

Appendix 6 – Corporate Risk Register

Knowle Green Programme - Asset Management Board					
Project	Risk / Issues	Control / Action / Remedy	Ownership	Target Date	Escalate? (y/n)
Knowle Green Relocation	Insufficient Resources to deliver project	Backfill Head of Asset and Office Services to work full time on Project	DP	June 2015	n
	Lack of suitable accommodation at an affordable cost	Appoint consultants to conduct high options appraisal to identify suitable venue. Use of tools such as CoStar to pro-actively identify potential sites	DP		n
	Knowle Green non-complaint on H&S matters	Monitor current situation and possible emergency budget to rectify non-complaint issues	DP		n
	Cost of project not quantified	This will be quantified at options analysis stage but MAT and Cabinet need to be aware that project requires significant funding (£7m- built into the Capital Programme)	DP		n
	Political interference may cause change in direction or outcomes	Adopt a flexible approach to changing direction with a view to taking quick decisions on any potential project closure or change control – for example to modify elements of project.	DP		n
	Delays in other work-streams will impact on relocation	Knowle Green Programme board established with key stakeholders	DP		n
	Business continuity requirements and impact of potential emergencies may effect timescales	Monitor current climate and report through Programme Board	DP		n
	Public perception of Council may have an adverse impact at any stage of the relocation	Communication strategy including quarterly updates on website and use of other channels such as Borough Bulletin, Council Tax leaflet	DP		n
	Income stream from other projects such as Bridge street may not be viable to support the investment required to deliver the project	Monitor progress from other projects and report through Programme Board	DP		n
	Cultural change with staff, managers and councillors resulting in lack of buy-in and /or support	Communication strategy and change management training for all staff and members	DP		n
	Risk / Issues	Control / Action / Remedy	Ownership	Target Date	Escalate? (y/n)
Knowle Green Redevelopment	OJEU tender process has been delayed due to other work pressures	Work to move this forwards (does not affect the offices strategy)	HM	June 2015	n

	Downturn in the economy and appetite for residential development dries up	Use expert external property advice to ensure the eventual option is 'market proof'	HM		n
	Poor financial information could mean that the Council does not maximise the opportunities available to it	Use external professional advice to highlight options and risks to enable full and informed decision making	HM		n
	The project is delayed due to lack of decision making on which options to work up in detail, and on the final decision	Staged Options Appraisal prior to key final decision so that organisationally and politically everyone is clear about the route being taken	HM		n
	Lack of interest from Investors in the site and redevelopment does not meet market demand	Staged Options Appraisal with clear advice on what the market demands	HM		n
	Delay in obtaining budget	Include requirements in Cabinet reports and make bid for funding at appropriate budget setting cycles	HM		n
	Large scale partnership agreement and we have relatively limited expertise	Bring on board the relevant external advisors (through a tender process)	HM		n
	We are not able to secure high quality property advice for the delivery phase of the project	Undertake an EU tender for the property advisors who will see through the delivery of the redevelopment of KG (and re-location)	HM		n
	Failure to appoint and manage consultants/contractors in accordance with procurement policies leading to costly claims, legal disputes, poor value for money and potential reputational damage	Ensure procurement processes are transparent and properly governed and that any contracts are properly monitored with clear deliverables and objectives identified at start of process	HM		
	Risk / Issues	Control / Action / Remedy	Ownership	Target Date	Escalate? (y/n)
Electronic Document Management	Insufficient finance to deliver all aspects of the project	Clarify costs as early as possible including on-going revenue. Due to the approach it is likely that a supplementary bid will be required in 2016/17 to cover the SharePoint re-engineering and roll out	JB	Sept 2015	n
	Resistance to change. New working practices may not be accepted by staff	Working with Systems Administrators, Senior Managers and Service Champions to ensure transition is clearly communicated and training available to all staff.	JB		n
	Delivery timeline may change	Close working with the Knowle Green accommodation move team to ensure key delivery timelines are synchronised.	JB	June 2017	n
	Cultural change with staff, managers and councillors	Communication strategy and training and support for all staff.	JB		n

	Resources clash impacts on timelines	Due to the large number of TaSF projects being implemented at the same time, careful planning of key resources at a high level is necessary to avoid slippage	JB		n
	ICT infrastructure is not capable of supporting the new ways of working	Close working with ICT to ensure the upgrade to the virtual hosts is completed in advance of systems going live. Failure to do so will result in the project stalling as the current infrastructure cannot support the required additions for EDMS.	JB		n
	Failure to agree the updated Document Retention Policy	Work is ongoing to created and agree the new Document Retention Policy through Information Governance Group.	JB		
	Impact of Mutuals and spin outs	Regular updates required from affected service areas so that the scope of the project is clear. (If service areas are outsourced they will not be moving as part of Spelthorne Council).	JB		
	Risk / Issues	Control / Action / Remedy	Ownership	Target Date	Escalate? (y/n)
Agile Working	Timescale drift and are not met	Ensure appropriate budget and team to deliver the project Agree realistic timescales Appropriate contractual obligations with development partner	SH		n
	Insufficient finance to deliver tall aspects of the project	Clarify costs as early as possible. Due to the approach it is likely that an additional capital bid will be required in 2016/17 to cover the SharePoint re-engineering and roll out	SH		n
	Changes to work locations (eg homeworking) may increase costs for staff	Development of robust homeworking policy to address unforeseen challenges and consultation with Unison	SH		n
	Lack of appropriately skilled staff to deliver solutions	Need to identify and allocate staff resources	SH		n
	Poor quality technology solutions	Research available software and review references from other local authorities to ensure fit for purpose software identified	SH		n
	Cultural change with staff, managers and councillors	Communication strategy and training and support for all staff.	SH		
	Insufficient time to roll-out technological solutions across Council	Establish pilot areas as soon as practicable and close working with ICT	SH		
	Failure to performance manage staff whether remotely or within the Council Offices leading to outcomes not being delivered	Change in focus for senior managers to monitor staff on outcomes rather than outputs and to link performance management to service delivery, plans and targets	HoS		
	Lack of clarity in new ways of working	Provide clearly defined working practices and HR policies	SH		

Use of Assets

Project	Risk / Issues	Control / Action / Remedy	Ownership	Target Date	Escalate? (y/n)
Bridge Street	Press coverage around the bidding process and police investigation	Press statements have been issued. Need to keep an eye on the situation to see if it escalates. Communications to consider reputational damage and seek to mitigate. Bellway were contacted and gave a comment to say they've not been approached by police (still very interested in the site).	HM		Y – possibly project critical
	Impact on the Council budget due to (1) delay in capital receipt (2) reduced capital receipt	Deputy CEX monitoring situation and will need to consider the impacts on the budget in terms treasury management strategy and with respect income stream and whether savings/additional income will need to be found elsewhere as a result or other projects deferred	TC		Y – possibly project critical
	Bellway advised on 20 April that they could not sustain the original bid level and needed to significantly reduce it. As such they were looking to pull out of the deal	Discussion with C& W and Clyde and Co on possible alternative options. Shortened tender process on a set sized scheme (Bellway) and set plan (Bellway) the quickest and least open to challenge. Options put to Cabinet re the above, including alternatives of starting again and for SBC to get planning permission and then go out to market for an unconditional sale. Cabinet agree to accelerated tender process but want external legal advice on who can go to the shortlist.	HM		Y – possibly, project critical
	Rights of Light raised as a significant issue for deal	RoL consultants employed on both side, reports and technical assessment undertaken to identify compensation risk and insures policy agreed as part of SDA.	HM		N
	Right of way issue (Thames Path and National Cycle Trail)	SBC to serve Light Obstruction Notice re Hanover House to prevent RoL kicking in (less than 20 years). Research undertaken and discussions with SCC on whether it's a public right of way and mechanism to ensure an alternative route is provided (SBC cannot stop up). Wording agreed as part of the SDA			
	Cabinet Members indicating that they only made the decision to run with Bellway on the basis that they would run a design competition.	Discuss further with CEX. <u>Outcome 02.15</u> Meeting set up between Cllrs, Bellway and TP Bennett. Share design criteria with Cllrs to provide re-assurance on the importance of getting the design right. Bellway have agreed to (1) provide three alternative concept designs for the site (2) a series of further design meetings to explain to Cllrs how the scheme is evolving.	HM		N
Cabinet made it very clear that they want a high quality design for the site. The decision to appoint Bellway was made on the basis that the six design	Design SE appointed as design advisors for the Council: Looking at developing more detail around the design criteria for Bellway to sign up to	HM		N	

	criteria in the original marketing brief are met in full	Assist and advise on the list of architects Give design input at pre-application stage Challenge Bellway in terms of any design issues			
	Cabinet want to ensure that as far as possible the bid is not diluted during the pre-application process, and that a robust and transparent mechanism for the price is achieved	Heads of Terms will include the transparent mechanism as requested by Cabinet and SBC will be actively involved in getting the Heads of Terms agreed. This will ensure that we maintain control over the issue. SBC will also be actively involved on the design side (see above) which could potentially have the largest impact on the price	HM		N
	There have been a number of revised bids submitted during the shortlisting process (some requested by C&W and others submitted by bidders). A number of Cllrs (including the Portfolio Holder) are clear that a strong design is a prime requirement (step change for Staines-upon-Thames). The brief to C&W, following on from the decision of Cabinet in November 2013, was to proceed with a disposal of the site for a financial receipt	Need for clear and unambiguous advice from C&W on the financial offers of the shortlisted parties, and a clear recommendation for a preferred developer. Need for clear and unambiguous advice from Design South East on the capability of the shortlisted parties to deliver an acceptable scheme Need for MAT discussion with the Head of Corporate Governance and Regeneration Manager (and the Leader) once these reports are received. Need to take a view on the implications for the process.	HM		N
	Concern from some Cllrs (including Portfolio Holder) that the approach being taken to disposal of site in isolation may not be the right one, and that we may need to look at JV and linking sites	Immediate 'hold' put on issuing the advert for site disposal Meeting set up with concerned Cllrs to understand issues, risks, and implications (financial and time wise) <u>Outcome (01.07.14)</u> Meeting resolved to go out to market on Bridge Street (receipt or long lease) alongside an Estates Prospectus for other town centre sites we own and the vision for the riverside	HM		N
	Hanover House may wish to be included in a wider development site which could delay or complicate the process	Establish by June 2014 whether there is a firm interest or not and then proceed accordingly. Advice from C&W that there is no marriage value and therefore will not be pursued. Bid submitted to include adjoining site but value not likely to be high enough.	HM		N
	Timescales drift and are not met	Ensure appropriate budget and team to deliver the project. Agree realistic timescales. Appropriate contractual obligations with development partner.	HM		N
	Loss of income from the permanent closure of the car park does not offset capital receipt	Reduce by developing decked car parking at Elmsleigh surface car park to compensate if this is required. Regular review of the business case. Income achieved from bids would be well in excess of parking income.	HM		N
	Risk of claims against the Council from unsuccessful bidders as a result	Ensure procurement processes are transparent and properly governed and that any contracts are properly monitored with clear deliverables	HM		

	of investigations publicised in local press and associated reputational damage	and objectives identified at start of process			
	Cannot find alternative parking for 100 contract spaces during redevelopment and as part of final scheme (if they still require them)	Reduce by finding suitable temporary space and permanent space. Avoid by re negotiating the lease for contract spaces. Now only require 22 spaces which can be accommodated off site in Riverside underground car park. Agreement engrossed and in effect.	HM		N
	Recommendations of the Staines Transport Study / LEP Strategic Economic Plan for widening of Staines Bridge	Active discussions with SCC to understand and mitigate any potential impact. Advised SCC that the Bridge Street would not account for full 10m width – look for a different solution. The LEP funding bid was not successful. Scope to discuss with SCC a more appropriate solution. (SCC not willing to look at alternatives – SBC to speak p LEP re alternatives.)	HM		N
Development of Riverside car park	Risk / Issues	Control / Action / Remedy	Ownership	Target Date	Escalate? (y/n)
	Some Cllrs are focused on achieving a mixed café/restaurant/residential scheme on site, rather than a more straightforward café/restaurant proposal.	Central issue is the safe route of escape which would require 'landing' on the far side of Thames Street. Consider short term immediate option of 3 restaurant units and longer term option of restaurants and residential linked to a large redevelopment including the Tothill car park and Elmsleigh Phase IV.	HM		N
	Concern of some councillors (including Portfolio holder) that the Riverside car park should be linked to Bridge Street car park and/or other sites (comprehensive approach)	Meeting set up with concerned Cllrs to understand issues, risks, and implications (financial and time wise) <u>Outcome (01.07.14)</u> Meeting resolved to go out to market on Bridge Street (receipt or long lease) alongside an Estates Prospectus for other town centre sites we own and the vision for the riverside. This includes the riverside car park and land to the front. Development of "masterplan" approach to Staines-upon-Thames	HM		Y project and possibly programme critical
	Timescale drift and are not met	Ensure appropriate budget and team to deliver the project. Agree realistic timescales. Appropriate contractual obligations with development partner.	HM		N
	Council is faced with high level of risk by taking the lead on the development	Ensure there are staged commitments with the necessary pre-leasing and prefunding commitment secured at each stage.	HM		N
	Loss of income from the permanent closure of the car park does not offset income stream	Decked car parking at Elmsleigh surface car park to compensate or partial retention of current parking provision (06.14) Current proposal will mean the retention of 2/3 of the parking as an on-going income stream and valued resident asset	HM		N
	Negative reaction and 'kick back' from business and retailing community	Reduce by early meaningful consultation before formal pre app discussions; involve Ward councillors and interested groups.	HM		N

	Issues regarding flooding	Reduce by early discussion with Environment Agency (05.14) Consultants advice is that there is a solution to flooding for commercial (not really viable for residential) Local Planning Authority confirm that they would not accept residential development in this location due to flooding	HM		N
	Risk / Issues	Control / Action / Remedy	Ownership	Target Date	Escalate? (y/n)
Staines upon Thames Promotional Document	Clirs keen for the video clip to be launched with the website but no contract in place and inadequate time to shoot and complete the video clip	Agreed it was better to get the video clip right (cold weather was not the best for 'fresh and green' footage)	HM		N
	One template is still outstanding and could impact on final delivery date of the website (calendar)	Speaking to a senior Account Manager at GOSS.	HM		N
	The work on the video clip for the website has not been progressed due to other work of the project team which has taken priority	Council has gone out to local suppliers who are on the SBF list. Interviews have taken place. <u>Update 01.15</u> Supplier chosen and format of video discussed. <u>Update 02.15</u> Contract has gone out to supplier.	HM		N
	There has been a delay in the development of the templates by 4 weeks. This has meant we have not been able to upload the information onto the template to review the layout. There is a risk that the time available may be too tight to test and go live by mid-November.	Email and phone to the project manager and senior account manager at GOSS to express serious concerns about the on-going delays and impact on project delivery Meeting with Senior Account Manager at GOSS Do not pay any invoices received until the matter is satisfactorily resolved/re-negotiate cost <u>Update 11.14</u> Templates not yet available but text and photos uploaded and ready to be transferred when templates are available <u>Update 12.14</u> Main templates received mid-December (not all of them have yet been made available). Not yet been able to 'test' the templates	HM		N
	Concern from ICT SIG and Head of Comms at use of micro site and SOCITM advice	Meeting held with Head of Communications after receipt of concerns from the chair of the ICT SIG. After setting out the aims and scope of the project, it was agreed that a mock-up of what could be achieved using the Councils website would be considered and discussed with the Cabinet Member. Councillors and Chair of SBF were very clear that the microsite was the only option. ICT SIG advised accordingly.	HM		N
	Cost of micro site which may go over project budget	Develop a business case. Re-allocate programme money from overall budget. Cost will reduce through use of templates (£2,000) and now	HM		N

		likely to bring within the overall budget. 06/14 costs has increased to £4,400 to get required functionality and will come in £200 over budget (2.5% over).			
	Delay in obtaining budget	Early effective bidding.	HM		N
	Timescales are not met	Set clear delivery timescales at outset.	HM		N
	Document does not deliver in line with Council requirements	Get sign off from key Cabinet Members and Economic Development Task Group.	HM		N
	Local business community do not sign up	Include key stakeholders in comms strategy (including Spelthorne Business Forum).	HM		N
	Risk / Issues	Control / Action / Remedy	Ownership	Target Date	Escalate? (y/n)
Ashford Multi Storey Car Park Development	Lack of staff resource	Use more internal staff	CM	This project is about to be completed and income received	n
	No interest in site	Go out to market	CM		n
	Risk / Issues	Control / Action / Remedy	Ownership	Target Date	Escalate? (y/n)
Local Housing Company	Lack of expertise	Learn from experience of other councils and appoint appropriate advisers	JB		n
	Failure to deliver project due to lack of resources	Ensure project manager has identified resources required at start of project and any requests for additional resources are submitted to MAT prior to the commencement of the project	JB		
	The Council is still caught by requirement to conform to Housing Revenue Account framework	Obtain appropriate advice	JB		n
	Liability for Housing Company losses	Ring fence the company, take out professional indemnity insurance and close monitoring of risks	JB		n
	Company costs exceed expectations	Clear cost and budget profile agreed as part of the Housing Company brief. Detailed management agreement between Council and Housing Company	JB		n
	Lack of legal control over the Housing Company	Carefully considered legal agreement/contract with sanctions and exit routes defined if the Company fails. Representation on the Company board.	JB		n

	Reputational damage to Council if the Housing Company fails	Strong/enforceable controls over the operation of the company. Regular monitoring and presence on the company board	JB		n
	Return on Investment is not realised	All schemes to have a full financial appraisal. Funds made available on commercial terms and monitored by an independent body. Commercial agreements in place to offer assurance over funds and returns	JB		n
	Political - Lack of clarity on the way the Government steers the funding for this model.	Monitoring of Government publications. Take advice.	JB		n
Local Lettings agency	Most advantageous model for the operation of the lettings agency is not available	Ensure all information on options are investigated before a decision is made	JB		n
	Finding the right company to partner with may prove difficult	Careful research and vetting to ensure the best available partners are identified to ensure the Councils interests are protected.	JB		n
	Lack of suitable landlords and properties in the area	Active marketing and inducements to join the scheme. Inclusion of reactive property maintenance element	JB		n
	Over reliance on funding streams through government grants	Actively identify and monitor risks around grant funding	JB		n
	Tenancy management offer to landlords is not cost effective	Consider exit plans to cater for this eventuality	JB		n

Structural Review

Project	Risk / Issues	Control / Action / Remedy	Ownership	Target Date	Escalate? (y/n)
Alternative Delivery Model	Requires potential up front investment for feasibility stages where there may be no return on investment	Services to work with Mutual Ventures to provide robust business case with return on investment identified within agreed period outlined by Council	LON		n
	Alternative delivery models do not succeed in commercial environment as anticipated	The Council and the company have clear and agreed objectives for the future growth of the company. Appropriate governance put in place at board level on the ADMs	Council		n
	Alternative delivery model is not financially viable and able to operate in commercial environment	Ensure company structure, governance and its operations established prior to entering into contract	Council		n
	Contract between Council and ADM	Obtain professional advice and support on areas such as finance, legal,	HoS		n

	not robust	tax and HR to ensure both sides are happy with terms			
	Staff do not have the skills to operate in commercial environment	Ensure staff have support and training in new areas such as account management, business growth, marketing, finance	HoS		n
	Impact on corporate and support services not fully quantified	Assess impact through RAG status prior to transferring service to ADM and where impact is critical, Council to ensure sufficient resources or funding is available to corporate core and undertake appropriate due diligence such as pensions advice,	Council		n
	Lack of resources/skills within Council to manage contracts	New area of procurement and contract monitoring created in new structure. Ensure staff have support and training in new areas	Council		n
	Lack of political buy-in to ADM	Ensure robust business case that clearly identifies the benefit to the Council as a whole and ensure stakeholder engagement strategy includes councillors so they are kept informed	HoS		n
Structural review	Change in political make-up may cause change in outcomes and direction	Adopt a flexible approach to changing direction with a view to taking quick decisions on any potential closure or change controls	MAT		n
	The project is delayed due to lack of decision making on which options to work up in detail and on the final decision	Staged options appraisal prior to key final decisions so that organisationally and politically everyone is clear about the route being taken	MAT		n
	Impact of mutual and spin outs	Regular updates required from the affected service areas so that the scope of the project is clear	MP		n
	Impact on senior managers during the change process	External support agreed to help individuals prepare to apply for and undertake new roles	MAT	Dec 2015	n
	Impact on service delivery whilst HoS/Managers are distracted by uncertainty	Regular explanation, consultation and support to be offered throughout change process	MAT		n
	New structure does not deliver savings/improvements expected	Options appraisal, consultations, clear specifications for new posts, explanation of new arrangements and budget identified to manage the changes and transition to new structure	MAT		n
Democratic review	Change in political make-up may cause change in outcomes and direction	Adopt a flexible approach to changing direction with a view to taking quick decisions on any potential closure or change controls	MAT		n
	Lack of support from Cabinet to reduce current levels of port folio holders	MAT and Cabinet need to have clear agreement on project deliverables and outcomes	MAT		n