

| | | | | | | | | | | | |
|--|--|------------|----------------|--------|------------|--------------------------------------|--------|------------|------------------|---|--|
| Risk Number | RM14248 | | | | | Date of update | | | 04 January 2017 | | |
| Risk Name | Failure to construct and deliver Norwich Northern Distributor Route (NDR) within agreed budget (£179.5m) | | | | | | | | | | |
| Risk Owner | Tom McCabe | | | | | Date entered on risk register | | | 26 November 2015 | | |
| Risk Description | | | | | | | | | | | |
| There is a risk that the NDR will not be constructed and delivered within budget. Cause: environmental and/or contractor factors affecting construction progress. Event: The NDR is completed at a cost greater than the agreed budget. Effect: Failure to construct and deliver the NDR within budget could result in the inability to deliver other elements proposed in the Norwich Area Transport Strategy (NATS) Implementation Plan. It could also result in a reduction in delivering economic development and negatively impact on Norfolk County Council's reputation. Exceeding the budget will also potentially impact wider NCC budgets and its ability to deliver other highway projects or wider services (depending on the scale of any overspend). | | | | | | | | | | | |
| Original | | | Current | | | Tolerance Target | | | | | |
| Likelihood | Impact | Risk score | Likelihood | Impact | Risk score | Likelihood | Impact | Risk score | Target Date | Prospects of meeting Target Risk Score by Target Date | |
| 3 | 3 | 9 | 4 | 3 | 12 | 2 | 2 | 4 | Feb-18 | Red | |
| Tasks to mitigate the risk | | | | | | | | | | | |
| The total project budget agreed by Full Council (November 2015) is £179.5m. | | | | | | | | | | | |
| 1) Put in place a project Board and associated governance mechanisms . Monthly reporting to be provided to the Board (Chaired by Tom McCabe). | | | | | | | | | | | |
| 2) Develop a project team to include sufficient client commercial scrutiny throughout the works by Balfour Beatty, which includes a commercial project manager. | | | | | | | | | | | |
| 3) Main clearance works, archaeological investigation and utility diversions to start on 4 January 2016. This will enable main construction to meet start planned for March 2016 to keep programme as short as possible. | | | | | | | | | | | |
| 4) Assemble project controls and client team to ensure sufficient systems and staffing in place to monitor costs throughout delivery of project. | | | | | | | | | | | |
| 5) Cost reduction opportunity meetings to be held throughout the duration of the construction. | | | | | | | | | | | |
| 6) Provide assurance of budget management governance through audits. | | | | | | | | | | | |
| Overall risk treatment: reduce | | | | | | | | | | | |
| Progress update | | | | | | | | | | | |

Progress update

- 1) The project Board is in place and monthly reporting on progress, cost and risk is being provided to the Board.
 - 2) The project team is developed and includes client construction and commercial project managers who will provide scrutiny throughout the works. The contract is incentivised to focus the whole delivery team (client & contractor) to stay within the agreed budget.
 - 3) Main clearance works, archaeology and early utility diversions have been delivered on programme (with the risks of environmental and archaeology constraints restricting progress now passed). However, whilst progress is good, there remained some pressures on programme, with Network Rail approvals taking longer than planned for the Rackheath Bridge. Poor weather in June 16 also slowed progress, but this has largely been recovered. The impacts on budget (including land costs) are being continually reviewed and monitored and reported, but there is a risk to the overall budget.
 - 4) Project administration controls and client commercial team are in place to ensure sufficient systems and staffing to monitor costs and contract information throughout delivery of project. This includes reviewing allowable costs and checking all payments and invoicing.
 - 5) Entire team are focussed on reducing costs and this is reviewed regularly, particularly in relation to any necessary contract changes and programme management.
- A Special Projects Support Manager has been assigned to the NDR project from December 2016 to provide additional capacity on our commercial side.
- 6) A governance (delegated purchasing of land) audit and a contract variations audit to be carried out in the first half of 2017/18.

| | | | | | | | | | | |
|--|--------|---|------------|--------|------------|-------------------------------|--------|-----------------|-------------|---|
| Risk Number | | RM14231 | | | | Date of update | | 05 January 2016 | | |
| Risk Name | | Increase in the amount of left over waste collected by local authorities. | | | | | | | | |
| Risk Owner | | David Collinson | | | | Date entered on risk register | | 01 April 2007 | | |
| Risk Description | | | | | | | | | | |
| The risk is that the amount of waste exceeds the budget provision in 2016/17. Increases in the tonnage of residual waste above projected tonnages would lead to additional costs of around £107 per tonne. An increase could be caused by any combination of factors such as increases in household numbers, change in legislation, or export related issues, economic growth, weather patterns, a collapse in the recycling markets or an unexpected change in unit costs. | | | | | | | | | | |
| Original | | | Current | | | Tolerance Target | | | | |
| Likelihood | Impact | Risk score | Likelihood | Impact | Risk score | Likelihood | Impact | Risk score | Target Date | Prospects of meeting Target Risk Score by Target Date |
| 3 | 5 | 15 | 3 | 5 | 15 | 1 | 5 | 5 | May-17 | Red |
| Tasks to mitigate the risk | | | | | | | | | | |
| Work effectively with the Norfolk Waste Partnership on waste initiatives. Reducing the amount of overall waste each household generates, eg campaigns such as Love Food Hate Waste, reusable nappies, home composters and effective use of re-use networks such as for furniture. Improving recycling performance, including improved capture rates for collections for dry recyclables and food waste, and improved performance of Recycling Centres. Lowering the unit costs of providing services, eg through procurement, contract negotiations, contract management and optimising use of existing arrangements. Ensuring we pass on costs effectively where possible, eg recharging for trade waste. Driving waste out of the system, eg waste reduction such as home composting or campaigns against fly tipping. | | | | | | | | | | |
| Progress update | | | | | | | | | | |
| Projected residual tonnage for establishing budget was 209,000t using existing contract prices and valid assumptions where prices were not fixed and before the 2015/16 tonnage was established. The final end of year figure for 2015/16 is now established at 212,141t, ie higher than modelled due to a late year increase. In year data from Q1&2 shows that waste growth has continued at around 3.1% and this has been used with historic data to model a full year projection of: Mid case 216,018t, overspend £692,229. Best case 212,036t, reduces overspend to £264,563. Worst case 218,867t increase overspend to £998,211. Residual waste costs are linked with recycling services and levels. Anticipated underspends (eg. based on current projections for payment of recycling credits and for recycling centre performance) should reduce residual waste overspend significantly and to within £50k should the medium case position be the out-turn. | | | | | | | | | | |