

Unrestricted

**JOINT WASTE DISPOSAL BOARD
16 OCTOBER 2015
(9.30 am - 12.00 pm)**

Present: Bracknell Forest Borough Council
Councillor Mrs Dorothy Hayes MBE
Councillor Iain McCracken

Reading Borough Council
Councillor Paul Gittings
Councillor Liz Terry

Wokingham District Council
Councillor Angus Ross

Officers Helen Brewster, Bracknell Forest Council
Oliver Burt, Strategic Waste Manager
Steve Loudoun, Bracknell Forest Council
Josie Wragg, Wokingham Borough Council

Apologies for absence were received from:

Councillor Anthony Pollock, Wokingham Borough Council
Mark Smith, Reading Borough Council

14. Annual Environment Report

The Board received a presentation from Steve Longdon, Regional Director, and Adrian Clarke, General Manager, on the Annual Environment Report from FCC.

The Board noted that this was the ninth annual report and also marked the beginning of what the company hoped would be the Board and company working more closely in partnership for their mutual benefit. Adrian expressed his thanks to Oliver Burt and Steve Loudoun for the way that they had engaged with the difficult negotiations to reach agreement over the revised contract. Progress continued to be made in reaching a conclusion to the revised contract.

During the presentation and in response to questions, the Board's attention was drawn to a number of key points including that:

- During 2014/15, average recovery performance had been 77.93%
- There had been 900,000 visits to the two sites.
- Customer satisfaction was rated as good or very good.
- Satisfaction with staff helpfulness was down from 89% to 78%, but this was likely to be due to an increase in the number of visitors and changing the questions to obtain more useful information..
- There had only been nine complaints and 14 compliments
- Total tonnage processed had been 199,077.
- Turn around faults were the main concern but at 1.6% out of almost 7000 visits were not significant.

- Training was to be increased to ensure levels of satisfaction were maintained and increased.
- The Longshot Lane web cam was receiving 2500 views per month and, in response to a question from the Board, the company indicated a willingness to look at installing one at Smallmead which would then be available to view on the new web site, although it was stressed the reason only one had previously been installed was that the sites had very different challenges with Longshot Lane being a more difficult site to manage due to its configuration.
- Recycling was down a bit but green waste was up a bit, but there was a need to think about driving them both up.
- Almost 23% of material was still being sent to landfill so the company was looking for quick wins to reduce this figure; it expected to increase recovery quickly but improving recycling would be more challenging.
- Landfill figures elsewhere were dependent upon what opportunities there were to provide alternative means of disposal, so there was no true benchmarking data available.
- The most cost effective way of dealing with wood was biomass but there were means of recycling it which could be explored to assess their cost-effectiveness.
- Whilst the composition of paper received had changed, there had been no dramatic drop-off as the reduction in newspapers and magazines had been balanced by an increase in packaging from home deliveries of other items.

The Board was advised that it gets more expensive to divert away from landfill the closer you get towards 0% The re3 contract was designed with landfill diversion as its principal aim and it has been successful. However, some items were still prohibitively expensive to dispose of other than by landfill. Therefore, it was stressed that whatever solutions were chosen they needed to be sustainable.

The Board was also advised that the Smallmead MRF was operating with a single shift four days per week and processing 28,000 tonnes. The plant had capacity to handle 58,000 tonnes and therefore there were commercial opportunities open to exploit this spare capacity, potentially by operating a second shift. It was stressed, however, that any increase in tonnage should be based on the right type of material as to accept any material might not deliver the full potential of the site as it was quality that drove the back end price.

The Board was also advised that the plant was complying with the WRAP and Environment Agency guidelines. 50% were non-compliant. However, the company was not complacent and had commissioned an audit of the application of the MRF Code Of Conduct.

In concluding, the Board was advised that performance had been strong but there was a need to do more in relation to customer satisfaction. The other priorities would be:

- Maintaining performance

- Improving recycling and recovery rates
- Maximising the value of the assets

The Board welcomed the report and thanked Adrian and Steve for attending the meeting. In view of the strengthening of the partnership, the Chairman invited Adrian to attend future meetings to give a brief update on progress and raise any issues.

RESOLVED that Adrian Clarke be invited to the first part of the Board's future meetings.

15. **Communications Forward Plan**

The Board received a presentation from Anna Fowler, the new re3 Marketing and Communications Officer, on the Communications Forward Plan.

Anna explained that she was developing a new marketing and communications strategy. She stressed that at the heart of it would be the need to achieve more by delivering the right message to the right people. A key message would be that managing waste was everyone's responsibility. To lead the process, she believed there was a need to build upon recognition of re3 as a trustworthy partnership to prepare residents for change. They should be encouraged to understand the savings that could be achieved by more responsible behaviour. To illustrate this, she presented a number of examples of what a few relatively small savings in household waste could add up to if repeated by everyone. Such messages had been used elsewhere and had been identified as an effective means of engaging residents. Whilst the Board noted this, there was some concern expressed about creating any impression that by reducing waste people could be paying for extra services when all councils were making significant cuts. Such circumstances meant that care would need to be taken in how information was presented.

Anna indicated that helping people to understand what could be recycled would be important. She outlined how social media might be used to promote the Board's messages and presented a short video that might be posted on a You Tube channel. She added that internal communications would also be important and also wanted to undertake research to seek residents' views including on the barriers to recycling and examples of good practice. She stressed the importance of simple, easy, effective messages to recycle more and waste less. People needed to recognise the value of recycling and ideally the way information was presented should localise it for them.

Having heard Anna's views, the Board stressed that it would be important to evaluate the cost-effectiveness of campaigns. It was suggested that different things would work for different people. Emphasising the environmental benefits would also influence some people. A key audience would also be school children as they could play a key role in influencing their parents.

The Board thanked Anna for her presentation and looked forward to discussing her ideas further in due course.

16. **Declarations of Interest**

There were no declarations of interest.

17. **Minutes of the Meeting of the Joint Waste Disposal Board**

RESOLVED that the minutes of the meeting of the Joint Waste Disposal Board held on 7 July 2015 be approved as a correct record and signed by the Chairman.

Arising on minute 13, the Board noted that a draft of the letter to DEFRA in respect of the proposals for the third runway at Heathrow and the implications to the Partnership was available to be shared with them for comments.

18. **Urgent Items of Business**

There were no urgent items of business.

19. **Audit Report - Waste PFI Review 2015**

The Board considered a report on a recent audit of the re3 joint Waste PFI.

The Board noted that the overriding conclusion of the audit was “substantial assurance” with no high priority recommendations, just one medium priority and seven low priority recommendations, all of which had to be accepted. The only medium term recommendation related to the need to develop a Joint Strategic Waste Disposal Strategy. The Board noted, however, that this could not be completed until the needs and aspirations of the three Councils had been articulated through their Waste Collection Strategies.

Arising from a discussion on the report, it was noted that:

- The lack of a Joint Strategic Waste Disposal Strategy should be added to the Risk Register.
- The Board was keen to see the three authorities conclude ongoing and outstanding work to agree their positions so the joint strategy could be completed.
- A number of words were missing from the text relating to recommendation six as a result of a formatting problem.
- There was a need to discuss options collectively and with the waste providers in due course as there were likely to be opportunities worth exploring given the number of key partners involved and the willingness of our contractors to assist in the process.

The Board also noted that the pace of progress against the recommendations would be largely resource dependent.

In view of the desire to explore opportunities, the Group agreed that an additional meeting should be held to discuss the issue more fully, ideally before Christmas 2015.

RESOLVED

- 1 That the findings and actions as set out in Annex 1 of the report be noted; and,

- 2 A follow up audit be undertaken in 2016 to review progress against the recommendations in the report.
- 3 That a special meeting be arranged to discuss issues and options in relation to the local waste agenda.

20. **Review of Governance Arrangements**

The Board considered a report updating it on the changes being made to the governance arrangements for the re3 partnership including the details sought at the last meeting. This included the structure of the remaining team and clarified the changes proposed to the existing re3 governance arrangements in light of the new arrangements. The report also addressed recommendations 3, 4 and 6 of the recent audit report.

The Board noted that, having made the appointment to the re3 Strategic Waste Manager position, a plan would be developed to reflect the business needs of the Board and its Work Plan for the coming year. The senior managers had reviewed the arrangements for reporting to the Board and the way they worked and supported delivery of the Board's decisions. As a result, it was proposed that a Quarterly Performance Report should be introduced as a standard item. This would provide the Board with an easy to use point of reference over time as to the key performance issues associated with contract delivery.

Arising from the recent Audit Report, the Board noted that suggestions to improve access to key governance arrangements had been addressed. In addition, the Officers had reviewed the financial management arrangements to reflect the new appointment and ensure proper arrangements were in place for the authorisation and accountability of orders and payments.

Arising from the report, it was suggested that the terms of reference of the Senior Managers' Group should include risk management and contract amendments and the reporting thereof. It was agreed that there was a need for clarity around the level at which contract amendments would be approved either at officer level or by decision of the Board. In addition, the Governance schematic would reference the relationship to the Chief Executives of the three Councils.

RESOLVED

- 1 That, subject to the addition of reference to risk management, clarifying responsibility for approving contract amendments and reference to the Chief Executives in the schematic, the terms of reference of the re3 Strategic Managers' Group be approved and those of the re3 Joint Officers' Group noted; and,
- 2 That the actions taken in respect of the audit recommendations 3, 4 and 6 be noted.

21. **Partnership Progress Report**

The Board received and noted a report detailing progress in relation to the shared re3 PFI Contract since its last meeting on 7 July 2015.

The Board noted that:

- A trial would be commencing in early October in order to determine the exact processing requirements for re3 street sweepings, allowing the individual councils and their street sweeping teams to make necessary changes in operational practice.
- The re3 MRF had recently processed 360 tonnes of mixed recyclable material from another of the contractor's contracts providing an opportunity to learn and assess what implications there would be from processing additional material.
- As part of the ongoing maintenance of the re3 MRF, a short period of enforced shutdown was planned for November 2015.
- The current trial sending re3 material to the Sutton Courtenay MRF would determine the likely volumes that could be accepted in the future, but initial indications were that the new service would save the councils approximately £15 per tonne on such material.
- The creation of a Waste Data Flow process 'tree' for each authority had taken a considerable amount of time but had been completed in compliance with requirements.
- The re3 Project Team was working with the contractor, FCC, to review the role of the re3 PFI Contract in the supply chain with the aim of continuing to ensure that material collected in the re3 area met the needs of re-processors and also enabled the councils to communicate with re3 residents about the supply-focused perspective on recycling.

Arising from the report, the Board requested that a visit be arranged to the Sutton Courtney MRF.

RESOLVED that arrangements be made for the Board to visit the Sutton Courtney MRF.

22. **Dates of Future Meetings**

The Board discussed dates for future meetings and agreed that, subject to the addition of a special meeting to be arranged to discuss waste matters related to the Partnership, they should be held at 9.30am on:

Friday 15 January 2016
 Friday 8 April 2016
 Friday 8 July 2016 (AGM)
 Friday 7 October 2016

23. **Exclusion of Public and Press**

RESOLVED that pursuant to Regulation 4 of the Local Authorities (Executive Arrangements) (Access to Information) Regulations 2012 and having regard to the public interest, members of the public and press be excluded from the meeting for the consideration of items 12 and 13 which involved the likely disclosure of exempt information under the following category of Schedule 12A of the Local Government Act 1972:

- (3) Information relating to the financial or business affairs of any particular person.

24. **Contract Update**

The Board received an update on the contractual negotiations relating to the revenue sharing mechanism in the re3 contract. The report indicated that all outstanding matters had now been agreed and outlined the benefits to the partnership arising from the negotiations. Whilst both the councils and contractor were keen to conclude the agreement and move on, DEFRA's approval was awaited although their response was understood to be imminent.

The Board thanked Oliver Burt, Steve Loudoun and their team for the work they had undertaken to reach this position.

25. **Annual Financial Statement**

The Board considered a report:

- 1 Summarising the financial position of the joint waste PFI for the 2015 Annual General Meeting of the Joint Waste Disposal Board.
- 2 Seeking to conclude the management of finances in the 2014/15 year by detailing the emerging position in the current year and presenting the first draft of the budget for 2016/17.

Oliver Burt, advised the Board that volumes had been down contrary to expectation as too had been both recycling and green waste. Oliver indicated that it was difficult to identify obvious reasons for this but added that the position would continue to be monitored.

RESOLVED

- 1 That the Annual Financial Statement be noted..
- 2 That the informal request from West Berkshire Council regarding revenue sharing be noted and the proposed approach agreed

CHAIRMAN