

Temple Island, Mixed Use Proposal, Risk Register.

Negative Risks that offer a threat to Mixed Use Development, Temple Island (Aim - Reduce Level of Risk)

Ref	Risk Description	Key Causes	Key Consequence	Status Open / Closed	Risk Category	Risk Owner	Key Mitigations	Direction of travel	Current Risk Level			Monetary Impact of Risk £k	Risk Tolerance			Actions to be undertaken			Escalation			Corporate Strategy Theme	Portfolio Flag	Audit Trail												
									Likelihood	Impact	Risk Rating		Likelihood	Impact	Date	Escalated to: DRR/CRR	Escalated by:	Date	Date risk identified	Directorate Flag	Date Risk Closed			Closed by:	Amends / Updates Completed Date:	By:										
																											(Include dates as appropriate)	Resp. Officer								
1	Market changes (construction costs/property values) result in significant changes to financial viability of scheme - impacting upon deliverability	Market changes owing to economic shock or uncertainty (i.e. Brexit)	Project is not affordable, insufficient funding exists to take project forward.	Open	Programme / Project Management	Property Services Manager	Monitor market land value trends and ensure financial modelling remains current/construction costs and values are monitored regularly. Developer to ensure that scheme responds to emerging market conditions.	Positive	3	5	15	TBC	2	5	10	14.06.19																				
2	Office occupier demand is lower than anticipated - resulting in low take up of Council office and increased BCC holding cost	Increase in supply of quality office accommodation within Bristol; Temple Island scheme is deemed to be off-pitch or undesirable, or economic downturn reduces occupier demand	Lower or slower take up of BCC office space than anticipated - reducing BCC profit rent and, in a worst case scenario, resulting in a loss to BCC	Open	Financial loss/gain	Property Services Manager	Ensure that BCC office scheme is attractive to occupiers and well marketed to businesses within core sectors. Ensure BCC utilises professional office agents to support in management and promotion of scheme	Neutral	3	3	9	TBC	2	3	6	14.06.19																				
3	Complex nature of site means finalising scheme designs and costs results in significant time delays to project	Complex and dynamic nature of sites and desire to deliver comprehensive mixed use scheme results in delays in scheme development/scheme progression	Delay in finalising scheme will impact upon ability to determine values, costs and agree overall deal. Development on site will be delayed as a result of time spent resolving issues.	Open	Programme / Project Management	Developer and project manager	Progress work on scheme development asap and reach scheme freeze with developer - allowing cost work to proceed and grant applications etc to progress.	Positive	4	5	20	TBC	3	3	9	14.06.19																				
4	Pre-app/planning discussions reveal issues with proposed scheme or planning process is delayed	Possible reasons could include: concerns around traffic, access and egress, building heights, mix of uses, design etc.	Significant development delay caused due to changes in design or fundamental changes to overall scheme - impacting viability	Open	Programme / Project Management	Developer and project manager	Early engagements with respective statutory authorities. Transport, Highways, Utilities, EA NR etc etc. Early site survey, pedflow analysis, traffic flow, ecology monitoring etc	Neutral	2	5	10	TBC	2	3	6	14.06.19																				
5	Proximity to railway and other infrastructure impacts upon scheme design, construction or operation	Operational requirements of the railway mean that the scheme is impacted or has to be amended. Other infrastructure has an impact upon the proposed scheme	Negative impact upon deliverability of overall scheme, or scheme cost and viability. Development delayed.	Open	Programme / Project Management	Developer and project manager	Early engagement with Railway operator and identification of key infrastructure/discussions with key organisations.	Positive	3	5	15	TBC	2	5	10	14.06.19																				
6	Significant variance in refinement of scheme results in lower outputs (GVA, Business rates etc) versus previous analysis of mixed use scheme	Significant changes in cost, scheme content or development mix results in significant variance from previous assessment around benefits of alternative mixed use scheme.	Overall attractiveness of mixed use scheme may be reduced or overall benefits reduced.	Open	Reputation	Property Services Manager	Promotion of mixed use scheme which is cost effective and minimises public sector interventions/maximises outputs - whilst ensuring scheme is attractive to occupiers and delivers optimum outputs for the city.	Positive	3	5	15	TBC	2	3	6	14.06.19																				
7	Final terms cannot be agreed with L&G, leading to both parties walking away.	Unable to agree commercial details, both parties unwilling to compromise, scheme cannot be settled; market conditions change.	New strategies for delivery of Temple Island, delaying both projects and potentially leading to Temple Island being delayed.	Open	Legal	Property Service Manager	Discussions and negotiations of legal agreements are well progressed, key terms agreed and continued commitment from both parties to reach agreement.	Positive	3	5	15	TBC	2	4	8	14.06.19																				
8	BCC costs for enabling works exceed budget allowances	Cost of enabling works exceed project budgets	Overall viability of the project may be impacted, or additional financial pressures placed upon the Council.	Open	Financial Loss / Gain	Property Services Manager	Ensure surveys and appropriate due diligence is completed. Make sufficient budget allowances. Seek to cap or limit BCC's cost liability on key works packages.	Positive	3	5	15	TBC	2	5	10	14.06.19																				
9	Developer fails to proceed with development	Withdraws from discussions, or development for any variety of reasons or becomes insolvent.	Development of the scheme will be delayed - resulting in the benefits of the scheme not being realised and requiring the Council to identify an alternative delivery mechanism	Open	Financial loss	BCC Property/Legal	Seek legal commitment from the developer to proceed within set timescales. BCC retains ability to buy-back land parcels if development does not commence within set timetables.	Positive	1	5	5	TBC	1	3	3	14.06.19																				
10	Development is impacted by one or more parties working on site - resulting in delays or conflicts	Lack of planning, engagement and communication between various contractors working on Temple Island site or on adjacent projects	Development delay caused through out of sequence working, delay costs and contra-charging for failure to meet obligations set out in Agreements.	Open	Programme / Project Management	Project Manager	Early engagement with University of Bristol. Early discussions with other contractors/work parties to ensure safe and efficient working.	Positive	3	3	9	TBC	2	3	6	14.06.19																				
11	Inability of L&G to secure Hotel/conference facility operator	Although market testing has proved demand for conference facility, changing market conditions or operator sentiment could result in no operator coming forwards to run the conference facility.	The project would need to appoint an alternative operator, if one could be identified. If no operator could be located, the conference facility may have to be removed or subsidised.	Open	Programme / Project Management	Project Manager	Subvention budget could be identified to support the operation of the facility. The conference facility could be removed from the scheme and replaced with another commercial element (office or retail etc.)	Positive	3	3	9	TBC	2	1	2	14.06.19																				
12	Procurement challenge mounted to disposal to L&G or appointment of enabling works contractors	Alternative developer or contractor mounts challenge to disposal/procurement.	Potential for financial loss, delay or termination of project	Open	Legal	Legal Services Manager	BCC to continue to work within regulations. BCC have been open and transparent about the planned property transactions. BCC to retain legal advice through out development to ensure compliance.	Positive	2	5	10	TBC	1	3	3	14.06.19																				
13	Lack of available contractors to undertake enabling works	Amount of construction work underway within the city/region makes it difficult to secure a contractor of sufficient calibre and standing to undertake enabling works.	Delay or higher costs owing to scarcity of developers/contractors	Open	programme/ project management	project manager	Early engagement with contractors through relevant frameworks or through procurement exercise.	Positive	2	4	8	TBC	1	2	2	14.06.19																				
14	Judicial Review sought	Challenge brought against process/procedures BCC has followed in progressing Temple Island proposals	Delay and financial impact. Possible claim for losses by other parties	Open	Financial Loss	BCC Legal	Continue to follow due process; demonstrate best consideration secured etc.	Positive	2	5	10	TBC	1	3	3	14.06.19																				
15	Enabling works present State Aid challenge or grant funding not secured to support scheme delivery	Enabling works packages are deemed to amount to State Aid owing to nature of works, or grant applications are not approved owing to failure to meet eligibility criteria etc.	Funding isn't forthcoming or is delayed - resulting in need to secure alternatives or for BCC to directly fund works. Could result in delay and potential claims from developer if delay is significant.	Open	Financial Loss	BCC Legal	Ensure public funding is used in state aid compliant manner; make timely grant applications to ensure that any concerns or issues are flushed out early and can be resolved.	Neutral	1	5	5	TBC	1	3	3	14.06.19																				
16	Enabling works and Infrastructure costs final account higher than funding allowance.	Unexpected costs or challenges identified during scheme development phase (pre-start on site) or even after works commence.	Cost increases may have a negative impact upon the scheme benefits or result in some elements having to be de-scoped. Alternatively, additional funding may need to be secured - from either grant or borrowing - or the residual land value may be reduced.	Open	Financial Loss	Programme/ project manager	Cost monitoring, value engineering and management of all expenditure. Effective change management and risk apportionment. Undertake survey work early and use competent professionals to advise the council regarding cost estimates and risks.	Positive	2	5	10	TBC	1	5	5	14.06.19																				
17	Final deal/recommendations not approved by Cabinet	Cabinet does not endorse final proposal put before it for Temple Island scheme.	Abortive time and cost in progressing discussions and delay to delivery of development on Temple Island.	Open	Programme / Project Management	Project Manager	Ensure ongoing dialogue with Cabinet members and seek to deliver scheme proposals in line with known expectations.	Neutral	2	5	10	TBC	1	5	5	14.06.19																				
18	Inadequate staff resourcing to deliver project within programme requirements.	Present project management is an interim and team is lightly resourced. Momentum could be lost if staff leave owing to lack of funding or alternative opportunities.	Programme delays whilst alternative resourcing put in place.	Open	programme/ project management	Temple Quarter Programme Manager	Good document management and project management systems in place to allow quick transference to alternative project manager. Project team well appraised of project detail and able to take forward key activities until new resource in place. Ensure sufficient funding to maintain post.	Neutral	2	3	6	TBC	1	3	3	14.06.19																				