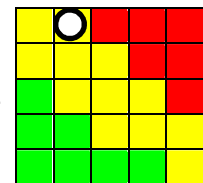
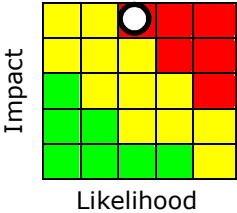
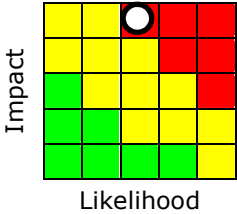
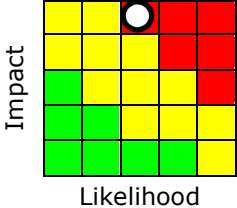


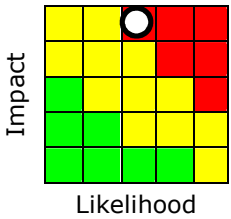
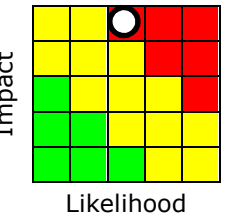
# Riverside House Relocation Project – Risk Register 5 April 2016

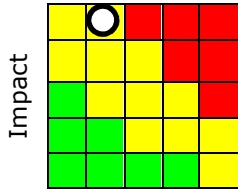
	Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation/Control	Officer	Further Action(s) (if appropriate)	Resource	Due Date	Residual Risk Rating
<b>STRATEGIC –</b>									
<b>S 1</b>	<b>Council unilaterally pulls out of project.</b>	<ul style="list-style-type: none"> <li>Council's lack of commitment to seeing through this complex and challenging project.</li> <li>Change of political control at WDC; and possible withdrawal of support for the project.</li> </ul>	<ul style="list-style-type: none"> <li>Substantial cost and timing implications.</li> <li>Up to £1.175m Stage 1 fee liability to the LLP.</li> <li>Council would have to re-mobilise and plan for an alternative new project and/or find another way to save £300k p.a. revenue savings</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing detailed update reports to Executive (Dec. 2012; March, May and December 2014. Council June 2014. Executive Sept 2015).</li> <li>Project Governance processes.</li> <li>CMT consider project weekly.</li> <li>Senior members regularly briefed throughout.</li> <li>Seeking two-stage Council commitment to this project in (i) April 2016, and (ii) final Council legal commitment approval in July 2017.</li> <li>New Member Reference group to be formed in May 2016 to steer, inform and guide the project.</li> </ul>	Project Board	<ul style="list-style-type: none"> <li>Report to Executive 20 April 2016, seeking Council formal commitment to the LLP undertaking the next stage £1.175 project work. Report to include a full review of this complex project.</li> </ul>	Project Board	On-going	 <p>Impact</p> <p>Likelihood</p>

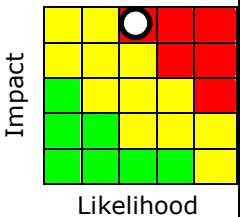
	Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation/Control	Officer	Further Action(s) (if appropriate)	Resource	Due Date	Residual Risk Rating
S 2	<b>Lack of officer time (and resource) frustrates meeting programme and significant project deadlines.</b>	<ul style="list-style-type: none"> <li>Other Corporate projects take priority.</li> <li>Key WDC staff leave (Key person dependency)</li> </ul>	<ul style="list-style-type: none"> <li>No WDC resource to take the project forward with the LLP.</li> <li>Project delays.</li> <li>Risk of delay in achieving projected revenue savings.</li> </ul>	<ul style="list-style-type: none"> <li>CMT Corporate priority project.</li> <li>Reviewed by CMT weekly for any key issues.</li> <li>Dedicated WDC Senior Project Co-ordinator to June 2016.</li> <li>New dedicated WDC Project Mgr. being appointed (to replace and manage project on day to day basis).</li> </ul>	Project Board	<ul style="list-style-type: none"> <li>CMT keep under weekly review.</li> <li>Project Governance processes keep under regular review.</li> </ul>	Proj. mgr	On-going	
S 3	<b>Substantial adverse changes in the commercial markets.</b>	<ul style="list-style-type: none"> <li>Significant house price falls, and lack of demand for the residential elements of the scheme.</li> <li>LLP fails to attract developer partners for the residential elements of the two sites</li> </ul>	<ul style="list-style-type: none"> <li>Project fails to stack up financially as a result.</li> <li>Delay in the commencement of the residential elements of the two sites.</li> </ul>	<ul style="list-style-type: none"> <li>LLP is underwriting these risks.</li> <li>PSP is underwriting the LLP's risk.</li> <li>LLP still locked into delivering the new Council offices on Covent Garden for the identified and agreed budget and timetable.</li> <li>WDC is not liable for any losses made by the LLP.</li> </ul>	Project Board	<ul style="list-style-type: none"> <li>Kept under review by the project's governance and management processes.</li> <li>Further LLP/WDC Legal agreements to re-clarify this eventuality</li> </ul>	Prodi. Mgr.	On-going	

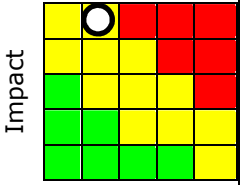
	Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation/Control	Officer	Further Action(s) (if appropriate)	Resource	Due Date	Residual Risk Rating
S 4	Public fail to support, or object to the project.	<ul style="list-style-type: none"> <li>Objections to the planning application.</li> <li>Objections to the project's parking solutions (temporary and permanent)</li> <li>Public perceive project as 'a waste of public money', and 'not needed'</li> </ul>	<ul style="list-style-type: none"> <li>Planning permission delayed or refused by Planning Committee.</li> <li>Delay in agreeing parking strategy and project start/completion.</li> </ul>	<ul style="list-style-type: none"> <li>Project comms strategy.</li> <li>Comms consultant being recruited by the LLP.</li> <li>Regular media briefings.</li> <li>Regular meetings with Chamber of Trade and local stakeholder groups.</li> <li>Formal consultations as part of the planning process.</li> </ul>	Project team	<ul style="list-style-type: none"> <li>Project Team to manage and oversee the delivery of the Comms Strategy.</li> <li>New Member Reference Group to input</li> </ul>	Proj Mgr	On-going	
FINANCIAL -									
F 1	LLP/PSP fail to perform.	<ul style="list-style-type: none"> <li>LLP/PSP pull out of project.</li> <li>LLP/PSP's proposals do not stand up to external validation, and/or do not pass the full project viability tests.</li> <li>LLP/PSP fail to deliver any elements of the design and delivery of their complex proposals.</li> </ul>	<ul style="list-style-type: none"> <li>Delay in programme and opening of new offices.</li> <li>Reduction in programmed capital receipts from the two residential development sites.</li> <li>LLP project possibly aborted.</li> <li>WDC would lose significant time, and incur significant costs, in producing a new HQ via another delivery</li> </ul>	<ul style="list-style-type: none"> <li>Constant scrutiny of PSP/LLP's proposals and performance through monthly LLP working and board meetings.</li> <li>LLP backed by substantial PSP funding and resources.</li> <li>LPP to formally allocate £1.175 budget for next stage work.</li> <li>Formal 'e3' and external Validation exercise now completed (and project proposal endorsed).</li> <li>Ongoing private</li> </ul>	Project Board	<ul style="list-style-type: none"> <li>Constant comprehensive scrutiny as set in the 'Risk Mitigation/Control' section.</li> <li>LLP to be locked-in to 'Next stage' detailed design, planning and D &amp; Build contract work now to be undertaken. This will seek planning permission and put provisional build contracts in place.</li> <li>Further viability test then to be</li> </ul>	Project Board	On-going	

	Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation/Control	Officer	Further Action(s) (if appropriate)	Resource	Due Date	Residual Risk Rating
			method.	liaison with other PSP LLP local authority partners to check on PSP's performance. • Legal agreements will further lock-in PSP as the project progresses.		undertaken. • Report back to July 2017 Executive, to further review project and seek full commitment to project.			
<b>F 2</b>	<b>Project delays.</b>	<ul style="list-style-type: none"> <li>• Council changing its mind as to what it wants or deferring decisions</li> <li>• Delay in agreeing new offices' design and specification.</li> <li>• Delays in procuring planning consents and development partners.</li> <li>• Delays in signing-off final viability tests.</li> <li>• Market changes.</li> <li>• Adverse weather conditions.</li> <li>• Any other programme slippage.</li> </ul>	<ul style="list-style-type: none"> <li>• New offices not delivered on time.</li> <li>• Not necessarily fatal, but would push back opening date of new offices, and the cash flow of the programmed £300k p.a. savings.</li> <li>• Possible need to review relationship with LLP and other partners.</li> <li>• Reputational damage of Council on ability to deliver projects on time and within budget.</li> <li>• Increased project costs</li> </ul>	<ul style="list-style-type: none"> <li>• Project governance processes.</li> <li>• Initial Project Programme reviewed for deliverability at bi-weekly Project Team meetings; Project Board meetings and formal monthly LLP Board meetings.</li> <li>• Any financial impacts would have to be re-scheduled.</li> <li>• New Member Reference Group being set up to steer the progression of this project.</li> <li>• Further reports back to Executive</li> </ul>	Project Board	<ul style="list-style-type: none"> <li>• Report to 20 April 2016 E re: outcome of latest viability work, the Validation, and seeking commitment to the next stage work</li> <li>• A further report back to Executive re the outcome of the above work and seeking full commitment to this project.</li> </ul>	Project Manager	On-going	

	Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation/Control	Officer	Further Action(s) (if appropriate)	Resource	Due Date	Residual Risk Rating
<b>F 3</b>	<b>Project fails to stack-up financially</b>	<ul style="list-style-type: none"> <li>The LLP's proposed overall development package being uneconomic and/or undeliverable, and not providing new Council offices on a 'cost neutral' basis.</li> <li>Project fails viability tests</li> <li>Cost escalations.</li> <li>Failure to procure suitable developer partner offering the projected capital receipts.</li> </ul>	<ul style="list-style-type: none"> <li>New Council offices might not be deliverable on cost-neutral basis.</li> <li>Additional Council gap funding might be required.</li> <li>Capital cost could escalate with 'project creep'.</li> <li>Delay in project programme as a consequence</li> </ul>	<ul style="list-style-type: none"> <li>LLP's e2 and e3 feasibility study process (now completed), and externally Validated (now completed).</li> <li>Project stacks up</li> <li>Heads of Terms Principles agreed between WDC and the LLP.</li> <li>Executive to consider all of the above (now completed) work, and how to progress this project, on 20 April 2016</li> <li>Further July 2016 Executive programmed to receive the outcome of the 'next stage' and to approve project commitment by WDC.</li> <li>Project Board to monitor throughout</li> </ul>	Project Board	<ul style="list-style-type: none"> <li>LLP and officers to progress next stage detailed work streams, and project governance</li> <li>Reports to Executive on: 20 April 2016, and in July 2017.</li> <li>Legal agreements with the LLP to lock it in to delivering new offices on cost-neutral basis, and underwriting any WDC financial risk.</li> </ul>	Project Manager And Project Board	On-going	
<b>F 4</b>	<b>Failing to obtain planning permissions.</b>	<ul style="list-style-type: none"> <li>Outline proposals not complying with planning policy.</li> <li>Possible successful planning objections.</li> <li>Planning Committee make a decision contrary to officers recommendations</li> </ul>	<ul style="list-style-type: none"> <li>Not obtaining planning permission for the agreed two sites.</li> <li>Cost and time delays.</li> <li>Reputational damage of</li> </ul>	<ul style="list-style-type: none"> <li>Pre-app planning meetings (LLP/WDC).</li> <li>Detailed designs and planning application work now being commissioned via the LLP. This will</li> </ul>	Project Team	<ul style="list-style-type: none"> <li>Further pre-application discussions and dialogue with WDC planners once design team instructed.</li> <li>WDC project team</li> </ul>	Project Manager (with LLP design Team)	On-going	

	Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation/Control	Officer	Further Action(s) (if appropriate)	Resource	Due Date	Residual Risk Rating
		<ul style="list-style-type: none"> <li>Project's affordable housing solutions fail to stack-up.</li> </ul>	Council to support its own projects	<ul style="list-style-type: none"> <li>provide full designs and details, leading to submission of the planning application.</li> <li>Pro-active member, partner and public consultations to be programmed.</li> <li>Robust LLP project budget agreed to support/fund the likely design and planning solutions required.</li> </ul>		progressing work with LLP's team.			
<b>F 5</b>	<b>Not achieving projected £300k p.a. new building operational savings.</b>	<ul style="list-style-type: none"> <li>Initial estimates prove to be wrong.</li> <li>Increased occupation cost incurred once WDC occupy the building.</li> </ul>	<ul style="list-style-type: none"> <li>Higher than anticipated occupation costs.</li> <li>Revenue savings not achieved</li> <li>WDC might need to invest in additional building efficiency features to guarantee projected revenue saving or find other savings?</li> </ul>	<ul style="list-style-type: none"> <li>Initial robust likely estimates based on analysis of existing costs, new quotes, and comparing/testing with another Council's new offices' running costs.</li> <li>Detailed scrutiny will continue as design details of the new building emerge as part of the Stage 2 work.</li> <li>Robust new building build budget agreed to guarantee the best specification to maximise its operational efficiency savings.</li> </ul>	Project Team	<ul style="list-style-type: none"> <li>Robust £8.6m office project budget will fund a high specification building, and maximise its efficiency and operational savings.</li> <li>Pro-active WDC input into the emerging design of the new office building, to re-test the present running cost estimates.</li> <li>The WDC project team will be inputting and informing the new office building's</li> </ul>	Project Manager	On-going	

	Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation/Control	Officer	Further Action(s) (if appropriate)	Resource	Due Date	Residual Risk Rating
				<ul style="list-style-type: none"> <li>Further full evaluation at the end of the next stage.</li> </ul>		specification, to ensure maximising the future revenue savings.			
<b>F 6</b>	<b>Abnormal or increased development costs.</b>	<ul style="list-style-type: none"> <li>Site surveys reveal adverse ground conditions.</li> <li>LLP cost estimates too low.</li> <li>Planning consent requires higher cost solutions.</li> <li>Market changes require higher cost solutions.</li> </ul>	<ul style="list-style-type: none"> <li>Increased capital costs.</li> <li>Project viability challenges.</li> <li>LLP wants to terminate project.</li> <li>Council consider terminating project</li> </ul>	<ul style="list-style-type: none"> <li>LLP underwrites any abnormal or increased costs.</li> <li>Current outline project budgets have been externally validated for robustness. Contingencies also included.</li> <li>Costs will be further reviewed and refined by the next-stage design process. Ground condition and other surveys to be undertaken shortly to further assess and risks.</li> <li>Construction cost estimates will be reviewed as part of the next stage 2work.</li> <li>Design team will input into reviewing robustness and project estimates.</li> </ul>	Project Team	<ul style="list-style-type: none"> <li>All risk mitigation measures to be regularly reviewed by LLP and WDC Project Team.</li> <li>Further formal project viability test in July next year.</li> </ul>	Proj. Mgr	On-going	

	Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation/Control	Officer	Further Action(s) (if appropriate)	Resource	Due Date	Residual Risk Rating
				<ul style="list-style-type: none"> <li>Propose Design and Build contract for new offices and car park will cap the Council's potential financial liabilities for any extra build cost.</li> </ul>					
<b>F 7</b>	<b>Adverse legal title issues:</b>	<ul style="list-style-type: none"> <li>Onerous restrictive covenants discovered.</li> <li>WDC cannot prove good legal title to the two sites.</li> <li>WDC and LLP cannot agree legal agreements to progress project the next, and the implementation stages.</li> </ul>	<ul style="list-style-type: none"> <li>Restrictive covenants could frustrate any development, or restrict type and nature of development.</li> <li>Delay or frustration of the project. LLP/WDC cannot progress project further.</li> </ul>	<ul style="list-style-type: none"> <li>Initial legal due diligence undertaken by WDC and the LLP.</li> <li>Further legal due diligence as part of next stage work.</li> <li>Legal agreements with the LLP to define roles and responsibilities and financial liabilities and risk</li> </ul>	Project Board	<ul style="list-style-type: none"> <li>All risk mitigation measures to be regularly reviewed by LLP and WDC Project Team.</li> <li>WDC/LLP, legal advisors to continue to progress all legal due diligence.</li> <li>Heads of Terms Principles already agreed and will now move to legal 'lock-in' contracts being drafted and completed.</li> </ul>			 <p>Impact</p> <p>Likelihood</p>



	Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation/Control	Officer	Further Action(s) (if appropriate)	Resource	Due Date	Residual Risk Rating
<b>F 8</b>	<b>'Different Ways of Working' not implemented.</b>	<ul style="list-style-type: none"> <li>New working practices not agreed or implemented.</li> <li>Resistance to change by staff.</li> </ul>	<ul style="list-style-type: none"> <li>Additional on-site staff facilities required.</li> <li>Increased or changed building size and specification required.</li> <li>Cost increases/lack of full amount of savings achieved and consequent need to find other ways to save money</li> </ul>	<ul style="list-style-type: none"> <li>SMT overseeing programme of DWOW.</li> <li>Substantial liaison to date with other LA's who are ahead of us in this field re: implementation</li> <li>Pro-active staff involvement strategy.</li> </ul>	Project Team +SMT	<ul style="list-style-type: none"> <li>Pro-active ongoing consultations with: Service Heads, staff, Staff Voice and HR colleagues.</li> <li>Working with new office design team to ensure new building's layouts and specifications are suitable for our new working needs.</li> <li>SMT now rolling out initial phases of DWoW prior to office move.</li> </ul>	SMT and Project Team.	On-going	