

JOINT WASTE DISPOSAL BOARD
7 JULY 2011
(6.30 - 8.50 pm)

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

Reading Borough Council
Councillor Paul Gittings

Wokingham District Council
Councillor Gary Cowan
Councillor Rob Stanton

Officers Pete Baveystock, Wokingham Borough Council
 Pete Thompson, Reading Borough Council
 Oliver Burt, re3 Project Manager
 Janet Dowlman, Bracknell Forest Council
 Dave Fisher, Reading Borough Council
 Kevin Holyer, Reading Borough Council
 Steve Loudoun, Bracknell Forest Council
 Mark Moon, re3 Project Director
 Claire Armstrong, Reading Borough Council
 Kevin Parker, Reading Borough Council

Apologies for absence were received from:
 Councillor Eden

34. Declarations of Interest

There were no declarations of interest.

35. Appointment of Vice-Chairman

RESOLVED that Councillor Gittings be elected Vice-Chairman of the Board.

36. 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 16 March 2011, be approved as a correct record and signed by the Chairman.

37. Urgent Items of Business

There were no urgent items of business.

38. Progress Report

The Board considered a report informing of progress since the last meeting on 16 March 2011. The report covered:

- **Operations and Facilities** – A proposal by the contractor was being developed on amendments to the MRF to increase performance. This would lead to more

recycling which in turn create an increase in income for the Contractor and potentially the councils.

- **Retail Outlet Replacement** – Since the arrangement began in March 2011 items retrieved from the re3 HWRC's have raised £6,000 for Sue Ryder Care.

It was noted that a press release with correct information would be sent out on this matter

- **Community repaint** – A proposal had been received from Green Machine on managing unwanted paint through the HWRC's. The proposal was to divert for community re-use across the re3 area 40% of paint currently received for a payment of 30% of the total annual cost. The savings for the councils would be the equivalent to 10% of the total cost. Since this proposal the Contractor has also submitted a scheme to process all the paint at one of their own facilities.

WRG were encouraged to propose their business case at the earliest opportunity. If no proposal was made before the next JWDB meeting then the existing Green Machine proposal would be given preference.

(Action: Oliver Burt)

- **Haulage Contract Re-let** – The re3 project Team had been working with the contractor to follow the process for the Haulage Market Testing to seek to minimise any increase in costs. Progress was being made and the new haulage arrangements were due to commence in December 2011.
- **Savings Proposals** – Discussions had taken place with the Contractor in relation to savings and income generation and as a result of this two options had been considered.

The Board considered the first proposal for savings regarding two members of staff who delivered the education and waste minimisations functions of the contract. As a result of staff turnover these roles were currently vacant which enabled the re3 councils an opportunity to consider the value of this service within the re3 partnership. The Board agreed that the savings could be made by utilising the approach to the service and facilitating provisions within councils departments. A budget of £50,000 would be retained for education and waste minimisation activities across the re3 area and the remainder would be taken as a saving via the appropriate contractual mechanism.

The next proposal for savings would be to change the opening hours of the two HWRC's to facilitate potential savings. It was suggested that by reducing the hours open to the public these could be utilised so that local traders and SME's could pay a fee to use the facilities. This would enable a generation of income and address the requirements included in the recent Government Review of Waste Policy in England 2011. The Board decided that further details should be brought to the next meeting with a proposal outlined on this basis.

(Action: Oliver Burt)

- **Finance** – The Contractor had revised the calculation regarding the modelled income and the share of savings for the Council. The previous estimation of the Councils' share of the saving was £362,500; however the Contractor had recently advised that there was no longer any share of excess income for the Councils.

The Board discussed the revised calculation and the Project Director advised that he would be meeting with the Contractor to discuss the issue. The Board agreed that necessary legal advice should be sought on the matter, and dependent on the advice received the councils would proceed to Dispute Resolution. The Board would be kept informed on progress with the situation with regular briefings.

(Action: Mark Moon)

- **Performance** – The Board noted the provisional performance figures for 2010/11 and that these had improved in comparison to 2009/10.
- **Use of re3 Facilities by West Berkshire residents** – Payment had been received from West Berkshire for 2008/09 and 2009/10 for use of the facilities. Payment for 2010/11 and further payments would be paid 'on account' and a reconciliation process would be undertaken to establish the actual charge due.

An entrance sign for the Smallmead site had been drafted which included a removable sticker with the West Berkshire logo featured. Subject to amendments this would be displayed at the site.

RESOLVED that

- 1 Progress made since the last meeting of the Joint Waste Disposal Board on 16 March 2010 be noted.
- 2 The service regarding the delivery of education and waste minimisation functions as described within the contract be retained but seek to revise the terms and conditions so that the roles were seconded (or similar) to the councils rather than being separate from them. Alongside this change, the council would reduce the budget to £50,000 for activities in relation to this service. The re3 Project Team be approved to negotiate with the Contractor to effect the change.
- 3 Proposals to open up the HWRC's to local traders and SMEs be endorsed and the re3 Project Team be instructed to develop the proposal further with the Contractor for future approval by the JWDB.
- 4 Regular briefings on negotiations relating to the financial processes and savings options between the Councils and the Contractor should be provided to Members. Further details on cost transparency arrangements would be brought to future Board meetings.
- 4 The draft design of the entrance sign to the Household Waste Recycling Centres, subject to final amendments by the re3 Project Team be approved.

39. Audit of re3 Joint Waste PFI

The Board received the Annual Audit Report 2011/12 of the re3 Joint Waste PFI contract. It had been agreed by the Board on 1 July 2010 that one audit would be carried out on the Joint Waste PFI on behalf of the three councils by the Audit Team of Reading Borough Council.

The audit was carried out in April 2011 and areas looked at were:

- Finance

- Facilities
- Governance
- Relationships

The Board were informed of the recommendations and actions as a result of the audit which would be carried out every two years.

The Board noted the recommendations and agreed that the progress reports on these would be brought on a quarterly basis to the Joint Waste Disposal Board.

RESOLVED that

- 1 The audit report relating to the re3 Joint Waste PFI, as per the appendix attached to the report, be endorsed.
- 2 The Management Responses and associated actions included within the audit report be approved.
- 3 Progress reports on the outcome and result of actions from the audit report be brought on a regular quarterly basis to future Joint Waste Disposal Board meetings.

40. Review of Joint Working agreement

The Board received a report on the results of the review of the Joint Working Agreement (JWA) and proposed amendments.

The Board were informed that the amendments are to be approved by each Council within their own Executive arrangements. Officers would then arrange a date for the new version of the JWA to be sealed. The Project Manager noted that it would be preferable for the document to be sealed by the end of 2011 dependent on the Executive arrangements of the three councils. The Board discussed dates and confirmed that these would be brought to the next meeting of the JWDB.

RESOLVED that

- 1 The changes to the Joint Working Agreement as detailed in Appendix 1 to the report be approved.
- 2 The plan for formalising the amendments, as per 3.5 to 3.8, of the associated report, be approved.

41. Exclusion of Public and Press

RESOLVED that pursuant to Regulation 21 of the Local Authorities (Executive Arrangements) (Access to information) Regulations 2000 and having regard to the public interest, members of the public and press be excluded from the meeting for the consideration of item 9 which involves 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.

42. Risk Register

The Board received and noted a report containing exempt information relating to its Risk Register.

The Project Manager also informed that Board that due to the governments recent review of the Waste Policy a revised process to consider risk management, business continuity and benefits realisation, with an re3 strategic context; would be brought to a future meeting.

(Action: Oliver Burt/Mark Moon)

CHAIRMAN