

BSF Risk Matrix

L B Haringey Risk Register					To be borne by			Suitable advisors to be used on issues identified in risk register where appropriate	
No.	Major Risk Category	Definition	Probability (Low, Medium, High)	Impact (Low, Medium, High)	LBH	Shared	Partner	L B Haringey mitigation strategy	Risk owner
	Haringey Programme Risks								
PA	Governance and stakeholder buy-in and Strategic Issues								
PA 01	Project management and governance arrangements	Risk that arrangements do not deliver decisions in timely way	Low	High	♦			Borough's management and governance arrangements agreed at member level and kept under review for efficiency.	Project Director
PA 02	Stakeholder buy in - schools	Risk that schools confidence wavers over course of procurement	Medium	High	♦			Effective communications strategy and integrating schools properly into the project management and procurement processes.	Project Director/ Director of Children's Services
PA 03	Stakeholder buy in - Members	Risk that Members are not able to make decisions in timely way	Low	High	♦			Continued dialogue. Members gaining regular update through internal Steering Group	Project Director/ Director of Children's Services
PA 04	Stakeholder buy in - others	Risk that other stakeholders are not engaged in timely way	Medium	High	♦			Effective communications strategy and making key stakeholders a formal part of the project	Project Director/ Director of Children's Services

								management structure	
PA 05	School Organisation Committee	Risk that SOC decisions are not achieved in timely way	Low	Medium	♦			Clear timetable and early preparation	Director of Children's Services
PA06	Cross-boundary issues	Risk cross-boundary issues could impact on secondary school places	Low	Medium	♦			Need to work closely with adjacent boroughs to manage demand and supply of places	Assistant Director of Children's Service
PA07	Land shortage	Reduced choices for reconfiguration, decant, purchases, land swaps and closures for new school.	Medium	High	♦			Ensure early negotiations with vendors	Project Director/Director of Legal Services
EV	Education Vision								
EV01	Adequate funding level	Level of funding not sufficient to deliver vision/transformation	High	High	♦			Ensure options strong, with high level of stakeholder buy-in and work closely with PFS	Director of Children's Service
EV03	Partnership infrastructure	Failure or delay in agreeing with schools the processes for developing new forms of partnership infrastructure	Medium	High	♦			LEA, Schools and ABROS/Eversheds to develop partnerships	Director of Children's Service/Project Director
EV04	Insufficient capacity	Insufficient capacity of local authority staff to lead and facilitate or loss of momentum if certain school leaders leave	Medium	Medium	♦			LEA to manage resources/human resources closely	Director of Children's Service/Project Director
EV05	Not achieving educational outcomes		Medium	High	♦			Continual monitoring of performance throughout project	Director of Children's Services/Project Director

EV06	Failure to deliver	LEA does not achieve its vision	Medium	High	♦			Need to benchmark and regularly monitor performance	Director of Children's Services/Project Director
EV07	Stakeholders object to Vision during implementation	Self explanatory	Medium	High	♦			Ensure adequate communication and explanation of strategy	Director of Children's Services
FI	Finance								
F101	Adequate budget	Adequate budget required for the delivery of the OBC	Medium	Medium	♦			Need realistic budgets for external advisors	Director of Finance
F102	Inflation pre financial close	Costs escalate beyond worst case assumptions in OBC's financial model	High	High	♦			Inflation to be closely monitored so that any cost creep can be mitigated as soon as possible	Director of Finance
F103	Inflation post financial close	Inflation risk exceeds contractually agreed model assumptions	High	High			♦	Need to ensure that financial models for the DBM contracts are robust to avoid disputes soon after contracts are signed if partner tries to make up shortfall in other ways.	Director of Finance
F104	Tax/interest/insurance rate changes pre financial close	Costs escalate beyond worst case assumptions in OBC's financial model	Medium	High	♦			Careful monitoring so that remedial action can be taken quickly	Director of Finance
F105	Tax/interest/insurance rate changes post financial close	Costs exceed contractually agreed model assumptions	Medium	High			♦	Need to ensure that financial models for the DBM contracts are robust and allow for known changes to avoid disputes soon after contracts are signed.	Director of Finance
F106	Irrecoverable VAT	VAT position changing	Medium	Medium	♦			Take expert advice in a	Director of

	issues	over course of procurement						timely manner.	Finance
F107	Delay in securing DfES funding	Delay in OBC/FBC approval	Medium	High	♦			Need to ensure that business cases are as robust as possible and properly quality- assured	Project Director
F108	Difficulty in bridging affordability gap (includes schools' contributions)	Affordability gap grows over course of procurement beyond members' agreed position	High	High	♦			Tight management of the procurement process and contractual negotiations so that partner delivers within the funding envelope	Director of Finance
F109	Ensure Value For Money	Make sure options appraisal delivers best solutions as this impacts on OBC approval	Medium	High	♦			Keep Financial Advisors up to date with developments	Project Director/Director of Finance
F111	Integration of exiting PFI scheme with new development is properly integrated.	Ensure accounting treatment robust. Early negotiations with HSSL	Medium	High	♦			Need to ensure early input of Financial Advisors. Early discussions with HSSL	Project Director/Director of Finance
F112	Whole life maintenance & facilities management covered	BSF promotes	Medium	Medium	♦			Ensure sufficient information in AMP to inform financial modelling. Obtain buying from schools	Project Director/Director of Finance
PR	Procurement of strategic partner								
PR 01	Partnering specification not drafted tightly enough	Insufficiently defined specification.	Medium	High	♦			School/LEA sign off to specification.	Project Director
PR02	Observe SO/EU Directives	No further definition required	Low	High	♦			Ensure legal advice sought throughout the procurement process	Programme Director/Director of Legal Services

PR03	Poor quality response to ITN documentation.	Quality of bid response to ITN documents results in non-compliant bids and/or a need to issue further guidance to bidders	Medium	High	♦			Clear specification of bid requirements, well thought through evaluation criteria, well drafted legal documents, robust financial model and realistic payment mechanism	Project Director
PR04	Challenge by aggrieved 3rd party	Challenge about the conduct of the process.	Low	High	♦			Document control, transparent audit trail of decisions and their supporting evidence	Project Director
PR05	Information not provided to bidder	Data room not stocked adequately, ITN documentation of poor quality etc	Low	Medium	♦			Create checklist of info to be provided. Make sure schools understand requirements and timescales. Begin data room stocking early.	Project Director
PR06	OBC not viable	OBC not attractive to private sector partners	Medium	High	♦			Provisionally explore with Planning all options as they are presented in development of business case	Project Director
PR07	Delays in decisions by key third parties relating to standard documentation etc.	E.g. external advisors, PfS, DfES.	Medium	High	♦			Engage in issue resolution in timely fashion. Seek early guidance on any necessary digressions from standard documentation.	Project Director
PR8	Effective use of Advisors	Ensure that Advisors are available for all project issues	Low	High	♦			Appoint and agree Terms of Reference early	Project Director
PE	Contractual compliance issues								

PE 01	Change in requirements	Schools, council require design change to buildings or services such as ICT	High	High	♦			Robustly prepared specifications developed by schools with expert support	Project Director
PE 02	Poor sub contract performance	Services not provided to contractually agreed specifications	Medium	High			♦	Rigorous procurement that reduces the risk of selecting a partner that cannot deliver the programme through effective programme and supply chain management. Robust incentivised SPA and supply chain contracts to be put in place.	Project Director
PE 03	Contractor/sub dispute/claims	Supply chain disputes	Medium	Medium			♦	As above	Project Director
PE 04	Non availability of facilities/failure to meet perf. Standards	Services not provided to contractually agreed specifications in way that affects agreed definition of availability	Medium	High			♦	As above	Project Director
PE 05	Contract default/termination - Council	Breach of contractual conditions	Low	Low	♦			Institution of strong contract management function	Project Director
PE 06	Contract default/termination - PSP	Breach of contractual conditions	Low	Low			♦	As above	Project Director
PE 07	Poor contract management-client side	Poor management leads to contract becoming unenforceable and a drop in service standards	Medium	High	♦			Recruitment of a strong team to manage the strategic partner and the individual contracts, and sufficient consideration of long term management issues during the procurement	Project Director

								and negotiation of the DBM contracts.	
DE	Design								
DE 01	Site constraints / contamination/abnormal		Medium	Medium	♦			Arrange adequate surveys/site investigations	Head of Property Services
DE 02	Failure to design to brief	No further definition required	Medium	High			♦	Evaluation of prospective partner at each stage of the procurement process to take account of their ability to manage design process. Also see DE05 below.	Head of Property Services
DE 03	Design changes caused by LEA/DFES	No further definition required	Low	Medium	♦			Tight variation control process	Head of Property Services
DE 04	ICT specification inadequate	No further definition required	Medium	High	♦			ICT specification to be tested in marketplace once developed with expert help	Director of Children's Services
DE 05	Design non functionality	No further definition required	Low	High			♦	Architects must have demonstrable track record in designing high quality schools	Head of Property Services
DE 06	Failure to build to brief	No further definition required	Low	High			♦	Ability to manage supply chain is a key evaluation criterion. Key supply chain members selected on basis of track record.	Head of Property Services
DE07	Poor initial design options	No further definition required	Medium	Medium	♦			Provide architects with comprehensive range of survey's reports and studies	Project Director

DE08	Approval of design options	No further definition required	Medium	High	♦			Ensure options reflect education vision to bring about transformation	Director of Children's Service
DE08	Planning Consent	No further definition required	Medium	High	♦			Ensure design excellence at Stage D, high level of community buy-in and that schemes reflect current planning requirements	Project Director
CO	Construction								
CO 01	Poor project management	No further definition required	Medium					♦ Ensure that partner and supply chain have track record in delivering to time, budget and brief	Project Director
CO 02	Poor sub contract performance	No further definition required	Medium					♦ As above	Project Director
CO 03	Contractor/sub dispute/claims	No further definition required	Medium					♦ As above	Project Director
CO 04	Subcontractor insolvency	No further definition required	Low					♦ As above	Project Director
CO 05	Decanting estimates wrong	No further definition required	High					♦ As above	Project Director
CO 06	Commissioning estimates wrong	No further definition required	Medium					♦ As above	Project Director
CO 07	Latent defects	No further definition required	Low					♦ As above	Project Director
CO 08	Health and Safety	No further definition required	Low					♦ As above	Project Director
CO 09	Capacity of services during construction	No further definition required	Medium					♦ As above	Project Director
CO 10	External noise	No further definition required	Medium					♦ As above	Project Director
CO 11	Archaeology	No further definition required	Low					♦ As above	Project Director
CO 12	Public Liability	No further definition required	Low					♦ As above	Project Director

CO 13	Security	No further definition required	Low				♦	As above	Project Director
CO 14	Contamination / asbestos	No further definition required	High				♦	As above	Project Director
CO15	Market overheating as result of Olympics & large regeneration/private developments	No further definition required	Medium	Medium			♦	Ensure design excellence and robust financial modelling	Project Director
CO16	Contractor insolvency	No further definition required	Low	High			♦	Bond and parent company guarantee	Project Director
OP	Contractual delivery								
OP 01	Incorrect estimated opex costs	No further definition required	Medium	High			♦	Ensure contractual financial models are realistic.	Director of Finance
OP 02	Legislative change - school specific	No further definition required	High	High			♦	Specifications to future-proof as much as possible and to optimise building flexibility	Director of Children's Services
OP 03	Legislative change - general	No further definition required	Medium	Medium			♦	Ensure bids take account of any known changes	Head of Property Services
OP 04	Legislative change-general- DBM							Ensure bids take account of any known changes	Head of Property Services
OP 05	Changes in taxation/VAT	No further definition required	Low	Medium			♦	Ensure bids take account of any known changes	Director of Finance
OP 06	Incorrect lifecycle maintenance cost estimates	No further definition required	High	High			♦	Ensure that lifecycle provision built into contractual model is realistic	Head of Property Services
OP 07	Incorrect estimate of energy used-	No further definition required	Medium	High			♦	Ensure that strategic partner takes account of utilities in design process	Head of Property Services

OP 08	Incorrect estimate of staff restructure cost	No further definition required	Medium	High			♦	Accurate staffing information to be provided to bidder	Director of Finance
OP 09	Incorrect estimate of ICT costs	No further definition required	Medium	High			♦	Specification to be worked up within clear funding envelope and to be market-tested	Director of Children's Services
OP 10	Incorrect estimate of third party income	No further definition required	Medium	Low			♦	Robust justification of third party to be demanded from bidders	Director of Finance
OP 11	Emergency planning/disaster recovery	No further definition required	Medium	Low			♦	To be built in as contractual provision on basis of a clear specification of our requirements	Director of Legal Services
OP 12	Equipment obsolescence-ICT/FF&E	No further definition required	Medium	High	♦			Clear contractual provision as to life of initial installations. Adequate consideration of refresh requirements in medium term financial planning	Director of Children's Services
OP 13	Vandalism/pilfering	No further definition required	High	High			♦	Ensure clear contractual provision as to risk sharing arrangements	Director of Legal Services
OP 14	Health and Safety	No further definition required	Medium	High			♦	Clear allocation of responsibilities within statutory framework	Director of Legal Services
OP 15	Public Liability	No further definition required	Medium	High			♦	Ensure contracts cover insurance arrangements fully	Director of Legal Services
OP 16	Utility upgrade needed	No further definition required	Medium	Medium	♦	♦		Get best information at letting of contract	Head of Property Services
OP17	Incorrect delivery vehicle	Whether LEP is best delivery vehicle	Low	High	♦			Examine legal implications and work closely with PfS	Director of Legal Services

Human Resources									
HR1	Staffing and resource	Lack of staff with adequate time or skills could impact on delivery of OBC	Medium	High	♦			Programme Board to ensure availability	Project Director
HR2	Staff retention	Staff leave could impact on the delivery of the OBC	Low	Medium	♦			Requires close monitoring	Project Director
Policy									
HR3	Adhere to Local/Central Government Policy on PFI/ICT/Education	Ensure all Policy guidelines are communicated that may impact on approval of OBC	Medium	High	♦			List out all relevant policy documents	Project Director
HR4	React to changes to above Policy	Establish procedure to identify new policy	Medium	High	♦			Continually monitor release of relevant policy	Project Director
Communications									
CO1	Schools don't agree with options	School does not agree to favoured +C13 option - could impact on VFM/scheme viability	High	High	♦			Keep open discussion/consultation with schools	Project Director
CO2	Kept informed	All internal parties need to be advised of progress	Low	Medium	♦			Develop robust communications strategy & review - set up regular forums to report progress	Project Director
ICT									
ICT1	Lack of policy alongside ICT	Miss use of technology is not acted upon quickly enough	Medium	Medium	♦			Develop robust policies	Project Director
ICT2	Specification – Technical Solution	ICT Partner risk that technical solution meets specifications	Medium	Medium	♦			Get ICT Partner on board early in programme	Project Director

ICT3	Changes in Design	Caused by construction related issues	Medium	Medium	♦				
ICT4	Security of Education	Onsite/password/virus	Medium	Medium	♦			Develop policies with ICT Partner at earliest stage of programme	Programme Director