

**JOINT WASTE DISPOSAL BOARD**  
**03 JULY 2006**  
**(6-8.30pm)**

**Present:** Bracknell Forest Borough Council  
Councillor I McCracken  
Councillor Mrs Ballin

Reading Borough Council  
Councillor S Waite  
Councillor R McKenzie

Wokingham District Council  
Councillor R Stanton (Chairman)  
Councillor S Weeks

**Officers:** Mr P Baveystock, Wokingham District council  
Mr D Fisher Reading Borough Council  
Mr J Freer Bracknell Forest Borough Council  
Ms J Holland, Wokingham District Council  
Mr O Burt Reading Borough Council  
Mr K Holyer Reading Borough Council  
Ms N Norris Bracknell Forest Borough Council  
Mr V Paliczka, Bracknell Forest Borough Council  
Mr S Smith, Ernst and Young

1. **Apologies for Absence**

There were no apologies for absence.

2. **Election of Chairman**

**RESOLVED** that Councillor Rob Stanton be elected as Chairman to the Board for the Municipal Year 2006/2007.

3. **Appointment of Vice Chairman**

**RESOLVED** that Councillor Mrs Ballin be appointed as Vice-Chairman to the Board for the Municipal Year 2006/2007

4. **Minutes**

**RESOLVED** that the minutes of the meeting of the Board held on 22 March 2006 be confirmed as a correct record and signed by the Chairman.

5. **Declarations of Interest**

There were no declarations of interest received in relation to any items on the agenda.

## 6. Urgent Items of Business

There were no urgent items of business received.

## 7. Consideration of Joint Working Arrangements

There was submitted a report by the Assistant Director (Streetcare), Mr J Freer, updating the Board with progress and the current status of the Joint Working Agreement (JWA) between the three Councils. Members were advised that the purpose of the report was to recommend that the three Councils entered into the JWA.

The Board was advised that when the report had been published there had been a number of issues still outstanding. These were in relation to environmental issues, the Financial Schedule, the Constitution Agreement and the proposed delegations within Schedule 4 of the JWA relating to decisions that needed to be made or matters that needed to be considered pursuant to the Project Agreement. The Board received an updated copy of the JWA for consideration.

The Board was pleased to note that a majority of the outstanding issues with the JWA had been resolved over the last few days, apart from the inclusion of the financial schedule and the completion of the contract management arrangements. Members asked about the liability of the Board on the completion of the contract. They were assured that there was no personal liability for them as Members of the Board. However, the Assistant Borough Solicitor, Ms N Norris, agreed to confirm this with Members in due course.

The Board was advised that following approval of the JWA there was the opportunity to review the document at a future meeting. Any final comments, or questions, were requested by the end of the week.

### **RECOMMENDED** that

Bracknell Forest Borough Council, Reading Borough Council and Wokingham District Council enter into the Joint Working Agreement subject to the three Councils being satisfied that:-

- (i) the interests of each Council be protected in the financial schedule to be incorporated at Schedule 1 to the Joint Working Agreement
- (ii) the satisfactory completion and inclusion in the Joint Working Agreement of Schedule 3 relating to contract management arrangements

## 8. Exclusion of Public and Press

**RESOLVED** that, pursuant to Section 100A of the Local Government Act 1972, members of the public and press be excluded from the meeting for the consideration of item 7, which involved the likely disclosure of exempt information under the following paragraph of Schedule 12A to the Act, as amended:

### Paragraph 3

Information relating to the financial or business affairs of any particular person (including the authority holding that information), provided that Information in this

category is not exempt information if it is required to be registered under the Companies Act 1985; the Friendly Societies Acts 1974 and 1992; the Industrial and Provident Societies Acts 1965 to 1978; the Building Societies Act 1986; or the Charities Act 1993.

## 9. **Outcome of Negotiations With Preferred Bidder**

There was submitted a report by the Assistant Director (streetcare), Mr J Freer updating the Board on the negotiations that had taken place since the last meeting, through the Joint Project Team (JPT) of Council Officers and consultant advisers, with the Councils' preferred bidder, Waste Recycling Group (WRG), and highlighting the current status of the main strands of the negotiation.

The report went on to give the background on the negotiation approach, the status of negotiations, the technical, financial and legal strands surrounding the negotiations and the standardisation of Private Finance Initiative (PFI) contracts. The purpose of the report was to invite the Board to consider the outcome of the negotiations with the preferred bidder in response to the Council's invitation to initially submit a best and final offer and to approve that they entered into a binding contract with the preferred bidder under the Government's Private Finance Initiative for the provision of waste management services.

Mr Smith, a Consultant from Ernst and Young delivered a presentation on the key differences between the preferred bidder and other bidders, as well as looking at what would happen if they did not do anything. This addressed, specifically, what the Councils were buying, for how much and on what terms as well as the affordability of the product and the fall-back position in place.

The Board was advised that all four issues outstanding from the last meeting had been resolved with the Department of Environment and Rural Affairs (DEFRA). One of the main issues that was still being negotiated was in relation to green waste, but Members were assured that this was being resolved. The Board was advised that it was intended to send the final business case to DEFRA and the Treasury by 14 July which would allow final clearance by early September. Members discussed the final headline price and how robust the 5% variance over the final quoted price of £618M was likely to be. It was agreed that 5% was the maximum but they hoped for less.

The Board discussed the liability in relation to hazardous waste and asked whether a special licence was required. Members were assured that a Licence was not required as the preferred bidder had agreed to manage the amount of hazardous waste itself, therefore, no liability would be contributable to each Council.

### **RECOMMENDED** that

Bracknell Forest Borough Council, Reading Borough Council and Wokingham District Council enter into a binding contract with Waste Recycling Group Ltd under the Government's Private Finance Initiative for the provision of waste management services to deliver a long-term solution for the reception, treatment, recycling and disposal of municipal waste from the Councils' area, capable of meeting current and anticipated national and local performance targets subject to the following conditions being met:

- The Councils being satisfied that the interests of the Authorities have been properly protected in the final project agreement.

- The required Final Business Case being approved by DEFRA and any other necessary consents being obtained from central Government.
- That the project remains 'affordable' and there is no more than a 5% variance in the headline price of £618M.
- That the inter-authority arrangements are put into place concurrently with the signing of the Final Project Agreement.

10. **Date of Next Meeting**

It was agreed that the date of the next meeting would be held at 6.00pm on Tuesday 8<sup>th</sup> August 2006 at the offices of Bracknell Forest Borough Council.

**CHAIRMAN**