

Risk Ref	Risk Description	Project Objectives Ref	Agreed Risk Owner	Gross Score (without controls)			Existing Controls & Evidence	Net Score (as it is now)			Planned Actions	Planned Action Lead	Planned Action Due Date
				Likelihood	Impact	Total Score		Likelihood	Impact	Total Score			
				L	I	LxI		L	I	LxI			
1	Risk of non compliance with EU procurement legislation causes legal challenge on the formation of the trust resulting in project delays, significant costs and the Trust being aborted.	Creation of a charitable trust	SRO	4	4	16	External Legal Advice on the risk has been sought and has concluded: where the Council concludes that there is not sufficient cross-border interest in the leisure service, simply vest the leisure services in the leisure trust. This approach of citing a lack of cross border interest as a basis for allowing direct transfer of local authority leisure services to NPDO organisations appears to be an accepted practice amongst many local authorities	1	4	4	no further planned actions	n/a	n/a
2	Poor quality facilities and lack of investment in the facilities may result in unplanned for significant expenditure to maintain or replace equipment such that the Trust becomes unviable.	Creation of a charitable trust	SRO	3	3	9	Condition surveys are being carried out at each leisure centre to quantify the condition of the assets - this includes fabric of the buildings, structure, condition of boilers, plant and equipment.	3	3	9	The results of the survey will inform costings for the Trust Business Case and Business Plan and negotiations between the Council and the Trust for the Management Agreement (contract).	SRO Council / CEO Trust	Dec-13
3	Risk that poor engagement with trade unions and the existing workforce results in dissatisfaction leading to industrial action and delays to the formation of the Trust.	Workforce	SRO	3	3	9	The first phase of staff awareness and Union briefings on the proposals have taken place. Further briefings and face to face consultation has also taken place.	2	3	6	Phase 2 consultation with Senior Mgt of the Trust and incoming staff.	SRO Council / CEO Trust	Jan-14
4	Insufficient skills knowledge and expertise of new Trust Mgt Structure result in unrealistic business case (and business plan) such that the Council decides to terminate the formation of the Trust.	Creation of a charitable trust	SRO	4	4	16	Shadow Board for the Trust appointed by the Leader of the Council. A formal recruitment process has been undertaken to appoint a broad skills and knowledge range of non-exec Directors. The Board has met twice and is in the process of recruiting staff to produce the Business Plan.	3	4	12	Senior management appointments and future decisions of the Board will include sign off of the Business Plan. Dedicated lawyers that specialise in the formation of charties have been appointed.	SRO Council / CEO Trust	Dec-13
5	Programme delivery resource Insufficient dedicated resource to fully resource the project delivery may result in delays and incur additional costs such that the Project does not meet the planned efficiency savings.	Efficiency savings	SRO	4	4	16	Project manager and admin support identified - however the project interdependencies rely on a number of significant internal decisions and resource (e.g. Shared services)	3	4	12	further resources will be needed to support trust board meeting and the new directors	SRO Council / CEO Trust	Nov-13
6	Management of relationships with Supply Chain (e.g. Schools) Lack of clarity on the responsibilities and lack of agreement on the split of cost on joint use with schools could result in the Council being unable to reduce the Management Fee for the Trust	Efficiency savings	CEC Client officer	3	4	12	The legal agreement will be between CEC and the School through existing joint use contracts. The Council will therefore be unable to reduce the management fee for the Trust until the end of these contracts - which is 2022.	3	4	12	- when these contracts are due to expire, joint conversations will take place between all 3 parties (i.e. CEC, School and Trust) Notice to be given at the termination date by CEC and the relevant school- joint negotiations then to held between CEC-School-Trust and in some instances the Town Council	Client officer Council/SRO trust	TBC
7	Charity Commission does not accept that the trust is independent resulting in the refusal of registration resulting in not being able to create chartable trust	Creation of a charitable trust		4	4	16	Consideration on make up of Trustee Board, formal recruitment process, No formal decisions being undertaken that effects the trust until the shadow board in place- articles of associations correctly filled out and accepted by charities commission	2	4	8	Recruitment of or possible TUPE of CEO, Senior Mgt structure, formal appointment of Board Members, further 3 trustees to be recruited that compliment the existing skills of the board	Client officer Council/SRO trust	Nov-13
8	Poor engagement with the Cheshire Pension Fund prevents the timely inclusion of adequate pension transfer arrangements leading to staff dissatisfaction and potential legal challenge	Efficiency savings	SRO	3	3	9	Cheshire pension fund has been kept informed and the pension actuary has been commised to under take a detailed analysis of the fund	2	2	4	Detailed figures are due to be received form the pension services by the end of the Nov 2013 and following this the cost of the prefer scheme will be included in the business case and business plan	SRO Council / CEO Trust	Dec-13
9	Shared services cannot deliver the infrastructure to support the new Trust in time for the Go Live date, causes of this may be insufficient time to build and test the finance system (Oracle). This would cause the Project to either be delayed or run the risk of not being a completely separate entity at the Go Live date such that it cannot be recognised as a Charitable Body resulting in legal challenge, additional VAT costs and is unable to reduce the contribution from the residents of Cheshire East.	Creation of a charitable trust	SRO	3	3	9	Regularly oracle team meetings are held- a member of the project team is acting as the liaison between the Leisure project and shared services. Shared services project plan indicates that the transfer date is achievable	2	3	6	User acceptance testing to take place prior to go live.	PM	Jan/feb-14
10	Formation of the chartable aims and objectives is delayed by either changing political climate, TEG queries or Trustee concerns meaning that insufficient time is remaining to take all necessary preparatory steps, governance arrangements and consultations within the planned timescales leading to delayed implementation and delivery of benefits	Creation of a charitable trust	SRO	3	3	9	The project has been through the councils project mgt gateway process and has received endoresement at Gate 1 and 2- is also has cabinet approval.	2	2	4	A full detailed business case which complies with DDPM guidance is to be formally approved by Cabinet	PM/SRO	Jan-14
12	Overpricing of CEC back office services provided during the incubation period overburdens the formative Trust resulting in financial failure	Efficiency savings	SRO	3	3	9	N/A	3	3	9	Prior to agreement being reached as to which services will be bought back from CEC a SLA will need to be provided and approved by the trust board which will quantify the cost and cap the trust liability.	SRO Council / CEO Trust	Jan-14

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13	There is a risk that information sharing protocols are not agreed between CEC, the Trust and any other stakeholders or that these are breached leading to legal challenge and possible financial penalties which negatively impact to ongoing commercial viability of the Trust and have a negative reputational impact on the Council	Creation of a chartiable trust	SRO	3	3	9	None in place at the moment	3	3	9	Full information sharing protocols are to be drawn up, which will clearly distinguishes who is responsible for which information, the Trust will also register with information commissionaire	SRO Council / CEO Trust	Feb-14
14	Risk that SLA/Contract Management arrangements have not been appropriately agreed and documented, including details of all specific areas to be managed and reported including risk and performance management, that responsibility has not been assigned for these arrangements, including defining the roles and responsibilities of both the Trust and the Council.	Creation of a chartiable trust	SRO	4	4	16	N/A			0	Draft contract will be developed based on Sports England tempate, Local PI's and outcomes being discussed . Client contarctor split proposals agreed just awaiting confirmation		
15	Risk that consideration is not given as to whether there are any systems that the Council will retain but that the Trust will process information on/need access to including licences for software and that arrangements for the transfer, storage and processing of 3rd party information held by the Trust in relation to its own business but stored on Council owned or operated equipment and whether systems are capable of being split or shared and the costs involved to achieve this.	Creation of a chartiable trust	SRO	2	2	4	A full ICT audit is being undertaken that will identify which systems are currently being used, if they can split and at what cost.	2	2	4	The conculsioin of the work will be presented to the trust board for formal approval.	SRO Council/CEO Trust	Feb-14