

Strategic Risk Register

Appendix A

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. The risk assessment criteria used to score risks is shown in more detail at Appendix B. We also consider the risk appetite for each risk based on the definitions below.

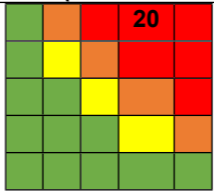
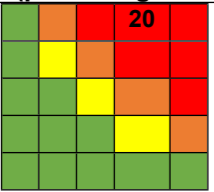
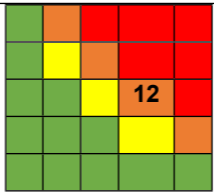
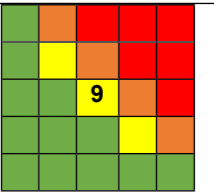
Impact	5 Catastrophic	5	10	15	20	25
	4 Major	4	8	12	16	20
	3 Moderate	3	6	9	12	15
	2 Minor	2	4	6	8	10
	1 Insignificant	1	2	3	4	5
		Remote 1	Possible 2	Likely 3	Probable 4	Highly probable 5
Probability						

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

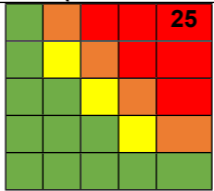
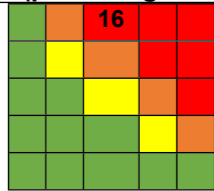
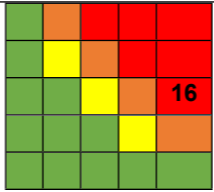
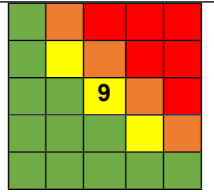
Risk ID	Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
1.	District Heat Network	<p>Failure to balance value with return in relation to the ongoing operation, maintenance, and billing of the District Heat Network.</p> <p>The inflationary context in particular creates a pricing risk, attempting to ensure value for residents whilst achieving the required return. There is significant reputational risk in ensuring this balance is correct.</p>	Head of Major Projects & Commercial Services		<p>The operation, maintenance and billing has already been contracted out. Heat tariff has been agreed for second round of price setting. However, the risk score remains consistent post mitigation given that volatility in energy prices.</p> <p>Internal Audit completed a review of the DHN in Q4 2022/23 and assessed it as 'substantial assurance'</p>		Mindful

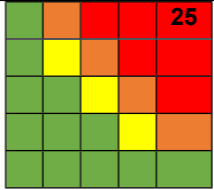
Risk ID	Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
2.	LEP Infrastructure – Crawley Growth Programme	<p>Risk of failure to deliver the Crawley Growth Programme due to:</p> <ul style="list-style-type: none"> Budget overspend for 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 regularly attends Programme Delivery Team or Crawley Growth Board 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 and new opportunities arising to add more government funding to the Crawley Growth programme.</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

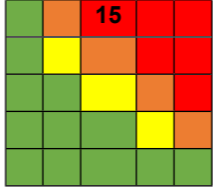
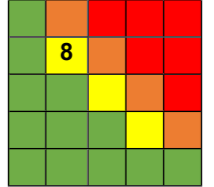
Risk ID	Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
3.	Delivering the Affordable Housing Programme	<p>Risk of failure to deliver the affordable Housing Programme due to:</p> <p>The recent water neutrality position statement issued by Natural England has both immediate and future impacts on the delivery programme. 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> <p>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.</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 continue to work up proposals to evidence water neutrality for key developments caught by the new requirements.</p> <p>Roll out of a pilot project within the Council's own housing stock has enabled further water savings to be made and these have been allocated to support the development of key sites. This work will continue to generate further water savings to support more housing development.</p> <p>Work has been undertaken to identify these future sites and opportunities, feeding into the Local Plan, and developing programmes of work. This includes seeking 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.</p>		Mindful
4.	Homelessness	<p>Increase of homelessness cases and the financial impact this has on meeting temporary accommodation duties.</p> <p>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.</p> <p>Demand for TA significantly outstrips supply necessitating heavy reliance on expensive nightly paid accommodation with significant budgetary implications. Half of the total 2023/24 TA budget allocation had been spent as at the end of July 2023.</p>	Head of Strategic Housing Services		<p>Due to the continued levels of demand coming into the service and the limited number of opportunities for pathways out of temporary accommodation efforts to mitigate the risk score are not keeping pace and temporary accommodation and nightly paid usage continues on an upward trajectory. Without Government intervention through either changes to national housing policy or additional funding support the Council's ability to respond to these pressures and reduce TA expenditure remains severely constrained.</p> <p>Representation continues to be made to Government departments and opportunities for collaborative lobbying with other LAs also facing significant challenges are being taken forward.</p>		Mindful

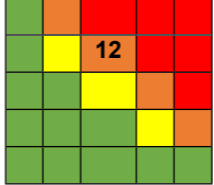
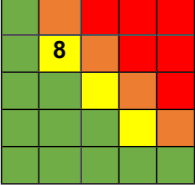
Risk ID	Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
5.	Migration/Asylum pressures	<p>Increase in migration / asylum cases and the impact this has on meeting temporary accommodation duties.</p> <p>Currently Crawley is host to a number of individuals either seeking asylum or providing Afghan Bridging accommodation. These are arrangements made directly by the Home Office.</p> <p>In addition, new legislation has recently been passed to provide those with Chagossian decent UK Citizenship entitlement from British Overseas Territories.</p>	Chief Executive	 20	<p>The application process went live on 23 November 2022. Revised estimates by the Foreign, Commonwealth & Development Office are that 5000-6000 people 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. Decisions are now taking place with Citizenship ceremonies being arranged.</p> <p>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.</p> <p>Ongoing representations to Government officials and relevant Government Ministers from FCDO, Home Office and DLUHC are regularly made, along with a case for CBC to secure additional new burdens funding to assist with costs of housing and resettlement. Temporary housing officer support is also being secured to assist with demand.</p>	 20	Cautious
6.	Three Bridges Station	A way forward for the scheme is unable to be agreed.	Head of Economy & Planning	 12	<p>A planning application for the scheme was submitted autumn 2022 and Planning Committee resolved to permit the application in Q4 2022/23. 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 tender process commencing to commission the works to start on site. The scheme featured 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.</p>	 9	Cautious

Risk ID	Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
7.	Disaster Recovery and Business Continuity – Data Breaches or Network Compromise (Hack)	<p>Inadequate technical safeguards and poor staff awareness and practice leads to a compromise of our systems and data.</p> <p>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.</p> <p>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.</p> <p>Failure to comply with GDPR legislation could lead to major reputational damage, loss of public confidence and the inability to operate key business processes.</p>	Head of Digital & Transformation and Head of Governance, People & Performance (Data Protection Officer)		<p>The Council has made some considerable strides in this area.</p> <ul style="list-style-type: none"> PSN certification achieved again in May 2023. Migration to the Azure (Microsoft) Cloud Implementation of MFA and other technical safeguards mean CBC is well protected. <p>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 foundation training has been delivered to all staff. Staff response to suspicious emails (with further training for those that fail) has been commissioned and began rollout in October 22 which includes regular random testing of all users.</p> <p>A comprehensive Information Management programme is being delivered, which includes new systems (Sharepoint), revised policies and procedures and is delivering training on both systems and GDPR & information management for all staff. The Information Governance Board has been refreshed both in terms of membership and its terms of reference.</p>		Minimalist
8.	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

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9.	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>25</p>	<p>Quarterly budget monitoring reports are submitted to Cabinet and Overview & Scrutiny Commission. The pressure on the current year's homelessness budget has escalated with an estimated full year overspend of £2.7m at Q2 (£1.9m Q1). Total net expenditure for 2023/4 is estimated at £6.5m (£5.6m at Q1). This is in addition to the budget increase of £1.4m. The situation is not sustainable in the medium term. Continuing pressure is also being placed on the outturn against budget by the increased employers pay offer and the challenging conditions for town hall lettings.</p> <p>Work on the budget strategy is continuing as the financial situation is not sustainable over the medium term. The challenge of budget exercise is continuing with the aim of identifying savings, efficiencies, and increased income. Further options are being considered and will be reported as part of the Budget Strategy report to be considered by Cabinet on 29 November 2023. An all-member finance seminar is scheduled for 8 November 2023.</p>	 <p>16</p>	Mindful
10.	Organisational Capacity: Recruitment, Retention & Succession Planning	<p>Failure to recruit and retain employees across a variety of professional, technical and front-line roles.</p> <p>Failure to take steps to counter the impact of an ageing workforce and an increase of key staff retiring.</p>	Head of Governance, People & Performance	 <p>16</p>	<p>HR Team and People Board working on developing the Council's "Employer Value Proposition". This will shape future recruitment campaigns and communications with existing staff. HR are also working closely with managers to refresh the Recruitment Policy and make this activity smoother whilst ensuring lawfulness, fairness and transparency.</p> <p>HR Team is exploring non-financial ways of enhancing the employee experience, e.g. improving the learning and professional development offer, creating career pathways, modernising systems to give managers and staff better tools to work with, maintaining a strong commitment to the physical and mental health and wellbeing of the workforce with solid support services and referral routes.</p> <p>In addition to the Plan, Do, Review (PDR) system. the HR Team and People Board have looked to improve communication lines with staff surveys, listening forums as well as corporate communications.</p> <p>HR Team and People Board to review Reward & Recognition e.g., staff Making a Difference awards to ensure awareness and consistency of use across the organisation.</p> <p>Address the skills gap (and therefore lack of candidates) in the market by potentially "growing our own" experienced staff.</p>	 <p>9</p>	Mindful

Risk ID	Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
11.	Climate Emergency	Failure to reduce carbon emissions by at least 50% and as close to net zero as possible by 2030. Failure to achieve carbon zero by 2040 at the latest.	Head of Economy & Planning	 25	<p>The Council's Climate Change Emergency Action Plan is in place.</p> <p>Officers are 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>A new Sustainability Manager started in post on 30th October to co-ordinate progress with Action Plan delivery.</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>	 15	Mindful
12.	National Waste Strategy (including Food Waste)	Impact of the National Waste & Resources strategy on the delivery of the waste and recycling contract.	Head of Major Projects & Commercial Services	 15	<p>Letter from DEFRA October 2023 has confirmed the requirement to introduce separate food waste collection by March 2026. This will be the major change required locally and provides the basis to progress the service specification for the contract period from the beginning of March 2026.</p> <p>A separate food waste collection is likely to create revenue pressure. There are indications from Government that they will provide some financial support however the form and extent of this is not currently known. Given the uncertainty regarding the revenue impacts, the risk score has remained the same.</p>	 10	Mindful

Risk ID	Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
13.	Local Plan	Failure to adopt the Local Plan within the timeframe set by the government.	Head of Economy & Planning		<p>The Crawley Local Plan review was further 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 finalised and agreed by all authorities within the Sussex North area, and this has been endorsed by Natural England. An Offsetting Implementation Scheme across Sussex North is in the process of being established to deliver the agreed policy approach. A Project Manager has been appointed working across all the councils to progress this work. Following approval by Full Council in February 2023 and a six-week period of Regulation 19 consultation, which ended on 20th June, the Crawley Local Plan 2024-2040 was submitted at the end of July to the government's Planning Inspectorate for Examination. Representations made to the Plan as part of the consultation process will be considered through the independent Examination in Public (EIP) with interested parties (including those supporting and objecting). The first phase of the Local Plan EIP will take place during the week of 20th November this year with the second phase happening during the weeks of 8th and 15th January next year. The council will be questioned by two Inspectors who have been appointed by the Planning Inspectorate to oversee the Examination of the Plan, who can also query any part of the Plan they wish. The Inspectors 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 later in 2024 and the Plan with any modifications would then have to be approved by Full Council.</p>		Cautious

Risk ID	Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
14.	Water Neutrality	Failure to agree a Water Neutrality Strategy	Head of Economy & Planning	 <p>A 5x5 grid of colored squares representing a risk score of 12. The grid contains 12 red squares, 3 yellow squares, and 20 green squares.</p>	<p>A Water Neutrality Strategy to support the emerging Local Plans has been finalised and agreed by the authorities within the Sussex North water supply 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 is in the process of being 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 retro-fitting that has reduced water use in Crawley Homes housing stock. A Project Manager has been appointed working across all the councils to help 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.</p> <p>A Statement of Common Ground on water neutrality to support the Crawley Local Plan 2024-2040 submission to the Planning Inspectorate has been signed by the Local Planning Authorities affected – Crawley BC, Chichester DC, Horsham DC, Mid Sussex DC, West Sussex CC, South Downs National Park Authority and endorsed by Natural England, Southern Water and the Environment Agency.</p>	 <p>A 5x5 grid of colored squares representing a risk score of 8. The grid contains 8 red squares, 2 yellow squares, and 25 green squares.</p>	Cautious

Risk ID	Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
15.	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>Winter warmers programme developed over the summer and morphing into local drop-in advice sessions. Engagement undertaken looking into specific neighbourhood support within our most disadvantaged neighbourhoods with funding available through UKSPF.</p> <p>Lateral implemented to provide a One Council overview of debt, including implementation of 'Breathing Space' within the Corporate Debt Group, Access Crawley working with vulnerable residents with long term debt creating bespoke pathways, and now seeking to extend that model. Work commencing to proactively target households likely not to be claiming all benefits they are entitled.</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.</p> <p>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> <p>Whilst lots of mitigations are being implemented, the post-mitigation risk score remains the same given there is no direct control.</p>		Mindful
16.	Towns Fund and related programmes	Risk of failure to deliver the Towns Fund and related programmes within budget and timescales.	Head of Economy & Planning		<p>A detailed risk register has been produced for each project within the programme.</p> <p>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.</p>		Mindful

Risk ID	Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
17.	Damp and Mould	<p>Impact of increased demand relating to damp and mould issues.</p> <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 and is impacting responsive repairs budgets for Crawley Homes.</p> <p>Resourcing issues to inspect structural concerns and capacity to build potential demand into the planned maintenance programme.</p> <p>Some structural issues are being assessed and managed in the day-to-day service which is impacting service delivery.</p> <p>Loss of staff due to resignations, impact on resource availability</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.</p> <p>Inspections are prioritised with building surveyors where structural issues are diagnosed.</p> <p>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>Damp and mould working group, including officers and contractors.</p> <p>Recruitment underway</p> <p>Community event(s) being planned ahead of autumn 2023 to raise awareness and educate residents on self-help</p>		Mindful
18.	Presence of RAAC (Reinforced autoclaved aerated concrete) in Council properties	Identify any council properties constructed using RAAC and validate the potential risk appropriately.	CMT		<p>The Council is assessing the likely exposure to and risk of RAAC (Reinforced autoclaved aerated concrete) to its estate including Crawley Homes.</p> <p>Risk scores and mitigations will be confirmed once the initial risk assessment has been completed.</p>		Mindful

Risk Assessment Criteria

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

Impact Criteria

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

Probability Criteria

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