

Risk Register: BNG - Strategic Risks													
DATE: January 2010													
Reference	Date Raised	Risk Description	Category of Risk	Current Controls in Place (Current risk management in place)	Likelihood	Impact	Priority	Additional Actions Required to Reduce Risk	Action Manager	Review Date	Target Likelihood	Target Impact	Target Priority
<b>Recession and Credit Crunch</b>													
3	06/02/06	Failure to achieve an appropriate mix of tenure and acceptable build quality on new developments. 3.1 Possible standards drop as developers strive to make homes affordable - products might become less sustainable. 3.2 Failure to deliver optimum housing mix leading to lack of take up from target markets i.e. not the right type of houses on offer to attract buyers. 3.3 Potential change in demand for housing 3.4 Impact of mortgage availability etc. on scheme viability due to the money markets causing a reduction in the demand for houses to buy.	ST	Continue to work on development and roll out of Practical Affordable Housing Solutions. Evaluate current options for low cost housing with Developers and Partners. Design reviews introduced at appraisal stage. Value in Design research complete. Work with Local Authorities and developers to understand the implications of the credit crunch. Implement practical affordable housing solutions on 'stalled sites' Work with HCA to develop affordability models. Maintain BNG strategic objectives.	1	A	RED	Procurement to encourage innovative affordability sales models by developers; joint BNG, NCC and GC meetings with HCA. Development of BNG intervention programme to consider design quality/affordable mix/ gap funding possibilities. Value in Design research to be rolled out as appropriate. Strategic Housing Market Assessments to be undertaken to give an understanding of local markets. Continue to monitor as part of HMI. Promote use of Home Ownership Options e.g. shared equity models, rent to purchase etc. Enter into longer term partnering arrangements with developers. Help to develop choice of product tailored to financial circumstances. Seek improved marketing of developments. Work with LAs and lenders to develop mortgage products.	AM/IM/JS/JD	31/07/10	3	B	AMBER
43	07/09/07	Failure to secure Private Sector investment due to lack of interest with regard to new sites and slowing down of ongoing developments in relation to the impact of the credit crunch.	OF	Test market and private sector willingness to develop sites in line with BNG objectives (with or without gap funding) through the procurement process. Continue to develop URV in Scotswood and JV Partnership in Gateshead. Deliver the Growth Point Programme of Development	1	A	RED	Early involvement of Private Sector in determination of optimum schemes. Consider de-risking of sites in relation to ground conditions etc. Consider potential changes to the housing mix on sites, e.g. bringing forward affordable housing to encourage development in the short term ensuring no long term impact on the mix. Work with developers to implement Practical Affordable Housing Solutions on 5 sites.	JS/IM	31/07/10	3	B	AMBER
55	07/09/07	Failure to maintain delivery of the programme due to a lack of contractor capacity in the medium to long term with skill shortages in the building industry as employees leave the industry due to the impact of the credit crunch on developments. This may effect costs and deliverability in the medium to long term.	OY	Work with LA partners and other agencies re construction training	3	B	AMBER	Investigate possible use of training and local labour clauses in development contracts. Assess through project appraisal. Consider best practice from other Pathfinders e.g. Renew and Elevate. Work with HCA to develop new output indicators.	JD	31/07/10	3	B	AMBER
<b>Programme Funding and Delivery</b>													
44	07/09/07	Failure to deliver key projects and the effect this may have on the programme as a whole. The renewal programme now has fewer, larger projects therefore more potential risks to delivery.	OF	BNG has developed robust financial and performance monitoring systems, helping to ensure effective delivery. In addition, the recent introduction of gateway reviews for projects towards the end of each year, and periodically for schemes with identified delivery risks, should ensure progress in the context of difficult market circumstances	2	A	RED	Further enhance programme and project management procedures. Further develop gateway reviews. Develop improved milestone monitoring procedures. Longstop dates introduced for key projects.	JD/IM	31/07/10	3	A	RED
1	06/02/06	Failure to deliver the programme effectively due to the funding framework for HMR and Growth Programme. This could lead to problems such as: 1.1 Lack of year end flexibility in HCA funding increasing financial risks to Local Authorities 1.2 HCA Short Term approvals restrict ability to commit to long term projects 1.3 Potential changes to HCA funding conditions e.g 90% approvals making it difficult to commit to the full programme 1.4 Potential impact on programme of transfer of responsibility to Homes and Communities Agency could lead to uncertainty in terms of programme delivery.	OF	BNG continue to lobby HCA on issues raised. Pathfinder Chairs meet regularly with Chief Executive of Homes and Communities Agency Regular local liaison with HCA senior officers	2	B	RED	BNG continue to lobby HCA on issues raised through Pathfinder Chairs and Directors. Programme Management Group are developing strategies to deal with year end and scenario testing. CLG/HCA approved three year funding agreements at 90% with the additional 10% subject to performance. Early notification of 100% funding for 2010-11.	AM/JC	31/07/10	3	C	AMBER
12	06/02/06	Failure to maximise the availability and alignment of delivery and funding strategies for other strands of regeneration leading to a reduction in the 'place making' objective e.g.1. Local Authorities 2. SHIP 3. HCA 4. Private Sector	SE	The review of strategic commissions has helped the pathfinder to identify how its interventions and other activities and mutually supportive. The HMR programme is well aligned with complementary programmes and initiatives, and spatial alignment with economic development initiatives presents some good opportunities for achieving holistic regeneration. BNG is well engaged with key partners including HCA. The visioning paper helped to establish the strategy that reflects BNG in the NewcastleGateshead city region, regional and national context.	3	B	AMBER	A strong emphasis on links with economic development is required. The combined programme managed by BNG ensures alignment between HMR and growth. Innovative delivery vehicles e.g. URV and JV are being developed. Regular meetings are held with HCA. BNG leading on preparatory work for Local Investment Plan.	AM/LA	31/07/10	3	B	AMBER

Risk Register: BNG - Strategic Risks													
DATE: January 2010													
Reference	Date Raised	Risk Description	Category of Risk	Current Controls in Place (Current risk management in place)	Likelihood	Impact	Priority	Additional Actions Required to Reduce Risk	Action Manager	Review Date	Target Likelihood	Target Impact	Target Priority
<b>National, Regional and Local Policy and Institutional Change</b>													
2	06/02/06	Failure to complete delivery of the renewal and growth programmes due to the level of local and national political support such as change of central government policy. Pre Budget report suggests continued funding for regeneration programmes will be tight. This could be exacerbated in the build up to the forthcoming general election.	SP	BNG to ensure delivery and communicate positively with DCLG, local councillors and MPs. Good communication and shared responsibility throughout partnership. Assessed as Performing Strongly by Audit Commission. Regular Chairs and Directors meetings with HCA and CLG.	1	A	RED	Attempt to reduce reliance on central funding by effective use of assets to deliver financial and policy freedoms. Continue meetings with Homes and Communities Agency. Respond positively to requests from Treasury etc. Maintain Audit Commission assessment. Future options for direction of BNG being considered. Early release of additional 10% for 2010-11 is supportive. Review future options for BNG. Complete impact assessment to ensure investment priorities are clearly evidenced.	AM/JC/LAs	31/07/10	2	A	RED
9	06/02/06	Failure to deliver projects due to insufficient internal resources leading to reduced capacity - may be exacerbated by structural changes within local authorities and impact of single status job evaluation findings on staff recruitment and retention.	OP	Partnership Agreement developed outlining expectations of all partners. Partnership Improvement Team developed. Resources Task Group set up to monitor and manage growth alongside renewal. Job evaluation under review.	1	A	RED	Review recommendations of consultancy report on the resources of the BNG Partnership. Seek management reviews of BNG job evaluation scores. Complete and review impact of organisational reviews in Newcastle and Gateshead.	AM/SJ/DS	31/07/10	3	B	AMBER
<b>Area/Neighbourhood Perceptions and Impact</b>													
5	06/02/06	Failure to deliver the required acquisition and demolition programmes due to opposition to CPOs or demolition from external sources leading to legal challenges and associated delays.	SZ	Communicate and stress the long term benefits of projects to ensure support is not undermined by localised opposition.	2	B	RED	Continue to deliver communication and engagement strategy. Lobby internal officers and members. Seek early agreement to take action on implementing CPOs. Build in CPO process into land assembly procedures. Strong case required to convince members of requirements for CPOs. Build a strong evidence base before any CPO case is made.	SJ/DS/AM	31/07/10	3	B	AMBER
38	07/09/07	Failure to address perceptions of the HMR areas undermines take-up of new housing and participation in refurbishment schemes by owner-occupiers. Could be exacerbated by vacant sites prior to development.	OE	Effective communication, marketing and promotion. Attendance at Area Forums etc.	1	A	RED	Deliver communications and engagement strategy. Work with developer partners and LAs to promote place making. Develop marketing strategies e.g. West End, Walker Riverside, BIG in Gateshead etc. Clarity required on emerging governance structures.	MP/JD	31/07/10	3	B	AMBER
20	06/02/06	Failure to maintain community buy in to programme potentially leading to community cohesion issues.	SZ	Residents Panel set up and providing comment at a strategic level. Commitment to Keeping Residents With Us, an update on the original Commitment to Community Engagement, set to be launched to outline principles for engaging residents through difficult market conditions. Street committees established in Gateshead. Annual Community Engagement event held. Consider community cohesion impact when appraising projects. Community engagement budget assessment enhanced to ensure more effective use and legacy. Community engagement strategic support group sharing best practice and ensuring the overall delivery of effective community engagement across the partnership.	3	B	AMBER	Ensure LA partners deliver effective community engagement and development strategies. Monitor the impact of new governance structures. Community engagement strategic support group to consider cohesion and any related activities.	MP/JD	31/07/10	3	C	AMBER