

Risk	Probability	Impact	Mitigation Strategy	Resource Implications	Current Position
Planning Risk : Failure to discharge planning conditions	High	High	<p>A number of conditions of outline planning approval have been discharged through implementation of earlier phases of development. Review of outstanding conditions at contract execution. Service Level Agreements with appropriate service areas approved.</p> <p>Ring fencing of revenue generated by appropriation of School playing field land to secure Sec 77 approval</p>	<p>Design costs.</p> <p>Liaison meetings with planning officers</p>	Reserved matters approval secured May 2015 with limited additional conditions. Planning conditions advised in tender process.
Section 77 Consent: failure to secure consent from Secretary of State for education land going to park use	Medium	Low	<p>Some/all of land subject to Section 77 notice can be released from Education use under General Consents.</p> <p>Ensure Section 77 application is robust.</p> <p>Affected land is only a small proportion of site and can be excluded from build contract</p> <p>Refusal of Section 77 consent would require relocation of new park to another location on the estate</p>	None	<p>The small part of the site covered by the Section 77 application could not be developed with either housing or POS until consent is granted;</p> <p>Scheme would be in breach of Planning approval if the Park requirement was not delivered. However, Park does not have to be delivered until the end of the contract, and could be located on another piece of land on the estate which is available.</p>

Sales Risk: Failure to achieve required sales at required base price in line with FBC assumptions	Medium	High	Sales projection assumptions informed by earlier phases of development and tender. Incentivise sales and service contractor	Additional staff resource required to monitor and manage sales and marketing contractor	Current sales programme on phase 1b on target and all properties presold in line with construction programme. Sales values exceed projections at tender stage and overage being received by BCC.
Sales Risk: Failure to sell properties in line with construction programme.	High	High	Approval to procure the sales and marketing service included within tender acceptance report. Documents prepared for issue to commence procurement once this report is approved. Appointment of sales and marketing contractor to be undertaken in conjunction with the build contractor	Additional staff resource required to monitor and manage sales and marketing contractor	An external agent was successfully used to sell BMHT properties on previous project.
Construction Risk: Delays in construction programme	Medium	High	Sectional completions required in build contract. Strong project management arrangements. Site investigation and services information obtained as part of the planning process and issued as part of the tender for construction.	Contained within programme budgets	Earlier phases on target for delivery in line with development agreement.

Procurement Risk: Delay due to procurement challenge	Low	High	Use of contractor framework and tender evaluation framework , procurement managed by Employers Agent and then evaluated by officers in Corporate Procurement and City Finance	BCC in-house teams. Employers Agent	Risk of challenge deemed minimal due to using well-established Framework contracts.
Construction Risk : Escalation in costs of construction/ development Cost increases may result in reduction in number of rented homes	Medium	Med /High	Fixed cost Design and build contract employed.	Financial model affected increased costs and/or reduced rental income.	Removal of clarification as part of the tender evaluation process to arrive at fixed price.
Construction risk: Contractor insolvency during construction or lack of access to the credit required to complete the developments	Low	High	Capacity checks have been implemented. Schemes will have NHBC cover	Parent Company Guarantees or Performance Bonds required from contractors as part of BMHT procurement and tender awards	Up to date checks are mandatory before contracts signed.

Sub-Contractor/ Supplier insolvency during construction	Low	High	Contractors all members a robust and well established Contractor Framework with robust supply chains.	Programme and cost liability transferred to developers.	Appropriate control mechanisms will be put in place including parent company guarantees, performance bonds and NHBC cover. Most contractors are now pro-actively re-enforcing their links with established sub-contractors.
Delivery risk: Failure to complete land assembly, to provide vacant possession to contractor	Medium	High	Consider Commencement of CPO in respect of land at Rowden Drive if negotiations are unsuccessful. Complete land appropriation as set out in this report	Staffing and cost contained within FBC	Valuations undertaken and approvals sought Statement of Reasons in draft
Delivery Risk: Failure to secure approval to Sec 77 Sec of State approval will prohibit development of phase 2a and Park	Medium	High	Ring fencing of revenue generated by appropriation of School playing field land to secure Sec 77 approval Secure approval to land appropriations	Cost of appropriation of land accounted for in full business case	Application previously submitted rejected due to failure to determine expenditure of revenue generated by the appropriation of playing field land. Consultation on change of use of former school playing field already undertaken with no objections raised