

From: [Foi Enquiries](#)
To: [REDACTED]
Subject: EIR-17-1120 - Energy from Waste
Date: 23 August 2017 13:56:43
Attachments: [Further Information - Right to Review & Appeal.pdf](#)
[EIR-17-1120 - 201704 Joint EfW Project Risk Register v11.xlsx](#)

Dear [REDACTED],

Thank you for your information request of 3 August 2017. Aberdeen City Council (ACC) has completed the necessary search for the information requested.

Please would you provide me with a copy of the active Risk Register/Risk Log for the Energy from Waste project.

Please see attached.

Please also will you confirm when the Business Case (Addendum dated November 2015) is to be updated and cost assumptions validated, etc, following receipt of formal proposals/bids.

It is anticipated that the competitive dialogue procurement exercise will be completed in late summer/early Autumn 2018 and that reports will be prepared for the three Councils with recommendations based upon revised business cases prepared using the outcomes of the procurement exercise.

We hope this helps with your request.

Yours sincerely,

Grant Webster
Information Compliance Officer

INFORMATION ABOUT THE HANDLING OF YOUR REQUEST

As the information which you requested is environmental information, as defined under Regulation 2(1) of the Environmental Information (Scotland) Regulations 2004 (the EIRs), ACC considered that it was exempt from release through FOISA, and must therefore give you notice that we are refusing your request under Section 39(2) of FOISA (Freedom of Information (Scotland) Act 2002). However, you have a separate right to access the information which you have requested under Regulation 5 of the EIRs, under which ACC has handled your request. Please refer to the attached PDF for more information about your rights under the EIRs.

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Joint Energy from Waste Project: Risk Register

v11 Aug-17

No.	Risk Description <i>Threat to achievement of business objective</i>	Potential Consequences of Risk	Risk Control Measures	Risk Assessment (likelihood x impact) = risk			Mitigating action	Controls effective ?	Revised Risk Assessment (after controls)		
				Likely (1-6)	Cons (1-4)	= risk			Likely (1-6)	Cons (1-4)	= risk

Current risks are identified in this report with white background, Greyed-out risks are resolved, or are no longer current

General

	Requirement for pre-sort residual waste	Increased costs which may affect overall viability			3	3	9	Seek derogation from SEPA to reduce likelihood of requiring pre-sort	Partial	2	2	4
	Partners cannot reach agreement on time	Project delayed, or abandoned			2	4	8	Joint approach benefits demonstrated by option appraisals. Strong justification for compromise / agreement	Yes	2	2	4
	Council not willing to enter into long-term partnership deal	Project delayed, abandoned or Council withdraws from joint project			2	4	8	Joint approach benefits demonstrated by option appraisals. Strong justification for compromise / agreement	Yes	2	2	4
	Terms of agreement not in best interests of Council	Council disadvantaged operationally / financially leading to possible withdrawal from project			2	4	8	Ensure Inter-authority offers equitable protection / benefit to all partners	Yes	2	2	4
	Cannot deliver EfW residual waste solution in time to address 2021 regulatory requirements	Potential censure / fines if solution not delivered on time (or credible solution not well advanced by 2021)			3	4	12	Effective contribution to joint project to ensure timely delivery. Each Council to develop a "Plan B"	Yes	2	4	8
	Implications of BREXIT	Potential for time delay while implications of BREXIT are included within Contract			3	4	12	Keep informed of implications as they become known primarily via legal advisers	Yes	3	4	12
	Insufficient staffing within project team. Dedicated staff or officers unavailable.	Project delayed while resource issues resolved			3	2	6	Right for substitution within PD contract. Include substitutes within officer team to spread resource. Maintain central filing system accessible by all.	Partial	3	1	3
	Loss of Project Team Facilities (e.g room or building)	Project delayed while alternative accommodation arranged			3	3	9	Hot desk arrangement in ACC allows staff to redeploy rapidly, shared drive means there should be little to no loss of	Yes	3	1	3
	Project team resigning/moving on towards end of staffing contract (currently Mar 2019)	Increase in workload for remainder/ potential delays in key tasks			3	3	9	None, established risk of fixed term employment	No	3	3	9

Site Risk

	No suitable site in local plan	Planning permission much more difficult			6	3	18	ACC site in local plan	Yes	0	0	0
	No suitable site in Council ownership	Site must be acquired - may be difficult			6	3	18	ACC acquiring site	Yes	0	0	0
	Site may not be identified suitable for CHP	Site must be near potential Heat customers for credible heat plan			5	3	15	ACC site is excellent for CHP and part of ACC long-term plan / policy	Yes	0	0	0
	Delay in acquiring site	May not develop plant in time to meet 2021 regulatory requirements, risk downgraded from previous due to Demolition being started on time and Remediation on track.			3	4	12	Site expected to be acquisition complete but remediation due to start summer 2017, any significant issues here may cause handover to be delayed. Will know by Close of 2017 if this issue	Yes	3	4	12
	Long transport times to site, and/or requirement for revised transfer station location(s)	Increased costs (transports, transfer station(s))			5	3	15	AWPR & Coast Road upgrade will reduce travel times / costs	Yes	4	2	8

Planning Risk

	No site in local plan	More difficult for planners to support application			6	2	12	ACC site in local plan	Yes	0	0	0
	No cross-party buy-in for local plant	Application may be opposed			5	3	15	Strong communication required ahead of decision	Yes	4	2	8
	Proposed site deemed unsuitable	Permission refused			4	3	12	Proposed site already approved - in local plan	Yes	0	0	0
	Larger plant to accommodate 3-Council requirements opposed by members / public	More difficult to acquire permission, or permission may be refused			4	3	12	Build effective political, public, business and media support for joint project	Partial	2	3	6
	Planning permission refused over lack of commitment to District Heating network	Project delayed, or abandoned			3	4	12	Commitment to developing DH network required from ACC	Partial	2	4	8
	Planning appealed - overturned by court / SG	Project delayed, or abandoned			3	4	12	Build effective political, public, business and media support for joint project. Ensure application is thorough and meets application requirements	Yes	2	4	8

Technology Risk

	Choice of technology is not proven	Plant may not work			4	3	12	Project requirement is for proven incineration technology	Yes	3	3	9
	Choice of technology does not comply with regulatory requirements	Plant not permitted by SEPA			4	3	12	Proposals already discussed with SEPA in principle	Yes	3	3	9
	Choice of technology does not perform	Plant may be ineffective / expensive / breach regulations			4	3	12	Project requirement is for proven incineration technology capable of operating over a wide CV range	Yes	3	3	9

Political Risk

	No buy-in from members	Project is not supported / opposed at Planning, or during financing stages			5	3	15	Extensive member engagement and reporting, Establishment of Joint Members' Working Group to support the project	Yes	0	0	0
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Financial Risk

	Local plant too expensive to build	Best value cannot be demonstrated, leading to potential abandonment/reprocurement at IAA3 stage			4	3	12	Economies of scale demonstrated by AMEC / E&Y cost model undertaken by ACC, and similar work for AC by SLR. Initial indication of price to be provided at early bid stage 6 months prior to IAA3 (Contract requires no increase in price from ISDS)	Yes	2	3	6
	Local plant too expensive to operate	Best value cannot be demonstrated, leading to potential abandonment/reprocurement at IAA3 stage			4	3	12	Economies of scale demonstrated by AMEC / E&Y cost model undertaken by ACC, and similar work for AC by SLR. Initial indication of price to be provided at early bid stage 6 months prior to IAA3 (Contract requires no increase in price from ISDS)	Yes	2	3	6
	Proposals to self-fund project cannot be delivered by all partners at contract sign-off	New financing options required or potential abandonment by one or all councils.			2	3	6	Consider other financial options available.	Yes	2	2	4
	Contractor risk prices ground conditions due to lack of geotech information.	Best value cannot be demonstrated at IAA3 or unexpected costs during build. Initial Geotech SI provided basic information, further comfort could be provided.			2	4	8	Further geotech investigation would fully ameliorate risk, info available for final decision..	Yes	1	4	4

Partnership Risk

	One or more Councils cannot Agree Stage 1 IAA	Partnership fails, or must be modified			1	4	4	Establish common areas of agreement	Yes	0	0	0
	One or more Councils cannot Agree Stage 2 IAA	Partnership fails, or must be modified			2	4	8	Establish common areas of agreement	Yes	1	4	4
	One or more Councils do not agree to sign-off contract proposal IAA3	Partnership fails, or must be modified			3	4	12	Establish common areas of agreement	Yes	1	4	4

Regulatory Risk

	Cannot demonstrate "heat plan"	Permit refused, meaning contract cannot be awarded			5	3	15	TA to review contractors heat plan in advance of permit submission	Yes	0	0	0
	More onerous future recycling requirements	Plant not economic / no longer performs (low CV)			4	3	12	Plant sized on latest projections of waste arisings for period and wide CV technology assessed	Yes	3	3	9
	Future waste minimisation reduces tonnage	Plant sub-optimal, or no longer viable,			4	3	12	Include wide range of operating scenarios in design specification	Partial	3	3	9

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Commercial Risk

	Plant too small to attract interest of key market players	Limited competition. Higher prices / less choice of solutions / less experienced suppliers			3	3	9	Joint approach for regional facility will make project more attractive to market	Yes	0	0	0
	Delivery model / contract does not attract market / incentivise operator	High cost / poor / no tender response			3	4	12	Optimise design of contract following soft-market testing	Partial	2	4	8
	Option in contract for Councils to take O&M in-house does not attract market / incentivise operator	High cost / poor / no tender response			3	4	12	Optimise design of contract following soft-market testing	Partial	2	4	8
	Loss of bidders during procurement	High cost / poor / no tender response			2	3	6	Potential Consequence increases with number of bidders withdrawing, dialogue training provided to team and Dialogue team to ensure fair and equal treatment	Yes	1	3	3
	Introduction of an Incineration tax (?)	Increased costs			2	2	4	Exemption for established plants ? Market shift as tax would be national	Partial	2	2	4

Operational Risk

	Plant failure	Accumulation of waste with no disposal option			2	4	8	Contingency arrangements to be responsibility of contractor, contract includes termination and step in rights	Partial	2	2	4
	Plant breakdown	Accumulation of waste with no disposal option			3	3	9	Contingency arrangements to be responsibility of contractor, contract includes termination and step in rights	Partial	3	2	6
	Disruption of residual waste supply (e.g. industrial relations dispute - collections)	Reduced supply impacting on performance; In extreme case plant shutdown may be required			1	4	4	Technical design to include buffer capacity to smooth feedstock supply interruptions	Partial	1	2	2

Procurement Risk

	Risk of challenge brought about by not including the full ITPD within the Contract Notice as parts of Scottish Government Procurement Guidance would suggest.	Delay to procurement process or at worst requirement to start again			1	4	4	Legal advice taken and will follow other parts of Scottish Government Procurement Guidance which require evaluation criteria only to be fully stated	Partial	1	4	4
	Risk of challenge brought about by perceived bias by one or more project team members.	Delay to procurement process or at worst requirement to start again			1	4	4	Legal advice taken, conflict of interest log of all project team members	Partial	1	4	4