

Project Name	Biffa Contract Extension Proposal (to 2027)	Project Manager	Tara Dumas	Author	Tara Dumas
Version No.	5.0	Date	19 th November 2014		

Risk Register

Summary				Scores						Controls			
Risk No.	Description of Risk	Risk Category	Risk Owner	Gross Likelihood Score	Gross Impact Score	Total Gross Score	Net Likelihood Score	Net Impact Score	Total Net Score	Proposed Controls	Responsibility	Target Date	RAG Status
1	District Audit scrutiny on decision process likely	Legal / Regulatory	Tara Dumas	3	4	12	3	2	6	Member decision based on thorough analysis of risks. Best value comparison work to be undertaken- Local benchmarking plus APSE/Audit commission comparison Update on market position sought from previous consultants contracted to review Biffa contract. Process to be reviewed by internal audit	TD TD TD MG	completed completed completed completed	Green
2	Negative political and media attention	Political/ Societal	PR team (Alan Creevy/ Laura Furlong)	5	3	15	3	2	6	Proactive approach by PR with press releases Confirm offer not linked to service/workforce changes	LF	Post decision completed	Green
3	Length of contract (13 years tie in): Future Legislative changes force changes to contract specification that could be more expensive to change "in contract" than upon re-tendering (e.g. changes to fleet required, addition of further waste streams (such as food waste) etc...	Legal / Regulatory	Tara Dumas	4	5	20	3	2	6	Horizon-scan of current likely changes through life of contract and assess ability to change within contract specification. Secure commitment from Biffa re flexible approach to fleet replacement in order to allow for food waste collections in necessary	CB/ TD/ MR WA TD	completed completed	Green

4	Escalating revenue costs due to current method of calculating inflation (RPI) wipe out all benefits of savings.”	Economic/ Financial	Mark Goulding	5	5	25		3	3	9	Provide projections of impact of RPI to 2027 and examine alternative inflation indices. Biffa to put forward alternative method of calculating inflation to reduce council's exposure to uncontrollable costs.	MG Biffa	completed completed	Amber
5	Potential apathy from contractor once the Council is tied in to a long term agreement to drive continuous improvement and identify future efficiencies	Financial Technical/ Operational Corporate/ Commercial	Tara Dumas	4	3	12		2	3	6	Adopt an agreed mechanism for incentivising future improvements through share of benefits as part as contract extension proposal (e.g. pain-gain clause) Identify and reconfirm contractor's commitment to existing contractual requirements and method statements where improvements in service delivery have been identified.	Biffa TD/ MS JD/ Biffa	Post decision Post decision	Green
6	Short timescales for decision prevent detailed scoping exercise and soft market testing to confirm market position and VfM standings	Economic / Financial	Tara Dumas	4	4	16		3	2	6	VfM street cleansing / waste collection review with Merseyside and Halton Analysis of APSE performance network Data on waste collection and street cleansing. Seek updated view of market position from Eunomia (commissioned in 2012 to carry out a contract review). Audit commission comparison	TD TD TD TD	completed completed no longer deemed necessary due to other analysis and officer knowledge	Green

										analysis required on total cleansing / Waste collection costs		completed		
7	Potential inability of contractor to maintain flexibility after savings removed could lead to strained client/contractor relations and heightened likelihood of formal contractual disputes/ high levels of client "intervention"	Corporate/ Commercial	Tara Dumas	4	4	16				<p>Establish exactly what "conditions" the savings are linked to and how Biffa intend to "cover" or "recover" these savings through the contract term.</p> <p>Ensure the "conditions" under which the savings are agreed are clarified by and understood by both parties.</p> <p>Ensure outstanding £200K saving from the "break clause buy out" is not double counted in new extension proposal</p> <p>Biffa agree to appointment of joint funded monitoring officer</p>	<p>TD Biff a</p> <p>TD/ CH Biff a</p> <p>TD/ MS/ KA TD</p>	<p>completed</p> <p>completed</p> <p>completed</p> <p>Awaiting Cabinet approval Dec 2014</p>	Amber	
8	Workforce unrest if affected by changes linked to extension proposal.	Financial Societal Operational	Biffa/ Mark Smith	5	5	25		1	4	4	<p>Secure political support to agree and see through required changes to realise savings.</p> <p>Council to seek clarification that this proposal not linked to an agreement of service/workforce changes</p>	<p>MS</p> <p>Biff a</p>	<p>N/A</p> <p>completed</p>	Green