

## Appendix A – Risk Register

	Risk Type	RAG	Mitigation	Residual RAG
1	<b>REPUTATION</b>  In the event that Option 4 is chosen as the preferred option, it is anticipated that the redevelopment will generally be viewed positively as new office, residential, retail and leisure accommodation, new and improved public realm spaces, employment opportunities and the regeneration of a neglected island site are provided.		Careful management of existing residential occupiers will be required as redevelopment can only occur with vacant possession of the Property. The Council has control of 12 flats (including two via secure tenancy and one caretaker flat), with the remaining 23 to be acquired either through private treaty (i.e. the Council buying back the flats) or through the Compulsory Purchase Order (CPO) process (as a last resort as Option 4 is selected). If the latter option is progressed then any negative PR through displacement of tenants, loss of residential community etc., will have to be well managed. A PR and communications team has been established to project the Council's response.  The Council should ensure it has set out a robust case for redevelopment prior to making a Compulsory Purchase Order (as a last resort if Option 4 is selected).	
2	<b>VACANT POSSESSION</b>  Unless this is achieved no redevelopment will take place if redevelopment is selected as the preferred option.		The commercial tenancies are within the Council's control. However, in the event leaseholders cannot be purchased by agreement, then Compulsory Purchase Powers will be required. Substantial risk surrounds CPO and its implementation which must be managed in accordance with the 2015 guidelines set out by DCLG in ' <i>Compulsory purchase process and The Crichton Down Rules for the disposal of surplus land acquired by, or under the threat of, compulsion</i> '.	
3	<b>STAKEHOLDERS &amp; CONSULTATION</b>  All relevant stakeholders will have to be consulted.		Robust communications strategy with a strong focus on the Residents Association of the Property.	
4	<b>ENVIRONMENT</b>  There will be disruption during the construction phase, as is the case with other major developments		The redevelopment will be an improvement to the current Property, however any disruption will be managed by the Council's design team to minimise any issues to the local community and environment.	

5	<b>DESIGN DEVELOPMENT</b>  The redevelopment of the Property is a complex, mixed use scheme requiring input from numerous specialist consultants.		The end product needs to be fit for purpose, provide flexibility for the occupational market and enable product longevity. The development team led by JLL has the skill set and experience to deliver this project to meet the expectations of the Council.	
6	<b>PLANNING</b>  Obtaining planning consent is a time consuming and costly exercise.		There is a risk that consent may not be obtained however the formal pre-app response has been positive. Regular meetings will be held with the Council's planning department to ensure the scheme is in line with policy and scheme comments taken on board and incorporated. The Council's design team will manage this process.	
7	<b>CONSTRUCTION</b>  Any new build carries construction risk.		This risk will be passed onto the contractor and managed by the external development team.	
8	<b>FINANCING</b>  Depending on the delivery route the Council will have to secure funding to progress the development of the Property.		This would require a commitment to secure the full budget in the capital programme.	
9	<b>BUILD COST AND INFLATION</b>  This is set to increase by 2-3% per annum over the next five years.		The key to limiting additional exposure is through early negotiation with a contractor to fix the prices.	
10	<b>OCCUPATIONAL MARKET</b>  Based on current timescales the new development will not be delivered until Q1 2022.		It is difficult to predict the specific demand for each use class this far in advance – however if a scheme is provided which provides best in class specification and flexibility, then this should aid the marketing of the Property. The prime location will mitigate substantial downside risk. Agent reviews will take place regularly.	

11	<b>ECONOMY/ BREXIT</b>  Whilst the UK market has digested the Brexit shock, there is still detail to be worked through and potentially further downside risk.		It is impossible to predict the impact of this decision in the short term; however this may translate into higher inflation, reduce occupier demand, and impact on residential values and transaction volumes. Being aware of the risks and keeping up to date with the market should mitigate any effects of the Brexit decision.	
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