

NORTH WALES GROWTH DEAL PORTFOLIO RISK REGISTER

Risk ID	Date Raised	Risk Category	Risk Name	Risk Owner	Description of the Risk	Current Gross Risk Rating			Trend	Mitigating Actions	Action Due Dates	Action owner	Residual Risk Rating			Trend	Status (Open / Closed)	Commentary	Date of last update
						P	I	Score					P	I	Score				
R003	21/10/2020	Financial	Affordability	Portfolio Management Office	If projects increase in cost, there is a risk they may not go ahead or project scope may need to be scaled down	5	5	25	↔	<p>Project Business Cases will set out detailed project level financial, commercial and risk management measures to manage costs.</p> <p>Robust performance, risk and financial reporting arrangements will be established for all projects</p> <p>Once Project Business Cases are approved, any additional costs incurred will be the responsibility of the Project Sponsor and alternative funding options will be considered.</p> <p>Ongoing discussions with UK/WG on mitigation strategy for managing the risk of increasing costs</p> <p>Portfolio Delivery Fund approved by the NWEAB and requests for funding approved in Feb 2023</p> <p>PMO engaging with sponsors at project level to identify mitigation for cost increases</p>	<p>N/A</p> <p>Monthly</p> <p>N/A</p> <p>Monthly</p> <p>In place</p> <p>Monthly</p>	<p>PMO, Project Sponsor</p> <p>PMO</p> <p>PMO</p> <p>PMO</p> <p>PMO</p>	4	4	16	↔	Open	Risk reviewed. No changes to gross or residual risk scores. The residual risk rating remains high as costs have increased significantly since the Growth Deal was agreed in December 2020. While costs have stabilised at the moment, the Growth Deal funding from government is fixed at the amount agreed in 2020 therefore affordability remains a challenge for project. This is being managed on a project by project basis with some projects able to look at design changes, changes to delivery models and others needing to secure additional funding from other sources.	26/04/2024
R016	22/10/2020	Programme and Project Delivery	Assurance	Operations Manager	If agreed assurance processes are not followed, there is a risk that project approval could be impacted and could result in suspension/postponement of government grant payments.	3	5	15	↔	<p>Integrated Assurance and Approval Plan (IAAP) agreed with Welsh and UK Government as part of Final Deal.</p> <p>Continued engagement with Welsh Government Assurance Hub to refine and update the Integrated Assurance and Approval Plan (IAAP)</p> <p>PMO assurance lead to coordinate delivery of assurance in accordance with the IAAP</p>	<p>Complete</p> <p>Quarterly</p> <p>N/A</p>	<p>PMO</p> <p>PMO</p> <p>PMO</p>	2	4	8	↔	Open	Risk reviewed. No changes to gross or residual risk scores. An assurance review in October 2023 resulted in 14 recommendations to be undertaken by the PMO. An action plan was put in place to address these and the follow up review in December highlighted the good progress made in addressing the recommendations.	26/04/2024
R015	22/10/2020	Reputational and Social Impact	Benefits Realisation	Portfolio Management Office	If project benefits are not realised, there is a risk that the overall Growth Deal could fail to deliver the benefits set out within business case.	4	4	16	↔	<p>Each programme and project will be responsible for benefits management through a Benefits Realisation Plan.</p> <p>Monthly highlight reports to Programme Board to monitor benefits realisation</p> <p>Procurement Principles adopted with focus on community benefits and social value</p> <p>Benefits Realisation guidance developed and being disseminated to project sponsors for use in project business cases</p> <p>Impact system launched and project teams trained.</p>	<p>N/A</p> <p>Monthly</p> <p>Complete</p> <p>N/A</p> <p>N/A</p>	<p>PMO, Programme and Project SROs</p> <p>PMO</p> <p>PMO</p> <p>PMO</p> <p>PMO</p>	3	3	9	↔	Open	Risk reviewed. No changes to gross or residual risk scores. A recent assurance review highlighted the work of the PMO on benefits realisation as good practice which will ensure the structures and systems are in place to help projects realise and report on benefits realisation.	26/04/2024
R001	21/10/2020	Programme and Project Delivery	Capacity	Portfolio Director	If sufficient resources are not in place at portfolio, programme and project level, there is a risk that this could impact on the successful delivery of the deal	4	5	20	↔	<p>NWEAB approval for fixed term contract extensions to March 2026.</p> <p>Additional procurement and legal technical capacity to be secured for projects as required</p> <p>PMO to utilise external technical support when necessary</p> <p>PMO supporting partners to ensure capacity for delivery and support recruitment activity</p> <p>Backfill arrangements in place to manage the impact of part-time secondment of Portfolio Director to the Corporate Joint Committee</p> <p>SPF bid includes contribution towards some existing PMO costs</p> <p>Approval from both Governments to increase the top slice from to 2% and enabling PMO to draw down additional funding through Growth Deal budget and extend contracts to 2025</p>	<p>In place</p> <p>Ongoing</p> <p>Reviewed monthly</p> <p>Reviewed monthly</p> <p>In place</p> <p>March 2023</p> <p>In place</p>	<p>PMO</p> <p>PMO</p> <p>PMO</p> <p>PMO, Project Sponsors</p> <p>PMO</p> <p>PMO</p>	3	4	12	▼	Open	Risk reviewed and residual score reduced. PMO now at full capacity following recruitment. Procurement of additional specialist support e.g. procurement, project management etc is underway following PAR recommendation, residual probability to be reduced once support appointed across these functions.	26/04/2024
R006	21/10/2020	Environmental	Climate Change and Biodiversity	Portfolio Director	If projects do not take account of carbon emissions or biodiversity loss within project level assessments, there is a risk the portfolio could contribute towards the issues of climate change and biodiversity loss	4	3	12	↔	<p>Position statement on Climate Change and Biodiversity adopted by the NWEAB.</p> <p>Project business cases to demonstrate delivery against the adopted NWEAB position.</p> <p>Methodology on how to take account of carbon emissions and biodiversity loss within project business cases now published and shared with all projects (methodology review scheduled for 2024 as approach rolled out across Wales with WLGA)</p>	<p>N/A</p> <p>N/A</p> <p>In place</p>	<p>NWEAB</p> <p>PMO, Project SROs</p> <p>PMO</p>	3	3	9	↔	Open	Risk reviewed. No changes to gross or residual risk scores. Roll out of methodology and associated training continues	26/04/2024

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R002	21/10/2020	Programme and Project Delivery	Delay	Portfolio Management Office	If there are delays to project delivery, there is a risk this could have an impact on the realisation of benefits or could result in projects not progressing.	5	5	25	↔	<p>PMO resources reallocated to assist projects requiring additional support (2023 PAR action).</p> <p>Monthly highlight reports to Programme Board with escalation routes to NWEAB</p> <p>Programme and project RAID logs in place to record risks and manage issues with mitigation managed at project level.</p> <p>Project business cases and implementation plans to clearly set out risks to project delivery and mitigations. PMO working with sponsors to identify opportunities to minimise delay and where delay is unavoidable minimise impact</p> <p>Quarterly reports to the NWEAB and Portfolio Board with specific issues to escalated where necessary.</p> <p>Project Delivery Fund approved by the NWEAB with change requests approved in Feb 2023</p> <p>PMO working with sponsors at project-level to identify opportunities to minimise delay and where delay is unavoidable minimise impact</p>	<p>Monthly</p> <p>Monthly</p> <p>N/A</p> <p>Quarterly</p> <p>In place</p> <p>Feb 2023</p> <p>In place</p>	<p>PMO</p> <p>PMO, Project Sponsor</p> <p>Project Sponsor</p> <p>Project Sponsor</p> <p>PMO</p> <p>PMO, Project sponsor</p> <p>PMO, Project Sponsors</p>	4	4	16	↔	Open	<p>No change to residual risk however minimising delays remains a priority for the PMO. Mitigating capacity risk (R001) will contribute to mitigation however progress is still affected by sponsors</p> <p>OBC and FBC approvals in Q3 have addressed some delays. Action following PAR to use PMO resources more flexibly has proven to be effective to accelerate business case development. Risk probability will reduce further if progress is sustained.</p> <p>A number of projects are experiencing delays which will impact on the timing of benefits realisation.</p>	26/04/2024
R020	03/10/2022	Programme and Project Delivery	Economic Context	Portfolio Management Office	If there are significant changes to the UK economy (e.g. cost of living crisis and the energy security crisis), then the strategic and economic cases for programmes and projects may be adversely impacted	4	5	20	↔	<p>Project business cases and implementation plans to clearly set out the case for projects and the risks to project delivery, including the impact of recent economic developments</p>	N/A	PMO, Project Sponsors	3	5	15	↔	Open	<p>Developing global issues affecting supply chains and energy market likely to affect costs in the short to medium term.</p>	26/04/2024
R017	22/10/2020	Financial	Financial Management	s151 Officer	If appropriate financial arrangements are not put in place, there could be a risk to the delivery of the deal, draw-down of the funding grant and allocation of funds.	3	4	12	↔	<p>NWEAB will utilise existing financial processes of Cyngor Gwynedd as Host Authority</p> <p>Project Business Cases will set out detailed project level financial, commercial and risk management measures to manage finances</p> <p>Robust monthly performance, risk and financial reporting arrangements will be established for all projects</p> <p>Robust financial claims process established for the drawdown of funding</p>	<p>N/A</p> <p>N/A</p> <p>Monthly</p> <p>N/A</p>	<p>PMO</p> <p>PMO, Project SRO</p> <p>PMO, Project SRO</p> <p>PMO</p>	2	3	6	↔	Open	<p>No changes to gross or residual risk scores. Residual risk remains low due to the processes in place by Ambition North Wales and the funding agreements with project sponsors.</p>	26/04/2024
R014	22/10/2020	Financial	Fraud	Portfolio Director	If appropriate processes are not put in place and managed, there is a risk that the portfolio could be subject to fraudulent claims resulting in misuse of public funds	4	4	16	↔	<p>Projects to have robust financial monitoring processes in place</p> <p>PMO to review claims submitted before passing them onto accountable body for payment</p> <p>Code of conduct and conflicts of interest policy incorporated as part of Governance Agreement 2</p> <p>Conflict of Interest Register maintained for all programmes, projects and advisory groups.</p>	<p>N/A</p> <p>N/A</p> <p>Complete</p> <p>N/A</p>	<p>PMO</p> <p>PMO</p> <p>Monitoring Officer</p> <p>PMO</p>	2	4	8	↔	Open	<p>No changes to gross or residual risk scores. Residual risk remains low due to the processes in place by Ambition North Wales. A further round of fraud training is planned for the PMO and Business Delivery Board in May 2024.</p>	26/04/2024
R009	21/10/2020	Regulatory	Planning and Statutory Consents	Portfolio Management Office	If projects do not receive the necessary statutory consents and planning approval, there is a risk that projects will not be delivered and the benefits would not be realised.	4	5	20	↔	<p>Project business cases will set out the consenting requirements for each project and the risks to project delivery</p> <p>Continued engagement with project sponsors to understand consenting process and risks with support provided where appropriate at project level</p> <p>Local authority phosphates strategies in place as part of Local Plan adoption.</p> <p>PMO delivered review of project consenting progress for each project and will incorporate into reports going forward</p> <p>Lessons learnt review to be delivered following project-level consenting delays</p> <p>Chair and/or Portfolio Director to write to consenting authorities highlighting the impact of delayed decisions when individual project risks are escalated.</p>	<p>N/A</p> <p>N/A</p> <p>In place</p> <p>Summer 2023</p> <p>In place</p> <p>As required</p>	<p>PMO, Project SROs</p> <p>PMO</p> <p>Local Authorities</p> <p>PMO</p> <p>PMO, Project sponsors</p> <p>Portfolio Director</p>	4	5	20	↔	Open	<p>No changes to gross or residual risk scores. Consenting remains a high risk and is being managed at a programme and project level within the Growth Deal.</p>	26/04/2024
R013	21/10/2020	Reputational and Social Impact	Political Change	Portfolio Director	If stakeholders are not managed effectively, there is a risk that political change could impact support for the portfolio, programme and projects.	4	4	16	↔	<p>Frequent engagement with UK, Welsh Government and local government politicians and officials.</p> <p>GA2 and Final Deal agreement to confirm commitments of all parties.</p> <p>New members to be briefed on the Growth Deal Portfolio following the change in leadership</p> <p>Engagement with new UK Government Ministers</p>	<p>N/A</p> <p>Complete</p> <p>Complete</p> <p>Ongoing</p>	<p>NWEAB, PMO</p> <p>NWEAB</p> <p>PMO</p> <p>PMO</p>	2	4	8	↔	Open	<p>No changes to gross or residual risk scores. The risk remains low at present as there are no local elections in Wales during 2024. However with a UK General Election having to take place no later than 28 January 2025 this risk may increase in the future.</p>	26/04/2024

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R007	21/10/2020	Financial	Private Sector Investment	Portfolio Management Office	If the private sector investment is not secured, there is a risk that projects will not be delivered or delivered at reduced scale impacting on the benefits to the region.	4	5	20	↔	Continued engagement with Project Sponsors and private sector partners Development of robust project business cases and contractual agreements for Growth Deal funding Delivery of project process for identifying replacement Growth Deal projects	N/A N/A March 2023	PMO, Project SROs PMO, Project SROs PMO	4	4	16	↔	Open	No changes to gross or residual risk scores. Securing the private sector investment for the Growth Deal remains a high risk, however the position has improved with the selection of five new projects through the project replacement process. Risk also relates to R020 Subsidy Control.	26/04/2024
R008	21/10/2020	Financial	Public Sector Investment	Portfolio Management Office	If the public sector investment is not secured, there is a risk that projects will not be delivered or delivered at reduced scale impacting on the benefits to the region.	4	4	16	↔	All NWEAB partners have signed up to the Growth Deal and Governance Agreement 2. Development of robust project business cases and contractual agreements for Growth Deal funding Support project sponsor applications for other public funding sources where appropriate	Complete N/A As required	NWEAB PMO, Project SROs PMO	4	4	16	↔	Open	No changes to gross or residual risk scores. As per private sector investment, the risk rating remains high due to the low number of FBCs approved to date and funding agreements entered into. Risk also relates to R020 Subsidy Control	26/04/2024
R018	01/10/2020	Financial	Revenue Funding	Portfolio Management Office and Project Sponsors	If sufficient revenue funding is not in place to support the activities of the NWEAB and delivery of the Growth Deal, then project delivery and achievement of spending objectives and benefits may be impacted	4	5	20	↔	NWEAB has approved extension of fixed term contracts to March 2026. Longer term solutions continue to be investigated Partners and project sponsors responsible for sourcing revenue funding to support non-NWEAB led projects PMO working to identify additional funding opportunities for NWEAB led projects PMO exploring the potential capitalisation of project salary costs. Growth Deal top slice increased to 2%, allowing extension of FTAs to March 2026 SPF bid to 5 local authorities successful, separate SUCCESSFUL application submitted to Wrexham.	N/A N/A N/A N/A May 2023 Sep 2023	PMO PMO, Project SRO PMO, Project SRO PMO PMO, Portfolio Board PMO	3	4	12	↔	Open	No changes to gross or residual risk scores. Revenue position has improved through the increase in the top slice from the Growth Deal to 2.15% and securing SPF funding.	26/04/2024
R010	21/10/2020	Reputational and Social Impact	Spending Objectives	Portfolio Director	If projects fail to deliver against the portfolio spending objectives, there is a risk that the Growth Deal may not meet its targets in relation to job creation, GVA and investment.	5	4	20	↔	Robust business cases will be developed for each programme and project in line with 5 Case Business Model and will need to set out contribution to portfolio spending objective targets Project review and change control process in place. Replacement project process was completed in July 2023 with five new project selected to join the Growth Deal. Investment strategy has been developed and approved by the Economic Ambition Board.	N/A N/A Complete In place	PMO, Project SROs PMO NWEAB, PMO PMO	4	4	16	↔	Open	No changes to gross or residual risk scores. The latest iteration of the Portfolio Business Case submitted to both governments in October 2023 demonstrates how the Growth Deal can still deliver on these targets, however the contingency has now reduced therefore the residual risk remains high. Risk set to remain high until project delivery gets underway.	26/04/2024
R019	01/10/2020	Programme and Project Delivery	Supply Chain & Skills Capacity	Portfolio Management Office	If the regional supply chain does not have the capacity to deliver projects, then projects delivery could be impacted and regional benefits could be lower.	4	4	16	↔	Project business cases and implementation plans to clearly set out risks to project delivery and mitigations, including supply chain risks. RSP working with PMO to identify regional supply chain / skills challenges and identify mitigations Additional funding secured for skills activity Projects to conduct early market engagement where appropriate	N/A N/A In place N/A	PMO PMO PMO Project Sponsors	3	4	12	↔	Open	No changes to gross or residual risk scores. Close collaboration between the PMO and the RSP on skills and supply chain is key to reducing the probability of this risk. This is an ongoing activity to ensure the capacity and skills are in the region to take advantage of the opportunities through the Growth Deal.	26/04/2024
R020	26/04/2024	Regulatory	Subsidy Control	Portfolio Management Office	Link to Public Sector investment risk R008: If subsidy control assessments cannot be confirmed the approval of funding for projects may be delayed or jeopardised.	3	4	12	↔	Review options for no subsidy investment, e.g. commercial loans Address details and assessment with sponsors at earliest stage (Terms sheet) Consult Pinsents on early SC assessments Subsidy Control lead and support allocated within PMO	As per SOC-FBC stages	Programme Managers	3	3	9	↔	Open	New risk. Challenges in completing 7 Principle assessments being supported by Pinsents but these need to be addressed earlier in the assurance process, e.g. at Terms sheet stage pre OBC completion.	26/04/2024
R021	26/04/2024	Programme and Project Delivery	Transition to CJC	Portfolio Director	Transition of PMO to CJC in 2024. If staffing and process arrangements are not managed effectively there is a risk that PMO operations and project delivery may be delayed	3	4	12	↔	TUPE consultation with staff Impact on policies and processes to be reviewed before full transition	Before transition	Portfolio Director	2	3	6	↔	Open	New risk. Work underway to review potential impacts and agreement of policies and processes for the new CJC subject to EAB approval	26/04/2024