

Risk Assessment

Risk identified	Mitigation
Financial cashflow – need to settle invoices before reclaiming the grant element from CLLD – LTC may have insufficient funds.	Forecast cashflow indicates incidents in 2021/22 but these should be covered by the current levels of general and nominated reserves
Financial sustainability beyond the project funding – income may be insufficient to cover the costs of continuing to operate the workspace after expiry of project funding and require subsidy from LTC	Forecast cashflow to 2025/26 indicates the facility should cover ongoing operating costs and be sustainable
Demand on existing LTC staff time – increased workload for existing staff preventing working on other projects/opportunity cost and/or increased costs	Project funding includes time for LTC officers, forecast cashflow beyond the grant funding indicates the facility could cover necessary staff time for management, cleaning and maintenance. Existing experience of the Guildhall units indicates time demands are small and manageable.
Tenants - risk of no tenants once the units are completed	the demand study produced by an independent body specialising in the creative industries sector in November 2019 showed 18 Liskeard based businesses are interested in taking business units. This reinforces the findings of our own study in 2018 and the Cornwall Council study in 2017 that there is good interest in small scale units in the town. Demand is shown by the consistently high rates of occupancy (usually 100%) of a range of units including our own, Cornwall Council and the Liskerrett Centre.
Ongoing Liabilities After the Project	The two posts will be time limited to the availability of grant to fund them. Cornwall Council own the containers. Should the Town Council exercise the break in the lease, the Town Council would not have any ongoing liabilities with regards the project. Cornwall Council would be left with the management of the units that they own. However, the cashflow projections suggest that the income would cover costs. The Town Council is currently managing the 6 Guildhall business tenants. The addition of the 8 units in

	cattle market makers project should not prove difficult.
Potential gaps in insurance cover caused by two different organisations with a significant role.	This has been flagged up as an issue and the Collaboration Agreement with Cornwall council will clearly set out where responsibilities lie.

Risk Assessment (including roles and responsibilities)

Cornwall Council

- Cornwall Council are providing the site (the 10 year lease with a 5 year break clause which will enable the site to be redeveloped should the economic climate for town centre business investment options change).
- Cornwall Council are providing the matchfunding (all but £2,000) to draw down the ERDF/ESF.
- Cornwall Council will own the container-based workspace should it all go wrong they will be left with the containers.
- Cornwall Council's arms-length company Cornwall Development Company will be providing the cash-flowing funding to the Liskeard Town Council to enable the containers to be purchased. Grants are paid retrospectively.

Liskeard Town Council

- Liskeard Town Council will provide £2,000 – into a £757,000 project. That is a .26% of the total project (I am not aware of any other Town Council looking at that level of leverage on a project).
- Liskeard Town Council will employ the two people on a short-term contract that ends when the grant finishes.
- Liskeard Town Council will be inputting staff and councillor time until the lease is terminated or on an ongoing basis.
- Liskeard Town Council – the income should just cover the costs.