

Threat Risks											Updates automatically		Updates automatically	
Risk Title	Risk Description	Key Causes	Key Consequences	Status Open / Closed	Risk Category	Key Mitigations	Current Risk Level				Monetary Impact of Risk £k	Council Risk Appetite for the risk type identified	Does the risk exceed the council's risk appetite?	Financial Risk Exposure
							Likelihood	Impact	Risk Rating	Risk Level				
New Agreement for Lease not concluded with BSWN	Expenditure on priority repairs and improved fire safety of the building is not made or only partly made, and/or the existing Agreement for Lease expires without sufficient capital investment secured to carry out repairs and refurbishment of the building.	Negotiations on the terms and conditions of a new longer lease term are not concluded, impacting on fund raising for repairs and phased refurbishments. Cost increases of works due to inflation is likely to be an additional constraint on investment in the building in the short to medium term.	Plans to substantially refurbish the coach house are not taken forward or the tenant surrenders the lease and building in the current state of repair back to BCC, creating a significant financial liability. BCC is required to identify financial options to undertake the necessary urgent repairs short term to re-let the building. The cost of repairs and fire safety improvements is estimated in the region of £0.5 to £0.7 million.	Open	Financial Loss/Gain	BCC Property and Economic Development officers will make every effort to negotiate around the conditions and reach an agreement with BSWN, whilst safeguarding the Council's interests, escalating issues to Directors or Cabinet members as needed. BCC Officers will endeavour to monitor and make best use of the terms and conditions of the existing short lease and linked service agreement to ensure that essential repairs and improvements are carried out as far as its resources permit.	3	3	9	Medium	£600,000	Cautious	Yes	£375,000.00
New Agreement for Lease concluded but the main condition not met or planning consent refused or delayed	BCC concludes a new Agreement for Lease but BSWN is unable to meet the condition set. The condition not met will be a shortfall of funding required for fire safety and other priority repairs, and/or failure to carry them out. Additionally, planning consent for the refurbishment is refused or delayed.	BSWN is unable to secure the required level of funding to carry out fire safety and other essential repairs due to inflation or difficulty to secure the lending required for the Stage 1 works. Or planning consent is refused or delayed due to technical reasons, eg compliance with the LPA's energy and environmental policies.	Plans to substantially refurbish the coach house are not taken forward or the tenant surrenders the lease and building in the current state of repair back to BCC, creating a significant financial liability. BCC is required to identify financial options to undertake the necessary urgent repairs short term to re-let the building. The cost of repairs and fire safety improvements is estimated in the region of £0.5 to £0.7 million.	Open	Financial Loss/Gain	BCC Property and Economic Development officers will make every effort to be flexible and facilitative around the conditions set for BSWN which will be linked to the phasing of agreed works. Whilst safeguarding the Council's interests, escalating issues to Directors or Cabinet members as needed. BCC Officers will endeavour to monitor and make best use of the terms and conditions of the new Agreement for lease and linked service agreement to ensure that BSWN commits to carrying out essential repairs and improvements as far as resources permit. BCC will also advise and support BSWN as a valued partner to raise external funding to deliver each stage of the refurbishment scheme. If planning consent is refused or delayed and/or energy or environmental standards present challenges, BCC Sustainability and Climate Change and other relevant Services will be asked to advise and support BSWN to revise the scheme, and, if appropriate, broker additional funding eg. for climate / net zero carbon measures. In the worst case scenario where BSWN cannot proceed with the refurbishment or continue to operate in the building and surrenders the short lease, BCC Property will seek to market the building (unrefurbished) and realise the freehold/long leasehold asset value.	2	3	6	Medium	£600,000	Cautious	Yes	£180,000.00
Agreement to this CAT will precipitate similar requests from other VCSE organisations	Agreement of this CAT and associated terms (125 years, nil rent, nil premium), will precipitate similar requests from other VCSEs in the city if their building uses and or services offer equivalent social or economic value to the communities they serve.	The Cabinet decision required for this CAT may set a precedent, potentially generating interest and requests for similarly favourable terms / longer leases on the part of other VCSEs seeking to raise capital to refurbish their buildings or comply with new energy regulations.	Requests from VCSEs to the CAT Group for longer leases - between 35 to 125 years on peppercorn terms could, if approved, lead to a cumulative loss of rental income / revenue creating increased financial pressures on BCC's operational property portfolio.	Open	Financial Loss/Gain	The CAT policy sets out that leases above 35 years will only be considered by exception if supported by a business case that demonstrates special circumstances or requirements from funders or lenders. The Coach House project to establish a Centre for Black Enterprise and Culture, the business case made by BSWN in terms of their larger scale capital funding requirement and high social and economic value generated is an exceptional case, and will not create a precedent that is either easily replicated and/or applicable to other VCSE projects or buildings. The CAT group will consider any similar applications on a case by case basis as defined by the published policy.	3	3	9	Medium		Cautious	Yes	£0.00
								0	FALSE		FALSE	#N/A	£0.00	
								0	FALSE		FALSE	#N/A	£0.00	

£555,000.00

Threat Risks	
Number of Open Risks	3
CRITICAL	0
HIGH	0
MEDIUM	3
LOW	0
Cost Risk Exposure	£555,000.00
Number of risks exceeding risk appetite	3
Number of risks within risk appetite	0

Opportunity Risks	
Number of Open Risks	2
SIGNIFICANT	0
HIGH	0
MEDIUM	2
LOW	0
Cost Opportunity Exposure	£0.00