

**East Cambs Street Scene Ltd**  
**Strategic Risk Assessment Update**

**Risk Reference:**

<b>A: Legislative Changes</b>
A1. Changes in health and safety legislation that places additional service delivery requirements and costs on the ECSS, (passing through to the Council).
A2. Changes in employment legislation that places additional service delivery requirements and costs on the ECSS, (passing through to the Council).
A3. Changes in legislation could impact on the Council's powers to trade in a commercial manner, e.g. to deliver a trade waste service and cleansing services to third parties.
<b>B: Governance</b>
B1. Inadequate governance arrangements and lack of clarity on roles of the Council and the ECSS for the delivery of the waste and street cleansing services could lead to poor decision making which could undermine the delivery and future development of the services.
B2. Lack of key skills amongst operational management team of ECSS to operate the services in full compliance with the Council's requirements and for the ECSS to maximise on commercial opportunities.
<b>C: Finance</b>
C1. A failure of the ECSS to align costs for service delivery to market rates by not achieving productivity levels required to deliver the market rates.
C2. A failure of the ECSS to deliver the waste and street cleansing services within the budget envelop set by the Final Business Case.
C3. Economic downturn negatively impacting on recycles income resulting in increased gate fees at the MRF.
C4. Economic downturn impacting on the capacity of the ECSS to grow a trade waste service because of a failure of SME's (small to medium sized enterprises) to continue to trade.
<b>D: Operational</b>
D1. ECSS failing to manage sickness absence in accordance with adopted policies and procedures to ensure attendance targets are being achieved
D2. ECSS failing to consistently deliver the availability and performance standards set out in the new service specifications leading to reputational damage for the Council.
D3. ECSS failing to fully comply with the requirements of ECDC's Fleet Operator's Licence.
D4. ECSS failing to have in place sustainable sub-contractor arrangements (e.g. vehicle maintenance, agency staffing etc.) to sustain the delivery of the waste and street cleansing services.
D5. The Council and the ECSS failing to progress within budget and to the set time frame the depot refurbishment project in order to upgrade depot facilities to ensure compliance with environmental and health and safety legislation and to provide capacity to deliver extended services from the depot.

<b>A: Legislative Changes</b>		
<b>Risk Reference</b>	<b>Management of Risk</b>	<b>Action</b>
A1. Changes in health and safety legislation that places additional service delivery requirements and costs on the ECSS, (passing through to the Council).	<p>This is outside the control of the Council and the ECSS. Going forward this will need to be monitored.</p> <p>Continuous monitoring of changes to legislation through liaison with H&amp;SE, ebulletins, consultations, LGA KnowledgeHub and other publications.</p> <p>Any significant changes in legislation which realise this risk will be addressed immediately by the Director to Full Council. With an amended Business Plan for the delivery of the waste and street cleansing services being prepared for approval by the ECSS Board and then Full Council.</p>	Director, ECSS to monitor supported by the ECDC Health & Safety Adviser
A2. Changes in employment legislation that places additional service delivery requirements and costs on the ECSS, (passing through to the Council).	<p>This is outside the control of the Council and the ECSS. Going forward this will need to be monitored.</p> <p>Continuous monitoring of changes to legislation through liaison with the Chartered Institute of Personnel Management (CIPM), ebulletins, consultations, LGA KnowledgeHub and other publications.</p> <p>Any significant changes in legislation which realise this risk will be addressed immediately by the Managing Director to Full Council. With an amended Business Plan for the waste and street cleansing services being prepared for approval by the ECSS Board and then Full Council.</p>	Director, ECSS to monitor supported by the ECDC Human Resources Manager
A3. Changes in legislation could impact on the Council's powers to trade in a commercial manner, e.g. to deliver a trade waste service and cleansing services to third parties.	<p>This is outside the control of the Council and the ECSS. Going forward this will need to be monitored.</p> <p>Continuous monitoring of changes to legislation through liaison with MP's, ebulletins, consultations, LGA KnowledgeHub and other publications.</p> <p>Any significant changes in legislation which realise this risk should be addressed immediately by the Director to the ECSS Board and to Full Council. An amended Business Plan or Exit Strategy will need to be approved by the ECSS Board and Full Council.</p>	Director, ECSS to monitor supported by the ECDC Head of Finance

<b>B: Governance</b>		
<b>Risk Reference</b>	<b>Management of Risk</b>	<b>Action</b>
<p>B1. Inadequate governance arrangements and lack of clarity on roles of the Council and the ECSS for the delivery of the waste and street cleansing services could lead to poor decision making which could undermine the delivery and future development of the services.</p>	<p>Compliance with the Memorandum of Understanding that sets out the roles and responsibilities of the Council and the ECSS (matters reserved only for Council) for the delivery of the waste and street cleansing services.</p> <p>Compliance with the service specifications for waste and street cleansing that set out clear availability criteria and performance standards to be met by the ECSS in the delivery of the services.</p> <p>After year one of trading ECSS will produce an annual service improvement plan in a format determined by the Council to drive the continued development and improvement of the services. This will include any capital investment proposals for the Council to endorse.</p> <p>The Performance Review Board is conducting monthly performance review meetings with the ECSS submitting a standard performance report to confirm performance against set performance targets and to agree revised priorities and operating procedures when required. Based on this activity a Quarter 1 report was then then submitted to the Regulatory Services Committee.</p> <p>Any changes to the Memorandum of Understanding will need to be approved by Full Council. The Managing Director will provide a report to the ECSS Board and then Full Council detailing the proposed changes and why these changes would be necessary.</p>	<p>Managing Director, ECSS and Director ECSS to monitor</p>
<p>B2. Lack of key skills amongst operational management team of ECSS to operate the services in full compliance with the Council's requirements and for the ECSS to maximise on commercial opportunities.</p>	<p>The Council and ECSS have developed and implemented shared proposals for the restructure of management resources within the Council and ECSS to optimise the future development of management resources and to ensure the right people are in the right roles. These structural arrangements are to be reviewed and further refined in October 2018 to reflect the first 6 months of the delivery of the services and lessons learnt.</p>	<p>Director, ECSS to review and refine current structural arrangements in October 2018.</p>

<b>C. Financial</b>		
<b>Risk Reference</b>	<b>Management of Risk</b>	<b>Action</b>
C1. A failure of the ECSS to align costs for service delivery to market rates by not achieving productivity levels required to deliver the market rates.	<p>The ECSS over the first 12 months of delivering the waste and street cleansing services will benchmark all costs against market rates and refine the Final Business Case to identify potential further efficiencies for re-investment in the services.</p> <p>New productivity and attendance targets have been set by the ECSS for the waste and street cleansing service with monthly performance reports being produced to confirm performance against these targets.</p>	Director, ECSS supported by the ECSS Operations Manager.
C2. A failure of the ECSS to deliver the waste and street cleansing services within the budget envelop set by the Final Business Case.	<p>Monthly Profit and Loss Statements has been developed and introduced for the waste and street cleansing services and reported upon monthly within the ECSS; with a quarterly high level financial report to the ECSS Board and Council on performance.</p> <p>A three year schedule of proposed efficiencies has been developed for approval by the ECSS Board to help deliver financially sustainable services going forward.</p>	Director, ECSS supported by the ECDC Head of Finance and ECSS Operations Manager.
C3. Economic downturn negatively impacting on recyclates income resulting in increased gate fees at the MRF.	The Council and the ECSS are closely monitoring recyclates income and gate fee charges under the current County Council contractual arrangements, with formal quarterly reviews to confirm if any additional costs for waste processing need to pass through from the ECSS to the Council.	Director, ECSS supported by the ECDC Waste Minimisation & Fleet Manager
C4. Economic downturn impacting on the capacity of the ECSS to grow a trade waste service because of a failure of SME's to continue to trade.	<p>The ECSS to grow the trade waste service incrementally out of the domestic and recyclates collection services till it has reached a scale that supports a separate collection service. The service to include bulky collections as an additional income stream. The full commercial risk for the trade waste service to be with the ECSS.</p> <p>The trade waste service to be operated by ECSS as a separate Profit and Loss account to ensure profitability of the service. With the annual benchmarking of fees and charges against the market place.</p>	Director, ECSS supported by the ECDC Waste Minimisation & Fleet Manager and the Waste Consultant to produce a business case by March 2019 for the proposed trade waste service

<b>D: Operational</b>		
<b>Risk Reference</b>	<b>Management of Risk</b>	<b>Action</b>
D1. ECSS failing to manage sickness absence in accordance with adopted policies and procedures to ensure attendance targets are being achieved	<p>The operational management team of ECSS have been taken through refresher training in respect of the policies and procedures and their specific roles and responsibilities in respect to the effective management of sickness absence.</p> <p>The monthly performance report produced by ECSS includes full reporting of sickness absence against the set attendance targets.</p>	<p>ECSS Operations Manager supported by ECDC Human Resources Manager to effectively manage sickness absence to ensure set attendance targets are being achieved.</p> <p>Director, ECSS to monitor.</p>
D2. ECSS failing to consistently deliver the availability and performance standards set out in the new service specifications leading to reputational damage for the Council.	<p>The ECSS have fundamentally review and amended all work processes and procedures, and resource deployment against the new availability criteria and service standards.</p> <p>The ECSS have introduced a new performance framework for the management of the services to work within, within monthly performance reports being produced.</p> <p>The monthly performance report produced by ECSS includes full reporting on performance against the set performance targets.</p>	<p>ECSS Operations Manager supported by ECDC Waste Minimisation &amp; Fleet Manager to effectively manage performance to ensure set performance targets are being achieved.</p> <p>Director, ECSS to monitor.</p>
D3. ECSS failing to fully comply with the requirements of ECDC's Fleet Operator's Licence.	<p>ECDC has put in place the necessary procedures and processes to effectively manage the fleet, including the requirements for ECSS to ensure compliance with the O'Licence.</p>	<p>Waste Minimisation &amp; Fleet Manager to ensure compliance with the O'Licence requirements as the designated Transport Manager.</p> <p>Director, ECSS to monitor</p>

<b>Operational</b>		
<b>Risk Reference</b>	<b>Risk Reference</b>	<b>Risk Reference</b>
D4. ECSS failing to have in place sustainable sub-contractor arrangements (e.g. vehicle maintenance, agency staffing etc.) to sustain the delivery of the waste and street cleansing services.	ECSS has put in place sub-contractor arrangements as required for vehicle maintenance, agency staffing, etc.	ECSS Operations Manager and ECDC Waste Minimisation & Fleet Manager to effectively manage all the sub-contractor arrangements in place and to tender for any additional requirements as they arise.  Director, ECSS to monitor
D5. The Council and the ECSS failing to progress within budget and to the set time frame the depot refurbishment project in order to upgrade depot facilities to ensure compliance with environmental and health and safety legislation and to provide capacity to deliver extended services from the depot.	A set of project documents and governance arrangements are in place for the delivery of the project.  The capital funding for the project has been agreed.  Atkins Ltd have been retained for the detailed design, tendering and implementation of the programme of improvement works.	Director, ECSS, supported by the Facilities Management Team and Waste Consultant to manage the project to the required conclusion.