

Appendix C: Above Tolerance Project Risks

Project	Ref	Risk Description (vulnerability)	Current Controls	Further Mitigation Plans
Accelerated Housing Delivery Impact – 4 Likelihood – 4	AHDP5	River Wye Pollutants (Nutrient Neutrality)	Working with developers to explore options for mitigation on site. Developers at Waterswallows are discussing options with the Council and Severn Trent Waters to develop water treatment plant at a Council owned site at Dew Pond Lane. Currently subject to some initial testing to determine suitability	Work with Natural England to understand the impacts of NN. Consultants commissioned to prepare action plan and mitigation work discussions ongoing with adjoining landowners.
Impact – 4 Likelihood – 3	PLA 3.1 (4)	Land assembly and all land options need to be confirmed and details with Homes England prior to draw down of the total commitment of funding. This is with FG for resolution asap.	Council own the land to deliver roundabout (subject to revised lease with GC). All options secured on Hogshaw and copies of these are with Homes England. Waiting for signed options on Waterswallows, options submitted to Homes England.	Hogshaw to be removed from GFA. Options for the delivery at Waterswallows incl CPO on Heywood land with Fisher German to be approved by Executive early in new year.
Impact – 4 Likelihood – 3	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 Homes England 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. Exploring NN issues with Council and Severn Trent Water.

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Glossop Halls Impact – 4 Likelihood – 3	2	Construction Material Supply and costs	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. Currently reviewing Second Stage Tender that is in the region of £800K over the available budget including considering VE savings.
Impact – 4 Likelihood – 3	3	Inability to appoint a suitable construction contractor.	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 second 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.
Impact – 4 Likelihood – 3	4	Procurement of a collaborative strategic commercial partner	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.
Impact – 5 Likelihood – 3	8	Recovery of VAT charged against the Capital elements of the development works.	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.

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Impact – 3 Likelihood – 4	13	Business Model	Financial modelling and market testing has been undertaken to develop a business model that forecasts it is financially viable in the long term.	Work with appointed Private Sector Operator to update the Business Plan.
Impact – 4 Likelihood – 5	14	Construction Programme	Parkinson to prepare construction programme based on supply chain input.	Wider review of programme to identify means to reduce programme. Impact of time required to finalise/ agree Second Stage Tenders together with Planning issues are extending the overall project programme.
Impact – 4 Likelihood -4	15	Planning/ Listed Building Consent Conditions	During determination stage provide additional information to reduce the number of conditions.	Establish Planning Conditions Tracker to monitor/ manage the timely discharging of conditions.
Local Plan Impact – 4 Likelihood -4	3	Nutrient neutrality undermines the delivery of the Local Plan	Working with partners to secure Government funding to develop a mitigation strategy. Membership of a network of impacted LPAs across England to share best practice. Planned training for officers / members. Briefing for developers.	Develop a mitigation strategy and action plan by end of 2022/23.
Dev Cont. SPD Impact – 2 Likelihood - 5	PLA8	National planning reforms abolish S106 agreements.	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.