

Appendix 1: Risk assessment summary

Risk Identification		Risk Assessment		Mitigation & Action
Risk description	Potential impact	Inherent level of risk (before controls)	Residual risk (after controls)	Mitigation
Political - Changing central government policy affecting the viability of the proposals	Project does not achieve defined aims, objective and outcomes	Medium	Medium	Maintain regular review of government policy. Review project in the light of any likely changes to policy.
Political/Reputational - Poor engagement with members and others involved with decision-taking	Inadequate buy-in to the project.	Medium	Low	Regular dialogue with members and decision takers. Presentation of findings in clear and transparent formats to inform debate and decision-making.
Economic - The renewable energy proposals are unaffordable to FHDC and its taxpayers	Project does not gain approval	Medium	Low	Ensure robust analysis carried out at opportunity identification/options assessment and selection stages. Regular review of findings at each project stage. Identify alternative sources of funding.
Economic - Poor cost modelling leading to the renewable energy proposals being unaffordable to FHDC and its taxpayers	Inability to fund the proposals as scoped	Medium	Low	Review cost modelling at each project stage. Undertake independent review of cost models.
Technical - Insufficient knowledge at each project stage	Poor project scoping and delivery	Medium	Low	Employ technical expertise. Learn from other projects and developing-house expertise through training and "doing".
Technical - The project does not achieve the anticipated outcomes and performance levels	Poor delivery	Medium	Low	Good design brief at each project stage. Establish aims, objectives and key outcomes at outset. Draw up key performance indicators relevant to the outcomes. Properly evaluate the feasibility/viability against a base case. Review of likely success against key milestones and objectives at each stage
Technical - Inability to deliver to timetable	Inadequate time allowed to meet agreed timescales	Medium	Low	Review project programme timetable with stakeholders regularly and at key gateways. Revise delivery timetable based on achieving the aims, objectives and outcomes taking account of key interdependencies and resources.
Technical - Poor project management	Poor project delivery, stated objectives not met or outcomes achieved	Medium	Low	Allocate experienced project management. Employ external support relevant to each project stage. Review progress against the brief with key stakeholders at regular intervals.
Financial - Ineffective project governance and procurement model adopted	Unsuitable selection of governance arrangements and procurement of contractors to deliver the project	Medium	Medium	Seek expert advice on design of ITT/specification for key stages. Follow appropriate public procurement processes.
Community - Poor stakeholders/Partners commitment	Insufficient buy-in and participation	Medium	Low	Identify and engage key stakeholders as early as possible in the project development. Establish and understand their needs. Design and implement stakeholder engagement process.
Legal - Planning consent is not granted for the Hub	Project does not succeed	Medium	Medium	Early dialogue and regular involvement of Local Planning Authority and stakeholders.
Legal - There are insufficient safeguards to protect the interests of FHDC and the taxpayer	Stakeholders are not prepared to commit to the project making it unviable	Low	Low	Develop an agreement with partners.
Community - No transparent and fair means of dividing costs and benefits for the project	The project does not secure projected income and value not shared between stakeholders	Low	Low	Develop an agreement with partners.
Community - Poor communications with wider community/tax payers	Ineffective engagement with stakeholders	Medium	Low	Establish and implement a communications plan. Ensure linkage to Stakeholder Engagement.