

WHEELS SITE AND ENVIRONS

Risk Register

RISK GUIDE

| | | | | | | |
|-----------------|---|----------------|-----------|-----------|----------|----------|
| ↑ LIKELIHOOD | 4 | Almost Certain | Material | Severe | Severe | Severe |
| | 3 | Likely | Tolerable | Material | Severe | Severe |
| | 2 | Possible | Tolerable | Material | Material | Material |
| | 1 | Unlikely | Tolerable | Tolerable | Material | Material |
| | | | Minor | Medium | Major | Critical |
| | | | 1 | 2 | 3 | 4 |
| | | IMPACT | → | | | |

| | |
|-----------------------------|--|
| HIGH (Severe) | Immediate control improvement to be made to enable business goals to be met and service delivery maintained/improved |
| MEDIUM (Material) | Close monitoring to be carried out and cost-effective control improvements sought to ensure service delivery is maintained |
| LOW (Tolerable) | Regular review, low cost control improvements sought if possible |

Threat Response: Avoid, Reduce, Fallback, Transfer, Accept, Share

Opportunity Response: Enhance, Exploit, Reject, Share

| Risk ID | Proximity | Detailed Description | Impact | Probability | Score | Owner | Risk Response and Mitigation Measure | Residual Risk | | | Action by |
|----------|-----------|---|--------|-------------|-------|--------------------------|--|---------------|-------------|-------|--------------------------|
| | | | | | | | | Impact | Probability | Score | |
| 1 BUDGET | | | | | | | | | | | |
| 1.1 | | Risk that the Council may overspend in the pre-development phase when procuring various advisers at the expense of the project costs. If not correctly budgeted, services will cost the Council far more than first anticipated having an adverse effect on project costs | 4 | 3 | High | Project Delivery Manager | Threat Response: Reduce Reduce this threat by budgeting the spend on various advisers formulating cost estimates for each based-on knowledge of procuring the relevant services from those within the Council, e.g. transportation to advise on potential cost of transportation advisers based on their knowledge of market/work which is required on project. | 3 | 2 | Med | Project Delivery Manager |

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| | | | | | | | | Impact | Probability | Score | |
| 1.2 | | There is a general risk to the budget that there will be overspend due to unforeseen circumstances leading to a rapid increase in the cost of a particular service. | 4 | 3 | High | Project Delivery Manager | A) Threat Response: Reduce This can be mitigated against by engaging with experts throughout the project and providing cost estimates for the procurement of services and imposing contingency's to be better equipped for unforeseen costs. | 3 | 2 | Med | Project Delivery Manager |
| | | | | | | | B) Threat Response: Fallback Ensure adequate provisions such as termination, indemnity insurance and break clauses are present within contracts to limit the impact this will have on delivery of the project. | 3 | 2 | Med | Project Delivery Manager |
| 2 PROCUREMENT & CONTRACT MANAGEMENT | | | | | | | | | | | |
| 2.1 | | A contractor goes into liquidation during service delivery. | 3 | 1 | Med | Head of Finance and Governance | Threat Response: Reduce Financial security checks to be made as part of tender evaluation process and before entering into contract. | 2 | 1 | Low | , Head of Finance and Governance |

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| 2.2 | | The services procured by the City Council do not have the necessary expertise to deliver the service. | 4 | 2 | Med | , Project Delivery Manager | Threat Response: Reduce This risk is reduced by explicitly specifying the City Council's requirements in commissioning briefs and invitation to submit tenders, outlining what the particular service needs to provide. | 2 | 1 | Low | Project Delivery Manager |
| 3 OUTPUTS | | | | | | | | | | | |
| 3.1 | | The opportunity for additional funding outside of the Asset Accelerator to increase scope of the project and increase outputs. | 4 | 3 | High | Project Delivery Manager | Opportunity Response: Exploit Consider potential extra funding such as LGF grants/LEP funding as part of the OBC and FBC reports | 2 | 1 | Med | Project Delivery Manager |
| 3.2 | | Risk of adverse publicity during the project pre-development and development phases particularly surrounding the Wheels Park. This may result in public opposition to the project. | 3 | 3 | High | Project Delivery Manager | Threat Response: Reduce Reduce the potential for public opposition and negative press coverage to the project by organising press conferences and inviting local media to these at key stages of the project e.g. the press conference announcing the project and plans for the area. | 2 | 2 | Med | Project Delivery Manager |

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| 3.3 | | <p><u>REPUTATIONAL RISK</u></p> <p>At the full Council meeting on the 14th January 2020 in adopting the Bordesley Park AAP it was resolved that in doing so confirms that it will work with the licensees of the Wheels Site to explore potential opportunities for those activities to continue on alternative sites or, once vacant possession has been obtained by the Council, on the Wheels site in the short-term, if a suitable agreement can be reached with the licensees.</p> <p>Licensees could contact the press further on this issue.</p> | 3 | 3 | High | Project Delivery Manager | <p>Threat Response: Reduce</p> <p>This risk is currently being managed by opening a dialogue with the Wheels site licensees in accordance with the full City Council resolution. Officers have had several meetings with the licensees of the Wheels site and negotiations are on-going regarding a new agreement to enable them to remain on site in the short term.</p> <p>Officers will continue to meet the licensees and, this will include exploring potential alternative sites. This can be further reduced when the council hold press conferences with local journalists to announce plans for the area and the project. The Council can outline the benefits the development will have on the local area and Birmingham's economy as a whole.</p> | 1 | 3 | | Project Delivery Manager |
| 4 RISK REGISTER | | | | | | | | | | | |

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| 4.1 | | Risk that there is a failure to take advantage of opportunities to support the scheme (including funding opportunities) when they arise to optimise and ensure that the Council achieves its planned objectives. | 4 | 3 | High | Project Delivery Manager | Threat Response: Reduce Make sure that responsible officers are aware of all potential opportunities and that there is a responsibility to discuss these at the regular project group/board meetings and ensure opportunities are considered and responded to if appropriate. | 2 | 1 | Low | Project Delivery Manager |
| 5 SUPPORT AND ENGAGEMENT | | | | | | | | | | | |
| 5.1 | | Possession of the Wheels Site To secure possession of the Wheels site in accordance with the Court Order. To continue negotiations with the licensees of the Wheels site regarding a new agreement to allow them to remain on site in the short term and to explore relocation options. | 3 | 3 | High | Management Surveyor, Property Services | Threat Response: Reduce | 2 | 2 | Med | Management Surveyor Property Services |

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| 5.2 | | <p>Opportunity to engage with local businesses and public in the wider area who are outside the AAP boundary to ensure they are kept in the loop and the development can benefit them.</p> <p>It is also important to ensure the Council engage with local businesses, to test any appetite to develop and maximise the outcomes of the project.</p> | 3 | 3 | High | Acquisitions Manager, Property Services | <p>Opportunity Response: Exploit</p> <p>To engage with neighbouring land owners to maximise the opportunities to develop and meet the objectives of the project.</p> | 1 | 2 | Low | Acquisitions Manager Property Services |
| 6 CLEARANCE AND ACQUISITIONS | | | | | | | | | | | |
| 6.1 | | When acquiring and clearing land to break in to the site, there is a risk the council can spend more than budgeted on acquiring the land or break in at a point which is not the optimum point of access to the site. Whilst the favoured point to enter the site is off Garrison Lane, if this proves too costly another point of access will need to be used to save money. | 4 | 2 | Med | Development Surveyor Property Services | <p>Threat Response: Reduce</p> <p>Have a plan B for the point of access in to the site. If it is too costly to enter at the south west corner, or it proves to not be the best point of access, plots in the north-west corner have been identified as a secondary option.</p> | 3 | 1 | Low | Development Surveyor, Property Services |
| 6.2 | | There are risks to the security of the site once the current Wheels Park tenants have vacated it. Complications can have an adverse effect on the timescales and costs involved with the project if it does not remain secure by the City Council. For example, , vandalism, health and safety, unauthorised encampments, anti-social behaviour and crime all pose a risk if the site is not kept vacant and secure. | 3 | 2 | Med | Development Surveyor Property Services | <p>Threat Response: Avoid</p> <p>Have a site management plan and commission a security company (access security) to keep the site secure and under City Council control during its vacancy.</p> | 1 | 1 | Low | Development Surveyor Property Services |

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| 6.3 | | There is a risk that the structures on the site could become dilapidated and a health and safety risk, if the site is left unoccupied. | 4 | 2 | Med | Development Surveyor Property Services | Threat Response: Reduce The site needs to be secured with buildings demolished when appropriate. This reduces the risk of harm to the public as they are unable to access an unsafe site. | 2 | 1 | Low | Development Surveyor Property Services |
| 6.4 | | Current high level negotiation re potential 12 month contracted out tenancy. There is a risk that vacant possession may be resisted. | 3 | 2 | Med | Management Surveyor Property Services | Negotiation with the licensees is on-going. | 1 | 1 | Low | Management Surveyor, Property Services |
| 7 ATTRACTING INVESTMENT | | | | | | | | | | | |
| 7.1 | Mar 19 | <u>MIPIIM</u> The development opportunity could be promoted at MIPIIM (Le marché international des professionnels de l'immobilier) to attract interest from national and international investors. | 4 | 3 | High | Interim Director; Inclusive Growth | Opportunity Response: Exploit Promotion at MIPIIM to be highlighted as a key milestone/critical task that must be achieved and actively monitored. | 1 | 1 | Low | Project Delivery Manager |

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| 7.2 | | <u>ADVERTISING INVESTMENT OPPORTUNITY</u> Market interest in developing the site could be lost if economic climate changes as result of the uncertainties due to BREXIT. | 4 | 3 | High | Interim Director; Inclusive Growth | Risk Response: Reduce To commence the procurement of Development/Investment Partner(s) in 2020/21. | 2 | 1 | Low | Project Delivery Manager |
| 8 FUNDING | | | | | | | | | | | |
| 8.1 | | There is a risk that the City Council/Homes England cannot fund the entire project through the Asset Accelerator. | 4 | 3 | High | Project Delivery Manager | Consider all opportunities for funding to facilitate the delivery of the project. The procurement of a delivery partner will decide the extent of the Council's involvement in the final development. | 3 | 1 | Low | Project Delivery Manager |
| 9 SOCIAL | | | | | | | | | | | |
| 9.1 | | The City Council will work with the licensees regarding relocation opportunities – this will include the speed skating club that works with both schools / young people as well as elite athletes. | 3 | 3 | High | Project Delivery Manager | Risk Response: Accept Accept this risk as a consequence of the development. | 2 | 2 | Med | Project Delivery Manager |
| | | | | | | | Risk Response: Reduce The Bordesley Park AAP incorporates proposals to improve the parks and green infrastructure in the area as well as promoting cycling and walking, all of which will support active lifestyles and well-being as well as improving health. | 2 | 2 | Med | Project Delivery Manager |

