2 of these sites is being taken forward. The 3 rd presents issues that mean securing planning consent will be more challenging. Homelessness grant reserves will offset impacts for the current financial year. Under the new Government formula there has been a significant reduction in Homelessness Prevention Grant allocation for the next 2 years which, although offset by transitional protection arrangements to bring it to existing funding levels still represents a reduction in real terms. Representation is being made to Government.		Mindful
Migration/Asylum pressures	Currently Crawley is host to a number of individuals either seeking asylum or providing Afghan Bridging accommodation. These are arrangements made directly by the Home Office. In addition, new legislation has recently been passed to provide Chagossians UK Citizenship entitlement from British Overseas Territories. The application process goes live on 23 November. Estimates by the Foreign, Commonwealth & Development Office are that 3,000-5,000 will take up this entitlement with a view to moving to the UK, and that the majority will first head to Crawley due to an already established community in the town. No impact analysis or implementation planning has been put in place by the Government. Potential impacts are wide but none more serious than potential impact on housing and homelessness, in addition to the risks set out in the above entry.	Chief Executive		Representation to Government officials has been made and will be extended to Ministers now they have been appointed. Discussions ongoing.		Cautious

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Three Bridges Station	A way forward for the scheme is unable to be agreed.	Head of Economy & Planning		A planning application for the scheme was submitted autumn 2022 and will be considered by the Planning Committee in Q4 2022/3. Work is being progressed with Network Rail and GTR on the processing of the Station Change procedure, the completion of which is required prior to the works starting on site. The scheme features as part of the overall Crawley Growth Programme review jointly with West Sussex County Council which took place in Q3 2022. A comprehensive risk register is overseen by the Project Board of the Crawley Growth programme.		Cautious
Disaster Recovery and Business Continuity - Data Breaches (Technical issue)	Inadequate data sharing and data security arrangements, including failure to maintain public services network accreditation (PSN). Failure to maintain technical security safeguards – e.g. that firewalls are up to date or that the latest advice from NCSC has not been assessed and followed where appropriate.	Head of Digital & Transformation		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. This will continue to be tested on an annual basis. The migration to the Azure Cloud provides an extremely high level of confidence as it has the weight of Microsoft's technology and finance to support it and is used globally. MFA (multi-factor authentication) has been rolled out to all staff with network accounts – this was done face to face for complete assurance. Immutable back-ups are being secured for all of CBC's systems, as recommended by NCSC. The council recruited an Information Security Officer.		Minimalist
Disaster Recovery and Business Continuity - Data Breaches (Human error)	Improper disclosure of confidential information (in any format i.e. digital, paper etc.) could bring both financial loss (ICO fines, or worse, a ransomware attack) as well as reputational damage to the organisation. Failure to comply with GDPR legislation could lead to major reputational damage, loss of public confidence and the inability to operate key business processes	Head of Digital & Transformation and Head of Governance, People & Performance (Data Protection Officer)		A recent audit report identified a few areas of weakness, all of which have now been addressed. Training and awareness are key, as well as clear procedures for staff on what to do in the event of suspicious activity or possible breach. Additional training and testing of staff responses (with further training for those that fail) has been commissioned and began rollout in October 22 with a phishing test exercise and training programme. 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 the Information Governance Board has been refreshed. The council recruited an Information Security Officer		Minimalist

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Disaster Recovery and Business Continuity - Health & Safety Breaches	<p>Failure to comply with the requirements set out by Health & Safety legislation which covers the functions of the Council.</p> <p>Lack of clarity and / or understanding regarding the legal duties of Managers to ensure that risk assessments in respect of places, activities and people are regularly undertaken.</p>	Head of Governance, People & Performance		<p>Review the council's Health & Safety Handbook for Employees and Health & Safety Policy. Provide training where appropriate.</p> <p>Evaluate the Council's Health & Safety compliance status.</p> <p>Implement a Health & Safety Action Plan for compliance.</p>		Minimalist
Maintaining a balanced budget	A balanced budget is not achieved in the Medium Term, resulting in an increased use of reserves, which is not sustainable.	Head of Corporate Finance		<p>Quarterly budget monitoring reports are submitted to Cabinet and Overview & Scrutiny Commission, the cost-of-living crisis, increased pay offer and a high number of homeless placements has resulted in a projected in year overspend. This impacts on future years. A challenge of budgets exercise has taken place to identify savings, efficiencies, and increased income in order to mitigate future budget gaps of £413,080.</p> <p>Budget projections will be constantly monitored, an all-Member seminar took place on 5th January 2023 updating Members on the moving position of budgets and future gaps. The budget report FIN/606 to Cabinet on 1 February identifies a savings target of £701,000 for future years. This target is considerable and public consultation of options for savings may have to be considered.</p>		Mindful
Organisational Capacity, Recruitment & Succession Planning	<p>Failure to recruit and retain a range of employees including:-</p> <ol style="list-style-type: none"> 1) professional roles e.g. lawyers, accountants, planners, EHOs 2) manual / front facing roles e.g. Civil Enforcement Office's, Community Wardens, Neighbourhood Services 	Head of Governance, People & Performance		<p>HR is undertaking benchmarking exercise to ensure that the Council is 1) aware of market salaries and trends and 2) may consider measures which might make it more competitive with the view to attracting quality candidates.</p> <p>People Board and HR Team working on developing the Council's "Employer Value Proposition". This will shape future recruitment campaigns and communications with existing staff.</p> <p>HR are working closely with managers to ensure that they properly plan and execute a professional recruitment campaign including quality, modern adverts and better communication and feedback with candidates before, during and after the process.</p> <p>Address the skills gap (and therefore lack of candidates) in the market by potentially "growing our own" experienced staff</p>		Mindful
Organisational Capacity, Recruitment & Succession Planning Key staff retirement	Impact of ageing workforce and an increase of key staff retiring.	Head of Governance, People & Performance		Managers need to undertake PDRs and have open and honest discussions with reports. They should be aware, in advance, of upcoming events e.g. retirements and be planning for recruitment / stepping up / reassigning duties with an appropriate knowledge handover, exit interview etc		Mindful

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Climate Emergency	<p>Failure to reduce carbon emissions by at least 50% and as close to net zero as possible by 2030.</p> <p>Failure to achieve carbon zero by 2040 at the latest.</p>	Head of Economy & Planning		<p>The Council's Climate Change Emergency Action Plan is in place.</p> <p>Officers will be drawing on funds from within the agreed Council budget for 2023-2024 to progress the delivery of Climate Change Action Plan tasks and the Council's carbon emissions reductions targets.</p> <p>Indications are that HMG will reduce intervention to support this work moving forward, reducing the availability of external funding, and increasing the risk of not being able to deliver on key aspects of the plan.</p>		Mindful
National Waste Strategy (including Food Waste)	<p>The National Waste & Resources Strategy is delayed which may impact on the Waste Contract.</p> <p>Letter received from DEFRA in December 2022 indicating the Government response will be released in the 'near future' If released in early 2023, it will provide a basis to plan any mandated changes to the collection regime.</p>	Head of Major Projects & Commercial Services		To be closely monitored. It seems likely that the Strategy will mandate changes to refuse and recycling collections including the introduction of a mandatory weekly food waste collection. However, the delay in the publication of the National Waste Strategy constrains the ability to amend the specification in advance of the contract re-procurement.		Mindful
Local Plan	Failure to adopt the Local Plan within the timeframe set by the government	Head of Economy & Planning		The Crawley Local Plan review was delayed due to the need to demonstrate Water Neutrality for all planned development within the Sussex North Water Resource Zone, cumulatively across all the Plans in the area. A Water Neutrality Strategy to support the emerging Local Plans has been prepared with the other authorities within the area, and this has been endorsed by Natural England. An Offsetting Implementation Scheme now needs to be established to deliver the agreed policy approach, which must be in place to support the Local Plan at Examination. A Project Manager has been appointed working across all the councils to progress this work. The Viability Assessment for the Local Plan was updated, taking account of the Water Neutrality requirements, other evidence has been updated due to the time delay and the Local Plan has now been formally approved by Full Council to progress to a further Regulation 19 Consultation in May 2023. Representations made to the Plan will then be considered through independent Examination, with interested parties (including those supporting and objecting) and the council questioned by the Inspector who can also query any part of the Plan they wish. The Inspector may find the Local Plan unsound or propose modifications to make it sound. At that point, modifications would then have to be subject to further public consultation and the Plan with any modifications would then have to be approved by Full Council.		Cautious

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Water Neutrality	Failure to agree a Water Neutrality Strategy	Head of Economy & Planning		A Water Neutrality Strategy to support the emerging Local Plans has been prepared with the other authorities within the area, and this has been endorsed by Natural England following work between the affected council officers and Chief Executives, Natural England, Southern Water, the Environment Agency and government representatives. These parties continue to meet regularly to secure the Offsetting Implementation Scheme. This now needs to be established to deliver the agreed policy approach and enable all the planned development to come forward, following the success of pilot schemes progressed in Crawley with off-site offsetting secured through retrofitting that has reduced water use in Crawley Homes stock. A Project Manager has been appointed working across all the councils to progress this work. The Council's screening proforma with Natural England enables most householder and minor planning applications to proceed to decision without hindrance. Some developers are securing their own private offsite offsetting measures which is also enabling some limited development to take place where these satisfy the Natural England's water neutrality requirements.		Cautious
Cost of Living	Impact of more residents presenting themselves as homeless and being unable to pay their debts.	CMT		<p>A webpage has been created https://crawley.gov.uk/council-information/help-money-worries designed to direct people to help.</p> <p>Home visits are taking place where the council is aware that someone is claiming Universal Credit but has not responded to requests for them to claim Council tax reduction. Claims then are being fast tracked. Debt officers are discussing a range of payment plans to manage debt. Modelling work being investigated to identify those that are not currently in debt but are likely to become so.</p> <p>Staff have been trained on Breathing Space. Reserves review taking place to identify reserves to support people being impacted by the cost of living. A project will take place to look at ways of helping to support people, this will include the Wellbeing bus. Will lever in community and voluntary sector support.</p>		Mindful
Towns Fund and related programmes	Risks associated with the delivery of this programme are mainly centered around budget overspend and timescales exceed beyond the Towns Fund end date. A detailed risk register has been produced for each project within the programme.	Head of Economy & Planning		Regular financial monitoring and project monitoring undertaken by the Towns Deal Board and relevant project boards. The Head of Corporate Finance attends the s151 officer meetings involving other local authorities with Towns Fund programmes. Internal assurance is via the Corporate Projects Assurance Group (CPAG), through quarterly reporting on programme / risk updates.		Mindful

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Damp and Mould	<p>Unprecedented demand for residents in Crawley Homes and in the private sector for advice, support, inspections and repairs relating to damp and mould following the death of Awaab Ishak in Rochdale.</p> <p>Demand for services is impacting on business-as-usual service delivery.</p> <p>Unable to secure temporary surveying resources.</p> <p>Potential for cases being triaged incorrectly and failure to address structural issues.</p> <p>Risk of regulatory involvement.</p>	Head of Crawley Homes		<p>Workflows have been amended for call triage and inspections. Additional sub-contractors have been taken on to reduce the wait time for damp and mould treatment. Inspections are prioritised with building surveyors where structural issues are diagnosed. Pro-active work underway to contact all tenants who have reported damp and mould in the last five years to make sure it has not re-emerged.</p> <p>Continued efforts to attempt to secure additional resource, including outside of the Council's usual framework for procuring temporary staff.</p>		Mindful