## APPENDIX D: RISK REGISTER

				Risk Id	lentification						Ass	essm	Qualitative ent (Pre- ation)		ssess		llitative t (Post- on)
ID	Date Raise d	Title	Risk Category	Risk Own er	Uncertainty ("There is a risk that xyz may occur")	Cause(s) ("This risk has emerged due to xyz factors")	Consequence(s) ("xyx may happen if the identified Risk materialises")	Objecti ve Impact ed	Proximi ty	Inherent Impact	Inherent Likelihood	Inherent Risk Score	Mitigation	Current Impact	<b>Current Likelihood</b>	<b>Current Risk Score</b>	Addition al Notes
- RS K- 1		Failure to procure a mid-term ISC Contractor / extend Interim Services.	Governance risks	SW	The council does not have a contractor to deliver operational services beyond July 2024 at the end of the current ISC due to failure to agree the mid-term extension with Kier.	Short timelines result in high pressure decisions leading to lack of agreement on the mid- term extension. Scope being reduced could lead to lack of interest from the current contractor.	This could leave the Council potentially unable to meet statutory duties to inspect and keep the highway safe. Reputational risk to BCC having no long-term contract in place for statutory duties.		<3 Months	5	4	20	- Kier has been extended at the Interim Subcontracto r until 31st July 2024 if required whilst we await the outcome of the Judicial Review The council has the right to take over the contract if BHL ceases to exist or the PFI contract ends due to a negative JR outcome A mid-term extension is required as	4	2	8	

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											part of contingency planning around operational services, discussions on this on ongoing with collaborative workshops between BCC and Kier on going BCC governance process on going to enable PFI Highways team to procure suitable mid- term extension ISC				
- RS K- 2	Claims arising from the Interim Services Contract.  Claims raised by the public during the Interim Services Contract	Commercial risks	IJ	Claims for reimbursabl e costs where payment has been withheld by BHL.	BHL fail to manage the claims against the PFI.	- The council could be required to defend or the claims.	3-6 Months	2	4	8	- BHL is slowly reducing the outstanding disputed amounts, although not at a rate that will remove them before the Service Commencem ent Date for the long-term replacement	1	4	4	

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											sub-contract The amount of the outstanding sums has been accrued in the accounts and will be provisioned in retained costs in the business case Settlement of claims to be contained within the provision of retained costs in the business case.				
- RS K - 3	Readiness of council client functions to manage the ISC.	Project/Program me risks	SW	The council does not successfully plan and implement mobilisation of the new contract.	Risk has emerged due to the potential changes in contractual obligations around the ISC, with the potential for BCC to take on more responsibili ty.	- Restructures within the council are not progressed (especially in Highways) Processes and staff roles under the new contract are not understood Potential early contract Compensation Events.	<3 Months	4	5	20	- Details of client functions have been identified and most have already been engaged in the procurement already Restructuring proposals for the Contract Management Team are to	3	4	12	

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											be considered developed Contingency plan is being developed to mitigate the risk Specialist support on- boarded as part of the contingency plan - Revised business and budget proposals are being considered as part of the wider Council budget approval.				
- RS K - 4	Procureme nt Timetable.	Commercial risks	IJ	The new contract cannot be commenced on 1 August 2024 due to delay in approval.	Potential for Cabinet to call in paper (Procureme nt Strategy for Highways Maintenan ce & Manageme nt) and block approval of the mid-	- Increases likelihood of late- stage failure Delay to implementation of the long-term contract Increased advisor and support costs and extension of interim arrangements (including Interim Services Contract).	<3 Months	3	4	12	- Approval dates within the timetable have been communicate d to all stakeholders (council, BHL, DfT)Although the procurement has been concluded the delay and subsequent decision by	2	2	4	

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					term extension						DfT has resulted in delay to mobilisation and additional costs. JR process adds				
											further delay Contingency plan implemented to ensure approval of ISC extension and suitable Delegations of Authority for procurement				
- RS K - 5	Procureme nt timetable for insurance cover	Project/Program me risks	LC	A risk that the project will not have suitable insurance in the event BHL's cover is no longer valid due to administrati on.	In case of the project and PA termination , currently insurance cover by BHL will cease with immediate effect. BCC will therefore need to put alternative arrangeme nt in place to provide insurance	The council will be exposed to legal claims, without adequate insurance cover for the highways network.  If the long stop date stays as 31st of May 2024, and if BCC loses JR in May 2024, then there won't be enough time to procure insurance, leaving gaps in insurance cover in the transition to	<3 Months	3	5	15	are in place.  - Contingency plan in place to procure insurance in the event that BHL cease to exist.	3	2	6	

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					cover for the highways network. It needs a minimum time of 4 to 6 weeks	non-PFI, and putting the council under significant risks reputationally, legally, and financially									
- RS K- 6	Procureme nt timetable for dedicated IT line for TML Depot:	Information risks	LC	A risk that the project will not have suitable telecoms provision in the event BHL's is no longer valid due to administrati on.	In case of the project and PA termination , the GTT line will need to be taken over from BHLIt needs a minimum time of 4 to 6 weeks	- GTT termination term is 30 days' notice;- Execute contingency plan under the preferred route to have Kier taking over GTT contract (or alternative contract with Vodafone), from BHL	<3 Months	5	3	15	- Contingency plan in place to procure GTT in the event that BHL cease to exist.	3	3	9	
- RS K- 7	Interim Contractor commerci al approach.	Commercial risks	IJ	Subcontract or does not look to minimise costs and / or seeks to maximise claims and compensati on events. Insufficient challenge and commercial managemen t by BHL		- Depletion of settlement resources held by the council Reduction in project vfm Potential claim at the end of the Interim Services Contract.	3-6 Months	3	3	9	- Early Warning Events are reviewed carefully to avoid incurring unnecessary cost Opportunities for partnership working identified with Kier.	2	3	6	

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										- Current unpaid costs to Kier is £3.9m. This is held as a potential liability for the council should these costs become payable.				
- RS K - 8	There is a successful challenge to procureme nt	Legal risks	JJ	Following elements are challenged:  - The Interim Services Contract extension; - The amendment s to the Project Agreement; or - The subcontract reprocuremen t.	- There is delay or disruption to the procurement Risk of illegal contract award.	3-6 Months	3	3	9	The sub- contract re- procurement is being run via a regulated procedure, and care is being taken to design a transparent and robust process The procurement process being used remains under review with external legal advisors. This is fundamental to procurement timetable Minimising variations to the Interim	3	3	9	

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											contract on any further extension will reduce this risk.				
- RS K - 9	Procu nt timet for handl claim	able	Commercial risks	IJ	In case of the project and PA termination, currently claims handling by BHL will cease.  BCC will therefore need to put alternative arrangemen t in place to handle highway claims pre-1st April 2020	The council is legally liable to handle claims, it is a statutory requirement.  the council will face legal challenge without means to handle highway claims.  this will put council at risks legally and reputationally	3-6 Months	3	3	9	The preferred option would be for Kier to agree to have their GBI contract to handle claims pre-date 1st April 2024 Alternatively novation agreement will need to be put in place to automatically novate the current GBI contract from BHL to BCC	2	2	4	
- RS K - 10	Procu nt timet for ot servic includ DGA a Quad H&S	able her es, ing	Commercial risks	11		BCC will have no means to assess cost from the service provider Kier in the non-PFI scenario.  BCC will not have adequate means to provide assurance on H&S	3-6 Months	3	3	9	- DGA and Quadriga termination term is 30 days' notice; - execute contingency plan under the preferred route to take over DGA and Quadriga	2	2	4	

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										contracts from BHL at PA termination				
- RS K - 11	Capacity to implement post-PFI contingenc y measures.	Commercial risks	SW	The council does not have sufficient human resource capacity (number of people and experience) to develop and implement post-PFI contingency measures.	- There are not enough people with the necessary experience to implement the contingency measures The process takes longer than it reasonably could and / or there are delays to planned delivery Opportunities are not realised in implementing the plan and unnecessary cost results Following the issuance of the s114 notice, increased processes/governance have been implemented which could have an impact to appoint resources. (This may also affect C4)	6-12 Months	3	3	9	- Review resource and capacity as part of contingency plan development.	2	2	4	

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-	Failure to	Legal risks	IJ	The Council	-Cabinet	-The Council does	3-6	4	4	16	-Cabinet	3	3	9	
RS	procure a			does not	report not	not have in place	Months				report titled				
K -	mid-term			have	being	the required					'Negotiated				
12	Legal			appropriate	approved	experienced legal					Contract for				
	Advocacy			legal	to meet the	and advocacy					specialist				
	Support			support to	deadlines	support to deal					advocacy,				
				meet the	to go the	with:					legal advice				
				need of the	25 June	-Potential historic					and support				
				contract and	Cabinet	claims from Amey					relating to				
				the	meeting.	-Anticipated					the Highways				
				scenarios		Claims from BHL					Maintenance				
				that may		-The wind down of					and				
				materialise		the PFI and					Management				
				dependant		Insolvency of BHL					Contract				
				on the		should we get a					(P0989_2024-				
				outcome of		negative decision					1) being				
				the JR		from the JR.					reviewed and				
				decision.		- Should the JR be					submitted by				
						successful the					BCC legal to				
						conclusion of the					meet				
						PFI procurement, f					corporate				
						revised contract					clearance and				
						and execution of					cabinet				
						all documents.					deadline.				

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