

JOINT WASTE DISPOSAL BOARD

NOTICE OF MEETING

WEDNESDAY 29 MAY 2013

TO: ALL MEMBERS OF THE JOINT WASTE DISPOSAL BOARD

You are invited to attend a meeting of the Joint Waste Disposal Board on **Wednesday 29 May 2013 at 10.00 am** in the Education Centre, Smallmead, Reading. An agenda for the meeting is set out overleaf.

Mark Moon
Project Director

Members of the Joint Waste Disposal Board

Councillor Mrs Dorothy Hayes MBE, Executive Member for the Environment
Councillor Iain McCracken, Executive Member for Culture, Corporate Services and Public Protection

Councillor Paul Gittings, Reading Borough Council

Councillor Tony Page, Reading Borough Council

Councillor Angus Ross, Wokingham Borough Council

Councillor Rob Stanton, Wokingham Borough Council

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If you hear the alarm:

- 1 Leave the building immediately**
- 2 Follow the green signs**
- 3 Use the stairs not the lifts**
- 4 Do not re-enter the building until told to do so**



If you require further information, please contact: Katharine Simpson
Telephone 01344 352308
E-mail: katharine.simpson@bracknell-forest.gov.uk



JOINT WASTE DISPOSAL BOARD
Wednesday 29 May 2013 (10.00 am)
Education Centre, Smallmead, Reading.

AGENDA

Page No

1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

Members are requested to declare any disclosable pecuniary or affected interest in respect of any matter to be considered at this meeting.

Any Member with a Disclosable Pecuniary Interest or an affected interest in a matter should withdraw from the meeting when the matter is under consideration and should notify the Democratic Services Officer in attendance that they are withdrawing as they have such an interest. If the Disclosable Pecuniary Interest is not entered on the register of Members interests the Monitoring Officer must be notified of the interest within 28 days.

3. MINUTES OF THE MEETING OF THE JOINT WASTE DISPOSAL BOARD

1 - 4

To approve as a correct record the minutes of the Joint Waste Disposal Board held on 21 March 2013.

4. URGENT ITEMS OF BUSINESS

To notify the Board of any items authorised by the Chairman on the grounds of urgency.

5. RE3 PROJECT PROGRESS REPORT

5 - 8

To receive a report providing an update on the progress made by the RE3 public finance initiative since the last meeting of the Joint Waste Disposal Board on 14 March 2012.

6. DATES OF FUTURE MEETINGS

To agree dates for future meetings of the Joint Waste Disposal Board.

7. EXCLUSION OF PUBLIC AND PRESS

To consider the following motion:

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 8 and 9 which involve 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.

- | | | |
|----|---|-----------|
| 8. | JOINT WASTE DISPOSAL BOARD CONTRACT REVIEW
To receive a report providing an update on elements of the re3 Waste Public Finance Initiative Contract. | 9 - 14 |
| 9. | REVENUE SHARING FROM THE SALE OF RECYCLABLE MATERIALS | To follow |

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Agenda Item 3

JOINT WASTE DISPOSAL BOARD
14 MARCH 2013
(10.20 am - 12.00 pm)

Present: Bracknell Forest Borough Council
Councillor Mrs Dorothy Hayes MBE

Reading Borough Council
Councillor Mrs Jan Gavin
Councillor Paul Gittings

Wokingham District Council
Councillor Angus Ross
Councillor Rob Stanton

Officers Claire Ayling, Reading Borough Council
Pete Baveystock, Wokingham Boprough Council
Oliver Burt, Reading Borough Council
Janet Dowlman, Bracknell Forest Council
Dave Fisher, Reading Borough Council
Steve Loudoun, Bracknell Forest Council
Mark Moon, Wokingham Borough Council

Apologies for absence were received from:

Councillor McCracken, Bracknell Forest Council
Kevin Holyer, Reading Borough Council

20. Declarations of Interest

There were no declarations of interest.

21. Minutes of the Meeting of the Joint Waste Disposal Board

Minute 19: Mediation of Recyclate Income

It was reported that following the Management Board meeting on 13 December 2012 additional information pertaining to the sharing of income arising from the sale of recyclable materials had been brought to the Board's attention. Information that negated Recommendation 1 agreed at the meeting held on 13 December 2012. It was therefore agreed that Minute 19, Recommendation 1 would not be actioned.

RESOLVED that, apart from Minute 19, Recommendation 1, the minutes of the meeting of the Joint Waste Disposal Board held on 13 December 2012 be approved and signed as a correct record.

22. Urgent Items of Business

There were no urgent items of business.

23. Green Machine Enterprise CIC

The Green Machine's Mark Sanders and Dawn Cannon gave the Board an update on the performance of Green Machine, the Community Repaint Scheme, and the work that was taking place to boost the scheme's sales.

The number of collections had been increased at both Longshot Lane and Smallmead and the percentage of collections had now exceeded the target set for Longshot Lane. Paint sales were increasing month on month with a significant number of customers learning about the scheme through Bracknell Forest Homes. Links had been developed with Reading Voluntary Action and Bracknell Forest Voluntary Action. Leaflets had also been distributed to schools in the RE3 area. Work to identify a full time manager was underway.

The Board felt that the Scheme suffered from a perception problem amongst the public with many people assuming that the paint was only available to voluntary and community groups and that the paint that was available was partially used and only available in a limited range of colours.

It was acknowledged that whilst it was hoped that community and voluntary groups would make the majority of purchases from the scheme, individuals wishing to buy paint for home decorating projects would be welcomed. In addition the paint available was unused and a wide range of colours were available to purchase. It was agreed that refocusing the marketing information so that greater emphasis was placed on the ethical buying side of the Scheme.

It was agreed that Board members would pass any appropriate contact details through to Dawn Cannon to enable new marketing avenues to be explored.

The Board was informed that the Green Machine were currently in the first quarter of year two of a two year contract and it was agreed that a report focusing on the financial aspects of the contract would be brought to the Board's next meeting.

24. Joint Waste Disposal Board Progress Report

The Board received a report providing an update on progress made since its last meeting on 13 December 2012. The report included updates on financial matters, an outline of proposals for the future of the retail outlet, the possible development of a bike recycling scheme and performance monitoring information.

It was reported that the agreement with Sue Ryder which enabled unwanted items to be retrieved from the re3 recycling centres and resold via Sue Ryder's charity shops had now reached the end of the agreed two year term of the contract. It was noted that over the length of the agreement the arrangement had worked well and approximately £50,000 had been generated for the charity. The following three potential options for the future direction of the service were discussed by the Board:

- Continue the contract with Sue Ryder on the same terms
- Continue the contract with Sue Ryder but renegotiate the terms so that the re3 authorities enjoy a share of any profits
- Allow the contractor to sell goods through retail outlets in Buckinghamshire with the re3 authorities enjoying a share of any profits

The Board felt that whilst £50,000 appeared to be a significant amount of money the return relative to the benefits far outweighed the cash value once split between the re3 authorities and the amount each authority received would be minimal. It was agreed that Sue Ryder would be approached to continue with the contract. It was requested that Sue Ryder be asked to provide an update on the project at the Board's next meeting.

The Board discussed the national Sustrans and 'Bike-it' projects to promote cycling and a proposal to extend and develop the scheme into the re3 authority areas. It was

proposed that unwanted bikes would be retrieved from the household waste recycling centres, repaired and made roadworthy by local bike shops and then sold to residents at a significantly reduced price. The Board acknowledged the potential benefits of the scheme and agreed that the project should be progressed asked officers to prepare a report on the practicalities for the Board's next meeting.

It was felt that work needed to be done to make people aware of how goods were recycled through the Sue Ryder Charity Scheme. It was agreed that a suggestion to have a specific well signed area set aside for people to leave bikes and other unwanted good for these recycling initiatives at the Household Waste Recycling Centres would be followed up by officers and fed back as part of the report to the next meeting.

RESOLVED that:

- i The contract to retrieve and sell on unwanted goods with Sue Ryder be renewed for another two years under the same terms and conditions
- ii Officers to discuss with WRG how best to advertise/promote the Sue Ryder recycling initiative at both the Longshot Lane and Smallmead Household Waste Recycling Centres
- iii Officers to talk with WRG and Sue Ryder to ascertain how collections might be made more overt
- iv Progress reports on how to develop the Sue Ryder Recycling Initiative and the Sustrans 'Bike-it' Cycling Initiative be brought to the next meeting

25. Exclusion of Public and Press

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 items 8 and 9 which involve 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.

26. Revenue Sharing from the Sale of Recyclable Materials

The Board considered a report providing an update on the latest position with regard to the ongoing dispute between the re3 Councils and WRG over the distribution of income from the sale of recyclable materials and how his related to the excess profit clause.

The report included an update on progress made since the Management Board meeting on 13 December 2012, an update on the current position, a summary of outcomes arising from modelling exercises conducted by Ernst and Young and a summary of legal advice pertaining to the matter.

The Board expressed dissatisfaction with the current position.

RESOLVED that:

- i The Management Board note the progress made since their last meeting on 13 December 2012
- ii Officers formalise the dispute with the Contractor on the issue of Excess Profit as described in paragraph 3.40 of the Project Director's report
- iii Of the two options (A and B), set out in paragraph 3.39 of the Project Director's report, proposed by Eversheds as representing possible ways forward Option A be endorsed as the Board's preferred choice
- iv Members endorse an approach by officers to the PFI Project Sponsors at DEFRA, as described in paragraph 3.30 of the Project Director's report, with a view to seeking appropriate assistance in concluding the disagreement

27. Joint Waste Disposal Board Contract Review

It was agreed that due to time constraints this item would be deferred until the Board's next meeting.

CHAIRMAN

TO: JOINT WASTE DISPOSAL BOARD
29 May 2013

JOINT WASTE DISPOSAL BOARD - PROJECT UPDATE
(Report by the Project Director)

1. INTRODUCTION

1.1 The purpose of this report is to inform the Joint Waste Disposal Board (JWDB) of progress in terms of financial management since its last meeting on 14th March 2013.

2. RECOMMENDATIONS

2.1 That Members note the contents of this report.

3. SUPPORTING INFORMATION

Finance

3.1 The projected outturn for the year to date is attached at Appendix 1.

3.2 Please note that the costs for January to March 2013 (Quarter 4) are provisional and subject to change, as the Quarterly Reconciliation process is not yet complete.

3.3 The actual outturn for 2012/13 will be presented at the September 2013 Joint Waste Disposal Board.

3.4 The overall projected under spend currently remains at £1.1m.

3.5 Since the previous meeting, Bracknell's projected under spend has increased by c£51k, Reading's has increased by c£41k, and Wokingham's has decreased by c£107k.

3.6 This projected change in individual under spend is due to the differences between the forecast and provisional tonnage within Quarter 4.

3.7 Overall contract waste tonnage was moderately lower than forecast in Quarter 4. However, the tonnage profile changed, with the main variances being an increase in Landfill tonnage (c.3000 tonnes above forecast), and a decrease in Green tonnage (c.2900 tonnes below forecast).

3.8 Wokingham's kerbside residual tonnage was 1600 tonnes above the forecast, and kerbside green tonnage was 1200 tonnes under forecast. These factors are responsible for the projected decrease in Wokingham's under spend.

3.9 The potential Recyclate Income and Gainshare payments are shown further down in Appendix 1. The 2012/13 figures will be updated upon receipt of the 1st Annual Reconciliation (due from the Contractor on 31st May 2013) and will be presented at the September meeting.

BACKGROUND PAPERS

JWDB Reports for March 2013.

CONTACTS FOR FURTHER INFORMATION

Mark Moon, Project Director

0118 974 6019

Mark.moon@wokingham.gov.uk

Oliver Burt, Project Manager

0118 937 3990

oliver.burt@reading.gov.uk

Appendix 1

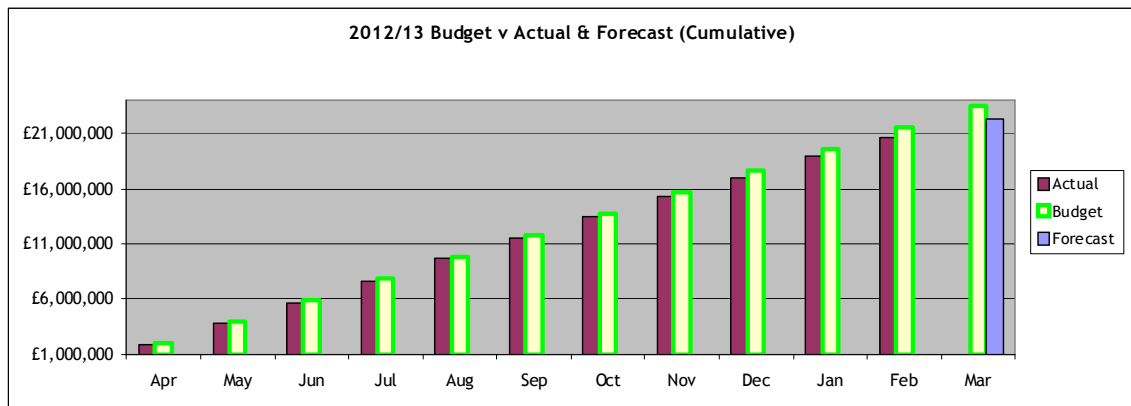
re3 PFI Budget Monitoring

2012/13 Waste PFI Forecast

		BFBC	RBC	WBC	TOTAL
		£	£	£	£
Apr-12	Actuals	470,480	686,317	625,704	1,782,501
May-12	Actuals	527,353	741,217	669,916	1,938,485
Jun-12	Actuals	470,298	705,619	637,374	1,813,291
Jul-12	Actuals	537,292	739,909	713,371	1,990,572
Aug-12	Actuals	522,089	757,918	720,739	2,000,747
Sep-12	Actuals	472,801	700,131	656,675	1,829,606
Oct-12	Actuals	511,290	703,999	681,068	1,896,357
Nov-12	Actuals	480,691	684,226	660,942	1,825,858
Dec-12	Actuals	443,307	618,061	590,554	1,651,921
Jan-13	Provisionals	494,579	683,808	711,566	1,889,954
Feb-13	Provisionals	415,575	621,601	611,555	1,648,731
Mar-13	Forecast	446,792	620,520	624,429	1,691,741
TOTAL		5,792,547	8,263,325	7,903,892	21,959,765
Business Rates		107,905	139,953	146,820	394,678
2012/13 Projected Outturn		5,900,452	8,403,278	8,050,713	22,354,443
2012/13 Original Budget		6,307,019	8,862,909	8,511,231	23,681,159
Revised 2012/13 Budget		6,235,840	8,714,909	8,497,840	23,448,589
Projected Over/Underspend		-335,388	-311,631	-447,127	-1,094,146
Variance from revised budget (%)		-5.4%	-3.6%	-5.3%	-4.7%
<i>Potential Additional Recyclate Income 2011/12</i>		<i>-94,500</i>	<i>-122,500</i>	<i>-133,000</i>	<i>-350,000</i>
<i>Potential Additional Recyclate Income 2012/13</i>		<i>-216,440</i>	<i>-286,010</i>	<i>-270,550</i>	<i>-773,000</i>
<i>Potential Gainshare Payment to FCCE 2012/13</i>		<i>53,900</i>	<i>81,900</i>	<i>63,000</i>	<i>198,800</i>
Potential Additional Income		-257,040	-326,610	-340,550	-924,200

Notes

- Based on actual figures to December 2012, provisional figures for Jan & Feb 2013, and forecast figure for Mar 2013.
- Trade waste disposal included in RBC costs & budget up until November, see note 5 below.
- Waste forecast updated to reflect current WBC collection impacts: kerbside residual down 20%, kerbside recycling up 20%, kerbside green down 30%, HWRC green waste up 10% at both sites.
- WBC budget reduced by £13k; any variance to budget to be adjusted through the Equalisation Fund at year end.
- RBC budget removed £60k due to lower indexation than originally expected. Additional £88k removed due to independent trade waste account being set up, so trade waste dealt with under separate budget as of November.
- BFBC budget reduced by £71k.
- Potential income/payments highlighted in yellow are unconfirmed, and are dependent upon agreement of recyclate market testing and movements in tonnage. **NOTE THAT THE POTENTIAL RECYCLATE INCOME FOR 2012/13 HAS BEEN REVISED DOWNWARDS FROM £962k TO £773k DUE TO CURRENT DECREASES IN RECYCLATE PRICES.**
- The Projected Over/Underspend is against the revised budgets.



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Agenda Item 8

By virtue of
Regulation 4 of the Local Authorities (Executive
Arrangements) (Access to Information) (England)
Regulations 2012.

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