

Appendix 7: Risk Analysis

Risk Title	Risk Description	Probability	Impact	Consequences	Mitigating action(s)	Responsibility
Produce share (currently 88% of business revenue)	Dissatisfaction with veg and fruit share by members	Low	High	Decreased membership level Reduction in revenue below minimum profitable level Reputational damage	A wide range crops planted in sufficient quantity A suitable range of share sizes available Good husbandry Integration fruit and veg production Organic certification Good communication with members Implement complaints procedure	Head grower Directors (Steering group)
	Total or partial harvest failure due to external factors such as weather, pests etc. or failure of specific crops	Low	Medium	Low yield of crops resulting in unacceptably low value and variety for members. (quality & quantity) Decreased membership level Reputational damage	Share information with members Use of appropriate growing techniques Plant wide range species, varieties Contingency planning	Head grower Steering group
	Inadequate access to equipment e.g. Leasowe Farm's large tractor for ploughing, power harrowing and front loading	Low	High	Inability to complete planned work	Good communication with Leasowe Farm owner Contingency planning Investment programme	Head grower Steering group
	Equipment failure or obsolescence with equipment and/or machinery becomes worn out and not replaced	Medium	High	Inability to complete planned work Disruption of timing of planting/harvesting	Monitor and replace equipment (annual inspection) Capital replacement programme for major items like tractor Capital investment programme in place	Head grower Steering group
	Polytunnels ripped and/or worn out	Medium	High	Reduced number of polytunnels in use affects share (reduces quality and quantity)	Monitor skins and structures (annual inspection) Capital replacement programme in place with adequate reserves	Head grower Steering group
	Weather events; drought, flooding, snow	Low	Medium	Loss of crop/ share quality	Continued green waste spreading, Irrigation maintenance Forecast monitoring Maintenance ditches Snow removal polytunnels	Head Grower Staff

	Reduced access to land e.g. lease terminated by landlord	Low	High	Production not possible, main source of income ceases Staff made redundant Volunteers no longer required	Tenancy agreement, buy land	Steering Committee Staff Directors
	Orchard access terminated	Medium	Medium	No or little fruit in share	Licence or lease agreement Future purchase of additional land	Directors
Infrastructure (accessibility, damage or destruction)	Fire in barn/polytunnels	Low	Medium	Serious damage to interior of building, loss of harvest and/or storage space, loss stored produce	Fire extinguishers, designated outdoor smoking area, fire monitors, monitoring water use. Insurance	Steering group/Staff
	Major leakage from water pipes	Medium	Medium	Financial loss (water bill) Damage to buildings (flooding) or social area Loss of crops (polytunnel)	Ensure water off in cold spells Periodically check for leaks Monitor irrigation operations Monitor water bills	Head grower Staff
	Major break in and theft	Medium	Medium	Large financial loss (high bills!) Repair/replacement of building and contents Potential short term cessation trading	Review and maintain building security, maintain control of keys/codes issued Insurance against loss of income and/or buildings, Maintain surplus in account as contingency Front gate welding and locked container storage	Directors Steering group Steering group
	Adjacent housing development, potential encroaching development on both sides of the site	Medium	Medium	Encroaching development affects character of site Site access affected Increasing planning restrictions on operations Potential for increased complaints to farm operations Increased traffic	Monitor planning applications around site Comment on planning applications Maintain contacts with coop housing group	Steering group
Management (Failure)	Breach of health and safety legislation resulting in injury to members, staff, volunteers or workshop attendees	Low	Medium	Poor reputation Regulatory authorities take action (H&SE) Fines	Clear procedures for management and farming practices	Steering Group Staff

	Breach of regulations or legislation covering environment and farming	Low	Medium	Reputation damage Landlord unhappy	Annual review of, and adherence to, company procedures and policies. Monitoring risk Completion of risk assessments before any events or workshops. All staff are first aid trained Public and employer liability insurance	Steering group Staff
	Loss of financial and/or membership data held on office computers	Low	Medium	Members compromised and unhappy	Computer backups or information and use of commercial antivirus software SSL website GDPR compliant policies	Directors/Staff
	Pollution/contamination of waterways/ground	Low	High	Loss of organic status Loss of produce Landlord/ Environment Agency/ Council unhappy (fines!)	Monitor water flows Manage waste/compost Monitor composting toilet	Staff
	Member and volunteer engagement, inability to attract or retain sufficient members and/or volunteers	Low	Medium	Financially unviable to produce sufficient produce, potential cessation of trading.	Appropriate encouragement and recognition to volunteers. Regular reviews of volunteers. Continual recruitment of new members and volunteers. Engaging events for members. DBS clearance for staff. AGM accountability. Good communication with members (newsletter, open days etc.). Good range of events for members. Develop networking events. Marketing plan	Directors/Staff
	Low member engagement in activities	Low	Medium	Reduced income Poor reputation	Continued membership engagement Weekly Newsletter Regular printed newsletter Regular interesting events	All
	Staffing, inability to attract or retain competent and/or experienced staff	Medium	Medium	Staff feel undervalued, lose motivation and could leave or high turnover Canalside loses status as responsible employer	(Self) evaluation and monitoring; staff mentoring Adequate wage/remuneration policy; inc. linking annual & increments to Retail Price Index (RPI), holiday increments Clarify personal development allowance and budgetary implications; e.g. job-related courses for key staff Develop a list of existing and potential staff and volunteers according with relative employment status, skills and responsibility; including salaried staff, deputy growers, committed volunteers from membership	Steering group

	Insufficient staff to maintain production	Low	High	Additional/replacement staff are unsuitable (insufficiently trained/skilled) in the event of staff absence or increase in demand	3-month reserves thought to be adequate for 'catastrophe scenario' to pay staff notice periods. Mitigate also by creation of annual budgetary surplus (medium concern)	All
Governance (Failure)	Management or financial control failure, fraud or misconduct of staff and/or directors, failure to meet payroll and/or contractor payments, failure to meet legal or company requirements, failure to comply with legislation (Health and Safety, Discrimination, Data Protection)	Low	High	Loss of financial or membership data and/or money Loss of staff, contractors Punishing fines and/or loss of company status	Clear company policies and regular steering committee review of compliance and adequacy, appointment accountants, agm for members oversight, training for directors and steering committee members, contracting payroll and accountancy services	Head Grower Steering committee Treasurer Directors
Share Capital	Badly managed share offer	Low	Medium	Failure to raise sufficient capital to buy site	Continue renting Standard Mark Assessment Support of Coop UK	Directors
	Failure to raise sufficient share capital to buy site	Low	Medium	Failure to buy site	Continue renting Negotiate with current landlord	Directors
	Failure to generate revenues to cover Interest payments	Medium	Medium	Failure to pay interest	Monitor implementation business plan to meet targets Communication with investor share membership Moratorium on interest payments or reduced interest payments in poor years	Directors
	Too many members wanting to withdraw shares	Low	High	Run out of money/ business failure	3 year delay on withdrawal Annual cap on share withdrawals Moratorium on all share withdrawals in critical situations	Directors