

Cheltenham Borough Council

Cabinet – 28 November 2018

Settlement of future residual waste disposal arrangements and management of environmental services

Accountable member	Councillor Chris Coleman, Cabinet Member - Clean and Green Environment
Accountable officer	Tim Atkins, Managing Director, Place and Growth
Ward(s) affected	All
Key/Significant Decision	Yes
Executive summary	<p>The purpose of this report is to set out:</p> <p>(1) the costs of, and arrangements for domestic residual waste disposal for the next 3 years as a result of a planned change to the disposal site and method for domestic residual waste by Gloucestershire County Council as the disposal authority. The terms negotiated with GCC are:</p> <ul style="list-style-type: none">• £50,000 per annum for an interim period of three years starting in the spring 2019• All residual waste to be deposited at the proposed waste transfer facility locally during the three year period <p>The Council would commit to assisting GCC to find and implement, within the three year period, a long-term solution to the disposal of residual waste.</p> <p>(2) the process for, as well as the risks and benefits of, withdrawing from the Gloucestershire Joint Waste Committee (JWC) by serving the requisite notice under the Inter- Authority Agreement (IAA) or through a negotiated early termination. The JWC currently provides contract management and monitoring by the Joint Waste Team (JWT) for which a fee of £43K per annum is paid.</p> <p>(3) the improvements required to create a more effective, reactive and resilient means of managing and monitoring the wide range of environmental services provided by Ubico for the Council. The services provided by Ubico include the collection of waste & recycling (bring sites and recycling centre), street / toilet cleaning and grounds maintenance. The value of the Ubico contract is c.£8M per annum.</p> <p>The improvements required were identified in a review of alternative arrangements for the management of the wider contract undertaken earlier in the year following October 2017's launch of the recycling optimisation</p>

project and a number of periods of bad weather where some residents suffered disruption to the service provided. Considerable strain had been placed on the service provided and a number of urgent interventions were put in place to restore the service.

The review highlighted the need for greater local control and investment in contract management and monitoring roles. Contract management and monitoring has been undertaken by the Joint Waste Team (JWT) for which a fee of £43K per annum is paid however since the review earlier this year (through agreement of a revised role for the JWT with reduced management and budgetary responsibilities and associated workload) operational management of the contract and budget has been provided by the Council via the appointment of an interim client manager post, with no reduction in payment to the JWC. A permanent in-house contract management team is now required to take over delivery of all of those functions previously delivered by the Joint Waste Team and wider contract management responsibility by 1 April 2019 as well as deliver a programme of improvements.

Recommendations

- 1. That Cabinet approve payment to Gloucestershire County Council of £50,000 per year for 3 years payable from the date that Cheltenham Borough Council's residual waste commences transfer to proposed waste transfer facility locally and delegates authority to the MD – Place and Growth, in consultation with the Cabinet Member - Clean and Green Environment and Borough Solicitor, to finalise the terms of the settlement agreement.**
- 2. That Cabinet approve Cheltenham Borough Council's withdrawal from the Gloucestershire Joint Waste Committee, by serving the requisite notice or by negotiated early termination and delegates authority to the MD – Place and Growth, in consultation with the Cabinet Member - Clean and Green Environment and Borough Solicitor, to take all necessary steps and enter into such agreements as appropriate to effect this withdrawal, including seeking observer status for Cheltenham Borough Council at Joint Waste Committee meetings in the same way as Stroud District Council and Gloucester City Council.**
- 3. That Cabinet formally approve completing the establishment and funding (as set out in 3.9 and in the financial implications in this report) of an in-house team to undertake the functions currently delegated to the JWC and to deliver:**
 - (a) management of the environmental services contract (waste, recycling, street cleansing and grounds maintenance) currently delivered by UBICO;**
 - (b) development and delivery of an improvement programme, approved by members, for 12-18 months, that will present business cases for individual work streams which will be reported back to members as appropriate;**
 - (c) transfer of all remaining functions from the Joint Waste Team to CBC by 31 March 2019, subject to early termination negotiations;**

Financial implications	<p>The cost of establishing an in-house monitoring and management team for environmental services will be funded from within existing salary budgets, with the shortfall being funded by an increase in the garden waste income budget. This is considered to be achievable in 2018/19 and 2019/20, based on the current take up of this service.</p> <p>The proposed temporary project support resource is not able to be funded within the current budget so will need to be considered as a growth bid of £75k as part of the budget setting process for 2019/20 and will be subject to approval of full council in February 2019.</p> <p>The settlement payment to Gloucestershire County Council of £50,000 for each of three years will be included in the 2019/20 to 2021/22 council base budgets, and will be adopted as part of the final budget proposals laid before full council in February 2019.</p> <p>Contact officer: Sarah Didcote Sarah.Didcote@publicagroup.uk, 01242 264125</p>
Legal implications	<p>The terms negotiated with GCC for all residual waste to be deposited at the proposed waste transfer facility locally during the interim period of three year period as set out in the report will be confirmed in a full and final settlement agreement.</p> <p>With regard to withdrawal from the Joint Waste Committee, the Council is required to serve 12 months written notice to the partner councils. The withdrawal process is set out in the Inter- Authority Agreement dated 15th December 2014. Once the Council serves notice, whether the JWC continues to exist then depends on the actions of the remaining partner councils e.g. two or more partner councils may decide to continue with the JWC, the partner councils may decide to dissolve the JWC, the partner councils may decide to dissolve the JWC but continue as a partnership with no decision making powers.</p> <p>The service of notice to withdraw from the JWC will initiate a formal exit process which includes finalising any consequential financial costs (if any) and staff related matters. These discussions will also give the Council the opportunity to negotiate early termination if considered appropriate.</p> <p>Contact officer: shirin.wotherspoon @teWKesbury.gov.uk, 01684 272017</p>
HR implications (including learning and organisational development)	<p>The HR BP will work closely with the MD Place & Growth and will ensure that any TUPE related issues are dealt with.</p> <p>Recruitment of the support role is now in process.</p> <p>Contact officer: clare.jones@publicagroup.uk, 01242 264364</p>

Key risks	<p>The risks are shown at Appendix 2 of this report.</p> <p>This report identifies considerable risks in relation to the current arrangements for the delivery of these important environmental services. It is evident that a greater degree of local control and accountability are required. Do nothing, is therefore not an option.</p> <p>There are risks associated with the establishment of a new staffing structure that offers the full range of skills required and provides the necessary resilience. The Council may be exposed to greater financial and reputational risk if less robust direct management is put in place by the Council.</p> <p>Mitigating the risks currently highlighted requires significant investment and the steps to take a greater level of control and leadership will require a new approach.</p> <p>An improvement programme is required that must be properly resourced. Any shortfall in management and project resource is likely to reduce the Council's ability to deliver the required improvement programme.</p> <p>Any risks identified as part of the improvement programme will be reported to members as part of the detailed business cases which will need to be produced for each work stream. Any suggested service changes, such as changes in collection frequency or potential withdrawal of services, will have reputational and financial risks which will be identified when these are brought before members for a decision.</p> <p>As a result of serving 12 months' notice to exit the JWC, effective immediately after the call in period following a decision by cabinet, in accordance with the JWC IAA, the exiting authority may be liable for any costs incurred by the other partner authorities as a result of a decision to exit. These financial liabilities will not be known until notice to exit is served and formal discussions commence with the JWC/Partner Councils. These discussions will include early termination negotiations to exit from the JWC and JWT by 31 March 2019 although it may be necessary to negotiate a financial agreement for the full 12 months' notice period</p>
Corporate and community plan Implications	Environmental services contribute to the Councils 'Cheltenham's environmental quality and heritage is protected, maintained and enhanced' outcome
Environmental and climate change implications	The improvement programme will consider environmental and climate change implications in any future service enhancements. There are no environmental and climate change implications to note at this stage.
Property/Asset Implications	<p>Any recommendations from the improvement programme will be developed in conjunction with property services. There are no property implications to note at this stage.</p> <p>Contact officer: Gary Angove, property services</p>

1. Background

- 1.1 On 28th August 2013 the council entered into an Inter Authority Agreement with the county, Forest District Council and Cotswold District Council to establish a **Gloucestershire Joint Waste Committee**. On 15th December 2014 a new agreement was entered into to allow Tewkesbury Borough Council to join the Joint Waste Committee. Each district council delegated to the Committee their collection responsibilities and the county delegated its disposal functions subject to the retention by all the councils of some critical strategic and policy decision making powers. Stroud District Council and Gloucester City Council attend the JWC meetings as observers without voting rights.
- 1.2 The agreement sets out the roles and responsibilities of the Joint Waste Team, the Senior Manager, the Strategic Management Group. It also includes a detailed process for the approval of the annual budget which aligns with each council's budgetary cycle. The annual budget includes a sum for the work to be undertaken by the Joint Waste Team on behalf of each council and the Joint Waste Committee.
- 1.3 The Joint Waste Team provides monitoring and management of the majority of the UBICO contract including the collection of waste, recycling, bring sites, management of the Household Recycling Centre (HRC), delivery of the grounds maintenance contract, street cleansing and other related services (toilet cleaning, graffiti removal etc). This contract runs until 31 March 2022 and contract costs are £8.075 million. A review of the UBICO contract will need to take place prior to April 2021.
- 1.4 The role and responsibilities of the Joint Waste Team is set out in the inter-authority agreement and includes:
- To monitor and manage the performance of the UBICO contract
 - To prepare, monitor and control the progress of the business plan, the annual action plans and the annual budget
 - To advise the JWC generally on waste management initiatives and issues (both local and national)
 - To prepare reports for consideration by the JWC
 - To provide a full assessment of the short, medium and long term financial resource, service, legal and contractual implications of waste management services for the JWC and the Councils
 - To prepare for approval by the JWC an annual internal audit plan and to report regularly on the findings of any audits
 - To prepare a strategic risk register
 - To submit reports on the performance of the agreement to the strategic management group

The JWC has delegated to it, waste collection responsibilities and the county council's waste disposal functions subject to the retention by all the councils of some critical strategic and policy decision making powers.

- 1.5 The JWT also performs a number of functions delegated from specific waste collection and disposal authorities across Gloucestershire. A total fee of £43K per annum is paid as a contribution towards a contract manager post (.5 FTE providing contract management for CBC and the remaining .5 FTE providing contract management for Cotswold District

Council) and for a share of the head of service's post for the JWT. Prior to February 2018, CBC's lead commissioner and other posts (client officer and customer service team and green spaces team) also provided some capacity. Overall it was a complex arrangement with a large number of part time resources.

- 1.6** The council introduced a new kerbside recycling scheme in October 2017. Following its introduction several operational problems were experienced including several periods of heavy snowfall around the Christmas and New Year period. These events posed severe challenges to the delivery and management of services to residents and businesses.
- 1.7** Following these events the Managing Director of Place & Growth conducted a review of the management arrangements for waste collections, street cleansing and grounds maintenance services provided by UBICO was carried out in 2018, including future management arrangements.
- 1.8** The key findings and issues that were identified during the review are set out below:
- Value for money of current arrangements and how this can be measured through appropriate benchmarks.
 - The effectiveness of current governance, management, monitoring and reporting arrangements and lack of clear accountability.
 - The need for a new environmental services policy.
 - The role in which other environmental management and enforcement activities undertaken by the council could improve the council's ability to monitor the performance of the contract.
 - The role of the Joint Waste Team and the effectiveness of the reporting arrangements with CBC and Ubico.
 - Options and recommendations for future management of services and how these could link to the delivery of wider environmental services across the council.
 - Risks and issues associated with current arrangements.
 - The need for investment and technological improvements in the current operations.
- 1.9** The council must be able to demonstrate value for money for the delivery of its services. It is only possible to drive the most out of a contract, if effective management and monitoring arrangements are in place, supported by effective reporting and communication lines between contractor and client. The current arrangements are disparate and require review and investment. A clear need for a strengthened in-house ownership of monitoring and management of whole environmental services contract was identified.
- 1.10** The management and monitoring arrangements involve a number of different parties. Streamlining and rationalisation of the reporting lines and investment in the monitoring arrangements is required. In addition to the management arrangements, a structured and resourced programme of work is required to assess and review the other areas identified in the list set out in 1.8 above. This programme will need to be properly resourced and be structured with a clear prioritised action plan. It will develop detailed business cases and implement key work streams and projects. Key projects in this programme will include:

- The introduction of the new recycling service in October 2017 has been so successful that it would seem sensible to undertake a wider / holistic review of all recycling options open to residents in Cheltenham including the household recycling centre, the bring sites, garden waste and the frequency of the current kerbside collection, possibly to a weekly service, 'on the go recycling', to identify the most cost effective solution longer term, particularly in light of the government's new waste and resources strategy due to be published any time.
- A full review of street cleansing and grounds maintenance to ensure it meets the needs of the town today cost effectively.
- An updated environmental services policy is needed coupled with the development of educational and promotional campaigns to improve recycling rates and reduce residual waste.
- A value for money review of the Ubico contract due for renewal 2022; options to review and improve the existing trade waste service and generate any additional income.
- Investment in up to date technology is needed to bring our services to the required standard to enhance the customer experience and improve internal efficiencies, including digital mapping of green space to improve service delivery and monitoring. Investment in these areas could see significant improvements in communications and the speed to react to complaints and reports such as missed bins, litter, graffiti etc.

1.11 It is estimated that the cost of appropriate resource to take forward the improvement plan is £75,000 and it is expected to take 12-18 months.

2. Residual waste transfer arrangements

- 2.1** Gloucestershire County Council is the waste disposal authority with statutory responsibility under the Environmental Protection Act 1990 and as such determined that from 2019 residual waste in Gloucestershire would no longer be landfilled but would be sent to an Energy from Waste Plant (Javelin Park) generating significant savings over the 25 year contract.
- 2.2** Cheltenham Borough Council, as collection authority with statutory responsibility under the Environmental Protection Act 1990, and as members of the Gloucestershire Joint Waste Committee have been advised on all waste matters by the Joint Waste Team. During Gloucestershire County Council's project to build an Energy from Waste Plant, Cheltenham Borough Council was advised by the Joint Waste Team that waste transfer would be put in place at no additional cost to Cheltenham Borough Council and therefore no budgetary provision for any additional costs were made.
- 2.3** However, on 18 April 2018 Gloucestershire County Council's Cabinet approved a report on waste transfer which secured approval to carry out:
- (a) A procurement process for (i) haulage and delivery of residual waste to Javelin Park or other contracted treatment facility from Forest of dean DC, Cotswold DC, Cheltenham BC and Tewkesbury BC and (ii) the bulking and haulage of food waste and garden waste to the contracted treatment facility; and
 - (b) A cost evaluation exercise, in consultation with each of Cheltenham Borough Council and Tewkesbury Borough Council, to determine the estimated cost of delivering residual waste direct to Javelin Park Energy from Waste Facility (EfW);

GCC wishes to compare the cost of each option before determining which of them provides the most cost effective solution.

- 2.4** All domestic residual waste from Cheltenham Borough Council will, under a direction from GCC, be disposed of at Javelin Park however two options have been considered by GCC:
- 2.5** (1) the Council tips waste at one or more transfer station and a new contract is let for its onward haulage. A tender process has been completed by GCC and these costs of disposal should be a cost to GCC.
- 2.6** (2) The Council tips directly at the new facility (Javelin Park) using its fleet of refuse vehicles which collect residual waste. The cost of this to the Council could be reimbursed through a 'tipping away' payment from GCC which is likely to significantly underfund the costs to CBC.
- 2.7** As a result of this financial uncertainty, on 19 June 2018 the Gloucestershire Joint Waste Committee, agreed a motion recommending GCC seek to secure waste transfer arrangements for Cheltenham and Tewkesbury
- 2.8** On 23 August 2018 officers and members from Cheltenham and Tewkesbury met with GCC and the JWT to present the financial and operational risks associated with direct delivery with a view to reaching a solution.
- 2.9** On 12 September 2018, an alternative solution to the financial and operational difficulties of 100% direct delivery to Javelin Park was proposed by JWT. The alternative solution suggested CBC deliver a proportion of its domestic residual waste direct to Javelin Park and the remainder to a waste transfer station locally. Having considered the implications for service delivery, CBC officers and members rejected this proposal due to the high operational and reputational risks.
- 2.10** The Council and GCC have negotiated a settlement which means that no residual waste will be directly delivered to Javelin Park.
- 2.11** The settlement requires a payment to GCC of £50,000 per year for 3 years to offset the cost of waste transfer for GCC however this payment mitigates the risks for Cheltenham, provides certainty for the service for the next 3 years and is lower than the cost of purchasing and operating just one additional vehicle and is therefore recommended to members
- 2.12** The Council intends to establish a project to review its strategic waste site, currently Swindon Road in Cheltenham. The project will also consider future waste transfer options available to the council after the expiration of the 3 year payment arrangement of £50,000 per year to GCC. Officers will present a further report for consideration by members on this separate project and the funding of it.

3. Withdrawal from the JWC and completing the establishment of an in-house team

- 3.1** The issues highlighted above support the need for investment and streamlining of the processes. The contract management and monitoring arrangements have been spread between a number of different bodies which has resulted in a weakening of accountability.
- 3.2** The Joint Waste Committee's vision of harmonising services to gain efficiencies across the County has not materialised and given the current budget pressures it is appropriate to

reconsider the financial contribution the Council is making to the JWC and therefore future membership of the Committee.

- 3.3** There is a clearly defined process for a partner authority to leave the JWC, set out in the IAA. Any authority may opt to exit the JWC by giving 12 months' written notice. The JWC will continue to provide it with services in the interim, and there are detailed provisions regarding the transfer of staff and functions back to the exiting authority. The IAA refers to the exiting authority being liable for any costs incurred by the other partner authorities as a result of the decision to exit. Officers are therefore unable to accurately quantify any financial liability as a result of withdrawing from the Joint Waste Committee until discussions formally commence with JWC/Partner Councils.
- 3.4** In April 2018, in consultation with the Cabinet Member, Clean and Green Environment, officers proposed an interim amended role which has been introduced. The interim arrangement has allowed the JWT to focus on managing recycling commodities sales, ensuring control systems are in place, waste industry health and safety implications, implementing relevant actions from the Joint Waste Team's business plan. An interim post has been appointed to within CBC (interim client manager – environmental services) responsible for managing the UBICO contract. This has enabled CBC to develop a much closer working relationship with the operations managers at Ubico, reducing the number of parties involved in reporting and decision making.
- 3.5** A decision to serve 12 months' notice to exit the JWC will supersede the formal negotiation already commenced with the JWC/JWT to reduce the JWC contract sum for 2019/20 to reflect the handover of operational and budget management of the UBICO and other contracts from JWT to CBC with effect from 1 April 2019 and regularise the IAA accordingly. Subject to the outcome of negotiations with JWC/Partner Councils at the point the 12 months' notice to exit the JWC is served, it is likely that early termination negotiations to exit the JWC will require a financial payment to cover a period of time beyond 31 March 2019.
- 3.6** Due to the issues highlighted in this report there is a need to further improve the monitoring and management of environmental services for the Council. The following two options are open to the council to consider, either 1) seek an expansion of the role currently undertaken by the JWT but this will require the Council to remain in the JWC rather than withdraw from it or 2) expand the interim CBC arrangements put in place and take greater direct control of the management and monitoring arrangements. The Council could choose to remain in the JWC if it pursues (2) however it will not realise any financial saving on the cost of membership of the JWC or the JWT.
- 3.7** Since the interim arrangements have been put in place, as set out at 3.4 above, the council now has a dedicated interim client manager and has a greater capacity to work with the operations managers at Ubico to get closer to the monitoring of the detailed operational and contract matters.
- 3.8** If this function is to be expanded, the council would take full control of the management of the contract and wider roles set out in the JWC's business plan (including the annual action plan) relevant to CBC which are currently delivered by the JWT. This would require the creation of a team of two CBC officers (a contract manager and client officer) with the additional fixed term project support for the next 12-18 months to assist with the delivery of the improvement programme.
- 3.9** The Client Manager and Client Officer roles will be funded from within existing budgets, offset by the budget available to fund membership of the JWC/JWT and the transfer of budget for an existing post within the commissioning division. Any shortfall will be funded by surplus income from garden waste subscriptions. Additional fixed term project support for the next 12-18 months to assist with the delivery of the improvement programme,

estimated at £75,000, will be considered by members as a one off growth item as part of the 2019/20 budget process.

- 3.10 There is a risk that the Council will be unable to fill the suggested structure with suitably skilled, experienced officers within available budget and timeframe compromising our ability and resilience to adequately manage the environmental services provided by UBICO.
- 3.11 This option (option 2 set out in 3.6 above) is compatible with the Council withdrawing from the JWC and could be part funded by no longer funding membership of the JWC.

4. Consideration of alternatives, issues and implications

- 4.1 There is a need for greater direct control and to undertake more active monitoring of the services delivered so it is appropriate to consider option (1) – to increase the resource within the Joint Waste Team.
- 4.2 Since the interim arrangements have been put in place considerable improvements have been realised due to the level of resources dedicated and CBC's ability to deal with issues directly (reducing the number of people involved in the reporting and decision chain). A number of other authorities do invest greater resource in the JWT and benefit from a higher level of resource. However, considering the degree of change identified, the investment programme required and the need for greater accountability locally, it is considered that pursuing option (1) would increase the risk profile of managing the service.
- 4.3 Investing further in the role provided by the JWT would not assist in reducing the number of parties involved in the management and monitoring of these high profile services. The council would still require a commissioning manager and client officer. So additional resource would likely be required, without gaining a greater degree of local control.
- 4.4 Given the improvement plan proposed in this report there will be a requirement for a CBC officer to provide leadership and co-ordination. If this role is split between CBC and the JWT it will dilute accountability and pose a risk to the efficient delivery of the projects.
- 4.5 Investment in this option may potentially offer a greater depth of resilience and access to a wider skill / knowledge base in relation to H&S matters, however it has been demonstrated since April that market intelligence can be gathered in a variety of different ways.
- 4.6 This option is compatible with the Council remaining a member of the JWC rather than withdrawing from it however this is not the recommendation to members in this report.
- 4.7 The benefits offered by the strengthening of the in house team and improved monitoring arrangements provide greater range of advantages when balanced against option 1.
- 4.8 **Organisational considerations**
- 4.9 The monitoring and reporting functions required to effectively manage the contract would require input from a number of the different services across the Place and Growth division. Customer services will continue to be the first point of contact for residents, raising service requests, responding to initial queries and managing the sale of garden waste subscriptions. Based on the future development of a potential 'neighbourhood' approach the monitoring of the UBICO contract will be strengthened across the borough by a wider pool of CBC staff within Place and Growth (including parks, gardens and enforcement) reporting issues and improving quality standards.
- 4.10 Although in many cases this is an extension of work already undertaken, if these changes

are to be made permanent careful thought, engagement and consultation will be required. It is important not to predetermine this process therefore flexibility is required over options and timeline for implementation.

4.11 Impact of withdrawing from the JWC

4.12 There is a clearly defined process for a partner authority to leave the JWC, set out in the IAA. As mentioned above, officers are unable to accurately quantify any financial liability as a result of withdrawing from the Joint Waste Committee until discussions formally commence with the JWC/Partner Councils.

4.13 The JWC meets in public and as such relevant information will be still be available to the Council. In the spirit of partnership working, the Council could request to continue to attend JWC meetings as an observer in the same way as Stroud District Council and Gloucester City Council. Whilst the JWC has not successfully achieved harmonisation of services across the County to date, should this change in the future, the Council's withdrawal from the JWC would not preclude it deciding to also harmonise its services if it chose to do so.

4.14 Withdrawal from the JWC should not be seen as a desire for the Council to cease partnership working in environmental services and the exit from the JWC and JWT will need to be managed appropriately to ensure relationships are maintained with other collection authorities and the disposal authority.

4.15 Resilience and specialist knowledge

4.16 The JWC/Joint Waste Team currently provides the Council with waste industry expertise from both the JWT Contract Manager and the Head of the Joint Waste Team. At present only the interim Client Manager – environmental services can provide some level of industry knowledge and expertise. This expertise would either need to be further developed in-house or procured externally, potentially at a higher cost than currently charged for through JWC/JWT contract sum.

4.17 Any new management arrangements will need time to bed-in and be tested before they reach maximum effectiveness. Given the technical and specialist nature of the services provided by UBICO, any new resource recruited will be on a steep learning curve. There will need to be a hand-over period from the JWC/JWT to CBC for all the work areas, particularly the sale of recyclate and the management of the relevant contracts. More data analysis is required to identify trends and where interventions are required to maximise income or increase service efficiencies. Following agreement with the Head of Joint Waste, it is intended that the interim arrangements in place with the role of the JWT Contract Manager will facilitate this until 31 March 2019 including the handover of all remaining JWT functions to CBC by this date, subject to early termination negotiations.

4.18 The UBICO contract covers a diverse range of complex services. Any significant reduction in technical support to this service area during the delivery of the improvement programme could increase the financial and reputational risks the Council is exposed to. Health and safety is a significant risk area for all of UBICO services given the nature of the services it delivers. The JWC/JWT currently fulfils CBC's responsibilities in this area. The new posts created in-house would need to ensure UBICO have robust processes in place to meet their H&S liabilities and in turn those of CBC.

5. Consultation and feedback

- 5.1** Any service improvements will take into consideration the public consultation exercise conducted prior to the Council's service change in October 2017.

6. Performance management – monitoring and review

- 6.1** The programme of works developed to deliver any service improvements identified will follow the Council's project management methodology and be subject to regular review by senior management.
- 6.2** Establishment of a strengthened in-house team will improve the level of scrutiny and performance management of the UBICO contract and any arrangement with the Joint Waste Team. Changes to the strategic management arrangements will also increase the strategic focus of environmental services.

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Appendices	1. Risk Assessment 2.
Background information	1. GCC cabinet report 18 April 2018
	2. JWC minutes 19 June 2018

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	If the Council is unable to fill the suggested structure with suitably skilled, experienced officers within available budget and timeframe it may compromise our ability and resilience to adequately manage the environmental services provided by UBICO and respond to the government's new waste and resources strategy.	Tim Atkins	10/7/18	3	3	9	Accept	A robust recruitment process will be followed to fill the two posts. If suitably skilled internal resource can be identified, this risk is lowered. One post has already been filled on an interim basis and is developing current industry expertise.			
	If new management arrangements do not deliver the expected improvements in management of the UBICO contract, the Council will be exposed to increased financial and reputational risk.	Tim Atkins	10/7/18	4	2	8	Accept	The Council project management methodology will be used to manage the improvement programme and a robust performance management approach will manage performance.			
	If insufficient project resource is available to manage the improvement programme the council will be exposed to greater financial and reputational risks as a result of none delivery of the required service changes.	Tim Atkins	10/7/18	4	2	8	Accept	It may be possible to move resource around internally. The Council has a strong project management culture.			
	If funding from within existing budgets cannot be	Tim Atkins	10/7/18	4	5	20	Reduce	As part of the improvement			

	found to resource some of the improvement programme there will be a greater impact on the MTFS.							programme efficiencies will be identified where possible; detailed business cases will be prepared; funding requests will be presented to members in consultation with the S151 Officer			
	If 12 months' notice to exit the JWC is served, in accordance with the JWC IAA, the exiting authority may be liable for any costs incurred by the other partner authorities as a result of a decision to exit. These financial liabilities will not be known until notice to exit is served and formal discussions commence with the JWC/Partner Councils.	Tim Atkins	14/11/18	4	5	20	Reduce	Any financial liability will be limited where possible through negotiation			
	If the financial liabilities identified as a result of exiting the JWC and early termination negotiations cannot be funded within existing budgets there will be a greater negative impact on the MTFS.	Tim Atkins	14/11/18	4	5	20	Reduce	The potential financial risk is highlighted in the report. Amicable discussions will seek to minimise the financial liability.			

Explanatory notes

Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)

Likelihood – how likely is it that the risk will occur on a scale of 1-6

(1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)

Control - Either: Reduce / Accept / Transfer to 3rd party / Close

Guidance

Types of risks could include the following:

- Potential reputation risks from the decision in terms of bad publicity, impact on the community or on partners;
- Financial risks associated with the decision;
- Political risks that the decision might not have cross-party support;
- Environmental risks associated with the decision;
- Potential adverse equality impacts from the decision;
- Capacity risks in terms of the ability of the organisation to ensure the effective delivery of the decision
- Legal risks arising from the decision

Remember to highlight risks which may impact on the strategy and actions which are being followed to deliver the objectives, so that members can identify the need to review objectives, options and decisions on a timely basis should these risks arise.

Risk ref

If the risk is already recorded, note either the corporate risk register or TEN reference

Risk Description

Please use “If xx happens then xx will be the consequence” (cause and effect). For example “If the council’s business continuity planning does not deliver effective responses to the predicted flu pandemic then council services will be significantly impacted.”

Risk owner

Please identify the lead officer who has identified the risk and will be responsible for it.

Risk score

Impact on a scale from 1 to 5 multiplied by likelihood on a scale from 1 to 6. Please see risk [scorecard](#) for more information on how to score a risk

Control

Either: Reduce / Accept / Transfer to 3rd party / Close

Action

There are usually things the council can do to reduce either the likelihood or impact of the risk. Controls may already be in place, such as budget monitoring or new controls or actions may also be needed.

Responsible officer

Please identify the lead officer who will be responsible for the action to control the risk.

For further guidance, please refer to the [risk management policy](#)

Transferred to risk register

Please ensure that the risk is transferred to a live risk register. This could be a team, divisional or corporate risk register depending on the nature of the risk and what level of objective it is impacting on