

Title		Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
Risk title and description	What we have done		Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating
<p>The efficient and effective delivery of Cleaning and Security services by Bristol Waste Company on behalf of Bristol City Council, should the transfer proceed.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> • Staff availability to carry out work plans in a safe way • Lack of information on the potential or known risks. • Inadequate contract management arrangements. • Lack of effective processes and systems consistently being applied. • Policies are not kept up to date. • Restrictions for operating normally caused by external factors i.e. Covid-19 pandemic. 	<p>A concept proposal was originally presented to Bristol City Council (BCC) by Bristol Waste (BWC) on 19 September 2019. The concept proposal came from BWC as an attempt to expand their business in line with their business objectives and expertise- and the identification that the council could benefit from a different approach to some FM service delivery. This was presented to the BCC commercial team, who have subsequently been disbanded. The FM services covered by the proposal were transferred to Workforce and Change in February 2020. There was a re-engagement in February 2020 from BWC with relevant team members in BCC. Following this there was an agreement made (underpinned by a letter of intent from BCC) to explore the proposals further and enter a Due Diligence phase to ensure that the proposals offered value for money.</p> <p>BCC representatives have been working with the management team from its teckal enterprise Bristol Workplace (an operating division of Bristol Waste) to determine the feasibility of introducing an integrated facilities management (FM) service. A key aspect of this work was a partnership approach to identifying and managing risks.</p> <p>The Due Diligence stage was to validate the financial solutions proposed by BWC and to review their Target Operating Model (TOM). There was an initial period of information gathering where BWC and BCC contacts in respective teams exchanged information in order to help with benchmarking and validation.</p> <p>A BCC internal governance board was set up (FM, Legal, Procurement, HR, Finance and IT). The group scrutinise proposals in order to reach a decision about progressing forward to cabinet and to identify and manage any substantive and emerging risks. The internal board made a unanimous decision on the 27 October 2020 to explore set service lines (Security and Cleaning and associated contracts).</p> <p>During Due Diligence there were joint weekly meetings to cover any queries from either team in relation to the information being provided. The main areas of information were financial, procurement and HR. Individual meetings were also held by BWC and their respective counter parts in BCC.</p> <p>A Joint Executive Board was set up in August 2020 including members from BWC and BCC.</p> <p>BCC has set up an internal Board with FM, Legal, Shareholder liaison, IT, HR and procurement representation.</p> <p>We also ran a meaningful initial consultation process with the staff group and allowed them to raise questions and queries in respect to the transfer.</p>	Ne w	3	5	15	<p>We are preparing a draft contract to manage / mitigate several key risks including cost management, standard of service delivery and protection for transferring staff over and above TUPE.</p> <p>The contract will also set several means of identifying the standard of service provision measurement and this will be linked to a disincentive regime.</p> <p>There will be increased internal resource to manage the contract drafting and finalisation process to ensure that the contract is fit for purpose.</p> <p>We will be utilising key internal expertise to validate the contract when a draft is produced to ensure it covers off any identified risks.</p> <p>A strategic oversight of any operation, should it transfer would still be held by BCC to ensure that any risks are managed and mitigated.</p> <p>The working risk register will be a standing item on the Joint Executive Board Agenda should the services transfer. This will involve close working with relevant BCC officers to ensure that risk management assessment was a key factor in supporting service delivery.</p> <p>There will be the development of a well-structured 'on-boarding' programme for staff involved which would include 1-2-1 development sessions to ensure that any emerging risks are identified and managed accordingly.</p> <p>There will be a clear communications plan and strategy in place to manage any reputational narrative and support staff welfare during the process.</p>	4	5	20
Risk Owner: Director, Workforce and Organisational Change	Action Owner: Head of Facilities Management	Portfolio Flag: Finance, Governance and Performance	Strategy Theme: Workplace Organisational Priorities WOP4 Be responsible financial managers and explore new commercial ideas. This is a practical opportunity to allow these service lines to operate in a more commercial way, enabling them to bring income into the council as shareholders in BWC						

More information is available on request.

Risk Scoring Matrix

		Threat Impact (Negative risks)					Opportunity Impact (Positive Risk)						
Threat Likelihood	Almost certain	4	4 (Low)	12 (Medium)	20 (High)	28 (Critical)	28 (Significant)	20 (High)	12 (Medium)	4 (Low)	4	Almost certain	Opportunity Likelihood
	Likely	3	3 (Low)	9 (Medium)	15 (High)	21 (High)	21 (High)	15 (High)	9 (Medium)	3 (Low)	3	Likely	
	Unlikely	2	2 (Low)	6 (Medium)	10 (Medium)	14 (High)	14 (High)	10 (Medium)	6 (Medium)	2 (Low)	2	Unlikely	
	Rare	1	1 (Low)	3 (Low)	5 (Medium)	7 (Medium)	7 (Medium)	5 (Medium)	3 (Low)	1 (Low)	1	Rare	
			1	3	5	7	7	5	3	1			
			Minor	Moderate	Major	Critical	Exceptional	Significant	Modest	Slight			

Threat Level	Opportunity Level	Level of Risk	Actions Required
1-4	1-4	Low	May not need any further action / monitor at the Service level.
5-12	5-12	Medium	Action required, manage and monitor at the Directorate level.
14-21	14-21	High	Must be addressed - if Directorate level consider escalating to the Corporate Risk Report, if Corporate consider escalating to the Cabinet Lead.
28	28	Critical / Significant	Action required - escalate if a Directorate level risk, escalate to the Corporate Level, if Corporate bring to the attention of the Cabinet Lead to confirm action to be taken.

Current and Tolerance risk ratings: The ‘Current’ risk rating for both threats and opportunities refer to the current level of risk taking into account any strategies to manage risk - management actions, controls and fall back plans already in place. The ‘Tolerance’ rating represents what is deemed to be a realistic level of risk to be achieved once additional actions have been put in place. On some occasions the aim will be to contain the level of the risk at the current level.

Positive Risks (Opportunities): Where the risk is an opportunity, a cost benefit analysis is required to determine whether the opportunity is worth pursuing, guided by the score for the matrix, e.g. an opportunity with a score of 28 would be pursued as it would offer considerable benefits for little risk.

LIKELIHOOD AND IMPACT RISK RATING SCORING**Likelihood Guidance**

Likelihood	Likelihood Ratings 1 to 4			
	1	2	3	4
Description	Might happen on rare occasions.	Will possibly happen, possibly on several occasions.	Will probably happen, possibly at regular intervals.	Likely to happen, possibly frequently.
Numerical Likelihood	Less than 10%	Less than 50%	50% or more	75% or more

Severity of Impact Guidance (Risk to be assessed against all of the Categories, and the highest score used in the matrix).

Impact Category	Impact Levels 1 to 7			
	1	3	5	7
Service provision	Very limited effect (positive or negative) on service provision. Impact can be managed within normal working arrangements.	Noticeable and significant effect (positive or negative) on service provision. Effect may require some additional resource, but manageable in a reasonable time frame.	Severe effect on service provision or a Corporate Strategic Plan priority area. Effect may require considerable /additional resource but will not require a major strategy change.	Extremely severe service disruption. Significant customer opposition. Legal action. Effect could not be managed within a reasonable time frame or by a short-term allocation of resources and may require major strategy changes. The Council risks 'special measures'. Officer / Member forced to resign.
Communities	Minimal impact on community.	Noticeable (positive or negative) impact on the community or a more manageable impact on a smaller number of vulnerable groups / individuals which is not likely to last more than six months.	A more severe but manageable impact (positive or negative) on a significant number of vulnerable groups / individuals which is not likely to last more than twelve months.	A lasting and noticeable impact on a significant number of vulnerable groups / individuals.
Environmental	No effect (positive or negative) on the natural and built environment.	Short term effect (positive or negative) on the natural and or built environment.	Serious local discharge of pollutant or source of community annoyance that requires remedial action.	Lasting effect on the natural and or built environment.
Financial Loss / Gain	Under £0.5m	Between £0.5m - £3m	Between £3m - £5m	More than £5m
Fraud & Corruption Loss	Under £50k	Between £50k - £100k	Between £100k - £1m	More than £1m
Legal	No significant legal implications or action is anticipated.	Tribunal / BCC legal team involvement required (potential for claim).	Criminal prosecution anticipated and / or civil litigation.	Criminal prosecution anticipated and or civil litigation (> 1 person).
Personal Safety	Minor injury to citizens or colleagues.	Significant injury or ill health of citizens or colleagues causing short-term disability / absence from work.	Major injury or ill health of citizens or colleagues may result in. long term disability / absence from work.	Death of citizen(s) or colleague(s). Significant long-term disability / absence from work.
Programme / Project Management <i>(Including developing commercial enterprises)</i>	Minor delays and/or budget overspend but can be brought back on schedule with this project stage. No threat to delivery of the project on time and to budget and no threat to identified benefits / outcomes.	Slippage causes significant delay to delivery of key project milestones, and/or budget overspends. No threat to overall delivery of the project and the identified benefits / outcomes.	Slippage causes significant delay to delivery of key project milestones; and/or major budget overspends. Major threat to delivery of the project on time and to budget, and achievement of one or more benefits / outcomes.	Significant issues threaten delivery of the entire project. Could lead to project being cancelled or put on hold.
Reputation	Minimal and transient loss of public or partner trust. Contained within the individual service.	Significant public or partner interest although limited potential for enhancement of, or damage to, reputation. Dissatisfaction reported through council complaints procedure but contained within the council. Local MP involvement. Some local media/social media interest.	Serious potential for enhancement of, or damage to, reputation and the willingness of other parties to collaborate or do business with the council. Dissatisfaction regularly reported through council complaints procedure. Higher levels of local or national interest. Higher levels of local media / social media interest.	Highly significant potential for enhancement of, or damage to, reputation and the willingness of other parties to collaborate or do business with the council. Intense local, national and potentially international media attention. Viral social media or online pick-up. Public enquiry or poor external assessor report.