

# BORDESLEY PARK (FORMER WHEELS SITE) AND ENVIRONS

## Risk Register

Version No: 5 Last Updated Date: 25/08/2021

### 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 1	Medium 2	Major 3	Critical 4
	IMPACT →					

<b>HIGH</b> (Severe)	Immediate control improvement to be made to enable business goals to be met and service delivery maintained/improved
<b>MEDIUM</b> (Material)	Close monitoring to be carried out and cost-effective control improvements sought to ensure service delivery is maintained
<b>LOW</b> (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	Risk Response and Mitigation Measure	Residual Risk		
							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	3	3	High	<p><b>Threat Response: Reduce</b></p> <p>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.</p> <p>Continual management and review of projects and risks being undertaken.</p>	3	2	Med

1.2		Risk that the Levelling Up Fund not awarded	4	3	High	Preparation of LUF application. A regular officers working group has been established on the City Council's LUF programme.	3	3	Med
1.3		Insufficient revenue resources to fully cover inventory growth	4	3	High	Revenue provision subject to Corporate/Directorate review.	3	3	Med
1.4		Profiled LUF spend target not met	3	2	Med	Project management in place to monitor delivery and spend.	2	2	Low
1.5		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	<b>A) Threat Response: Reduce</b>  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
						<b>B) Threat Response: Fallback</b>  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

2 PROCUREMENT & CONTRACT MANAGEMENT									
2.1		Delivery Agent or Sub-contractor goes into liquidation during service delivery.	3	1	Med	<b>Threat Response: Reduce</b>  Financial security checks to be made as part of tender evaluation process and before entering into contract.	2	1	Low
2.2		The services procured by Birmingham City Council do not have the necessary expertise to deliver the service.	4	2	Med	<b>Threat Response: Reduce</b>  This risk is reduced by explicitly specifying Birmingham City Council's requirements in commissioning briefs and invitation to submit tenders, outlining what the particular service needs to provide.	2	1	Low
2.3		Variability of capital costs - Construction costs to increase in the future	3	3	Med	Develop robust financial forecasts. Adjust forecasts to account for any predicted rate change.	2	1	Low
2.4		Impacts of Covid-19 pandemic on possible restrictions to movement and labour supply causing delays and Impacts Brexit/Covid 19 pandemic supply of materials	3	3	Med	Project team to monitor potential impacts on project and reassess frequently.	3	2	Med
2.5		Contractors experience financial difficulties.	4	3	High	It is proposed to procure the works through current frameworks, in house resources or partner frameworks. Financial checks will be carried out during tender evaluation processes.	3	1	Med

2.6		Legislative risks Government legislation to significantly alter the prospects of the scheme	3	3	Med	The LUF is allocated and ring fenced with the government being committed to deliver necessary infrastructure and maximise synergies with other programmes	2	2	Low
<b>3 OUTPUTS</b>									
3.1		The opportunity for extra funding outside of the Asset Accelerator to increase likelihood of report gaining Cabinet approval, therefore keeping the project on schedule.	4	3	High	<b>Opportunity Response: Exploit</b>  Consider potential extra funding such as LGF grants/LEP funding and if these are feasible as a way of financing the project further.	2	1	Med
3.2		Risk that there are adverse articles and press coverage regarding the project pre-development and during the development phases particularly surrounding the Wheels Park. This may result in public opposition to the project.	3	3	High	<b>Threat Response: Reduce</b>  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
3.3		Jobs opportunities created are not connected to local community	3	2	Med	Employment and skills programme to be put in place via City Council's Employment Access Team	2	2	Low

3.4		Reduced demand for employment floorspace	2	2	Low	Demand for employment land in Birmingham has been identified by a number of research studies with a significant shortage of industrial and logistics space at the moment.	2	1	Low
3.5		<p><b><u>REPUTATIONAL RISK</u></b></p> <p>At the full Council meeting on the 14<sup>th</sup> 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	<p><b>Threat Response: Reduce</b></p> <p>Following several meetings a short term contracted lease was agreed with one of the occupiers in July 2020. This lease expires on October 31<sup>st</sup> 2021 and given the need to bring the site forward the occupier has been informed that the lease will not be extended.</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	

4 RISK REGISTER									
4.1		There is a risk that the risk register is not properly monitored. If this happens then when risks are materialising, we are not in a position to mitigate against them. If overlooked, we cannot minimise the impact potential threats are having nor be able to capitalise on opportunities.	4	3	High	<b>Threat Response: Avoid</b>  Ensure that the risk register is monitored and updated fortnightly at the minimum. Set up outlook alerts to designate a space during a fortnightly period to check the register.	2	1	Low
4.2		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	<b>Threat Response: Reduce</b>  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

5 SUPPORT AND ENGAGEMENT									
5.1		<p><b>Possession of the Wheels Site</b></p> <p>To secure possession of the Wheels site in accordance with the Court Order. To continue negotiations with the licensees of the Wheels site regarding the end of the temporary contracted out lease and to explore relocation options.</p>	3	3	High	<p><b>Threat Response: Reduce</b></p> <p>A temporary contracted out lease was agreed with one of the occupiers on the site which expires on the 31<sup>st</sup> October 2021. Discussions will continue with the temporary leaseholder to ensure possession of the site to the Council at this point.</p>	2	2	Med
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, notably the adjacent Cambabest site to test any appetite to develop and maximise the outcomes of the project.</p>	3	3	High	<p><b>Opportunity Response: Exploit</b></p> <p>To engage with neighbouring landowners to maximise the opportunities to develop and meet the objectives of the project, including potential CPOs.</p>	1	2	Low
6 CLEARANCE AND ACQUISITIONS									

6.1		When acquiring and clearing land to improve existing access and junction improvements to the site, there is a risk the council can spend more than budgeted on acquiring the land.	3	2	Med	<b>Threat Response: Reduce</b>  Have a plan B for the point of access into the site. If it is too costly or it proves to not be the best point of access, plots in the north-west corner have been identified as a potential secondary option.	3	1	Low
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 BCC. 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	<b>Threat Response: Avoid</b>  Have a site management plan and commission a security company (access security) to keep the site secure and under BCC control during its vacancy.	1	1	Low
6.3		There is a risk that the structures on the site could become dilapidated and a health and safety risk,	4	2	Med	<b>Threat Response: Reduce</b>  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



6.4		Following the end of the contracted out temporary lease there is a risk that vacant possession may be resisted.	3	2	Med	Negotiation with the licensees is on-going. Identify legal options to secure possession of the site in the event of trespass.	1	1	Low
<b>7 ATTRACTING INVESTMENT</b>									
7.1		<b><u>ADVERTISING INVESTMENT OPPORTUNITY</u></b> Market interest in developing the site could be lost if economic climate changes as result of the uncertainties due to BREXIT.	4	3	High	<b>Risk Response:</b> Reduce  To commence the procurement of Development/Investment Partner(s) in 2022/23.	2	1	Low
7.2		The City Council will work with the licensees	3	3	High	<b>Risk Response:</b> Accept  Accept this risk as a consequence of the development.	2	2	Med

		regarding relocation opportunities – this will include the speed skating club that works with both schools / young people as well as elite athletes.				<b>Risk Response: Reduce</b>  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	<b>Med</b>
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