

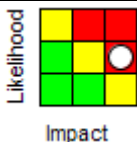
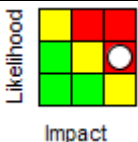
# Waste Corporate Risks

Generated on: 04 February 2021



<b>Risk Code</b>	CR66	<b>Risk Title</b>	Delivery of the Waste Collection and Street Cleansing Services Contract
<b>Risk Owner</b>	Vaughan Watson	<b>Updated By</b>	Chloe Hipwood
<b>Year Identified</b>	2019	<b>Council Objective</b>	Respond to challenges to the environment
<b>Risk Description</b>	<p>Waste management and recycling is the highest profile service that affects every resident of the district and it is the most significant service delivered by NHDC. NHDC is the lead authority for the joint waste contract with East Hertfordshire District Council (EHDC).</p> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>- The contractor could fail to collect kerbside waste in line with the relevant specifications.</li> <li>- The contractor could fail to collect commercial waste in line with the relevant specifications.</li> <li>- The contractor could fail to maintain the cleanliness of streets to the levels specified.</li> <li>- The contractor's contact centre (systems/staff) could fail to manage the volume of customer contacts effectively.</li> <li>- NHDC could fail to identify service deficiencies and to apply appropriate penalties.</li> </ul> <p><b>This could lead to:</b></p> <ul style="list-style-type: none"> <li>- NHDC not achieving best value from the contract.</li> <li>- Waste accumulating for residents/businesses.</li> <li>- An increase in complaints from residents.</li> <li>- Residents not taking up or renewing the chargeable garden waste service.</li> <li>- Businesses not taking up or renewing the chargeable trade waste service.</li> <li>- Payments not being received for justified performance penalties.</li> </ul> <p><b>Possible causes:</b></p> <ul style="list-style-type: none"> <li>- Issues with the implementation of new and revised services.</li> <li>- Contractor's staffing levels being below required levels.</li> <li>- Industrial action.</li> <li>- Staffing of the NHDC client team being below required levels.</li> <li>- High volume of customer contacts received during service changes.</li> <li>- Due to the closure of the Westmill landfill site, EHDC directing its residual waste via the Buntingford depot.</li> <li>- Extreme adverse weather (significant prolonged snowfall).</li> <li>- Financial viability of the contract for the contractor.</li> <li>- Impacts of Covid-19 or another pandemic.</li> </ul>		
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>- Achieving value for money through the effective management and operation of the Waste Collection and Street Cleansing Services contract, with minimal service issues and public complaints.</li> </ul>		
<b>Consequences</b>	<ul style="list-style-type: none"> <li>- Damage to NHDC's reputation.</li> <li>- Poor performance against associated targets.</li> <li>- Relevant budgets not achieved.</li> <li>- Possible environmental hazards and health implications to the public relating to the accumulation of waste.</li> </ul>		
<b>Work Completed</b>	<ul style="list-style-type: none"> <li>- New telephone system installed and waste related calls directed to Urbaser (November 2018).</li> <li>- Implemented contingency measures to deal with the high number of customer contacts relating to the renewal of the garden waste collection service.</li> <li>- Inter Authority Agreement agreed and signed.</li> <li>- Clarified NHDC, EHDC and contractor responsibilities and formalised contractual arrangements.</li> <li>- SIAS audit of the Joint Waste Contract reported July 2019.</li> <li>- Following on from the high priority SIAS audit recommendation, all 64 criteria within the Performance Monitoring Regime (PMR) are now live and operational for the Urbaser contract.</li> </ul>		

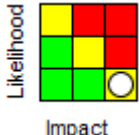

## Waste Corporate Risks

	<ul style="list-style-type: none"> <li>- Full establishment of staff appointed with additional temporary staff employed to meet the current challenges (August 2019).</li> <li>- Business Continuity Plans in place to implement necessary resilience arrangements, if required.</li> <li>- Business Continuity Plans revisited as a result of Covid-19 (March 2020).</li> <li>- Improved KPI monitoring (April 2020).</li> <li>- Consistency work on shared service commercial waste completed (November 2020).</li> <li>- Restructure of client team to fill skills gaps (December 2020).</li> <li>- Negotiated service change for EHDC introduction of chargeable garden waste service to improve consistency across contract (January 2021).</li> </ul>		
<b>Ongoing Work</b>	<u>Business-as-Usual Activities</u> <ul style="list-style-type: none"> <li>- Implementing a sustainable joint work programme, approved by the Partnership Board.</li> <li>- Monitoring performance of the contractor's contact centre and providing support to enable it to meet expectations.</li> <li>- Embedding the implemented PMR.</li> <li>- Ongoing discussions with Urbaser regarding performance levels.</li> <li>- Monthly performance report produced for Executive Members.</li> </ul> <u>Specific (SMART) Actions</u> <ul style="list-style-type: none"> <li>- Review of base property data and street cleansing data (due for completion April 2021).</li> </ul>		
<b>Current Overall Risk Score</b>	8		
<b>Current Impact Score</b>	3	<b>Current Likelihood Score</b>	2
<b>Current Risk Matrix</b>		<b>Target Risk Matrix</b>	
<b>Date Reviewed</b>	18-Jan-2021	<b>Next Review Date</b>	16-Apr-2021
<b>Latest Note</b>	<p>18-Jan-2021 Risk reviewed with Chloe Hipwood and Jeanette Lowden on 18 January 2021. Generally, routine collections and street cleansing are being performed to an acceptable level. The contractor's contact centre is performing satisfactorily, although does fail to manage the high volume of customer contacts associated with the annual renewal of the garden waste service. Covid-19 and EHDC service changes have impacted our ability to fully implement further contract management improvements and officers continue to work with the contractor to address relevant issues. No change made to the risk score, as the identified causes are still relevant and officers still assess the likelihood of the risks materialising as being Medium.</p>		

# Waste Corporate Risks

<b>Risk Code</b>	CR67	<b>Risk Title</b>	External Factors Affecting the Future Provision of Waste Services
<b>Risk Owner</b>	Vaughan Watson	<b>Updated By</b>	Chloe Hipwood
<b>Year Identified</b>	2019	<b>Council Objective</b>	Respond to challenges to the environment
<b>Risk Description</b>	<p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>- Post 2026, HCC could direct NHDC residual waste to transfer facilities outside of the district or directly to landfill sites.</li> </ul> <p><b>This could lead to:</b></p> <ul style="list-style-type: none"> <li>- Significant increased costs to NHDC, e.g. additional transport costs.</li> <li>- Significant increased vehicle emissions and environmental impact of service delivery.</li> </ul> <p><b>Possible causes:</b></p> <ul style="list-style-type: none"> <li>- HCC not continuing to operate a residual waste transfer solution for NHDC collected waste from the Bury Mead, Hitchin Transfer Station when the current contract ends in 2026 (contract extended from 2024).</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>- NHDC could be forced to change its preferred service delivery models and charging regimes.</li> </ul> <p><b>This could lead to:</b></p> <ul style="list-style-type: none"> <li>- Associated costs to implement the changes required.</li> <li>- Loss of income from current chargeable services.</li> <li>- Services being designed to meet budget restrictions and not focussing on the achievement of waste minimisation objectives.</li> </ul> <p><b>Possible causes:</b></p> <ul style="list-style-type: none"> <li>- New emerging Government strategies coming into force, e.g. national consistency of services, free garden waste collections and a circular economy to promote sustainable production.</li> <li>- Further reductions to HCC's Alternative Funding Model (AFM), beyond the approved £500K per annum reduction over a three-year period commencing in 2020/21.</li> </ul>		
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>- Minimising transport costs and the environmental impact of service delivery.</li> <li>- Consolidating existing facilities, i.e. transfer station for residual waste and Letchworth HWRC, by working with HCC and other Hertfordshire authorities to develop a Northern Transfer Station.</li> <li>- Partnership working for other services, resulting in shared costs and economies of scale.</li> <li>- Improving operational efficiencies.</li> <li>- Achieving waste minimisation objectives.</li> </ul>		
<b>Consequences</b>	<ul style="list-style-type: none"> <li>- Negative impact on the Council's overall financial position.</li> <li>- Negative impact on the local environment and the achievement of NHDC's Climate Change objectives.</li> </ul>		
<b>Work Completed</b>	<p><u>Transfer of Residual Waste</u></p> <ul style="list-style-type: none"> <li>- Worked with HCC in identifying suitable locations for a Northern Transfer Station and possible Stevenage/North Herts location aborted due to planning restrictions.</li> <li>- Contract let by HCC for continuation of transfer until March 2024.</li> <li>- NHDC accepting a Royalty payment based on commercial activity at the site, to ensure the medium-term availability of the site.</li> <li>- Bury Mead contaminated land investigations undertaken with contractor.</li> <li>- HCC and NHDC undertook a feasibility study (approximately four years ago) for a Northern Transfer Station and joint depot facility for East and North Hertfordshire. However, the successful operation of the Buntingford depot and the continued use of the Works Road, Letchworth depot significantly reduced the associated risks and the need for a new joint depot facility.</li> <li>- HCC extended the Bury Mead Road site to 2026, as the Local Plan and Master Plan have been delayed.</li> <li>- East Herts confirmed during summer 2020 that they have no interest in a Northern Transfer Station.</li> </ul> <p><u>Preferred Service Delivery Models</u></p> <ul style="list-style-type: none"> <li>- NHDC's new waste contract significantly improved performance in relation to AFM (an increase of £180K per year in 2018/19). The current Medium Term Financial Strategy was calculated on the lower base figure. Therefore, the £1.5M of AFM savings HCC made in 2019 should have no negative impact on the current MTFS or service provision.</li> </ul>		

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<b>Ongoing Work</b>	<p><u>Transfer of Residual Waste</u></p> <p>Business-as-Usual Activities:</p> <ul style="list-style-type: none"> <li>- Working with Estates and HCC to ensure Bury Mead Road remains fit for purpose.</li> </ul> <p>Specific Actions:</p> <ul style="list-style-type: none"> <li>- Working with and supporting HCC to identify the most effective solution for a potential Northern Transfer Station for residual waste collections and improved Household Waste Recycling Centre facilities for Letchworth. Development of a detailed Business Case has been delayed due to delays with the Local Plan. Agreed with HCC that the Business Case will be reconsidered once the Local Plan has been adopted (timeframe for Business Case is now summer 2022).</li> <li>- Subsequent report to Cabinet (date to be confirmed).</li> </ul> <p><u>Preferred Service Delivery Models</u></p> <p>Business-as-Usual Activities:</p> <ul style="list-style-type: none"> <li>- Representations through feedback to the government consultation process on emerging strategies. Responded that any proposed new initiatives (e.g. free garden waste collections (which could result in a loss of revenue of approximately £1M per year) and weekly food waste collections for all collection authorities in the country) needed to be funded fully by the government.</li> <li>- The expectation would be that Central Government would recompense NHDC, under New Burdens doctrine, for any mandated changes to charging regimes or collections.</li> <li>- Working closely with the HWP to ensure a consistent and coherent approach to consultation responses and to maintain positive partnership working in light of reduced AFM funding.</li> </ul>		
<b>Current Overall Risk Score</b>	6		
<b>Current Impact Score</b>	3	<b>Current Likelihood Score</b>	1
<b>Current Risk Matrix</b>		<b>Target Risk Matrix</b>	
<b>Date Reviewed</b>	18-Jan-2021	<b>Next Review Date</b>	16-Jul-2021
<b>Latest Note</b>	<p>18-Jan-2021 Risk reviewed with Chloe Hipwood and Jeanette Lowden on 18 January 2021. The described risks are largely the same as at the time of the previous review. They remain strategic in nature with long lead-in times required to manage them effectively. Although work on developing a joint business case for a purpose-built depot, transfer facility and household waste recycling centre has been delayed due to delays relating to the Local Plan and Baldock Master Planning proposals, HCC has now extended use of the Bury Mead Road site to March 2026. No change made to the risk score.</p>		