

## Risk Management

The optimum allocation of risks relating to alternative procurement routes, methods of delivery, and future tenure will constitute a significant area of consultation with the Council during the next proposed stages of the project.

For now, the team has confined its assessment of risks to those areas in which the Council is exposed in moving the project forward to the point of entering into a binding agreement to acquire land or a new building. The table below summarises the areas of risk and the means by which the team anticipate they will be mitigated over the course of the project:

<b>Risk Area</b>	<b>Item</b>	<b>Mitigation by</b>
<b>Financial</b>	Excessive direct internal project costs	Continued appointment of a single dedicated project director.
	Internal consultation on Civic Centre diverts time and resource across all departments away from core activities.	Consultation on preferred operational model and neighbourhood strategy is required independent of of civic centre feasibility  Civic centre consultation process to be integrated with development of accommodation strategy by Corporate Property team to avoid duplication of work/resources
	Escalation of external consultancy costs	Tender through OJEU to ensure competitive costs.  Modularised work packages with fixed or capped fee agreements.
<b>Political</b>	Project does not secure political support	Recommendation of appointment of cross party group to oversee Civic Centre project through to April 2006.
	Project does not secure public support	Communication strategy is under development for staff, stakeholders, residents and media
<b>Feasibility</b>	Competitive environment cannot be sustained	Strategy of continued communication with site owners to inform of Council process and timetable to deliver civic centre project.  Maintain multiple site options for as long as possible.

		Tender process to encourage competition
	Costs in final tender do not meet VFM and affordability requirements	Initial outline tender prior to April 2006 to establish outline commercial parameters for alternative procurement routes.