

Risk Description	Probability (H/M/L)	Impact	Impact (H/M/L)	Mitigating action	RAG	Risk Owner	Progress	Date Reviewed	Resolution implemented by	Closed / open
Sponsorship not fully agreed at this point by external funders	High	Risk of members and CMT not on board with this, service spin out (completely away from the organisation) will not be viable without this finance	High	Need letter of intent from sponsors & costs can be controlled as new business activity will only be delivered as and when the funding is secured	AMBER	Project owner/finance	Scope agreed - agreed a longer implementation period for the proof support			
Failure to gain Member approval to form CIC	Medium	Scope to develop the service is limited	High	Ensure compelling evidence base and benefits through Business Plan	GREEN		S&R Committee date 16/7/18			
Loss of Key staff	Low	Risk to continuity and quality of service	High	The current workforce are extremely trained and are dedicated to their role. Staff have been informed throughout this process and continue to play a role in the shaping of the new service going forward and support the current plans	AMBER	Project Owner	Staff evaluations completed to judge the satisfaction of staff			
Failure to manage insurance risks	Medium	Exposure to liability for directors and / or company. Exposure to loss for employees, LBS, customers, suppliers and directors	High	1) All insurance requirements will be identified within the business plan. 2) Ensure the insurance risk is mitigated for employees and directors	GREEN	Project Manager / Project Owner	To take advice from insurance			
TUPE implications when tendering for contracts	High	Staff transfer into the company on existing T&Cs which could reduce profitability	High	1) Ensure that HR is involved in any potential TUPE situation. 2) Company policy for TUPE situations. 3) Understand the costs / impact of TUPE within bids.	RED	Project Manager/Project owner/HR	Seeking advice from HR			
Unable to secure a building for the new service	Medium	Potential loss of business and profitability as the space is required to lead on some of the more income generating areas of the business.	High	Work with asset management upon approval on where the service could be based in the short term (LBS property). Alternatively the service could remain within the council building for the meantime.	RED	Project Owner/Manager/Asset management	Seeking support from Asset management including potential use of Sutton Youth Centre			
Company is unable to meet LGPS employer contribution obligations	Medium	Shortfall in pension funds. Unable to pay full pensions to current or future beneficiaries. Pension scheme becomes an unsecured creditor and company fails due to debts	High	1) Take internal / external advice on how to transfer / manage pension contributions for seconded staff. 2) Governance to provide scrutiny of financial management and once approved system should support LGPS members	RED	Project Owner/Manager/HR	Business plan outlines that new staff will be employed under different terms and conditions including a closed pension scheme			
Failure to have a clear service delivery model	Low	Service delivery failure. Failure to meet statutory duty. Risk to continuity and quality of service	High	The service offer will be shared with board, senior managers, service users and staff for discussion and deliberation	GREEN	Project Owner	Business plan has been shared with a number of internal and external stakeholders to access the viability of the operation model			
Contract not awarded by Council	Low	Portage service discontinued for families reaching the criteria. NewCo unable to start business/pay staff with no income	High	Working with Legal services to confirm whether a contract between the council and the NewCo to deliver the portage service for a defined period of time. This will ensure the sustainability of the service and of the organisation	GREEN	Project owner /Project manager/Legal	Contract value is under the Public Contracts Regulations value, so NewCo can be awarded a 2 year contract for Portage services			
Unable to secure funds by go live date	Medium	Service delivery failure. Unable to run additional services and cover bills. NewCo would shut down	High	1) Finances to be externally validated to ensure that they are not too ambitious. 2) Continue to work with contacts across the sector to ensure funds 3) Service to be brought back in house	AMBER	Project owner	Since July Committee, letters of intent have been received. CIC has been registered and now has a bank account.			
Difficulty marketing new services to stakeholders	Low	Low income generation, which may lead to reducing price of new service - putting at risk the financial viability of the organisation	Medium	1) Stakeholder engagement has already taken place to scope whether families would be willing to buy services 2) Communication about changes to the new service offer will need to be made available in enough time, for families to decide to make the step. 3) New Co to ensure adequate promotion takes place	AMBER	Project owner/project manager	Project manager working with Comms team to draft key messages for stakeholders			
Slippage in timescales due to consultation period	Low	Slippage in go live date by one month (potentially more)	Low	Ensure timetables have been agreed in advance making space for public holidays	AMBER	HR/ Project owner	CMT agreed tupe/consultation timetable.			
Business model can be duplicated as this is not protected	Medium	Service no longer unique. Risk of losing customers to other businesses = business closure	High	30 years of Portage in the borough means that the team is trusted. These relationships should continue either informally or through Memorandum of Association  Lawyers to play a role in supporting this	RED	HR/ Project owner	Service manager developing relationships and opportunities for sales outside of Sutton			
Loan not approved from the council	Medium	Service delivery failure. Unable to begin business due to low capital costs	High	Service to find alternative funding model and perhaps delay spin out	AMBER	Project owner	NewCo to discuss with council pending members approval			

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