

Appendix B SWP Strategic Risk Register

Last Updated:	December 2017													
Risk Reference No	Description of risk			Uncontrolled risk		Risk rating	Assess current risk		Risk rating	Control measures currently in place	Target risk score		Target rating	Additional mitigating actions/control measures planned to achieve target score
	Description of risk	Cause	Consequence	Likelihood	Impact		Likelihood	Impact			Likelihood	Impact		
1	Increase in material in refuse bins	Householder behaviour	Heavy material goes in kerbside bins not to Recycling Centres. Impacts on district recycling rate (not to Somerset overall).	5	4	20	4	3	12	Directed Communications campaign, review messages to the public about how to use services sustainably. Promote cost effective disposal routes for business waste.	4	2	8	Promotion using variety of media, encourage members to take ambassadorial role in promoting benefits of services (Comms Team, SWB Members)
2	Reduction in recycling materials		Loss of income while some costs remain fixed. Increase in disposal costs if put in refuse instead.	3	4	12	3	3	9	Positive promotion of services.	2	2	4	Promotion using variety of media as described in the Communication Plan (Comms Team)
3	Poor separation of materials by householder		Loss of income if material quality deteriorates. Reduced efficiencies due to increased sorting time.	3	4	12	3	3	9	Positive promotion of services.	3	3	9	Promotion using variety of media as described in the Communication Plan (Comms Team)
4	Reduction in existing or new garden waste customers		Loss of income while some costs remain fixed	3	3	9	2	3	6	Positive promotion of services. Note that customer base has increased year on year in recent years.	2	2	4	Promotion using variety of media
5	Opportunity: Encourage householders to save money individually by waste reduction and wider community to recycle.		Waste reduction and improved participation and capture rates.	2	2	4	3	3	9	Directed Communications campaign	4	4	16	Promotion using variety of media
6	Lack of interest from bidders, uncertainty about RM service model or similar procurements going to market during the same period.	Procurement of new collection contract	Bidders drop out and we fail to have a competitive process and deliver best value.	3	4	12	2	4	8	Management of an effective pre-procurement phase and dialogue process. Liaise with other authorities procuring at the same time	2	2	4	Assessment of pre-procurement phase to gauge appetite of market for Somerset procurement. Go/No Go decision. Contingency plan is to establish a LAC
7	Bidders take a risk averse approach due to lack of experience with RM service		Bidders price high to mitigate risks.	3	4	12	2	4	8	Management of an effective pre-procurement phase and dialogue process. Risk sharing on materials values and yields is likely to reassure	2	2	4	Amend procurement approach following pre-procurement
8	Failure to achieve economic and efficiency objectives through the procurement.		Failure to achieve economic, efficiency and environmental objectives would impact on partners MTFPs. Reputational damage to SWP. Cuts to services may be necessary.	3	4	12	2	4	8	Management of an effective pre-procurement phase and dialogue process.	2	3	6	Assessment of pre-procurement phase to gauge likely outcomes of the procurement process. Go/No Go decision? Contingency plan is to establish a LAC
9	Tenderers do not deliver environmental and social objectives through the procurement.		Failure to achieve environmental and social objectives would impact on partners plans and strategies	2	3	6	1	3	3	Management of an effective pre-procurement phase and dialogue process.	1	2	2	
10	Procurement process takes too long.		Failure to have a contract in place	3	3	9	2	3	6	Close involvement in the process by T & F group and "managed dialogue" approach to procurement, with specialist support, ensures all parties are engaged and process is understood.	1	3	3	Plan for contingency LAC solution to ensure service maintained regardless of outcome.
11	Cost of procurement and external support exceeds budget		Fail to achieve best value for partners	3	3	9	2	3	6	Budget monitoring	1	3	3	
12	Legal challenge to the procurement process.		Could delay contract award if challenge is received. This could put commencement at risk. High costs if damages are awarded against SWP	2	4	8	1	3	3	Procurement assurance role is built into project structure. Also, experienced external advisors will be used and internal legal oversight.	1	3	3	

13	Depot network does not allow for efficient delivery of RM		Costs of inefficiency adds to bid prices	4	4	16	3	4	12	Secure option on new depot site. Establish bidders preferences and optimum network during pre-procurement.	2	3	6	
14	New vehicles are not available in time due to supply chain problems. Vehicles do not achieve design levels of productivity		Unable to deliver service as planned.	3	3	9	3	2	6	Bidders to produce contingency plans utilising alternative vehicles	2	2	4	Service delivery timetable understood and monitored through procurement and implementation. New service rolled out in phases.
15	Bidders are unable to find cost effective solution for black plastic trays and cartons.	Recycle More Implementation	Reduction in quality of offering to customers.	3	4	12	3	3	9	Current advice from WRAP is that black plastic should not be collected for recycling.	2	2	4	There are possible technical solutions being developed. SWP to make clear ambitions in pre-procurement and learn from market response
16	Transition between current service and RM takes longer than anticipated		Savings and diversion for residual waste/environmental benefits are delayed. Impact on partner MTFPs.	3	4	12	2	4	8	Key area for dialogue and evaluation of bids	2	3	6	Effective pre-planning prior to service implementation.
17	SWP capacity is insufficient to deliver transition to Recycle More		Transfer of resource to procurement may deplete support of current service. Increase in complaints. Sub-standard planning and implementation of new service.	3	3	9	2	3	6	Ensure business case includes analysis of SWP resource requirements of new contract and transition	2	2	4	On-going review of SWP client team structure and priorities.
18	New vehicles for RM are inefficient for delivering current service prior to transition.		Low utilisation of vehicles, increase in 2nd tips and OT	2	2	4	1	2	2	Pre-procurement and dialogue process will include fleet configuration and vehicle specification. Reduced fleet of RCVs to be maintained until after transition.	1	2	2	
19	Opportunity to align Core Service review (see Business Plan) with refreshment of kerbside services.		Opportunity to ensure all public facing services are aligned so the complement each other and are more easily understood and used by residents.	3	2	6	3	3	9	Early consideration of review underway.	4	4	16	Detailed consideration of opportunities presented as part of integrated approach to the review.
20	Waste profile changes (particularly as a result of Deposit/Return Scheme or similar).		Vehicles/plant become inefficient. Materials value reduces	2	3	6	1	2	2	Tracking of consultation process and possible implementation to ensure vehicles specs are aligned with any changes	1	2	2	
21	Driver/loader shortages		Impact on service delivery if not all rounds deployed. Quality of delivery suffers when inexperienced drivers are employed. This is a developing risk due to impacts of Brexit (weak pound and uncertainty of future residency rights) and increasing competition from Hinckley C build.	4	4	16	3	4	12	Work with contractors to ensure they have policies in place for driver training and retention. Establish pay rates and identify areas of concern.	3	3	9	Create joint SWP/Kier working party to develop recruitment strategies. Seek opportunities to improve role of drivers. Work with local colleges to promote driving as a career option. Continue to monitor pay rates.
22	Risk of under investment and deterioration of depot facilities if contractor loses interest as contract approached end of term	Contract management	Poor working conditions for staff, H&S risks, increased D/T on fixed plant. Backlog of R&M at contract end.	3	3	9	2	3	6	Regular audits by ops staff, Development of action plans for essential works at each depot. Review contract management.	2	2	4	Introduce quarterly strategic review meeting between senior SWP officers and senior contractor staff.
23	Aging sorting and baling plant becomes unreliable as contract approaches expiry.		Increased downtime on fixed plant, increased O/T, lack of storage space in yards possible impact on collections/unloading.	3	3	9	2	3	6	Regular updates on down time and remedial work at ops meetings. Deed of variation requires plant to be "safe and servicable" in accordance with the contract	2	2	4	Ensure service performance is considered with newly introduced Staratgic Partnership Board
24	Service degradation due to loss of interest as contract approaches expiry		Missed collections, container deliveries, complaints not dealt with.	4	4	16	2	4	8	Regular monitoring (IT), KPI reviews at Ops meetings. Strategic partnering board established. Review contract management.	2	3	6	Ensure service performance is considered with newly introduced Staratgic Partnership Board

25	Aging fleet becomes unreliable as contract approaches expiry		Increased down time disrupts collection services - performance deteriorates	3	4	12	3	3	9	Regular updates on down time and R & M at ops meetings. Deed of variation requires vehicles to be "safe and roadworthy" in accordance with the contract but also allows use of substitute vehicles from other contracts to improve resilience. Review contract management.	2	3	6	Ensure service performance is considered with newly introduced Stratagic Partnership Board
26	Loss of shared vision and trust between partners	We are a multi partner organisation working in a political environment	Difficulty agreeing on priorities, impact on reputation of partners. Focus becomes on managing negative relationships, not the business	3	4	12	2	4	8	Involve all partners in the business plan process and continue to promote early dialogue about issues via SMG group and with individual partners as appropriate	1	4	4	Maintain awareness of partner pressures and aspirations via the Somerset Waste Board, SMG and formal/informal contact with all partners
27	Lack of member engagement and/ or frequent member turnover.		Potential failure within partners to understand basis and benefits of SWP. Diversion of attention to managing relationships not the business	3	4	12	2	4	8	Induction Training for new members, involve all partners in the business plan process, monthly member briefings, continue to attend and inform scrutiny committees and other local bodies including TCs/PCs	1	4	4	Encourage continuity and support the Joint Scrutiny Panel as a further body of informed members
28	Inefficiencies due to customer relations IT not being joined up		More staff required to do same job, slower response to customers	4	3	12	3	3	9	New customer service systems being introduced adding flexibility and efficiency.	2	3	6	Review IT strategy. Plan and schedule next generation IT, including collection service "in-cab" and tracking systems in tandem with Recycle More procurement process.
29	Opportunity to tackle new and emerging issues from an holistic and mutually supportive perspective		Economies of scale in analysis, planning and managing responses to new legislation or Govt policy or other changes in the operating environment.	3	3	9	4	4	16	The Board is well established and well regarded with a good track record of financial management, value for money, innovation and a reputation for delivery.	5	4	20	Maintain culture of innovation with support from Board. Seek / bid for external funding where possible.
30	Opportunity to influence commercial waste and waste producers in Somerset		SWP, as a partnership, has a good reputation in the industry and could bring that to bear by creating links with local businesses and business groups.	3	3	9	3	2	6	SWP will be considering opportunities as part of a recently initiated review of the Waste Prevention Strategy.	3	3	9	Opportunity will be developed through implementation of the new strategy.
31	External agencies fail to understand us and penalise effective joint working (eg loss of partial VAT exemption).		Unexpected costs and/or time consuming and otherwise pointless changes to our contractual & governance arrangements	4	4	16	3	3	9	Joint approach to briefing and lobbying at appropriate level.	2	2	4	Act quickly and in a concerted way to any new threats (SMG)
32	Planning authorities agree new developments without consideration of waste requirements		Poor developments may not fit standard collections model and require different arrangements leading to increased costs and frustration for householders.	3	4	12	3	3	9	SWP working with partners to incorporate developer's guidance into planning.	2	3	6	
33	Delays in development of Energy from waste infrastructure		An alternative route would be required for disposal of residual waste.	3	4	12	3	2	6	Contractual risk is with the contractor, who are wholly responsible for finding alternative disposal routes at no additional cost to SWP. The residual risk would be reputational and environmental only.	3	1	3	Ensure progress is monitored and communications plans in place in event of anticipated delay.

34	Risk of fire at Waste Transfer Station of Disposal site.	New Waste Treatment Facility	Waste Transfer Stations temporarily out of action.	3	4	12	3	3	9	Landfill is monitored and transfer to Waste Transfer Station will improve capacity to monitor potential fires.	2	2	4	Removal of small electrical items and possibly household batteries will reduce key cause of fires.
35	Financial case for alternative to landfill is damaged and cost increases		Tied into contract that is not best value in future due to changes in market costs.	3	4	12	3	3	9	Break clauses in the contract provide opportunities to review options	3	2	6	Monitor market costs and technical developments to ensure effective planning through life of the contract.
36	Lack of preparedness or poor response to service disruption events eg weather	Service impacts due to things outside of our direct control	Lose control of situation resulting in high call loads; Loss of customer confidence and reputation; Loss of partner confidence in SWP.	4	4	16	2	4	8	Business Continuity Plans (BCPs) in place for SWP and contractors. Draw on experience of cold weather events in 2008-11. Clear communications strategy approved by the Board's Severe Weather Sub Group.	1	4	4	Further work intended to ensure that contractor and client side BCPs are joined up (MG & BC)
37	Drop in value of recyclate		Impact on contractor bottom line and viability of contract; Loss of public confidence in recycling	4	3	12	3	2	6	Maintain our emphasis on quality which provides the best buffer for this risk.	3	2	6	Provide reassuring messages to the public in the event of further price drops
38	Increase in value of material or energy		Potential for income share with both contractors	3	2	6	3	3	9	Continue to lobby govt for challenging packaging recovery targets and lobby industry for quality to be reflected in higher prices	4	3	12	Evaluate potential for risk/reward share in all future ventures including infrastructure development and addition of new materials
39	National HGV driver shortage, exacerbated locally by competition from Hinckley C build.		Unable to adequately crew vehicles, resulting in incompletions.	4	4	16	3	4	12	Contractor is ensuring pay rates remain competitive. Recruitment exercises across Somerset, supported by SWP comms team.	2	3	6	Initiatives planned to improve promotion of waste services as an attractive career and to develop better pathways in to the jobs.
40	Changing demographics of Somerset population.		Increasing aging population; increasing emphasis on care in the home and care in the community leads to additional demand for clinical and assisted services.	4	3	12	4	2	8	Regular review of assisted collection service requirements (every three years). Diversion of sanitary and hygiene waste to additional refuse capacity.	3	2	6	Predicting demand through ongoing monitoring of key demographic changes to ensure effective service planning.
41	Landfill site fires, primarily caused by hot ashes in waste, unwrapped broken glass acting as a magnifier, or lithium ion batteries in waste		Hazard for site staff, closure of landfill sites, operational delays for vehicles resulting in late kerbside collections	4	4	16	3	3	9	Increase publicity relating to fire prevention, encouraging people to dispose of waste responsibly.	2	3	6	Cease use of landfill sites for disposal of Somerset's residual waste, transferring to disposal via Waste Transfer Stations.
42	Risk of serious injury or death to staff	Issues inherent in working at roadside and/or with heavy vehicles manoeuvring in confined working areas.	Personal impacts; Potential fines, legal claims; intervention by HSE etc. Loss of reputation	4	5	20	3	5	15	Health & Safety has a high profile within service and with contractors. Bi-annual reports to SMG and SWB on internal and contractor performance. H&S advisory Group meets quarterly. Collection activities were the subject of a routine HSE inspection in Nov 2011 and no major concerns were identified. On sites public separated from heavy plant movements.	2	5	10	As a result of HSE recommendations, SWP are increasing frequency of crew monitoring by officers and resources to enable this to be done efficiently are being prepared
43	Risk of serious injury or death to member of the public		Personal impacts; Potential fines, legal claims; intervention by HSE etc. Loss of reputation	3	5	15	2	5	10		1	5	5	Level of accidents to public on sites are very low and generally self-inflicted.
44	Membership of the Partnership changes.	Governance and cost sharing arrangements are out of date. Services must be maintained.	4	4	16	4	3	12	Governance impacts have been identified in readiness for review.	4	2	8	Brief Board on implications and develop clear plan for governance and finance review.	

Risk Assessment Matrix

When assessing a risk you should assume that action plans/controls are currently in place, so be guided by the information you have on the day of the assessment. The assessor should assign values for the identified 'likelihood' of occurrence (A) and the severity of the 'Impact' (B). By multiplying 'A' and 'B' together you get the rating score, which gives an indication of how important the risk is. Proximity of the risk, although not scored in its own right may impact on your likelihood, impact or both when scoring.

LIKELIHOOD (A)	Very Likely 5	5 Low Review at least annually	10 Low Review six months	15 High	20 Very High	25 Very High	<div style="background-color: #90ee90; border: 1px solid black; padding: 2px; margin-bottom: 2px;">White/Green = Low risk</div> <div style="background-color: #ffff00; border: 1px solid black; padding: 2px; margin-bottom: 2px;">Yellow = Medium risk</div> <div style="background-color: #ffcc00; border: 1px solid black; padding: 2px; margin-bottom: 2px;">Amber = High risk</div> <div style="background-color: #ff0000; border: 1px solid black; padding: 2px;">Red = Very high risk</div>
	Likely 4	4 Low Review at least annually	8 Low Review six months	12 Medium	16 Very High	20 Very High	
	Feasible 3	3 Low Review at least annually	6 Low Review six months	9 Medium	12 Medium	15 High	
	Slight 2	2 Low No need to record	4 Low Review six months	6 Low Review six months	8 Medium	10 High	
	Very unlikely 1	1 Low No need to record	2 Low No need to record	3 Low Review six months	4 Medium	5 High	
		Insignificant 1	Minor 2	Significant 3	Major 4	Critical 5	
IMPACT (B)							

Likelihood of Occurrence (A)	Severity of Impact (B)
1 = Very unlikely (hasn't occurred before)	1 = Insignificant (have no effect)
2 = Slight (rarely occurs)	2 = Minor (little effect)
3 = Feasible (possible but not common)	3 = Significant (may pose a problem)
4 = Likely (has before, will again)	4 = Major (Will pose a problem)
5 = Very Likely (occurs frequently)	5 = Critical (Immediate action required)

Issue Assessment Matrix

Use the Issue Assessment Grid to identify the importance of a specific issue with regard to its priority and potential negative impact on the programme/project. An issue with high severity and critical priority is an urgent and critical issue; it may cause the programme/project to stop until the issue is resolved. In contrast if the issue is ranked as medium severity and medium priority, monitoring the issue management process should be sufficient. Low severity and priority issues should be handled outside the issue management process.

Issue severity will not change over the life of an issue, but the priority can be adjusted upward as time passes without a resolution. For example, an issue may have a high severity if not resolved, but its priority may be medium because there is enough time to resolve it. However, if the issue is not resolved in time, it may become a high priority.

SEVERITY	May impact quality of a major deliverable or productivity of a large project staff segment	Low Priority High Severity	Medium Priority High Severity	High Priority High Severity
	May Impact quality of sub-components of deliverables or productivity of a smaller project staff segment	Low Priority Medium Severity	Medium Priority Medium Severity	High Priority Medium Severity
	Does not impact major deliverable. May affect smaller deliverables or productivity of small project staff segments.	Low Priority Low Severity	Medium Priority Low Severity	High Priority Low Severity
	Has no direct or immediate impact on deadlines. Resolutions may or may not be necessary (best efforts acceptable)	May impact future or less critical deadlines. Eventual resolution required.	Failure to resolve may result in critical deadlines being missed. Resolution required as soon as possible.	
		PRIORITY ➔		