

PROJECT RISK EVALUATION.

where **IMPACT OF RISK x LIKELIHOOD OF RISK OCCURING = DEGREE OF RISK**

IMPACT				
Rating	Project Aims/Objectives (PAO)	Programme/Budget (P/B)	Safety/Health/Environmental (SHE)	Commercial
5	-Threat to project survival	-Budget overrun which impacts on client's programme of works -Client/Business stakeholder interests severely damaged	-Multiple fatality -Major environmental incident involving threat to public health or safety -Criminal liability	> £1m
4	-Significant threat to project aims and objectives	-Significant and non-recoverable impacts in budget spend -Programme overrun resulting in penalties and additional audits	-Worker/Public fatality -Environmental incident leading to breach -Criminal liability and compensation costs	£100k - £1m
3	-Client dissatisfaction and damage to stakeholder relationships	-Minor and recoverable budgetary fluctuations -Minor and recoverable programme overrun that impacts critical path	-Major injury to worker or third party -Operation likely to cause damage, complaint or nuisance	£10k - £100k
2	-Client and stakeholder relationships strained -Negative feedback received	-Minor budgetary fluctuations within allowance given by client -Minor delays not impacting on critical path	-Minor injury to worker or third party -Environmental impact requiring management response to recover	£1k - £10k
1	-Negligible impact	-Negligible impact	-Negligible impact	<£1,000

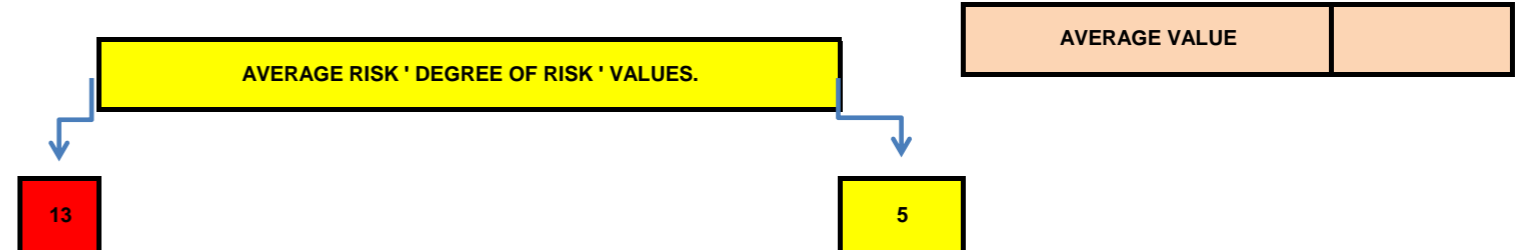
LIKELIHOOD	
5	Almost Certain (>70%)
4	Probable (50-70%)
3	Possible (30-50%)
2	Unlikely (10-30%)
1	Negligible (<10%)

DEGREE OF RISK					
Impact (max rating)	1	2	3	4	5
5	5	10	15	20	25
4	4	8	12	16	20
3	3	6	9	12	15
2	2	4	6	8	10
1	1	2	3	4	5

Degree of Risk	Risk Level
1 to 4	Trivial
5 to 8 9 to 12	Tolerable Substantial
13 to 25	Unacceptable

CONTRACT RISK ASSESSMENT

Client: **BwDBC**
 Contract: **Furthergate**
 Stage: **1**
 Provider: **Capita**
 Date: **14/03/2018**
 Author: **Adam Nickson**
 Rev: **1**



No.	Risk - Identified and unidentified	Consequence	Assessment before Mitigation						Risk Mitigation Measure	Assessment after Mitigation						value £000's	Ownership	Individual
			Impact				Likelihood	Degree of Risk (max)		Impact				Likelihood	Degree of Risk (max)			
			PAO	P/B	SHE	Com				PAO	P/B	SHE	Com					
1	Scope of work not agreed. Discussions ongoing as to what should be included within % fee. Capita undertaking design and procuring surveys without being formally appointed.	Programme and cost overruns. SOBC deadline may be missed 15/05 which will slip programme by 3 months. Inability to commission the supply chain. Commercial exposure to BwDBC and Capita. Potential to result in delay and jeopardise programme delivery.	4	5	1	3	4	20	Agree scope of scheme and approve through the governance arrangements (Call Off Process) or dispute resolution process. Treat any deviation as a change and manage through a change control process so that this is documented and the impact on quality, cost and time are known. Reword the call off to approve the elements of the project which are not in dispute.	3	2	1	1	3	9	0	Capita/BwD	
2	Planning Application Refresh Rejection - Furthergate	Refresh does not satisfy the requirement changes, resulting in judicial review or further consultation events later in the programme.	5	4	1	1	2	10	Agree planning strategy with client and what is to be included within the refresh. Carve out planning refresh until dispute has been resolved.	2	1	0	0	1	2	20	Capita	

No.	Risk - Identified and unidentified	Consequence	Assessment before Mitigation						Risk Mitigation Measure	Assessment after Mitigation						value £000's	Ownership	Individual
			Impact				Likelihood	Degree of Risk (max)		Impact				Likelihood	Degree of Risk (max)			
			PAO	P/B	SHE	Com				PAO	P/B	SHE	Com					
3	Ground Conditions contamination or ground gasses.	Remediation or removal of ground contamination. Potential gas monitoring leading to prolongation.	2	5	2	2	3	15	Undertake geotechnical site investigations and quantify any remediation measures that need to be put in place. Make programme and cost allowances for any remediation and monitoring.	2	3	2	2	3	9	100	Capita	
4	Affordability of the scheme.	Scheme is currently on budget circa £2.6m. Scheme may require value engineering resulting in low BCR.	4	3	1	3	3	12	Allow contingency percentage. Robust pre-tender estimate, suitable procurement strategy through BwD framework to drive completion.	4	4	0	0	2	8	0	Capita	
5	SOBC not submitted in time to Jacobs for completion prior to TFL meeting on the 5th of June.	Potential for delaying the scheme as the next TFL meeting is in 3 months which will delay approvals needed.	4	4	3	0	4	16	Detailed programme to be put in place identifying the dependencies, timing and deliverables with the business case submission. Resources to be assigned accordingly. Issue SOBC to Jacobson the 16/04 to keep within programme.	2	2	0	0	3	6	0	Capita	
6	Side Road Orders not processed	Potential for delaying programme require a 2 month lead in for approval.	5	4	1	1	3	15	Inform legal SRO's are of high priority for processing.	4	4	0	0	2	8	173	BwD	
7	Statutory Undertaker work contractor led.	Lack of clarity on who is placing orders for statutory undertakers could result in the diversion, upgrading or installation of new services becoming critical path activities that impact on the programme and cost of the project.	2	4	4	4	3	12	Council to place orders, contractor to lead. Council to receive the 18% reduction from undertaking the works through NRASW.	1	3	3	3	2	6	0	Capita	
8	Signage design not confirmed, design not yet commissioned.	Delays to the programme which will have a knock on effect to cost certainty for the SOBC.	4	3	1	3	3	12	Once scope agreed, instruct signal design to commence. Develop signage strategy as part of the preliminary design and incorporate into the detailed design. Consult with Traffic on the proposals in advance of implementation.	3	2	1	2	2	6	60	Capita	

No.	Risk - Identified and unidentified	Consequence	Assessment before Mitigation						Risk Mitigation Measure	Assessment after Mitigation						value £000's	Ownership	Individual
			Impact				Likelihood	Degree of Risk (max)		Impact				Likelihood	Degree of Risk (max)			
			PAO	P/B	SHE	Com				PAO	P/B	SHE	Com					
9	The scheme alignment with other BwDBC Strategic Objectives.	There are other strategies, if not considered as part of this scheme, could result in reputational risk to both the Council and Capita.	3	4	1	1	1	4	Consult with BwDBC on wider strategic objectives and synergies with other schemes. Maximise opportunities through coherent working with other budget holders.	2	3	0	0	0	0	0	Capita/BwD	
10	Phasing and timing of site works and statutory undertakers works.	Could result in delays to the programme if works clash logistically.	4	3	1	3	3	12	Place C4 orders. Liaise with Simon Littler as to planned works for statutory undertakers and programme accordingly. Permits submitted from Capita.	3	2	1	2	2	6	100	Capita	
11	Adequacy of public consultation to include local businesses, leading to public opposition to the project.	Potential challenge to the planning refresh process resulting in further consultation and programme delays and additional costs.	4	3	1	3	2	8	Consultation and engagement has already taken place for the original Furthergate scheme. Ongoing consultation is to be provided to ensure all stakeholders are aware of developments and progress. Additional event programmed 17/04.	2	1	0	0	0	0	0	Capita/BwD	
12	Timeliness of surveys to inform the design and to support the planning application.	Assumptions being made during the design process resulting in re-design and abortive fees and a delay to the submission of the planning application.	4	4	2	2	2	8	Review planning validation checklist and agree with the planning authority which surveys are required to support the planning application. Procure surveys in adequate time to inform the design process and take into consideration seasonal surveys required for ecology.	2	2	1	1	1	2	15	Capita	
13	Programme dates not confirmed.	Lack of project control and measurement of progress against milestone programme. Inability to report the position of the project.	5	4	0	0	4	20	Develop master programme with critical path and milestone dates.	2	2	0	0	2	4	0	Capita	
14	Market appetite and attractiveness of the project.	Inability to deliver the construction phase and input the prices into the final business case resulting in programme delay and reprocurement exercise to be carried out.	4	4	0	5	1	5	Consider this as part of the phasing and timing of the works to inform a procurement strategy. Undertake soft market testing.	2	2	0	2	1	2	0	BwD	
15	Protected species.	Protected species affected by the works will require relocating or special measures will need to be put in place to ensure that the impact is minimised. There may be programme and cost implications of this.	4	4	1	1	3	12	Undertake Ecology Surveys to quantify and put appropriate mitigation in place.	2	2	0	0	2	4	60	Capita	

No.	Risk - Identified and unidentified	Consequence	Assessment before Mitigation						Risk Mitigation Measure	Assessment after Mitigation						value £000's	Ownership	Individual
			Impact				Likelihood	Degree of Risk (max)		Impact				Likelihood	Degree of Risk (max)			
			PAO	P/B	SHE	Com				PAO	P/B	SHE	Com					
16	Protection to any statutory services during or in advance of the works (Gore Street).	Costs associated with designing the protection, implementation and liaison with statutory service providers. Potential constraints on the programme.	2	5	1	1	3	15	Undertake surveys to quantify the extent and nature of statutory services affected by the works. Consult with statutory undertakers and agree protection measures to be put in place. The timing of this should be in the detailed design so this can be costed and the programme implications and constrains can be quantified.	2	2	1	1	2	4	100	Capita	
17	Capacity of existing drainage network to cope with additional surface water discharge.	Localised flooding	2	5	2	2	3	15	Drainage Survey to be carried out, Pure Utilities to undertake survey with DLO undertaking TM. Consult with United Utilities, Environment Agency and Drainage on the discharge of surface water and capacity of the existing network. Findings and necessary design solutions to be incorporated into the design.	1	4	1	1	2	8	150	Capita	
18	Project Governance arrangements not in place.	No point of escalation, reporting or process for making and implementing decisions.	5	5	2	2	3	15	Exec Board, Growth Board to be utilised as a project board. Established with clear terms of reference meeting monthly. Project highlight report to be produced by PMO and BwDBC.	3	2	1	2	2	6	0	Capita	

TOTAL PROJECT RISKS VALUE TO COSTS £778,320

ANTICIPATED RISK VALUE TO COSTS £246,496