

Appendix iv. Governance and Assurance

Governance and Assurance

1. The council submits a quarterly monitoring statement to DHLUC which is signed by the Executive Director Corporate Development.
2. Internally, the Levelling Up Fund Project is monitored by a LUF Governance Board, chaired by the Executive Director, Place and the Capital Strategy Asset Management Group, which is the responsibility of the Executive Director Corporate Development.
3. This is the first of a series of reports to Cabinet which will take Portfolio Holders through the progress and seek approval for the next steps.

Appendix v. Risk Assessment

HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as: Medium

Current Risk:

Risk	Mitigation
That the Levelling Up Funding is insufficient to cover all of the costs associated with the projects.	The original bid proposals were, where possible, reflective of outline business cases and estimated costs. Cost consultancy advice has been procured to ensure sufficient budget and contingency has been considered. There is the potential to move funds between the three projects within the wider Weymouth Waterside package.
That the council is unable to provide sufficient match funding against the LUF funding.	The LUF bid submission set out a local contribution of £3.5m towards the total cost of the project. Allocating this funding will secure the LUF funding, conversely not agreeing to this contribution would place the LUF funds at risk of clawback by government.
Legal challenge to the delivery of projects delivering LUF related outputs.	The council have engaged external legal consultants to provide advice relating to the potential redevelopment of the Peninsula, the implications for the council as the Harbour Authority, and the procurement process for development at the Peninsula site. This advice will help set out a legal mechanism to deliver the redevelopment

	sites and the achievement of project outputs.
The reallocation of funds from the New Bond Street project to another project is not approved by DLUHC.	Officers have held initial conversations with DLUHC regarding the potential movement of funding which has identified a pathway for a reallocation request. The continued achievement of the project outputs will be critical to the requests success.
The council suffer reputational impact through the inability to deliver the LUF project or associated outputs.	Significant progress has been made over the six months since funding award to demonstrate that LUF delivery is on programme. Officers have commissioned specific expert advice on market demand, legal implications, economic impact, and planning implications to cover some of the known issues.
Lack of market demand leads to non-delivery of project outputs.	Soft market testing has been undertaken for the North Quay and Peninsula sites. The North Quay responses show that market demand from the private sector exists. Responses to the Peninsula demand are awaited and will be considered in a future report.

Residual Risk: Medium