

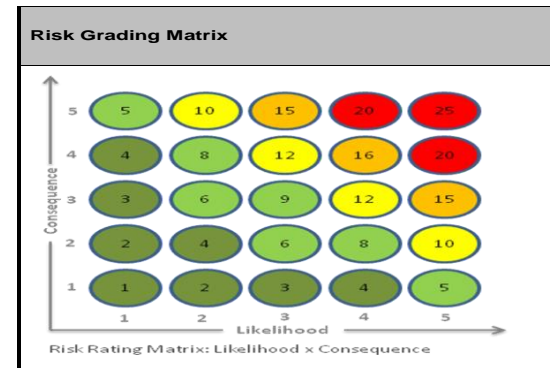
**Client: West Suffolk Council**  
**Project: Western Way Development**  
**Risk Register**

**APPENDIX 3 WWD FINAL BUSINESS CASE**  
 Updated: 30th August 2019

**Introduction**

The purpose of the Risk Assessment procedure is to encourage the identification and awareness of potential risks to the project. The risks being identified and treated by this procedure are those that will impact, (usually adversely) on the project. The project will adopt a scale of 1 to 5 to measure likelihood and consequence; the most significant risks will be identified by multiplying likelihood by consequence:

Definitions	Estimating Risk		
	Likelihood	Consequence	Ratings
Risk = the likelihood of an event occurring in combination with the consequence of that event	1 = very unlikely	1 = insignificant	1 > 4 = very low
Likelihood = how likely is it that a particular event will occur (also known as chance or probability)	2 = unlikely	2 = minor	5 > 9 = low
Consequence = the likely foreseeable impact of event occurring	3 = fairly likely	3 = moderate	10 > 14 = medium
Risk rating = Likelihood (L) x Consequence (C)	4 = likely	4 = major	15 > 19 = high
Residual Risk = is the estimated risk that remains after any Mitigation Actions and controls have been implemented	5 = very likely	5 = very serious	20 > 25 = very high



- Key
- DT Design Team
  - PM Project Manager
  - WSC West Suffolk Council

RISK IDENTITY AND ASSESSMENT																
S/N	Category	Location	When	POTENTIAL RISKS	LIKELIHOOD (L) Graded 1 to 5	CONSEQUENCE (C) Graded 1 to 5	Risk Rating		Mitigation action	LIKELIHOOD (L) Graded 1 to 5	CONSEQUENCE (C) Graded 1 to 5	Residual Risk Rating (after Mitigation)		Risk Owner / Action	Risk updated since last review	Status/Comments
							Value	Severity				Value	Severity			
			FBC	Service partners do not sign up to project in anticipated timescales or with sufficient commitment.	4	5	20	H	FBC team to ensure a viable secondary scheme is in place based on commercial use / no stakeholder leases. Subject to outcome of gateway review.	4	4	16	H	PM		
			Pre Con	Interest rate rises increase cost of borrowing	3	5	15	H	Keep under close review. Seek cheapest forms of borrowing. Maintain pace on project to lock in current rates. Use higher than current rate in model as contingency.	3	5	15	H	WSC		
			FBC/ Pre Con	Delay to programme causes large uplift in inflation costs	3	5	15	H	Seek adoption of FBC at earliest opportunity and early submission of planning to maintain pace of programme. Enabling packages and flexible procurement approach. Suitable provision for inflation in cost plan.	2	5	10	M	WSC/ PM/ DT		
			FBC	Scheme does not contribute to council efforts to tackle climate change	2	5	10	M	Embrace bold scheme in design stages and make proper allowance in cost plan and travel plans.	1	5	5	L	WSC / DT		
			Pre Con	Partners pull out of project after planning or construction stages	3	5	15	H	Engage partners at FBC and pre construction stages. Agreements in place to cover abortive costs. Delay build of partner elements if necessary	2	4	8	L	WSC		
			FBC	Opportunities missed for PSV scheme	2	3	6	L	Wide engagement of partners, including LEP, and wide consultation with stakeholders and public to inform content and design of PSV	1	2	2	L	WSC		
			FBC	Preferred converted footprint cannot accommodate all of the identified public sector user requirements	2	4	8	L	DT to document Stakeholder Briefs (with area requirement schedule) to manage expectations.	1	4	4	L	DT		
			FBC	Financial viability of development - closure of the funding gap at OBC stage	5	5	25	H	Value engineering and additional revenue through design process. Income / borrowing assumptions to be kept under continual review.	3	5	15	H	PM / DT		
			Pre Con	Potential transport issues due pressure on existing infrastructure	3	5	15	H	WWD fed into 6th Form scheme. Detailed transport study for FBC and pre-app.	2	4	8	L	DT		
			Pre Con	NHS logistics cannot relocate before 2020, or later.	2	5	10	M	Situation to be confirmed with Unipart - have announced they will relocate.	1	5	5	L	PM / WSC		
			Pre Con	Delay or difficulties achieving planning permission	3	4	12	M	Ongoing meetings with LPA / Design Team and Pre Apps	2	4	8	L	PM / DT		
			Pre Con	Legal constraints (i.e. rights of way, easements, covenants) on site prevent/delay proposed development.	3	5	15	H	Client Legal team attending weekly meetings and investigating/securing land ownership or right of access. Engage with SCC & College	2	5	10	M	WSC		
			Pre Con	Delay to West Suffolk Operational Hub could delay start on site.	1	5	5	L	ongoing communication between the projects.	1	5	5	L	PM		
			FBC	Car parking demand exceeds supply.	2	3	6	L	Reviewed as part of design to planning standards. Robust travel plan required.	2	3	6	L	DT		
			Con	Programme duration is extended	3	4	12	M	Early engagement with supply chain. Robust project governance. Flexible procurement approach to allow partners to catch up	2	4	8	L	PM		
			Con	Cost overrun	3	5	15	H	Cost reviews planned during FBC design and beyond. Phasing and fall-back options available through design. Seek external funding to allow for high range cost estimates to be affordable.	2	5	10	M	DT		

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							Value	Severity				Value	Severity			
			Con	Inability to attract prospective occupiers/ users	2	3	6	L	Flexible core design in terms of uses and phasing. Engage with public partners throughout process. Early marketing.	2	3	6	L	WSC		
			Con	Building Constraints of existing frame / slab.	3	4	12	M	Thorough review / surveys. Early engagement with contractors to understand their view on inheriting frame. Proper contingency in cost plan.	2	4	8	L	DT		
			FBC/ Pre Con /Con	Failure to securing external funding	4	5	20	H	FBC base case to show the scheme has potential to be viable without funding; external funding required for added value and scheme robustness. Early engagement with funders/funding bids. Obtain planning consent to demonstrate deliverability.	3	4	12	M	WSC		
			Pre Con	Infrastructure - availability of UKPN network capacity and dependance on renewables funding.	4	4	16	H	Secure all available capacity from UKPN. DT designing scheme which is not reliant on large upgrade to UKPN capacity. Demonstrate case for investing in renewables.	2	4	8	L	DT		
			Pre Con	Failure to obtain value from Pre-construction services agreement (PCSA) as part of two stage tender process.	3	3	9	L	Correct PCSA, KPI and contractor choice. Proper engagement of construction team at this stage. Support from framework provider.	2	3	6	L	PM / DT		
			FBC/ Pre Con	Failure to choose a project team / contractor with the correct ethos	3	5	15	H	Procurement Report and Review to take place for FBC. Select suitable frameworks which have pre-screened contractors. Robust selection process and project governance.	2	4	8	L	PM / DT		
			FBC	Brexit - cost impact on items or labour sourced from the EU, public sector funding and/or commercial demand for space in WWD	3	4	12	M	Keep under review to identify mitigation if required. Council to engage in county-wide Brexit planning with partners and government to mitigate impact.	2	4	8	L	PM / WSC		
			FBC	Poor communications / collaboration with contractor	2	3	6	L	Establish good protocols and team ethos to maintain positivity.	1	3	3	L	PM		
			FBC/ Pre Con	Building Information Management (BIM) protocol - info exchange and level of detail agreed by Client	3	3	9	L	Document Building Information Modelling Execution Plan (BEP)/ Protocol during FBC design	2	3	6	L	DT		
			Con	Insolvencies within supply chain	4	3	12	M	Contractor to manage / report during construction. Use of national level contractors to mitigate risk on main project.	3	3	9	L	PM / Contractor		
			FBC/ Pre Con	Reputational damage	3	4	12	M	Proper internal and external communication and consultation. Robust FBC focused on financial viability.	2	4	8	L	DT / WSC / PM		
			FBC/ Pre Con	3rd Party Constraints / lack of cooperation which would prevent viable FBC e.g. Land Ownership	3	4	12	M	Agreement being sought with relevant land owners. SCC and WSC core partners.	2	4	8	L	WSC		
			FBC	Councillors cannot support the capital investment required or Evidence that the required funding could create a possible deficit for the Council	3	5	15	H	Regular communication with councillors including briefings at key stages Seek additional grant funding Provide alternative delivery options as part of the business case Acknowledgement that if the programme isn't deemed viable it will be stopped	1	4	4	L	WSC		
			FBC/ Pre Con	External market impact financial viability and delivery Economic downturn Capital cost exceeds anticipated income Reduced market demands	3	4	12	M	Financial modelling Seeking grant funding as soon as possible Expert Advice Communication Plan Regular briefings to councillors, leadership team, public sector partners Acknowledgement that if the programme isn't deemed viable it will be stoped and reviewed when market recovers	2	4	8	L	DT / WSC		
			FBC/ Pre Con	Delays to programme: Poor governance arrangements, decision making process Lack of forward planning means delays to overall programme	3	4	12	M	Detailed programme with anticipated dates continually reviewed and communicated to ensure on agenda Programme reviewed at weekly meeting and each board	2	4	8	L	PM		
			FBC	Student Accommodation Business Case not viable or delivered	3	4	12	M	Carter Jonas Report reviewing guarantee / model for student accommodation business case. Take forward as separate project subject to under-writing of voids.	2	3	6	L	WSC		
			FBC/ Pre Con	Delays to programme Proposed procurement option is found to be inappropriate and deemed not value for money	2	4	8	L	Procurement Report and Review has taken place for FBC. Use of frameworks reduces the list of delay. Strong project governance and fall-back options available.	1	3	3	L	PM / DT		
			Pre Con	Additional unknown costs	2	4	8	L	Contingency or method to generate further income to cover unknown costs. Continued dialogue with planning, highways and utilities	2	4	8	L	DT / WSC		

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			Con	Delays to programme: Extent of asbestos removal greater than anticipated Delay to programme: Increased demolition cost	3	4	12	M	Refurbishment and Demolition survey to be carried out and allowance for removal to be included in Cost Plans	2	3	6	L	DT		
			Con	Delay to programme: Nesting birds prevent demolition Delays to programme: Withdrawal of key partners due to missing key date	3	4	12	M	Ensure phasing of programme allows for roof removal outside nesting season. Ensure partners understand obligations re project timetable.	1	3	3	L	PM		
			FBC	Leisure centre site not large enough for facilities required	3	4	12	M	Discussion with Sport England and Swim England to confirm facility mix required. Flexible pool hall design. Ability to extend dry-side facilities externally and into PSV frame.	2	3	6	L	DT		
			FBC	Un-registered piece of land on Beetons Way (at the proposed entrance to the Deck CP).	4	3	12	M	Council have submitted a registry claim and also other options to secure title and/or right of access. Also other options to gain access to car park.	2	3	6	L	WSC		
			FBC	Opportunity cost of future project by borrowing £140m for WWD and Leisure Centre now.	4	3	12	M	Strong strategic case for WWD. Ensure that scheme is able to service debt associated with its business case. Monitor overall borrowing cost exposure as part of the capital strategy and treasury management activities. Next stage to determine financing model benchmarked on FBC and prudential borrowing.	3	3	9	L	WSC		