Risk consideration	Risk Likelihood (Up to 5)	Risk Impact (Up to 5)	Score (Up to 25) & RAG	Risk mitigation
Savings from VAT and NNDR are not achievable due to NNDR complications with new systems for pooled authorities and uncertainty around the proportion of income to be retained by local authorities under the new business rate retention system and the requirement for the details of arrangements between the Council to be determined to assess the level of irrecoverable VAT	2	3	6	• Further validation required within the company Proposal and Business Plan (July 2018). • Consultation and ongoing dialog undertaken with the Council's revenues team
TUPE cohort lacks the skills / expertise to manage and deliver the services effectively within the new structure	3	3	9	• Concurrent restructure of non-transferring services to allow opportunities for transfer of those with appropriate skills that may not be part of the TUPE cohort • Ability of NewCo to recruit externally (prior to and after 1st October) • RBC to meet redundancy costs and/or claims arising • Restructure of transferring services to be developed through business plan

Risk consideration	Risk Likelihood (Up to 5)	Risk Impact (Up to 5)	Score (Up to 25) & RAG	Risk mitigation
Failure to deliver change in management direction and leadership of the transformation post transfer.	2	3	6	• Appointment and dismissal of Managing Director to be reserved to shareholder • Ability of NewCo to recruit externally. • Business plan to be developed by external consultant with private sector expertise • NEDs to provide breadth of expertise to Board • Concurrent restructure of non-transferring services to include ensuring appropriate expertise at RBC to monitor / manage NewCo contract effectively. • Support service SLA to be developed and changes in approach embedded within the Council.
Members (and other key stakeholders) approve the magnitude of savings and the transformation plan without a full understanding of the changes that will need to be agreed to realise these savings. At the implementation stage the necessary changes are found to be contentious and not supported, resulting in the savings delivery being compromised.	2	4	8	• Full member, staff and stakeholder briefings will be planned/continue for further stages of the project. • Coms plan developed for the project at key gateways.
NewCo fails to be recognised by HMRC as a qualifying body for the VAT concessions, in accord with HMRC Notice 701/45	1	5	5	• Properly structured agreements developed by experts to ensure that NewCo is properly recognised as a not for profit organisation in all respects and to the satisfaction of HMRC.

Risk consideration	Risk Likelihood (Up to 5)	Risk Impact (Up to 5)	Score (Up to 25) & RAG	Risk mitigation
Delay in the completion of a registration / admissions agreement for NewCo to the Local Government Pension Scheme	3	4	12	• Early application – under registration scheme • Clarity on the form of admission from the outset • Early completion of actuaries' assessment report • Arrangements for contingency plan – short term secondment of Council employees to NewCo.
Delay in obtaining General Disposal Consent (if/as applicable) for the land and buildings	1	2	2	• It may be necessary to complete a report to indicate that the peppercorn lease does not represent an undervalue greater than the permitted general disposal consent
Objections to the ''disposal'' of the leasehold interest in community assets, via transfer to NewCo	1	2	2	• Unlikely to be objections as the Council will be retaining ownership and control of the use of the assets. • Coms plan in place to communicate on such matters and business case make this very clear.
Objections to the fact that NewCo may be deployed and agreements entered without ''full procurement'' in accord with Teckal principles	2	1	2	• Expert advice in the structuring of the various arrangements to ensure that the '' Teckal tests '' are met (necessary degree of council control etc.).

Risk consideration	Risk Likelihood (Up to 5)	Risk Impact (Up to 5)	Score (Up to 25) & RAG	Risk mitigation
Service Level Agreement Failure (SLA) for support services and impact on the business	2	4	8	• The Commissioning specification (part of the SLA) needs to be developed early in the process and receive widespread support from members and stakeholders. • Detailed support service SLA will be developed that clearly confirm format and frequency of work support. • Detailed contract management and meeting schedules establish to monitor progress in the earlier stages.
Delay (or failure) in appointing and convening board members (director / trustees)	1	4	4	• Composition of Board agreed early in process. • Directors indemnity insurance secured before decisions are made • Expert legal and specialist advice made available to the board
The new arrangements do not meet the Councils own discretionary relief policy	1	4	4	• Expert advice required to ensure that NewCo is properly established as a not for profit company, which is incapable of profits distributions • NewCo to be recognised as the beneficial occupier (of the premises for which relief is being granted) • Monitoring Officer satisfied • Early application submitted and application fast tracked

Risk consideration	Risk Likelihood (Up to 5)	Risk Impact (Up to 5)	Score (Up to 25) & RAG	Risk mitigation
Slippage in the delivery programme and decision-making process, resulting in the implementation being delayed.	3	5	15	• Potential early savings of around £220,000 for the period October 2018 to April 2019 are predicated on a fully resourced delivery plan commencing in October 2018. • Fully project team appointed internally and project board programme established. • Consultancy support team appointed with expert knowledge of the service and programme.
New arrangements between NewCo and RBC fail to be flexible enough to accommodate changing landscape (future proofing) and to deliver business case objectives in the short and medium term.	3	5		• The new delivery model must be ready to respond changes in service requirements – being separate from but having a good relationship with the Council will make it easier for the new company to be engaged fully in change at an early stage and in so doing help to shape the outcome.
Dealings with the emerging NewCo must be productive and constructive (whilst achieving the desired outcomes for the Council)	2	4	8	• Effective partnership arrangements in place
Political Change after May Elections 2018**.** Current positon of controlling and opposition parties is different.	2.5	5		N/A

Risk consideration	Risk Likelihood (Up to 5)	Risk Impact (Up to 5)	Score (Up to 25) & RAG	Risk mitigation
Services do not develop during transition phases – pre transfer (Stage 2 to 3b). Year one Income/Savings not met	3	5		• To be addressed through the committee report process with key activities agreed and funded. • DMT to monitor any issues that may occur and feedback to SMT as required. • Issues log created and regularly monitored.
Transferring Services suffering reputational damage pre and post transfer	1.5	1.5		• Coms plan in place for stage 2. • Coms plan to be developed for stage 3 and pre transfer marketing and presales approach agreed. • Brand identity and style guides developed and promotional plan implemented. • FAQ developed for staff when liaising with users and stakeholder briefing developed.