

re3 Project Management Team - Risk Register

Ref	Risk	Description	Risk type	ETA (where known)	Status of Risk	Probability	Impact	Mitigation/Response	Responsibility for Mitigation/Resp	Comments	
1	Retention of knowledge of contract	The councils will be at a distinct disadvantage if they do not retain a sufficient knowledge base relating to the contract. The risk arises from the high dependency upon a few members of staff.	Contract Management		Live	low	high	Build knowledge base where it does not already exist - there is a broad understanding of the purpose of the contract within waste staff. Promote retention of existing staff. Accurately record mtg's, revisions of contract/Joint Working Agreement etc. Production of the Quick Guide to the contracts (Eversheds)	re3 Mgmt Tm	Our ability to drive the contract as we wish is founded on our ability to make the contractor deliver the contract. Without the retention of an understanding of the contract this will be more difficult.	
2	Failure of the re3 project management team	The effectiveness of the team depends upon the effective joint working of the officers.			Live	low	high	Temporary solutions in (i) CA taking notes of meetings with WRG Board Rep and (ii) KC taking notes of re3 Project Management Team meetings. Development of a Joint Waste Authority would help - avoiding both duplication and friction from competing concerns.	re3 Mgmt Tm		
3	Retention of Contractors Staff	Particularly in areas such as construction, customer care, operations and finance there are clear risks to the level of service the councils (and residents) should expect if the contractor is unable to retain quality staff	Contract Management		Live	high	medium	The councils are encouraging approaches to partnering - to make the organisations work together i.e. less reliance on the individuals employed at any one time. Raise issue of adequate cover with the contractor.	re3 Mgmt Tm	Contract staff who've left WRG so far: Freya Webb, Neil Tyler, Alan Evans, Laura Smith. John Christiansen is on long term sick leave.	
4	LEFW: Late Commissioning	We've been informed that Commissioning will be delayed by 26 weeks from the start of April 08. There are clear cost implications and contractual issues arising from the delay - not least the claim for compensation and excusing cause by WRG.	Facility	Sep-08	Live	high	medium	Investigate the claims made by WRG and assess the value of a legal challenge. Assess elements of claim that are weak/unreasonable or which seek to make unnecessary and permanent changes to Waste Flow Model or contract docs. Legal support? Negotiate with Contractor.	re3 Mgmt Tm,	Negotiations underway with contractor over claim.	
5	LEFW: Commissioning period not completed by 1st July 2009	If Commissioning is delayed to the point where it is not completed by 1st July 2009 then the Lakeside Waste Processing Agreement can only be retained by mutual agreement of Lakeside and re3 Ltd. That's a negotiation the councils would have a keen interest, but possibly no role, in.	Facility	Jun-09	Live	medium	high	Councils opened dialogue with both WRG and Grundons. Legal advice being taken. 'Other means' of supporting our position - visit to Lakeside Members/Officers arranged by Paul Bettison. Budget position investigated (CA/OB/DF) presented to re3 Mgmt Team 16/07/08. SL/OB attended meeting with Lakeside General Manager (9/9/08) at which offer to extend the Longstop Date by 6 mths was made - no confirmation that t's & c's constant but no suggestion to contrary.	re3 Mgmt Tm	The LWPA does not specify the length of commissioning. AW meeting with Banks (16/07/08) to discuss Relief/Excusing Cause claim. Grundons have released a statement which confirms that they will not have commenced Commissioning until after the Longstop Date. Councils, via Paul Bettison, have arranged a visit to Lakeside for Board Members.	
6	Longshot Lane: Construction delay	Delay in construction at Longshot Lane is a possibility. Construction is due to be complete in Jun 2009.	Facility	Jun-09	Live	low	medium	Councils already have suggested contingency arrangements. These should be reviewed, costed and amended at re3 Mgmt Tm mtgs. Budget for extension of reduced hours operations at Longshot Lane post-June 2009	re3 Mgmt Tm, JWDB, waste officers and Councils	The step up in payment upon completion of Longshot Lane is around £35k per month. The costs for evening opening during the construction period is £4800 per month.	
7	Longshot Lane:	Problems with provision of HWRC during construction	Facility		Live	low	medium	Councils have discussed additional steps that could be taken in the face of difficulties at LL		Everything seems to be working well at the moment.	
8	Smallmead Phase 2	Delay in construction at Smallmead is a possibility. Construction is due to be complete during 2008	Facility		Dec-08	Live	low	medium	Continue to utilise Smallmead as an alternative. Monitor length of likely delay...		The step up in payment upon completion of the Smallmead MRF is around £43k per month.
9	Planners Farm	Failure to deliver the contracted tonnage - 8000	Facility		Mar-09	Live	low	low	Councils need more green waste...promotion of collections, special offers.		
10	Planners Farm	Failure to maximise capacity of 10,000 tonnes	Facility		Live	medium	low	This probably due to managing inputs to PF (re:odours). BFBC can give OK to Shorts to accept 3rd Party waste.			
11	Planners Farm: neighbours/complaints	Complaints about odours emanating from Planners Farm composting facility.	Facility		Live	medium	medium	Councils project team negotiating with WRG to allow 'iffy' loads of g/w to be delivered to Longshot Lane rather than PF. Crews to continue to monitor g/w placed out for collection. Councils to inform residents about content. Monitoring. Liaison with neighbours and EA. Dialogue with Shorts.			
12	Allocation of tonnages during construction	Failure to agree reallocation of costs	Councils		Apr-08	Live	low	low	Discussions ongoing	re3 Mgmt Tm	Agreement about allocation reached. Accountants of re3 councils to meet and discuss.
13	Allocation of tonnages - West Berkshire	West Berks do not agree to pay their share of the costs of the HWRC at Smallmead	Councils		Jun-08	Live	medium	medium	Further negotiations with West Berks. Should that fail, councils would have to consider measures to prevent the access of West Berks (and others - Windsor and Maidenhead, South Oxfordshire, Hampshire) residents into re3 facilities.	re3 Mgmt Tm, JWDB, waste officers and Councils	Discussions with West Berks ongoing, meeting them to receive their decision on 16/07/08 was cancelled. Contact to be made by partnership CX's with West Berks CX.
14	LATS: Council/s exceed allowance 2009/2010	Current LATS position of all three councils is good. Virtually no trading at present so value of banked allowances is v. low. However, 2009/10 is the first 'Target' year and banked LATS allowances are not permissible - councils must pass 'under their own steam' or trade to ensure compliance. In the short term, this probably hinges on whether Lakeside becomes operational to the re3 councils.	Financial		Live	high	high	CA/ OB have investigated the likely scenarios in terms of LATS, particularly in relation to LEFW - both issues very closely linked.	re3 Mgmt Tm and Board		

15 LATS: Council/s exceed allowance 2012/13	Assuming Lakeside is operational, LATS compliance is likely.	Financial	prior to 2013	medium	high	Councils project team already preparing info for waste officers which shows performance against contract requirements and LATS. This info should allow councils to stay on target.	councils project team and waste officers	LATS compliance is monitored quarterly via Waste Data Flow. Councils have separate allocations so will be in different LATS positions - BFBC & RBC currently hold a larger surplus than WBC.
16 LATS: Councils exceed allowance 2019/2020	V. difficult to predict with accuracy the likelihood of LATS compliance. To achieve LATS compliance, councils are likely to need additional technology to supplement energy from waste and the improvements they will make to their own collection systems.	Financial	prior to 2020	high	high	Councils project team to maintain a view of local and regional markets and to stay abreast of technological developments.	councils project team	New technology deliverable through contract under 'council change' mechanisms.
17 LATS: Joint Working Agreement	Current share of LATS in JWA has the potential for inequity. The current agreement sees share of total LATS surplus or deficit proportionate to total contract waste (cat A) inputs.	Financial	Live	medium	high	Change wording of JWA to reflect a more meritocratic approach. Adopt uniform approaches to services and performance. Establish Joint Waste Authority to pool LATS allowances.	re3 Mgmt Tm, waste officers and Councils	Report on Joint Waste Authorities to JWDB on 25 06 08.
18 JWDB failure	The Board is comprised of Members from 3 different councils with differing political needs and priorities	Political				Annual review of agreement enables partnership to review and ensure principles of equity maintained	re3 Mgmt Tm	
19 WRG Board	The councils are at risk if they do not develop and maintain a relationship with the WRG Board. It is important that the relationship is one of equals. In practice, no relationship currently exists.	Contract Management	Live	high	medium	Previous suggestions have included...360 degree feedback, 6 monthly letters from JWDB to WRG Board, an annual meeting.	re3 Mgmt Tm	Principle of a link, between the respective Boards, agreed with WRG at JWDB mtg on 25 06 08.
20 Legal Support	The councils need to retain an appropriate level of legal support. There are two main elements to that requirement: (i) support in managing the PFI contract and contractor (ii) support in managing the councils own Joint Working Agreement.	Contract Management	Live	medium	high	A budget is required to enable the Mgmt team to be able to buy in specialist advice. Officers have included an allocation within the management budget for consultant support. Legal advice for relating to the councils Joint Working Agreement is likely to be provided in-house.	JWDB	
21 Financial Support	Councils fail to budget adequately to cover annual cost of waste processing (including Management Costs). Budget pressures at individual councils are a fact of life. However the councils have a responsibility (3.2.9 of JWA) to 'ensure they take all reasonable steps' to assist the Admin Authority, including making payments of their 'respective share of the Unitary Charge'.	Financial	Live	low	high	Good relationships exist between the councils project team and the respective accountants. Those links should be supported and maintained to the benefit of both parties. Adequate high level support given to the re3 budget during budget setting. Effective information to, and engagement with, Members during the budget setting period and regular reporting of budget position to the Board.	re3 Mgmt Tm	The financial model sets out the expected costs throughout the life of the contract. A 5 year budget projection has been circulated to accountants at each Council - to be updated annually.
22 Performance Failure (councils)	The councils are required to achieve certain performance levels within the contract. The contractor does not accept risk for performance failure due to inadequate delivery of material. The WFM profile changes over time (e.g. green waste jumps in 2009)	Councils	Apr-09 Live	medium	high	Councils to review performance information and modelling from councils project team and make performance changes/improvements as appropriate. Report on Joint Waste Authorities to JWDB on 18 06 08. Draft protocols for council groups. Councils project team working with waste officers and accountants.	re3 Mgmt Team, councils project team and waste officers	
23 Performance Failure (contractor) (1)	The contractor is responsible for performance at HWRC's. The recycling rate at Smallmead HWRC has fallen slightly in the time since the new facility opened.	Contract Management	Live	medium	high	Councils to ensure that pressure applied to Contractor in terms of management of the facility from performance to cleanliness and anything which may impact on the recycling rate. The 'retail' facility which has been promised by the contractor would help to improve performance at the HWRC.	re3 Mgmt Team, councils project team and waste officers	
24 Performance Failure (contractor) (2)	The contractor is responsible for performance at bring banks. In July 08 the contractor affixed new stickers to paper banks 'banning' the collection of yellow Pages. Previously these have been collected and are permitted within MDR within the Waste Acceptance Protocols in the contract. Contractor (TC/AW) appeared at a meeting on 14/07/08 to be unsure whether the MRF would be able to sort YP's.	Contract Management	Live	medium	low	Councils to ensure that pressure applied to Contractor in terms of management of the bring banks and MRF facility. Contractor must manage this situation to ensure that it can deliver the contract - not simply make a decision in its own interests which passes previously transferred risk back to the councils. Could this issue be a bargaining chip to assist with another issue e.g. Tetrapaks???	re3 Mgmt Team, councils project team and waste officers	
25 Performance Failure (councils) (2)	not really an emerging issue although with the opening of our own MRF, an emerging risk area. Contamination of council MDR affects both performance and cost. Whilst contamination is relatively low at present, it is quite important that all contributors (crews, staff, PR) work to reduce it's implications. Contractor entitled to levy additional charge and/or Excusing Cause at increased levels of contamination.	Councils	Sep-08 Live	High	medium	Councils work to educate and enforce against rising contamination.	Councils/Councils Project Team	Briefing note sent to council teams describing nature of contractual risks and offer of assistance (10/9/08)

re3 Project Mgmt Tm  
councils project team  
waste officers  
Councils

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