

# **Annex C:**

# **Risk Assessment of the LTP Programme**



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## Objective

To provide a risk assessment for the LTP2 programme which can be used to bring key risks to the attention of the appropriate LTP management group for decision-making.

## Methodology

The risk assessment is based upon a Prince2 format currently used within the authorities. This risk format was chosen as it provides a detailed explanation and description of risks, which allows the register to be distributed to a wider audience. A risk map is used to clarify what action should be undertaken to deal with risks and is attached in Annex A.

## Risk Categories

The risks have been organised into 7 main categories with reference codes consisting of customer(1.0), financial(2.0), legal(3.0), political(4.0), procurement(5.0), professional(6.0) and contractual(7.0). This allows closely related and new risks to be grouped under one heading with relevant risk owners being attached for monitoring purposes.

## Summary of programmes current risk status

The following risk profile table gives a visual representation of the current risks status and any risks shown above and to the right of the risk tolerance line need to be reviewed by the appropriate LTP management group.

**Figure C1: Risk Impact and Probability Matrix**

Impact	High	3.0, 4.1,	2.2, 4.4	
	Medium	2.0, 2.3, 4.3, 5.0, 5.1, 6.1	1.0, 1.1, 2.1, 3.1, 4.0, 4.2, 6.0, 6.2	
	Low			
		Low	Medium	High
		Probability		

← Risk Tolerance Line

**Table C1: LTP2 Programme Risk Register**

Ref.	Description	Category	Impact	Probability	Proximity	Counter Measures	Current status
1.0	Negative Political / Media/Public reaction to programme	Customer	MED Members lose confidence in Departments. Authorities fall from lead position in government rankings	MED	Continuing	Monitored via Management meetings. Established media relations. Big Wheel campaign. Continued investment in marketing/communications.	Continuing risk – for review – mitigation reduces Probability to Low/Medium
1.1	Consultation can delay programme	Customer	MED Design changes affect cost/time for schemes	MED	Controlled	Programme/project management procedures. Partnership working throughout project delivery.	Controlled
2.0	Reduced performance ward/ITM funding from Government	Financial	MED Nottingham's national reputation for delivery is affected. Less schemes introduced due to reduced funding – adverse impact on CPA.	LOW	Continuing	Monitored via Management meetings. Programme management. Monitoring programme to ensure continued delivery of targets and objectives for LTP2.	Continuing risk – for review – mitigation reduces Probability to Low/Medium
2.1	Not having the full range of information available for accurate estimates means project costs could exceed allocation	Financial	MED Programme will be delayed or reduced due to lack of available funds. Poor performance results for APR/LTP2.	MED	Controlled	Management meetings to closely manage scheme approval/progress. Programme/project management.  Stage funding of projects and identify further funding sources.	Increasing risk due to tighter spending round due to LTP2 requirements.
2.2	Confirming matching revenue/developer and external contributions for schemes	Financial	HIGH Impact on scheme and procurement delivery	MED	Controlled	Linking transport objectives into wider context and national priorities. Continued political/ regional/ local dialogue with key agencies.	Increasing risk as more schemes are dependant upon contributions
2.3	Increase in available funding e.g. Transport Innovation Fund	Financial	MED	LOW	Medium term	Programme/project management. Flexible staffing, delivery and procurement arrangements.	
3.0	Land issues can affect programme	Legal	HIGH Affects timescale and cost of programme	LOW	Controlled	Review issues in relation to programme and reprioritise schemes where appropriate	Controlled
3.1	Planning and statutory	Legal	MED	MED	Controlled	Review issues in relation to	Controlled?

Ref.	Description	Category	Impact	Probability	Proximity	Counter Measures	Current status
	process can cause unforeseen delays		Affects timescale of programme			programme. Project management controls.	
4.0	Local and national policy/legislation changes can affect the programme	Political	MED Affects programme delivery	MED	Continuing	Maintain links to key political contacts	Continuing
4.1	Single capital pot can have financial priorities changed affecting the programme	Political	HIGH Affects programme delivery, works may need to be reduced	LOW	Continuing	Maintain links to key political contacts	Stable political control
4.2	Organisational issues and intervention can affect the programme, including uncertainty regarding regional prioritisation	Political	MED Affects programme delivery	MED	Controlled	Partnership engagement with partnership agencies. Cross-departmental Representation in management meetings, key parties identified in Project Management of schemes.	Controlled – reduced probability to Low
4.3	Breakdown of joint working arrangements	Political	MED	LOW	Continuing	Joint advisory committee to advise on joint matters.	Stable political control
4.4	Inability to deliver a local charging scheme fundamentally undermines key scheme deliverability	Political	HIGH	MED	Medium term	High-level strategy to take forward local charging proposal for City. Review regularly.	Risk level subject to change
5.0	Failure to spend within financial year because of programme/project management issues	Procurement	MED Lose creditability with Government resulting in reduced performance award	LOW	Continuing	Continued expansion of programme/project management skills throughout authorities. Management meetings to resolve issues. Joint authority meetings.	Continuing risk – for review – mitigation reduces Probability to Low/Medium
5.1	Programme maybe delayed due to the time involved in demonstrating Best Value on procurement for large projects	Procurement	MED	LOW	Continuing	LTP1 has developed flexible procurement arrangements to deliver projects utilising private/public contractors	Reducing risk – for review Strengthening links with audit.
6.0	Feasibility, design and resources impact on the ability to deliver schemes	Professional	MED Uncontrolled changes in time, cost and scope of schemes. National shortages on required resources.	MED	Controlled	Programme Management meetings monitor issues	Controlled – reduced probability to Low
6.1	Monitoring and reporting for APR/LTP2 is required to demonstrate outputs/outcomes	Professional	MED Affects LTP performance awards	LOW	Continuing	Close working relations with Government bodies. Development of more formalised monitoring systems.	Continuing – requires review to ensure progress across programme
6.2	Co-ordination of departmental/agency programmes delivering cross cutting schemes	Professional	MED	MED	Continuing	Joined up working across departments and agencies. Joint programme management.	Increasing due to need for greater integration of schemes and objectives

**Figure C2: Risk Map**

<b>Impact</b>	<b>High</b>	Important Risks – may potentially affect provision of key services or duties  <b>(5)</b>	Key risk – may potentially affect provision of key services or duties  <b>(7)</b>	Immediate action needed – serious threat to provision and/or achievement of key services or duties  <b>(9)</b>
	<b>Medium</b>	Monitor as necessary – less important but still could have a serious effect on the provision of key services or duties  <b>(3)</b>	Monitor as necessary – less important but still could have a serious effect on the provision of key services or duties  <b>(6)</b>	Key risk – may potentially affect provision of key services or duties  <b>(8)</b>
	<b>Low</b>	No action necessary  <b>(1)</b>	Monitor as necessary – ensure being properly managed  <b>(2)</b>	Monitor as necessary – less important but still could have a serious effect on the provision of key services or duties  <b>(4)</b>
		<b>Low</b>	<b>Medium</b>	<b>High</b>
		<b>Probability</b>		