

Appendix 2 – Assets Theme Risk Register

Key Risks – Asset Management Theme				
Key Risk	Risk Description	Severity	Action	Owner
The Council's generation of capital receipts does not reach the levels or timescales required	The Council is unable to balance its financial needs and this may impact on the ability of the Council to deliver services. Impact on reputation/ trust	Red	Ongoing review of forecast to provide accurate basis upon which to prioritise capital programme. Expansion of the pipeline of disposals to generate capital receipts through a full asset review of the commercial and operational portfolio. Prioritisation and ongoing monitoring of high value disposals.	Nicki Jenkins
Team capacity to deliver the asset rationalisation programme	Team capacity to deliver business as usual due to large staff turnover impacts on ability to deliver the work programme.	High	Tight prioritisation of assets moving forward for disposal. Increased interim capacity secured. New property structure to deliver increased capacity to the team for disposals Securing additional legal capacity to support disposals.	Nicki Jenkins
In generating receipts the Council creates larger long term revenue pressures on its base budget or does not consider the impact of investment properties and yield	The Council budget is not sustainable in the longer term and may affect the ability to deliver services.	Amber	Asset review process and review of investment properties to take into consideration revenue impacts of potential sales and to ensure this is included as part of the information when decisions to sell are made. Prioritisation of assets to dispose, which have low revenue pressures. Monitoring cumulative impact of decisions made on revenue. Some provision within property budgets to cover revenue loss. Existing performance of property holdings will be reviewed to ensure that their efficiency is maximised (for example around voids, debt collection, rent reviews etc), to ascertain how far any loss can be contained.	Nicki Jenkins

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			If further mitigation is required after this then that will be picked up in realistic income assessments within the MTFS.	
Disposal of operational assets is dependent on decisions taken within services.	Decisions can often be elongated and complex.	Red	Operational asset group established to monitor/co-ordinate progress. Strategic asset management team works proactively with services. Increased capacity within the Strategic Asset Management function through property restructure process.	Nicki Jenkins
Market conditions impact on the sale of assets	Decreased value due to market saturation/ decreased appetite for office space/ assets following the pandemic and reluctance to return to the workplace. Decreased value due to view of council negotiating position by market (as vulnerable/ dependent on sales)	Red	Ensure market conditions are considered when undertaking valuations/ forecasting income. Have a clear strategy for disposals that reflects market activity and adapt approach as required to respond to need	Nicki Jenkins