

**APPENDIX 3 – DISPOSAL OF THE FREEHOLD INTEREST OF MANOR ROAD NURSERY SITE, SCARBOROUGH**  
**(Report ref: 19/001)**  
**RISK MATRIX**

<b>Risk Ref.</b>	<b>Date</b>	<b>Risk</b>	<b>Consequences</b>	<b>Mitigation</b>	<b>Current Risk Score</b>	<b>Target Score</b>	<b>Service Unit Manager/ Responsible Officer</b>	<b>Action Plan</b>
1	November 2018	Manor Road Nursery site is not sold	Capital receipt is not received Land remains vacant Anti-social behaviour may occur	External valuation has been conducted	B4	A3	Estates	Offers have been received for the site
2	November 2018	The sale of the Manor Road Site is not completed (following agreed sale)	Capital receipt is not received Land remains vacant Anti-social behaviour may occur Need to re-market the site		B4	A3	Estates	Due diligence on the preferred purchaser  Work closely with the purchaser
3	November 2018	The sale does not complete within the expected timescale	Capital receipt is delayed impacting on Council priorities Land remains vacant Anti-social behaviour may occur					
4	November 2018	The sale of Manor Road Nursery does not generate the estimated capital receipt	The level of surplus capital receipt is not achieved Final approval of the sale may be with-held by Cabinet	External valuation has been conducted.  The site has been marketed and offers received are within the boundaries of the Council's expectations	B4	A3	Estates	Work closely with the purchaser to help de-risk the proposed development

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5	November 2018	The offer is substantially reduced as a result of increased costs and/or onerous planning conditions.	The level of surplus capital receipt is not achieved  The sale falls through and we have to re-market the site	Pre-application planning advice sought and most of the planning costs are known and accounted for.  Offer clarified prior to acceptance.	B4	A3	Estates	Work closely with the purchaser to help de-risk the proposed scheme.
6	November 2018	Planning permission is not forthcoming for the purchaser's proposed scheme	Delays whilst the application is appealed  Capital receipt is reduced if size of scheme is diminished or costs increase.  Capital receipt is not received if planning permission is not granted.	Preferred purchaser has taken pre-application planning advice and most of the planning related costs are known.	B4	A3	Estates	Work closely with the purchaser to help de-risk the proposed development.  Ensure the purchaser adheres to agreed timescales for submitting planning application.
7	November 2018	Fail to agree with the purchaser what constitutes a satisfactory planning permission.	The sale does not proceed and the capital receipt is not received.  Have to re-market the site.  Associated holding and costs and security issues arise.	Bidders have experience of working on similar schemes in the local area and will have a clear idea of what is acceptable in order to meet their feasibility requirements.	N/A	A3	Estates	Early work with purchaser to ensure understanding of what constitutes "a satisfactory planning permission."  Ensure legal documents reflect agreed understanding.

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8	November 2018	The capital improvement works to Dean Road depot are not delivered on time	<p>Delays in relocating the Manor Road Nursery functions</p> <p>Cannot provide vacant possession of Manor Road Nursery (the sale falls through).</p> <p>Costs escalate and the offer price is reduced due to inability to benefit from vacant building credit</p>	Much of the site has already been vacated by the existing service	B4	A3	<p>Project management</p> <p>Estates</p>	<p>Project management process</p> <p>Robust procurement process</p> <p>Work closely with the purchaser and internal stakeholders to tie up the planning and vacating processes.</p>

## Glossary of Terms

Risk	An event which may prevent the Council achieving its objectives
Consequences	The outcome if the risk materialised
Mitigation	The processes and procedures that are in place to reduce the risk
Current Risk Score	The likelihood and impact score with the current mitigation measures in place
Corporate Objectives	An assessment of the Corporate Objectives that are affected by the risk identified.
Target Risk Score	The likelihood and impact score that the Council is aiming to achieve
Service Unit Manager	The Service Unit or Officer responsible for managing the risk
Action Plan	The proposed actions to be implemented in order to reduce the risk to the target score

## Risk Scoring

Impact	5					
	4					
	3					
	2					
	1					
		A	B	C	D	E
	Likelihood					

### Likelihood:

- A = Very Low
- B = Not Likely
- C = Likely
- D = Very Likely
- E = Almost Certain

### Impact:

- 1 = Low
- 2 = Minor
- 3 = Medium
- 4 = Major
- 5 = Disaster