

Appendix 3 - Risk Assessment Chard Eastern Development Area (CEDA) CPO for Millfield Road Link Road and Funding

Date	CPO Process and Construction of Millfield Link road	Risk	Nature of Risk	Likelihood (Before Mitigation)	Mitigation	Likelihood (Post Mitigation)	Implications and impact	Comments
Jan-12		Negative impact on relationship with developers	Discussions with developers are ongoing - uncertainty regarding the approach to CEDA may have a negative impact on those negotiations.	High	Have an effective communications strategy in place.	Low	Ineffective communication could lead to more ad hoc planning applications and an unco-ordinated approach to development. Potentially loss of trust between SSDC and the private sector. However, developers may be very happy to see infrastructure provided that will open out and facilitate their sites only those not deliverdevelopment are likely to be unhappy.	
Feb-12	Decision to pursue Millfield Link proposal through CPO	Lack of SCC support re: Snowdon Farm Application for 63 dwellings re: Highways Impact	If SSDC refuse planning permission Redrow will almost certainly go to appeal. The prerequisite principle of no development until the road is sorted may be lost. Adverse potential impact of further incremental development on on viability of strategic allocation.	High	Decision to resist interim development on on highway inpart grounds. Consider employing independent expertise if SCC do not agree to resist interim development.	Medium	Redrow are likely to go to appeal. Outcome of that appeal will be vital. If appeal is dismissed more ad hoc planning applications are likley to come forward.	
Feb-12		Full Council decision not to move to a CIL	SSDC has not yet made a formal decision to move to CIL.	Low	Presentation of a strong case for moving to CIL already presented by consultants and accepted by PMB.	Low	If SSDC do not take the decision to move to a CIL the potential to re-coup cost through CIL levies will not be available.	
Feb-12		Potential adverse impact on the delivery of the town centre regeneration in the medium term due to refusal of Redrow planning application on highway grounds	If we commit to a "no scheme world" i.e. without the road no further development can take place, there is an increased risk to the delivery of the town centre regeneration.	High	Have a credible solution in place Development may result in a financial contribution Traffic Assessment indicates that it can absorb it's own capacity however, there are indications that traffic impact issues could possibly be dealt with through mitigation regeneration –measures, this will be addressed by the traffic impact assessment which will be carried out the preferred provider. In any event, if the CPO process is taken to conclusion and the Millfield Link is built, there will be a solution.This should be programmed as quickly as possible.	Medium	Linkage of town centre regeneration with Millfield Link road. Delay may lead to reduced developer interest.	
Mar-12								
Apr-12		CIL contribution delay	Any delay in adoption of CILwill mean that any forward funding cannot be recouped as quickly.	High	Agree CIL scheme and priorities Feasibility study shows Phase 2 to be viable once funding of road is resolved. Potential to use CIL funds generally and not specifically from the Chard development.	Medium / High	Delay in adopting CIL will mean that the opportunity to achieve income by such means will be delayed.	No income from CIL will be available until 2014 butwill include commitments from 2013.

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Apr-12		Failure to prioritise Chard for CIL funding	Whilst members are supportive of the the principle of the CEDA they may be uncomfortable making a decision to prioritise the allocation of CIL funds to Chard at this stage.	Low	Present priorities in context of Coe Strategy Settlement Strategy. Emphasise commitment to achievement of Chard Vision.	Low	Fundemental review of commitment to Chard proposals in the Core Strategy should priority for involvement not be recognised.	
Apr-12		Blight	Decision to proceed may blight identified land.	Low	Ensure that proposed road line does not impact on existing development.	Low	Land acquisition cost imposed early on SSDC.	
May-12		Failure to put a financial package in place	Lack of funding.	Low	Partnership with SCC Active engagement in and monitoring of Government initiatives and funding opportunities Identification of other funding sources consideration in context of MTFP. It will be necessary to identify what funding streams are available to contribute towards the delivery of the CEDA (alternatives to CIL may become available e.g. HCA funding).	Medium	Failure to identify funding will diminish case to present to Core Startegy Inspector.	Evidence of progress will need to be demonstrated to the Inspector at Examination.
Jun-12								
Jul-12								
Aug-12								
Sep-12								
Oct-12		Lack of resources to fund and run a CPO. Failure to identify a delivery team.	Expert resources will be required to run the process particularly legal expertise. SSDC will need to provide resource to administer the CPO process.	Medium	Ensure that delivery team is in place to oversee the process if it goes ahead. Portential to recruit out of Council resources if needed.	Low	Failure to identify funding will diminish case to present to Core Startegy Inspector.	
Nov-12		CEDA proposal not supported by Inspector at Examination	If the proposal is taken forward to Examination and the Inspector is not convinced that it is deliverable he may recommend that it be deleted.The abandonment of the Chard Strategic allocation would mean that the Chard Vision would not be realised in the short or medium term.	Medium	Ensure that strong case is presented at Examination, including a viable scheme with funding streams identified and developers on board.	Low	Lack of support by the Inspector at Examination would mean that serious consideration would have to be given to the option of delting the Chard Strategic allocation. If such a decision were to be made the risks identified below would be irrelvant. Local expectation would be disappointed. Corporate priorities would not be met and piecemeal development could ensue leading to increased congestion at the Convent Link junction. The benefits to Chard set out in Table 1 of the covering report will be lost (conversely the benefits will gained if the development goes ahead).	
Dec-12	REVIEW OF PROCESS & RISK INLIGHT OF APPEAL DECISION & INSPECTOR'S REPORT ON CORE STRATEGY EXAMINATION							
2013-2014		If wider development is not realised - possibility that town centre regeneration will not come forward.	Proposals for development of the ACI Boden site redevelopment are being progressed - developer interest may be reduced if plans for wider growth are not taken forward.	Medium	Ensure that we have SCC support	Low	Chard Town centre could potentially lose £20 million worth of investment in the town centre if the promoters lose interest on the basis that Chard is not going to see significant growth in the future.	

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		"No scheme world" position not accepted (for CPO)	Within the Feasibility Report the consultant makes it clear that the CPO process should be set in the context of a 'no scheme world' however, there may be potential for this view to be challenged.	High	Initial view of consultants is that it is. Ensure that we have SCC support. A favourable appeal decision if received would assist.	Low	If "no Scheme world" position is not accepted land prices and value of any ransom strips will be increased impacting on the overall viability of the scheme.	
	Environmental Impact Assessment (EIA) and Highways design	Design of the road and EIA may unveil yet unidentified issues	There may be protected species within the line of the road e.g. Dormice or it will not prove feasible to construct the road across the Wessex Water owned land.	Medium / High	A favourable appeal decision if received would assist.	Low	There will be a cost implication of approx £344,000 to design another route for the road. EIA will cost approx £100,000	
2013-2014	Consultation and negotiation commence	CPO Failure	Could result in non delivery of project, negotiated pre CPO acquisitions, abortive fee costs	High	A favourable appeal decision if received would assist.	Low	Failure to secure a CPO would mean a financial loss of approx £544,000 to SSDC and could potentially damage it's reputation (we need to design the road line and carry out an EIA as well as fund the CPO process itself). Having a resolution to take a CPO approach will increase the likelihood of a private sector solution being reached.	
First CPO resolution	A favourable appeal decision if received would assist.							
Planning Application Preparation	A favourable appeal decision if received would assist.							
Requisition								
Drafting order and statement of reasons								
Second resolution								
Making the Order								
Objection period								
Removal of objection negotiations								
Public Inquiry								
Confirmation of Order								
Challenge period								
Vesting								
Infrastructure tender								
Enabling works								
	Construction / Highway works	Construction costs in excess of budget	Road construction costs may exceed estimate.	Medium	Ensure a competitive tender	Low	Increased costs will impact on overall viability of the scheme.	
		CIL contribution shortfall / cash flow impact	Accurate assessment of CIL viability is required to ensure this does not happen. Increased cost shortfall.	High	Report will show there is not a large shortfall Strong logic and allocation of CIL funds from SSDC Identification of other funding solutions	Medium	Financial implications for SSDC - recurring costs and losing interest on capital.	
		The prospect of a lack of developer interest and a slow market once the road is built	Slow housing market.	Medium	There seems to be mixed levels of interest from landowners/developers, some are keen to progress with development whilst others have not engaged in the negotiation process. The market assessment carried out by Thomas Lister Ltd indicates that there is a ready market with the potential for between 110 and 220 dwellings to be delivered each year. Slower development will question why we have done it and delay compensation. Evidence in Feasibility Report (Thomas Lister Ltd) indicates that the scheme will be developed. Discussions have taken place with a number of developers Development will be more viable once the road is in place Market may be more buoyant and moving out of recession Successful public relations management	Low	A slow market will mean that any investment made by SSDC will be recouped over a longer time period. Chard Vision will not be realised and hold up of development will be longer and deter investor interest.	

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2013-2014		SSDC reputation is harmed	Significant time and money has already been spent on the Chard Regeneration Framework. Issue is whether our reputation will be harmed by abandoning the scheme, or not abandoning the scheme.	High	Clear explanation of the business case for not progressing.	Medium	The Council could be criticised for not taking the work already completed to a conclusion. Conversely if we continue to proceed with a proposal that has little likelihood of coming forward the Council could be criticised for not knowing when to accept that a proposal is not going to come forward especially if additional costs are incurred.	