**TENDER RISK REGISTER**

The Tenderer is to compile a risk register of project risks envisaged throughout the contract period. These are not safety/hazards.

In order to identify the Project risks, the Tenderer needs to understand the Project objectives.

These may include:

• completion date for the Project

• budgeted cost

• performance objectives

The Employer would like the Tenderers to advise their view of risk from a construction point of view. In this connection, Appendix W contains a Risk Register for completion by the Tenderer.

The Register has been prepared on the basis that a project risk, by definition, has both uncertainty and constraint. Uncertainty is the probability of occurrence, expressed as a percentage (%). Constraints are the Project objectives, or there may be other e.g. physical constraints particular to the Project.

The completed document is to be returned with the tender. Under no circumstances are any figures produced from the Risk Register to be added to the Tenderer’s tender offer.

A Project risk, by definition, has both uncertainty and constraint. “Uncertainty” is the probability of occurrence, expressed as a percentage (%). “Constraints” are the Project objectives, or there may be other e.g. physical constraints particular to the Project.

Parameters for probability, schedule and cost are provided below, and should be used to assess the likelihood and impacts of the risks. The contractor may need to identify parameters for performance impacts to suit the requirements of the Project.

**Parameter Matrix:**

The quantitative levels for impacts and probability to be used are listed below.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Parameter** | **Very Low(VL)** | **Low (L)** | **Medium (M)** | **High (H)** | **Very High (VH)** |
| **Probability (%)** | <5 | 6-20 | 21-35 | 36-60 | >60 |
| **Schedule (weeks)** | < 1 | 1-2 | 2-4 | 4-12 | >12 |
| **Cost (£000’s)** | <10 | 10-50 | 50-100 | 100-150 | >150 |
| **Performance** |  |  |  |  |  |

**TENDER RISK REGISTER (EXAMPLE)**

A form for reporting risks is provided below populated with sample data.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Risk ID** | **Title of Risk** | **Description**  | **Owner\*** | **Probability** | **Schedule Impact** | **Cost Impact** | **Performance Impact** | **Mitigation Actions** | **Mitigation Responsibility** |
| 001 | Ground contamination | If ground contamination is found on the site it could cause additional delay while it is dealt with at extra cost. |  | L | M | H | - | Undertake soil investigation and analysis tests well in advance of implementation. Allow time in the schedule for removal or containment. | Mr Smith, Project Manager |
| 002 |  |  |  |  |  |  |  |  |  |
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The Tenderer is to provide a full Project Risk Register populated into the template pro-forma Risk Register as attached below.

N.B. The Owner of a risk is the party that agrees to hold responsibility for the risk i.e. the party that will pay for the risk in the event that it occurs.

**TENDER RISK REGISTER**

Risk pro-forma for tenderer completion and return.

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Risk ID** | **Title of Risk** | **Description**  | **Owner** | **Probability** | **Schedule Impact** | **Cost Impact** | **Performance Impact** | **Mitigation Actions** | **Mitigation Responsibility** |
| 001 |  |  |  |  |  |  |  |  |  |
| 002 |  |  |  |  |  |  |  |  |  |
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**N.B. The Owner of a risk is the party that agrees to hold responsibility for the risk i.e. the party that will pay for the risk in the event that it occurs.**