

Appendix B10 – Risk Management

Risk Management Strategy

Risk management is a structured approach to identifying, assessing, and responding to risks that occur during a project. The details of risks on this particular scheme have been covered in the risk register.

The Wiltshire Council Project Manager will hold overall responsibility for maintaining the risk register, including requesting that the design team, Wiltshire Council officers and contractor notify him/her of any potential new risks. For each individual risk, a client or contractor owner will be identified who will hold the responsibility for instigating mitigation and monitoring the risk. Risk owners will alert the Project Manager to changes in the likelihood or status of risks.

The Project Manager will report on risk status to the SRO on a regular basis. Any new high risk items will be escalated to the SRO immediately

Key Risk Items by Option

Item No.	Risk	Options	£ Value	Comments
1	Delays			
		Farmers Signalisation	£ 89,520.00	Worst case delay potential of 4 weeks due to permissions/late start conflicting with holiday traffic season/unexpected conflict with services requiring long lead-in time to resolve. Assumes risk event occurs following commencement on site at a rate of £22.38k/week.
		Semington to Farmers Resurfacing	£ 81,360.00	Worst case delay potential of 4 weeks due to permissions/late start conflicting with holiday traffic season/unexpected conflict with services requiring long lead-in time to resolve. Assumes risk event occurs following commencement on site but requires TM to remain in place (should sections of road have been made impassable due to current state of progress).
		Semington Merge Taper Extension	£ 62,160.00	Worst case delay potential of 4 weeks due to permissions/late start conflicting with holiday traffic season/unexpected conflict with services requiring long lead-in time to resolve. Assumes risk event occurs following commencement on site but requires TM to remain in place (should sections of road have been made impassable due to current state of progress).
		Replacement Street Lighting - Semington to Farmers	£ 8,760.00	Worst case delay potential of 2 weeks due to permissions/late start conflicting with holiday traffic season/unexpected conflict with services requiring long lead-in time to resolve. Assumes risk event occurs following commencement on site but requires TM to remain in place (should sections of road have been made impassable due to current state of progress).
		Removal of Lighting - Semington to Farmers	£ 8,760.00	Worst case delay potential of 2 weeks due to permissions/late start conflicting with holiday traffic season/unexpected conflict with services requiring long lead-in time to resolve. Assumes risk event occurs following commencement on site but requires TM to remain in place (should sections of road have been made impassable due to current state of progress).
2	Market Forces, Inflation			
		Farmers Signalisation	£ 40,000.00	Cost of materials increases due to unexpected demand, international economic trade issue or Spike in economy introduces competition for labour or materials. Typical past examples are increase in crude oil prices affecting haulage and site running/delivery costs. Bitumen based pavement materials would also increase in price.
		Semington to Farmers Resurfacing	£ 35,000.00	
		Semington Merge Taper Extension	£ 15,000.00	
		Replacement Street Lighting - Semington to Farmers	£ 3,000.00	
		Removal of Lighting - Semington to Farmers	£ 3,000.00	
3	Unexpected Ground Conditions or Buried Services			
		Farmers Signalisation	£ 18,000.00	This would also affect the programme with the potential to cause delays. Because of this, this item should be read as an extra-over risk to cost for materials and additional resources (labour). NOTE: for the resurfacing works the contractor could not need to go beyond the existing road foundations, or kerb to kerb width, so figure is small.
		Semington to Farmers Resurfacing	£ 5,000.00	
		Semington Merge Taper Extension	£ 12,000.00	
		Replacement Street Lighting - Semington to Farmers	£ 10,000.00	
		Removal of Lighting - Semington to Farmers	£ 5,000.00	
4	Change on Client Circumstances or Legislation requires redesign/change in scope			
		Farmers Signalisation	£ 85,000.00	Would require redesign, return of materials (esp. signals equipment) which suppliers will charge extra for, purchase of new equipment, extended works activities and extended TM.
		Semington to Farmers Resurfacing	£ 35,000.00	Would require redesign, return of materials (esp. signals equipment) which suppliers will charge extra for, purchase of new equipment, extended works activities and extended TM.
		Semington Merge Taper Extension	£ 25,000.00	Would require redesign, return of materials (esp. signals equipment) which suppliers will charge extra for, purchase of new equipment, extended works activities and extended TM.
		Replacement Street Lighting - Semington to Farmers	£ 10,000.00	Would require redesign, return of materials (esp. signals equipment) which suppliers will charge extra for, purchase of new equipment, extended works activities and extended TM.
		Removal of Lighting - Semington to Farmers	£ 50,000.00	Would require redesign, return of materials (esp. signals equipment) which suppliers will charge extra for, purchase of new equipment, extended works activities and extended TM.