

Appendix C: Above Tolerance Project Risks

Project	Ref	Risk Description (vulnerability)	Current Controls	Further Mitigation Plans
Accelerated Housing Delivery All Impact – 4 Like – 3	PLA 3.1 (4)	Land assembly and all land options need to be confirmed and details with HE prior to draw down of the total commitment of funding	Council own the land to deliver roundabout (subject to revised lease with GC). All options secured on Hogshaw and copies of these with HE. Waiting for signed options on Waterswallows land and contract to sell on Heywood land. HE have agreed to defer sight of options until 31 March 2022.	FG liaising with land promoters to agree HoT. Draft HoT with land promoters.
	PLA 3.1 (7)	The risk of not being able to negotiate satisfactory terms for legal agreements with third parties in respect of discharging funding conditions because they rely on actions of third parties which are outside the Council's control	Council has appointed additional capacity support and legal advice to prepare and negotiate the legally binding agreements.	Council has appointed additional capacity support and legal advice to prepare and negotiate the legally binding agreements. HE has extended condition deadlines to end of wider project.
	PLA 3.1 (8)	The Funding Agreement conditions cannot be met at all, or within a timescale that allows the funding to be drawn down within the Availability Period.	Council has appointed additional capacity support to assist with GFA conditions including external legal advice to assist with legal agreements with developers. HE have agreed to defer a number of wider project discharge GFA conditions as these are not in the control of the council.	Council has appointed additional capacity support to assist with GFA conditions including external legal advice to assist with legal agreements with developers. HE have agreed to defer a number of wider project discharge GFA conditions as these are not in the control of the council.
	PLA 3.1 (9)	The Council enters into one or more agreements that involve legal commitments (especially that involve the expenditure of Council money) without certainty that the full Project will be capable of delivery. Notwithstanding that this risks the HIF funding not being available to meet the expenditure, it also risks the Council sacrificing its assets without securing the anticipated public benefit (in the case of the sale of the Hogshaws and/or Waterswallows land at an undervalue, and the foregoing of rent and commitment to works at the Golf Club	Project monitored through monthly meetings and regular member update reports. Appointment of additional capacity support and external legal advice to assist on mitigating council risk through suitable legal binding agreements.	Project is monitored through monthly internal and external project board meetings and with regular HE meetings and members update reports. Appointment of additional capacity support and external legal advice to assist on mitigating council risk through suitable legal binding agreements. Member approval confirmed to understand risks/costs etc and to proceed with project - Feb 2022.

Project	Ref	Risk Description (vulnerability)	Current Controls	Further Mitigation Plans
NEW Impact – 4 Like - 5	PLA 3.1 (12)	Inability to fund GC mitigation works	Liaison and monitoring with DCC to understand timing of work and impact on roundabout construction programme.	Works will now be in place at the same time. Ongoing discussions between Director and MP to manage the co-ordination of the projects.
	PLA 3.1 (13)	Construction costs increase	HE funding increased to £2,448,801 to allow for project overruns.	Fb 22 Exec to agree increased cost of GC mitigation works.
	AHDP 5	River Wye Pollutants (Nutrient Neutrality)	None as risk only just identified	Work with Natural England etc to understand impacts.
Glossop Halls	2	Construction Material Supply and costs Impact – 4 Like – 3	Monitoring of the industry is being carried out by procurement, current design team and Focus Consultants. Information is received and disseminated from the LGA on a regular basis and shared with the project team. A monthly project board meeting lead by the Executive Director for Governance and Commissioning. Regular reporting and conversations are held with funders D2N2.	The project team is considering alternative ways to deliver the project and savings within the scheme. Agreed two stage procurement route for the Main Contractor resulting in F Parkinson appointed for the second stage tender to confirm costs with their supply chain via an 'open book' process.
	3	Inability to appoint a suitable construction contractor Impact – 4 Like – 3	Legal advice was sought regarding the Councils procurement approach. Procurement process has been adapted to help mitigate the risks of not securing a suitable contractor. The process is a 2 stage restricted approach. The 2nd stage involves the Council working with the appointed contractor to negotiate the fees, supplies etc. to reduce the risk for both parties. The process will be monitored closely to ensure that a suitable contractor can be achieved. Negotiations with D2N2 will be ongoing regarding the procurement process	Procurement will be monitored by project board with the support of Focus consultants. F Parkinson appointed to undertake the second stage tender working with the Team and securing subcontract costs via their supply chain.

Project	Ref	Risk Description (vulnerability)	Current Controls	Further Mitigation Plans
	4	Procurement of a collaborative strategic commercial partner Impact – 4 Like – 3	Advice was sought from Quarterbridge re the initial designs to make them attractive to a commercial partner and also an outline of the possible operating models. Support and input into the process is being sought from Focus. Involvement with the local community through the Creative Trust. This is monitored in the monthly Project Board meetings.	Procurement will be monitored by project board with the support of Focus consultants. Communications with D2N2 ongoing. Engagement with the Creative Trust is ongoing.
	8	Recovery of VAT charged against the Capital elements of the development works Impact – 5 Like - 3	Prepared Forecast Project Cashflow to indicate expenditure a cross financial years which is updated on a regular basis. Seek specialist VAT advise to confirm status	HPBC opting to apply VAT to income streams from the facilities
	11	D2N2 Grant Draw Down Impact – 4 Like - 4	Prepared/ monitor Forecast Project Cashflow to provide an indication of the shortfall. Maintain regular communications with D2N2 Grant Officers to advise them of the issues/ seek their advice. Bring forward associated non-core works such as the Municipal Building heating replacement.	Oversee the delivery of the additional non-core works with the Financial Year. Continue regular communications with D2N2 Grant Officers to advise them of the issues/ seek their advice. Considering the use of an Advance Payment Bond to cover expenditure shortfall.
	14	Construction Programme Impact – 4 Like - 5	Parkinson to prepare construction programme based on supply chain input	Wider review of programme to identify means to reduce programme.

Project	Ref	Risk Description (vulnerability)	Current Controls	Further Mitigation Plans
Buxton FHSF	5	Procurement of development partner Impact – 4 Like – 3	Due to staff capacity it is preferred route to source new procurement partner but as independent financial advice shown prudent borrowing would meet HPBC internal investment requirements there remains option for council to fully build out proposals subject to committee approval. A Development options report was commissioned including workshop with SLT on options/case studies and risk Submitted as appendix to Executive (and All staff scrutiny). Seeking PM support via agency and revising tender spec for advise on securing delivery partner	Further to report, a review of recommendations between Asset Manager, Director of Place & Regeneration manager will be established in April 22 to map out next steps in terms of assessing residential, library (college) and car parking options and consider appointment of land agents to inform next steps to understand what type of development partner(s) the council may wish to procure.
Dev Cont SPD	PLA8	National planning reforms abolish S106 agreements Impact – 2 Like - 5	S106 agreements will be abolished. The timescales for this are TBC. In any event, it is likely that there would be transitional arrangements in place to allow LPAs time to move over to the new system. The SPDs will provide guidance during this period.	Close scrutiny of Government announcements and the planning press to identify scope of reforms ASAP.
Land Charges	LLC6	Prepare and Migration Stage and Go Live Staff Absences / Support	Resources should be monitored on an ongoing basis in line with project requirements/deadlines.	Resources to be monitored
Impact – 4 Like – 3	LLC7	Prepare and Migration Stage and Go Live: iLap failures to connect	Reviewing the systems that have superseded iLap and others available. UPI to be created, which will increase the LCOs work load	Review into options available to use and scope
Impact – 2 Like - 5				