CATEGORY	Energy
INITIATIVE NUMBER & TITLE	22-166 Electricity Supply Contract and Ancillary Services
CATEGORY MANAGER	Karen Middlebrook
SERVICE LEAD	Steven Cope / David Rhodes

Rotherham Metropolitan Borough Council

RISK NO	RISK TYPE	OBJECTIVE	RISK DETAIL	CONSEQUENCE/EFFECT	EXISTING CONTROLS (What are we currently doing to manage the risk?)	RISK SCORE WITH EXISTING MEASURES			FURTHER MANAGEMENT ACTION / CONTROLS (What else could be done in addition to the existing controls?)	TARGET SCORE WITH FURTHER MANAGEMENT			RISK OWNER	DATE LAST REVIEWED	DATE OF NEXT REVIEW
						Impact	Likelihood	Risk Rating		Impact	Likelihood	Risk Rating			
00001	Financial Loss	Complete sign off of the call-off order for the electricity supply contract	Unaffordability / Inappropriate use of public money / Limited timeframe	The Council could be left without an electricity contact and be on out of contract rates or energy procured at the latest moment with large volumes at with current wholesale market factors.	Energy optimisation desk is utiliesed through YPO/nPower to procure electricity flexabiliy in advance of period to deliver a fixed price for the term of the contract.	4	2	8	Furher improvments to the strategy to develop long-term strategies for procumnet on the wholesale market.	2	2	4	Steve Cope	12/10/22	
00002	Financial Loss	Further increases on the wholesale market price of electricity	Unaffordability / Inappropriate use of public money / Limited timeframe	Increased cost of procuring electricity	Electricity procurement stratergy through the energy optermisation desk at nPower, daily market monitoring of influencing factors	4	3	12	Furher improvements to the strategy to develop long-term strategies for procurement on the wholesale market.	3	3	9	Steve Cope	12/10/22	
00003	Regulatory Requirements	Successful award of contract	Council makes award of contract with no legal challenge	Formal challenge could result in constracts being set aside resulting in no formal contract in place, or the requirement to pay damages to an aggrieved bidder.	The established of the framework has been undertaken by YPO in compliance with Public Contract Regulations 2015 and direct award is permitted as a route for call off.	4	1	4	The need to ensure all appropriate internal governance is followed.	4	1	4	Karen Middlebrook / Steve Cope	28/10/22	31/12/22
00004	Management	Effective trading stategies and comms established between all parties	YPO are currently experiencing expertise and capacity issues in relation to the management of energy supply frameworks. A re-organisation of the YPO Energy Team was commissioned in February 2022, including recruitment for Senior Level and interim additional external market insight & trading support but this process remains ongoing with a number of senior roles vacant before contract signing	Poor purchasing / trading strategies established resulting in increased costs.	Npower have verbally indicated they will take responsibility for energy purchasing and strategy in the interim measure, but medium term, YPO will resume responsibility and the relationship between YPO, supplier and customer will be as it was previously	4	3	12	Clear and regular updates required from YPO to enable the Council to understand the position and potential impacts. Break clauses included within contract from Year 2 onwards that could be enacted with 15 months notice is performance is sub-standard.	3	2	6	Steve Cope	28/10/22	31/12/22

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