

## Appendix D – Sandwell Towns Fund Project Red Risks

As of 31 December 2024

### 1. West Bromwich Town Deal

Project	Risk Name and Description	Consequences	Pre-mitigated Total Score	Mitigations	Post-Mitigated Impact	Post-mitigated Likelihood	Post-mitigated Total Score	Proximity
West Bromwich Connected	<b>Rising Costs:</b> Project costs exceed budget allocation.	The project may require additional funding or reduction in scope of works, leading to potential stakeholder dissatisfaction, reduced project value and impact outputs/ outcomes.	12	Regularly monitor project costs. Ensure contingency funds are available (Walking and Cycling Budget).	4 - Significant impact	2 - Medium	8	3 - Approaching: next 6 months
West Bromwich Connected	<b>Human Resource:</b> Resource internally to deliver and monitor the project.	Insufficient internal resources could lead to overburdened staff, delays in project tasks, ultimately impacting project success.	12	Resource planning to ensure adequate staffing. Hiring external support or reallocating resources as required.	4 - Significant impact	2 - Medium	8	3 - Approaching: next 6 months
Retail Diversification Programme	<b>Financial Revenue Risk:</b> As part of the acquisition strategy, SMBC will be taking on a number of assets with associated income profiles. These incomes will likely fluctuate over time and this may leave the council in a revenue deficit position.	SIU will need to be convinced acquisition is fiscally sensible. Failure to properly consider the risk will result in the ownership of a liability and associated reputational damage.	12	1. Scrutiny of tenancy schedule to develop a cashflow. 2. Asset overviews provided by Savills detailing operating costs. 3. Clear package of mitigating actions (demolitions, better tenancy management, decant businesses)	3 - Medium impact	1 - Low	3	4 - Close: next 3 months
Retail Diversification Programme	<b>Asset Deterioration:</b> A sharp decline in the economic fortunes or physical condition of the shopping centre including the Indoor Market could increase local/political pressure to deliver alternative provision in the town through the RDP. This situation	Need to provide temporary premises for market traders.	9	1. Markets manager part of the RDP project team. 2. Indoor Market was formally included in scope.	3 - Medium impact	2 - Medium	6	5 - Imminent: next month

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	could develop rapidly and have a significant economic impact.							
Retail Diversification Programme	<b>Incoming Electrical Supply:</b> There is a lack of HV and LV Capacity in the town centre and electrical capacity is reaching its limit. There is a risk that remaining supply is taken by other developments.	Increase to project costs and delays to project delivery	10	Establish costs and time delay that would be inflicted and establish who owns the land and the requirements for wayleaves /legal.	3 - Medium impact	2 - Medium	6	3 - Approaching: next 6 months
Town Hall Quarter	<b>Project Outputs:</b> Failure to meet the contracted learner outputs - the output targets identified at FBC stage may not be achieved during the remaining delivery period/ monitoring period of the programme.	Not being able to achieve the contractually committed targets may result in a PAR and reputational damage of the council.	12	1. Discuss opportunities with SAFL, Sandwell College and other education providers to seek opportunity to deliver training at the Town Hall and Central Library. 2. Explore the opportunity to work with partners such as Job Centre Plus to deliver training at the Town Hall and Library.	4 - Significant impact	2 - Medium	8	4 - Close: next 3 months

## 2. Smethwick Town Deal

Project	Risk Name and Description	Consequences	Pre-mitigated Total Score	Mitigations	Post-Mitigated Impact	Post-mitigated Likelihood	Post-mitigated Total Score	Proximity
Grove Lane Regeneration	<b>Property Development:</b> Inability to negotiate with landowners. Project is reliant on landowners being willing to dispose of site or relocate. Not being able to acquire properties by agreement may lead to increased timescales as other options pursued (e.g. CPO).	Project will not be able to proceed unless CPO is successful.	18	Undertake CPO to acquire the site and explore Best Consideration approach.	4 - Significant impact	2 - Medium	8	3 - Approaching: next 6 months
Grove Lane Regeneration	<b>Project Delay with CPO:</b> The timescale for the CPO process is not in the council's control and relies on the availability of Inspectors and a process to be followed. Timescales may be longer than anticipated and lead to a delay in programme.	The time taken for receiving the Inspectors/SoS decision may result in a delay to programme with knock on effect on the demolition/remediation.	15	Efforts to seek update from investigator.  Ongoing negotiations with landowner to seek agreement by negotiation.	4 - Significant impact	2 - Medium	8	3 - Approaching: next 6 months
Grove Lane Regeneration	<b>Remediation Costs:</b> Remediation Costs exceed expectations. Ground conditions will not be known until detailed site investigations are undertaken. A remediation strategy will be required to understand the scope and costs of remediating the site.	Additional funding sources will need to be acquired to fund the financial gap.	10	Instruct early site investigations once site is within our control.	3 - Medium impact	2 - Medium	6	3 - Approaching: next 6 months
Rolfe Street Canalside Regeneration	<b>Delivery Timescales:</b> Due to the unexpected complications with this project, there may be a risk that the project may not be delivered	Project will not complete within the Towns Fund timescale.	18	Update of Programme Plan to capture changes/issues to project and consider how	3 - Medium impact	2 - Medium	6	2 - Distant: next 12 months

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	within timescale. Objections resulting in the need for additional work not originally programmed has resulted in programme being pushed back.	Potential clawback of funding by MHCLG. Re-allocation of grant funding required.		activities could be further streamlined. Submit request to MHCLG to request additional 12-months delivery period as per correspondence received in December 2024.				
Rolfe Street Canalside Regeneration	<b>Planning Permission:</b> Failure to obtain planning permission for the demolition due to the affect on the heritage asset (Conservation Area).	The project cannot proceed without planning permission in place. Decision on how to progress will be made following receipt of Heritage Impact Assessment.	18	Work with statutory consultees/objectors in identifying the issues and potential actions to resolve prior to submitting application to enable positive decision to be made.	3 - Medium impact	2 - Medium	6	4 - Close: next 3 months
Rolfe Street Canalside Regeneration	<b>Heritage Constraints:</b> The site is within a Conservation Area therefore any development or demolition will need to be justified with potential redevelopment clearly identified with a planning application	Total demolition of site will not be possible and may require a change request to alter scope of project.	8	Work closely with Conservation Officer to discuss constraints and solutions and engage with Historic England on potential redevelopment options.	3 - Medium impact	2 - Medium	6	4 - Close: next 3 months
Midland Met Learning Campus	<b>Property Development:</b> Delays in design, build, funding or approvals result in late opening of building	Delivery of learning outputs delayed.	9	Robust planning and contractual management and early engagement with any programme issues to mitigate impact as far as possible.	3 - Medium impact	2 - Medium	6	5 - Imminent: next month
Midland Met Learning Campus	<b>Change in requirements:</b> Change in user requirements / arrangements resulting in cost increases and delays.	Delivery of learning outputs delayed.	12	Engagement with users such that impact of change is understood. Cost ownership to be agreed before any changes made	2 – Low impact	4 - Almost Certain	8	3 - Approaching: next 6 months

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Midland Met Learning Campus	<b>VAT Recovery:</b> This risk is a risk for the NHS Trust and not the project. Cost impact of VAT and effect on affordability if unable to recover some or all.	Reduced affordability requiring scheme redesign.	16	VAT advice from Deloitte and support from VAT Liaison. Opt to tax.	2 – Low impact	4 - Almost Certain	8	4 - Close: next 3 months

### 3. Rowley Regis Town Deal

Project	Risk Name and Description	Consequences	Pre-mitigated Total Score	Mitigations	Post-Mitigated Impact	Post-mitigated Likelihood	Post-mitigated Total Score	Proximity
Canal Network Connectivity	<b>Delivery Partner Risk:</b> Bridge does not meet requirements.	Delays to the delivery programme and additional costs identified	15	Appointed experienced design engineer.	5 – Major impact	1 – Low	3	5 - Imminent: next month
Canal Network Connectivity	<b>Increased Costs:</b> Project over-runs cost	Project is overbudget.	9	Gone out to tender with detailed programme of works. Fixed grant from Sandwell protects SMBC and co-funding from Canal and River Trust	2 - Low impact	1 - Low	2	5 - Imminent: next month
Cradley Heath Skills Campus	<b>Reporting/ Funding for Curriculum:</b> Insufficient or inconsistent funding could hinder the proper implementation of the curriculum, affecting the quality of education and learning outcomes.	Insufficient funding may impact the quality of education and the operating model for the College.	12	Meeting with WMCA to request funding.	4 - Significant impact	2 - Medium	8	2 - Distant: next 12 months

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Cradley Heath Skills Campus	<b>Curriculum Planning:</b> Ensuring the curriculum offered aligns with and meets the evolving needs and expectations of the local community.	If the curriculum does not align with community needs, students may not gain the skills or knowledge required for future employment, resulting in lower educational outcomes. Disengagement from the community, reducing enrolment.	8	Building is designed to be flexible to accommodate changing circl. priorities to meet the needs of the community/ demand.  Engage with local employers, community groups, and students to regularly assess and adapt the curriculum to reflect the needs and demands of the community.	3 - Medium impact	2 - Medium	6	2 - Distant: next 12 months
Rowley Regis Parks Improvements	<b>Procurement of Skate Park:</b> The intention is to procure a specialist contractor to design and build the new Skate park, however there is risk that specialist contractors will not score as highly on the evaluation due to their specialism compared to a supply and fit contractor.	If a specialist contractor scores poorly, it could lead to the selection of a less suitable contractor for the design and build work, potentially compromising the project quality, timeline or specific expertise required for the task.  The new skate park does not meet the needs of the project team ambition to have a long-lasting skate park.  The contractor does not meet the requirements or expectation of the project team.	8	Liaise with procurement services to understand the process when requiring specialist contractor.  Ensure the procurement specification clearly demonstrates the need to have a specialist contractor to deliver these works.  Ensure that the evaluation criteria emphasise the specialist contractors expertise, track record, and capacity for handling specifically skate park design and build projects, rather than focusing heavily on cost or supply and fit experience. Additionally, provide clarification to all bidders on the importance of design and build capabilities in the selection process.	3 - Medium impact	2 - Medium	6	4 - Close: next 3 months

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Blackheath Bus Interchange & Public Realm	<b>Disruption to traders:</b> Disruptions from ongoing works may affect traders operations.	Potential revenue losses for traders. Damaged reputation of the council.	24	Work with the appointed contractor to review work schedule to minimise disruption. Have clear communication with traders about the level of disruption and help set expectations whilst works are ongoing.	5 - Major impact	4 - Almost Certain	20	4 - Close: next 3 months
Blackheath Bus Interchange & Public Realm	<b>Costs Exceed Budget:</b> Costs exceed the budget available.	Financial strain and delays. Negative impact on stakeholder confidence. Decoupling work, impacting both the delivery programme and outputs/ outcomes.	15	Closely monitor costs, identify potential savings and ensure contingency plans are in place.	4 - Significant impact	2 - Medium	8	3 - Approaching: next 6 months
Blackheath Bus Interchange & Public Realm	<b>Poor Delivery/ Timescales:</b> The project is not completed on schedule.	Delays in completing works may cause extended disruptions, increase project costs, and damage stakeholder relationships.	8	Setting clear milestones. Regular meetings with contractor to monitor delivery programme. Allowing contingency within the Towns Fund delivery period.	4 - Significant impact	2 - Medium	8	3 - Approaching: next 6 months