

## Appendix 2 - Risk Register

Risk Area "There is a risk that..."	Analysis of Risk "Which will result in..."	Type	Assessment of Risk (original score in brackets)			Management Actions Implemented or Planned (in bold)	Assessment of Risk after mitigations (original score in brackets)			Responsible Officer
			Impact	Probability	Rating		Impact	Probability	Rating	
1. One or more operational shock(s) or long term stress will cause contract or operational poor performance eg a second pandemic, industrial action, increased regulator requirements, change management, projects.	Transfer stations bottlenecks impacting collections. Change / perceived loss of service on HRRC sites for residents. Negative indicators on contract performance. Increased cost of service.	Political	4	4	16	Weekly waste reporting, joint monitoring of KPIs and service monitoring with Boroughs and service partners. Regular communications with government and regulators at a senior level and with national associations. Business continuity planning and regular reviews of contingency arrangements on each contract. Continuity planning with Boroughs including reducing frequency of tipping and rescheduling tipping times at the transfer stations. Emergency / fast procurement capability using dynamic procurement system and ensure key potential off takers are registered on the DPS. £6m investments into cranes, weighbridges and compactors at rail linked sites. <b>Infrastructure investment plans linked to projects and change management.</b> Stay aligned / maintain up to date knowledge of the waste market, waste flow planning.	3	3	9	Head of Service Delivery
2. Legislative cost pressure eg Carbon tax / Emission trading scheme will be implemented faster than our change programmes to reduce waste. Boroughs may use money needed to invest in change to plug short term funding gaps.	Failure to invest sufficiently in projects to reduce waste. Levy growth over the medium term.	Economic	5	4	20	<b>WLWA medium term strategy review.</b> Savings strategy to reduce waste resulted in projects team, now growing in maturity. Harness additional savings / income for reinvestment in projects (EPR plan, electricity income, energy savings, recyclate income) Collaborative strategy planning with Boroughs, JMWMS, <b>A plan for 2030.</b> Regular reviews of the finance strategy and project KPIs with Environment Directors and Finance Directors. Food waste project to reduce waste, reduce cost and increase recycling rates. Digital twin project to map current services and waste flows and plan future opportunities of service changes/improvements. Social value and reuse project invests in income generation at HRRCs, supports community good growth and positively informs residents about the value of waste. Communications project tests the knowledge of residents against an ideal. <b>Prepare to pro-actively remove plastics from EfW waste at the right time (legislation or to balance removal of food waste).</b>	4	3	12	Finance Director
3. The economic climate will impact our ability to retain staff. Recruitment will be difficult and / or take a long while due to eg: scarcity or incomplete experience/training..	Additional pressure on HR, Managers and remaining staff. New people need time to be trained in skills for the future. Time lost on projects..	Operational	4	4	16	Monday morning strategic meetings. Monthly team meetings in person to maintain cohesiveness with regular focus on knowledge, purpose, culture and values. Core training on coaching, insights, lean and six sigma and digital skills "the future of work" led and planned by SLT. <b>Leaders and Managers to monitor team turnover, regularly review succession planning, skills gaps analysis, job descriptions and job market.</b> <b>Procure contracts to support the projects and spread the risk.</b> <b>Review the value of operational work in the current market and our ability to attract high quality staff.</b> Offer secondment / staff sharing arrangements to maintain service levels with Boroughs and service partners.	3	3	9	Managing Director
4. The complexity of the PPP contract payment mechanisms results in unintended consequences.	Less income or saving than expected following the capacity increase variation	Economic	4	3	12	SLT to deliver the variation with support from Sharpe Pritchard using in depth contract knowledge and experience. Thorough checks and testing throughout negotiation and prior to finalising the variation. Financial modelling to support the variation and contract management. <b>Independent audit of payment mechanism.</b> Training and familiarisation with payment mechanisms. Periodic billing file audits.	3	3	9	Finance Director
5. IT systems will face cyberattack or suffer a major failure.	Loss of data Failure to make statutory reports. Relying on Boroughs or Contractors for invoicing data. Operational shocks or projects delay.	Economic	4	4	16	<b>All weighbridges except Abbey Road are run by third parties so we should investigate their security and systems.</b> <b>Data strategy needed due to the amount of people's / Boroughs data we are holding and the importance of that data to our savings projects.</b> <b>Data policy needed to eg ensure staff only use the cloud based systems / use of hard drive is limited and backed up regularly.</b> Out-sourced cloud based systems subject to a wide range of back-up and security measures inc remote storage and performance to an agreed service level standards. Contractor deploys a range of security measures to prevent unauthorized access to systems including 2 factor authentication, firewalls, antivirus and antispyware. Restricting access to kit, communications and applications to authorised users only. IT strategy is in place and IT requirements are regularly reviewed.	4	3	12	Finance Director
6. Changes in law or savings projects will affect our operations and contracts (Item 3 above considers)	Unanticipated cost for the Authority Contractor claims for QCiL Unanticipated changes to waste flows Needing change from Borough operations to take whole system approach	Operational	4	5	20	<b>WLWA medium term strategy review.</b> Collaborative strategy planning with Boroughs, JMWMS, <b>A plan for 2030.</b> <b>Prepare to pro-actively remove plastics from EfW waste at the right time (legislation or to balance removal of food waste).</b> Low contamination policies for all material streams	3	4	12	Head of Service Delivery

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legislation designed to have financial implications)						Risks and opportunity costs identified collaboratively at March '22 strategy day. Network with WNC,NAWDO, LEDNet, JWDAs to stay abreast of national impact of legislative changes and regulator imposed changes and potential funding (e.g. EPR). Analysis of the implications of the Environment Bill. Build costs into finance strategy and budgeting process. Operational support for projects to reduce waste / whole system costs Food waste project - Press Defra for capital funding for new food waste infrastructure. Digital twin project – Build operational digital skills. Social value and reuse project – Build operational Circular Economy skills. Communications project - test the knowledge of WLWA operatives against an ideal.				
7. Environmental regulator will require more use of buildings and structures to prevent environmental damage.	Increased cost Increased cost of repair Potential fines Reputational damage	Operational	5	4	20	<b>Build costs into the costs of Projects, budgeting process and finance strategy. Press Defra for capital funding for all requirements linked to legislative change.</b> Network with WNC,NAWDO, LEDNet, JWDAs to stay abreast of national impact of legislative changes and regulator imposed changes and potential funding (e.g. EPR). Involving operations in the projects, building knowledge and skills. CoTC training, responses to consultations. Range of processes including internal daily and weekly monitoring. Regular review of operational risks and procurement policy. Monitor contractors' environmental performance and reporting.	4	3	12	Operations Manager
8. Pressure of change increases the risk of Health & Safety breaches. Circular Economy partners eg small charities are not as savvy to operational risk as they need to be.	Risk of injury to staff or public visitors to Authority sites. CE Partner organisations have less developed controls and need operational support and careful management.  Early termination of CE small scale or trial services.	Operational	5	4	20	Specialist Health and Safety Advice contracted in. Collaborative H&S group set up with Boroughs. <b>Periodic internal audit of contractors included in H&amp;S Advisor contract.</b> Annual Action Plans to continuously improve. Monitor contractors' health and safety performance and reporting. Regularly test and review fire prevention/precaution measures at site including fire risk assessments. Communications project to address batteries and e-waste. Losses are covered by insurance policies. Organise sites to ensure adequate separation between operational areas and public or volunteers. Stress testing of CE partner business cases (financial and environmental). Undertaking appropriate research and vetting of the business and key individuals to properly understand the partner organisation / partnering risks. Leading on the development of processes and controls (including risk assessments) for the CE service offering to ensure appropriate controls are implemented to manage the operation and risk it entails. H&S termination clauses.	4	3	12	Operations Manager

### Risk/ Impact Rating

Rating	Status	Service disruption	Financial Loss	Reputation	Failure to provide statutory service / meet legal obligations	People
5	Extreme	Total failure of service	Over £5m	National publicity > than 3 days Resignation of leading member or chief officer	Multiple civil or criminal suits. Litigation, claim or fine of above £5m	Fatality or one or more clients/staff
4	Very high	Serious disruption to service	£500k-£5m	National public or press interest	Litigation claim or fine £500k-£5m	Serious injury. Permanent disablement of one or more clients / staff
3	Medium	Disruption to service	£50k-£500k	Local public /press interest	Litigation claim or fine £50k-£500k	Major injuries to individual
2	Low	Some minor impact on service	£5k-£50k	Contained within department	Litigation claim or fine £5k-£50k	Minor injuries to several people
1	Negligible	Annoyance but does not disrupt service	< £5k	Contained within unit/section	Litigation claim or fine less than £5k	Minor injuries to an individual

### Likelihood Classification

1. Rare - May occur only in exceptional circumstances (0-5%)
2. Unlikely- Could occur at some time (6%-20%)
3. Possible - likely to occur (21%-50%)
4. Likely-Will probably occur in most circumstances (51%-80%)
5. Almost Certain - Expected to occur in most circumstances >80%)

### Risk Rating/Scoring = Impact x likelihood. Prioritisation of Risks

20-25 (Red)	Those risks requiring immediate management and monitoring
9-19 (Amber)	Those risks requiring management and monitoring but less time critical
1-8 (Green)	Those risks which require ongoing monitoring