

ARF006 Projects / Priorities Delivery Delays

Risk Status Progress Report for August 2022

Prepared 28//07/2022

Description of risk and impact

Project / Priority delivery continues to be driven by the project lifecycle (conception and business casing through delivery and ongoing management / maintenance) and involve having robust capabilities to support each stage of this lifecycle.

Existing Treatments - What has been done so far?

Tracking progress of individual projects is reported in the monthly IAM Business Report.

Increased DFA levels has improved the efficiency of our processes through reduction of approvals.

Where are the gaps? / what more could we be doing?

Current environment:

We are now needing to address significant issues as this risk has not been successfully mitigated.

1. Uncertainty around asset management - conception and business casing

Programme Darwin was established to increase the maturity of Council's asset management functions through a mix of technology and process change alongside appropriate resources and skill. While Improvements to asset management practices are underway, with the dis-establishment of Darwin ARF006 Project / Priority delivery delays continues to experience the impact of the materialisation of the ARF004 Asset Management Risk. This will continue until improvements to Asset Management processes and procedures, such as preparing project briefs for delivery, and establishing comprehensive Asset Management Plans are on time and fit-for-purpose.

While numerous scopes have been received for FY22/23, each stage has yet to be checked against the Project Management Framework requirements. These scopes need to be triaged and prioritised.

2. Uncertainty around actual cost

- Insufficient budget risk – insufficient budgets as indicative concept design and pricing was not undertaken prior to budgets being set
- Impact of inflation on not completing work in the planned cycle (i.e. if the work is not completed when planned it is likely to become more expensive). This risk needs to be priced into the project as an allocated risk allowance with a quantitative risk assessment, as appropriate.

| Inherent Risk: | Trend of risk rating | Residual Risk: | Accountable: | CEO | Date raised: | 29/11/18 | Report frequency: |
|----------------|----------------------|----------------|--------------|---------|----------------|----------|-------------------|
| | Increase | | Responsible: | GM IAMs | Date accepted: | 30/05/19 | Three monthly |