

# Imperial Apartments Phase 2 Risk Register

## Negative Risks that offer a threat BCC relating to Imperial Apartments Phase Two (Aim - Reduce Level of Risk)

| Ref | Risk Description  | Key Causes   | Key Consequence  | Status<br>Open /<br>Closed | Strategic Theme     | Risk Category   | Risk Owner              | Key Mitigations  | Directi<br>on of<br>travel | Current Risk Level |        |             | Monetary Impact of<br>Risk<br>£k | Risk Tolerance |        |             | Date |
|-----|---|--|--|----------------------------|---------------------|-----------------|-------------------------|--|----------------------------|--------------------|--------|-------------|----------------------------------|----------------|--------|-------------|------|
|     |   |  |  |                            |                     |                 |                         |  |                            | Likelihood         | Impact | Risk Rating |                                  | Likelihood     | Impact | Risk Rating |      |
| 1   | BCC voids loss expenditure for Phase Two exceeds budgetted amount   | BCC do not nominate enough people by agreed target dates, BCC do not nominate people for future re-lets in time, tenants are not effectively supported to sustain tenancies resulting in more voids/re-lets than calculated for.   | BCC incurs more financial loss than budgetted for  | Open                       | Empowering & Caring | Financial Risk  | Head of Housing Options | Ensure risk level contracted to is within agreed boundaries and ensure a long enough initial nominations period.<br>Robust procedures in place.<br>Employ ongoing Project Manager for oversight  | <>                         | 1                  | 1      | 1           | 1                                | 1              | 1      | 22.01.20    |      |
| 2   | There is no budget for required staffing resource in years 2 and 3 of the contract  | Costs are not or are not able to be factored into Housing options budgets for 22/23 and 23/24. Housing Options is required to cut back on staffing costs.  | Employed staff could be made redundant. Imperial apartments will have to be delivered on former levels of housing options staff resulting in stretched resource, increase workloads, negative impact on risk level 1 above and 3 below   | Open                       | Empowering & Caring | Financial Risk  | Head of Housing Options | Ensure staffing costs are highlighted for 22/23/ and 23/24 budget cycle planning. Early discussions in 21/22 on contingency planning should budget not be available including seeking alternative sources of funding.  | <>                         | 2                  | 3      | 6           | 1                                | 3              | 3      | 22.01.20    |      |
| 3   | Claims for damages in deposit bonds exceeds budgetted amount  | Tenants with BCC bonds either do not make repayments to BCU loan or are unable to fully repay loan during tenancy term due to low instalment payments. Generally a higher risk of level and cost of damages in tenancies for homelessness move on client group.  | BCC incurs more financial loss than budgetted for  | Open                       | Empowering & Caring | Financial Risk  | Head of Housing Options | Aim to agree maximum bond amount of 5 weeks rent as required deposit for tenancies.<br>Ensuring ongoing support for tenants includes ongoing budgetting check ins to make sure they are paying back towards BCU loan (and able to)<br>Ensure there are robust procedures in place in regards to Caridon making claims on deposits. | <>                         | 1                  | 1      | 1           | 1                                | 1              | 1      | 22.01.20    |      |
| 4   | BCC are negatively scrutinised and portrayed in media and public eye for continuing to use permitted development housing and housing that falls below normal space standards  | Permitted housing developments are largely unapproved of and have negative press.  | Damage to BCC reputation (public, sector, partners etc.), may cause clients to not want to move to Imperial Apartments and/or services to recommend people don't (this then links to voids financial risk), could increase risk of negative reaction from local community of BCC using site to house people in housing need. | Open                       | Empowering & Caring | Reputational    | G&R Director            | There is little we can do to mitigate this risk, we can only be ready and able to comment about our sound motivations, justifications and rationale for continuing collaborating with Caridon on Imperial Apartments.<br>Comms regarding positive stories and outcomes for people already living at Imperial in Phase One.         | <>                         | 3                  | 3      | 9           | 2                                | 3              | 9      | 22.01.20    |      |
| 5   | Impact of BCC continuing to work with a profit making organisation and one that has had negative media coverage   | Caridon have already been portrayed negatively in media.   | Damage to BCC reputation and relationship with, public, councillors, media, partners, other key stakeholders.  | Open                       | Empowering & Caring | Reputational    | G&R Director            | Has remained an open risk since BCC entered into a contract for units in Phase One. Continue management oversight and regular due diligence checks. Continue transparent and collaborative relationship between Caridon and BCC.   | <>                         | 2                  | 3      | 6           | 1                                | 3              | 3      | 22.01.20    |      |
| 6   | If scheme not a success there is risk of loss of damage to BCC's reputation and relationship with partners, voluntary sector and other relevant organisations involved in supporting people who are homeless/private sector tenants (e.g. shelter, acorn) | Ongoing Imperial Apartment Lettings Plan is not sufficient to create overall aims for the scheme, Caridon do not work fully in partnership and/or do not manage the scheme well. BCC makes unsuitable nominations, not enough ongoing BCC oversight and monitoring, issues could increase as building reaches capacity, impact of tenants from other nominating agencies | Damage to BCC reputation and relationship with partners, voluntary sector and other relevant organisations involved in supporting people who are homeless/private sector tenants. Could result in large increase in appeals, complaints, legal challenges.   | Open                       | Empowering & Caring | Reputational    | Head of Housing Options | Has remained an open risk since BCC entered into a contract for units in Phase One. Continue management oversight and regular due diligence checks. Continue transparent and collaborative relationship between Caridon and BCC.   | <>                         | 2                  | 3      | 6           | 1                                | 3              | 3      | 22.01.20    |      |
| 7   | The security and safety of staff and BCC nominated tenants is put at risk by tenants nominated from other routes  | BCC are not intending to contract to all of the units in phase 2   | People do not feel safe/are not safe, increase in incidents, increase in people wanting to end tenancies, negative portrayal of the site in press, increase in local crime, local residents begin to oppose block, staff do not want to work on site.  | Open                       | Empowering & Caring | Personal Safety | G&R Director            | Make contractual agreements with Caridon in relation to nature of other lettings in the block ideally with penalty related clauses. BCC could be involved in conversations with other referral sources to seek collaborative agreement on risk and vulnerability levels of those being referred in.                                | <>                         | 3                  | 2      | 6           | 2                                | 2              | 4      | 22.01.20    |      |

Note: This risk register captures specific risks relating to a second contract for more units at Imperial Apartments only. It is a snapshot only of a working document that is continuously reviewed and updated.

There is a regularly reviewed risk register being kept which relates to phase one and BCC's general risks of being involved with the development. All risks on the main register that are relevant to Phase Two also will be monitored for Phase Two flats BCC contracts to.