

Risk Number	RM14248		Date of update		29 August 2017					
Risk Name	Failure to construct and deliver the Norwich Northern Distributor Route (NDR) within agreed budget (£179.5m)									
Risk Owner	Tom McCabe		Date entered on risk register		26 November 2015					
Risk Description										
There is a risk that the NDR will not be constructed and delivered within budget. Cause: environmental and/or contractor factors affecting construction progress. Event: The NDR is completed at a cost greater than the agreed budget. Effect: Failure to construct and deliver the NDR within budget would result in the shortfall having to be met from other budgets. This would impact on other NCC programmes.										
Original			Current			Tolerance Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
3	3	9	5	5	25	5	5	25	Mar-18	Red
Tasks to mitigate the risk										
The total project budget agreed by Full Council (November 2015) is £179.5m. Since then, November 2016, a risk of £6.8m increased budget was highlighted. In June 2017, this valuation and risk has increased. The new assessment reflects the corporate assessment criteria (i.e. 5 x 5) and was agreed at June Committee. Mitigation measures now reflect the revised position.										
1) Project Board and associated governance to continue to monitor cost and programme at monthly reporting meeting.										
2) NCC project team to include increased commercial resource to provide scrutiny throughout the remaining works by Balfour Beatty. This will include an independent audit of Balfour Beatty's project costs.										
3) Programme to be developed that shows works to be completed as rapidly and efficiently as possible.										
4) Project controls and client team to ensure systems in place to deliver the project and prepare for any contractual issues to be robustly handled as works are completed and final account process closed.										
5) All opportunities to be explored to reduce risk and programme duration with appropriate management meetings (at appropriate levels) to be held.										
6) Provide further assurance of budget management governance through appropriate audits and further specialist advice.										
7) Seek further contract/legal advice on key contract cost risks as necessary (linked to item 4 above).										
Overall risk treatment: Reduce, with a focus on reducing project costs										
Progress update										
1) The project Board is in place and monthly reporting on progress, cost and risk is being provided to the Board. Process will also include updates and feedback from the NDR Member Group who are providing additional project scrutiny.										
2) The project commercial team has been reinforced to provide increased scrutiny throughout the remaining works. This includes a planned review by external specialists to examine Balfour Beatty's project costs to date. Further resource or specialist advice to be discussed at Board meetings.										
3) Contractor has been asked to develop a programme demonstrating the activities necessary to complete all the remaining works. Expected to provide details of the planned phased opening of the NDR (in up to 3 stages). Board and NDR Member Group to be provided with details.										
4) Project administration controls and client commercial team are reinforcing systems and staffing levels to monitor ongoing costs and contract information. The specialist review of allowable costs will provide input to any further cost management requirements. Contract administration will continue to be managed through CEMAR software package. Project cost										

Progress update

forecasting also to be updated in line with programme (see 3 above).

5) Regular construction meetings held to ensure delivery maintains momentum on site. Further meetings being held between respective commercial teams to deal with closing out necessary contract changes and programme management. Senior management meetings are also being held to discuss the commercial position and find ways of reducing costs. Details to be reported to Board and new NDR Member Group.

Ongoing analysis by the Projects Support Manager assigned to the NDR project will provide additional detailed assessment of project cost issues.

6) A governance (delegated purchasing of land) audit and a contract variations audit are being carried out. The governance audit has been carried out, with the report to follow, and the audit of contract variations is due to start imminently. Further cost analysis by specialist consultants is also planned to commence at the end of August 2017.

7) Specialist contract advice has been requested to deal with specific project issues. The scope of this is under review and may increase. Decisions on this will be discussed at Board and with the Member Group.

Risk Number	RM14231					Date of update		24 August 2017		
Risk Name	Increase in the amount of left over waste collected by local authorities.									
Risk Owner	Tracy Jessop					Date entered on risk register		01 April 2007		
Risk Description										
The risk is that the amount of waste exceeds the budget provision in 2017/18 of £23.190m. Increases above projected tonnages would lead to additional costs of around £110 per tonne, ie an additional 1,000t is a pressure of around £110,000 and a 2.5% increase is around £580,000. An increase could be caused by any combination of factors such as increases in household numbers, change in legislation, or export related issues, economic growth, weather patterns, a collapse in the recycling markets or an unexpected change in unit costs.										
Original			Current			Tolerance Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
3	5	15	3	4	12	1	4	4	Mar-18	Amber
Tasks to mitigate the risk										
Work effectively with the Norfolk Waste Partnership on waste initiatives. Reduce the amount of overall waste each household generates, eg campaigns such as Love Food Hate Waste, Plan Eat Save, reusable nappies, and effective use of re-use networks such as for furniture. Improving recycling performance, including improved capture rates for collections for dry recyclables and food waste, and improved performance of Recycling Centres. Lowering the unit costs of providing services, eg through procurement, contract negotiations, contract management and optimising use of existing arrangements. Ensuring we pass on costs effectively where possible, eg recharging for trade waste. Driving waste out of the system, eg waste reduction such as home composting or campaigns against fly tipping.										
Progress update										
Even though Q1 data is incomplete the risk rating is amber as: 1 The outturn tonnage for 2016/17 was 1,000t higher than had been projected. 2. District Councils are not delivering pilot scale changes in 2017/18 as had been expected. 3. £150,000 base budget reduction in 2017/18. The 2017/18 budget was based on 216,000t which allowed for around 1,000t growth linked to increasing household numbers - but this contingency is now removed as the final outturn for 2016/17 was actually 216,000t and not 215,000t as had been previously estimated due to a late surge in volumes after the budget had been set. Pilot scale changes to some district council collection services which could have generated a reduction in residual waste in 2017/18 will not occur as had been expected. However a programme of communications activities for 2017/18 was approved by the Norfolk Waste Partnership on 20 June and a £50k grant secured by the Partnership from Sainsbury's to support waste reduction focused on food waste.										