

STRATEGIC RISKS TEMPLATE

No	Risk Title	Risk/Opportunity Description	Inherent risk status				Mitigating & Management actions	Ownership
			Impact of negative outcome	Chance of negative outcome	Risk score and direction of travel			
1	Failure to maximise opportunity by not acting	Budget gap cannot be met in future.	3	2	6	↔	If the Council does not take up opportunities to generate income through trading then the risk to the Council from reduced funding and increasing budgetary pressures is heightened.	All HoS/Members
2	Market failure	Market collapse on areas identified for trading potential.	2	2	4	↔	Individual schemes would need to be separately risk assessed before any trading was to be entered into.	As appropriate to scheme
3	Differential trading opportunities	There is likely to be differential trading opportunities that come to light between the Councils requiring reallocation of dividends between the Councils.	2	1	2	↔	The relative worth of each local authorities trading can easily be determined and a system of recharging (similar to shared services) be implemented.	Members Income Group and Directors of company
4	Diverging approach to Income Generation at each Council	A diverging strategy for income generation may mean that a single jointly owned company is not the best way forward.	2	4	8	↔	An appropriate 'exit strategy' will be included in the governance arrangements. Options could include winding up the company or allocation of shares to one shareholder. It is likely in the future that subsidiary trading arms are developed as part of a healthy	Members Income Group and Directors of company

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							growth and risk mitigation strategy.	
5	Liabilities	Liabilities can exist for both the company and directors.	4	2	8	↔	The liability of the company would be limited. Directors liability can be covered through appropriate insurance	Directors
6	Lack of trading	Company expenses could outweigh income generated.	2	2	4	↔	The expense of running a company would be minimal in the first instance. Expenses would initially be matched directly to trading activity with the company contracting with the Councils for the resources necessary only to complete that particular trading activity. Once the company is established then it	Members Income Group and Directors of company
7	Differing call on resources	That one Council may have a disproportionate demand on officer time and resources to pursue a trading opportunity.	4	1	4	↔	Joint approval of Business Cases will avoid this situation. The Company will not undertake any trading activities unless there is joint acceptance of a business case.	Directors and Members

Direction of travel symbols ↓ ↑ ↔

Income Generation Ideas arising from South Hams Task and Finish Groups and West Devon Income Generation Working Group

South Hams

- Food Hygiene
- Affordable Housing loans
- Enabling fees for Registered Providers
- Grounds maintenance
- Driver CPC Training
- Advertising
- Print and scan
- Asset development (through an accelerated Strategic Asset review Programme)
- Legal Services

West Devon

- Food Hygiene
- Affordable Housing Loans
- Enabling fees for Registered Providers
- Advertising
- Print and scan
- Mechanical sweeping
- DFG support
- Legal services
- Arbori-cultural services
- Asset development (through an accelerated Strategic Asset review Programme)