

JOINT WASTE DISPOSAL BOARD

NOTICE OF MEETING

THURSDAY 22 JANUARY 2015

TO: ALL MEMBERS OF THE JOINT WASTE DISPOSAL BOARD

You are invited to attend a meeting of the Joint Waste Disposal Board on **Thursday 22 January 2015 at 10.00 am** in the Meeting Room LGF4, Wokingham Borough Council, Shute End, Wokingham, RG40 1BN. 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, Bracknell Forest Council
Councillor Iain McCracken, Bracknell Forest Council
Councillor Paul Gittings, Reading Borough Council
Councillor Liz Terry, Reading Borough Council
Councillor Anthony Pollock, Wokingham Borough Council
Councillor Angus Ross, Wokingham Borough Council

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- 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
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E-mail: katharine.simpson@bracknell-forest.gov.uk



WOKINGHAM
BOROUGH COUNCIL



following category of Schedule 12A of the Local Government Act 1972:

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

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|-----|--|---------|
| 8. | FINANCE UPDATE REPORT | 9 - 16 |
| | To receive a report providing an update in terms of the financial management of the Joint Waste PFI contract since the Management Committee's last meeting on 18 September 2014. | |
| 9. | RE3 CONTRACTUAL DISPUTE UPDATE | 17 - 20 |
| | To receive an update in relation to the financial disagreement between the re3 councils and their PFI Contractor, FCC Environment, since the Management Committee's last meeting on 18 September 2014. | |
| 10. | REVIEW OF GOVERNANCE ARRANGEMENTS | 21 - 24 |
| | To consider a report setting out a review of the governance arrangements for the Joint Waste Management Board. | |

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**JOINT WASTE DISPOSAL BOARD
18 SEPTEMBER 2014
(10.10 am - 12.40 pm)**

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

Reading Borough Council
Councillor Paul Gittings
Councillor Liz Terry

Wokingham Borough Council
Councillor Angus Ross

Officers Anthony Bolton, Reading Borough Council
Oliver Burt, re3 Project Manager
Steve Loudoun, Bracknell Forest Council
Mark Moon, Wokingham Borough Council
Josie Wragg, Wokingham Borough Council

Apologies for absence were received from:

Councillor Pollock, Wokingham Borough Council

1. Election of Chairman

RESOLVED that Councillor Mrs Hayes be elected Chairman of the Joint Waste Disposal Board Management Committee for the next twelve months.

2. Appointment of Vice-Chairman

RESOLVED that Councillor Gittings be appointed Vice-Chairman of the Joint Waste Disposal Board Management Committee for the next twelve months.

3. Declarations of Interest

There were no declarations of interest.

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

RESOLVED that the minutes of the meeting of the Joint Waste Disposal Board Management Committee held on 5 June 2014 be approved as a correct record and signed by the Chairman.

Matters Arising

The Committee expressed its thanks to Councillors Page and Stanton for all their work on the Management Committee and for their commitment to and support of the re3 project over the years.

5. Urgent Items of Business

There were no urgent items of business.

6. **IESE Waste and Resources Innovation Club**

The Board considered a report detailing and invitation from IESI for the Board to join their Waste and Resources Innovation Club.

The Club, which had been set up following a request from DEFRA, provided waste and resource partnerships from across the Country with an opportunity to network and learn from each other. The Forum also examined changing trends in the waste industry and lobbied government on behalf of local authorities. The Forum met four times a year with meetings being held at various locations around the country.

It was agreed that membership of the Group would provide the re3 authorities with an opportunity to broaden their strategic approach to waste. It was noted that officers did attend meetings. It was agreed that representation at the meetings would not be fixed to give all Board members an opportunity to build their knowledge and that representation at meetings would be based on availability.

RESOLVED that officers be instructed to respond to IESI's invitation to join the waste and Resources Innovation Club for an initial period of one year.

7. **Progress Report**

The Committee received a report providing an update on the progress made in terms of management of the joint waste PFI contract since its last meeting. The report included the Annual Environmental Report summarising the work of the re3 PFI project during the 2013/14 financial year, updates on the work taking place with Sue Ryder and the Green Machine Community Repaint Scheme and an update on the Material Recovery Facilities (MRF) Code of Conduct.

It was noted that the charity Sue Ryder had raised a total of £16,000 by selling items retrieved from residents visiting the household waste recycling centres (HWRC). The success of this scheme was dependant on the alertness of staff as to the items that were being disposed of and it was agreed that more needed to be done to publicise the partnership to the public.

The MRF Code of Practice legislation had been introduced to establish a means of assessing the quality of recyclable material received and sorted at the MRF. It was noted that the Contractor would be operating in accordance with the legislation from 1 October 2014 and that the contract between the re3 Councils and the Contractor was sufficiently flexible to change its terms in the future if it was necessary.

It was reported that the Green Machine Community Repaint scheme was now being paid monthly in arrears instead of quarterly.

The Board commended the clarity of the Annual Environmental Report 2013/14.

RESOLVED that contents of the Project Director's report be noted.

8. **Dates of Future Meetings**

It was agreed that due to time constraints dates for future meetings would be agreed by email.

9. **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 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.

10. **Annual Financial Statement**

The Board considered a report summarising the financial position of the joint waste PFI for the 2013/14 financial year. The report sought to conclude the management of the 2013/14 finances, detailed the emerging position for the current financial year and presented a first draft of the budget for the 2015/16 financial year.

Recent patronage surveys had shown marked swings in the use of the HWRCs and to ensure that it was proposed that the Annual Patronage Survey be split so that it occurs at two different times of year. The results would then be combined to give a single set of figures. It was expected that the split would not significantly alter the outcome of the survey however it would enable a bigger sample size to be used and ensure confidence in the process.

It was noted that the Board's current meeting cycle resulted in the regular reporting of unvalidated financial information that had caveats attached. A situation that did not always adequately support the decision making process. It was therefore proposed that the meeting cycle be amended so that future meetings fell in October, January, April and July (AGM).

RESOLVED that:

- i. The contents of the Annual Financial statement be noted
- ii. The proposed schedule of meetings set out at Paragraph 3.49 of the Project Director's report be approved

11. **Excess Waste Profit Adjudication**

The Board received a report providing an update on the progress in terms of the Excess Waste Profit Adjudication since its last meeting and the re3 Councils' legal representatives gave the Board a briefing on the current position, strategic matters and options for the way forward.

RESOLVED that:

- i. The contents of the Project Director's report, and its accompanying appendices, be noted
- ii. The preliminary cost estimates described at paragraph 3.19 of the Project Director's report be noted and the re3 councils be recommended to collectively allocate sufficient funding to undertake a defence of the claim in the Commercial Court.

CHAIRMAN

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**TO: JOINT WASTE DISPOSAL BOARD
22 JANUARY 2015**

PROGRESS REPORT Report of the Project Director

1 INTRODUCTION

- 1.1 The purpose of this report is to inform the Joint Waste Disposal Board (JWDB) of progress in relation to the shared re3 PFI Contract since its last meeting on 18th September 2014.

2 RECOMMENDATION

- 2.1 **That Members note the contents of this report.**

3 ALTERNATIVE OPTIONS CONSIDERED

- 3.1 Not applicable.

4 REASONS FOR RECOMMENDATION

- 4.1 This report contains no decisions for Members, only information items.

5 BACKGROUND INFORMATION

User Satisfaction Survey

- 5.1 The Annual User Satisfaction Survey was completed shortly after the last JWDB meeting in September. As in previous years the survey was undertaken by independent consultants appointed by the Contractor as part of its contractual obligations.
- 5.2 The survey shows that residents using both the Longshot Lane and Smallmead Household Waste Recycling Centre's (HWRC) remain highly satisfied with the service provided by the councils.
- 5.3 The headline indicator, percentage of users rating the site 'good' or 'very good', was once again high at both sites. Longshot Lane scored 95% and Smallmead 94%.
- 5.4 Users rated the cleanliness of the sites highly too, Longshot Lane scoring 95% and Smallmead 92%. Both results fell slightly (2% and 3% respectively) from the results in 2013. That may be an indirect result of the sites being busier, and the levels are still high when put in context, but officers have stressed the need to maintain standards in this area.
- 5.5 Officers requested some minor changes to the questionnaire for the 2014 survey in order to ensure that the data collected is pertinent. One change was to ask users if they had been approached by staff *before* asking about the helpfulness of staff (to ensure that we were testing actual experiences rather than impressions). While we cannot be sure whether the change in question has affected the data collected, the results show a decline over the year. For Longshot Lane the percentage of users who stated that staff are helpful fell by 8% from 97% in 2013 to 89% in 2014. For Smallmead, the percentage of users who stated that staff are helpful fell by 21% from 99% in 2013 to 78% in 2014.

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- 5.6 As has previously been noted by the JWDB, staff at both HWRCs are valued members of staff who work hard on behalf of the re3 councils. Officers are working with the Contractor to ensure that staff maintain high levels of helpfulness and to see that reflected in the results of subsequent surveys.

Smallmead Entrance Amendments and Visitor Numbers

- 5.7 During 2014 some amendments were made to the access to Smallmead facility (both the public and non-public entrances). The changes were made in order to provide further separation of traffic flows and to aid 'turnaround' conditions for council vehicles. One aspect of the change has been the introduction of an automatic exit barrier for visitors to the HWRC. The barrier is intended safely control the speed of vehicles on exit from the site and entering Island Road. In addition it also counts the number of vehicles driving over the pressure pad (which initiates the lifting of the automatic barrier).
- 5.8 The counter has recorded up to 11,000 vehicles per week during the busier times of the year. That is slightly higher than has previously been assessed.
- 5.9 The Contractor intends to introduce a similar counter at Longshot Lane to provide equivalent data on visitor numbers.

MRF Compressor

- 5.10 As part of the ongoing maintenance and improvement of the facilities, the Contractor has proposed to provide back-up to the existing (Materials Reclamation Facility) MRF compressor at the Smallmead facility.
- 5.11 The proposal will see the introduction of a second compressor and the creation of a specific unit in which to house them.

MRF Code of Practice

- 5.12 As previously reported, the MRF Code of Practice came into force from 1st October 2014. The re3 Project Team and the Contractor have worked to ensure compliance with this new legislation.

Supplier Audits

- 5.13 Throughout the Winter, the Contractor and re3 Project Team have been undertaking a series of audits on those companies (suppliers) who receive material from the re3 facilities. The audits are an important element of the contract as they seek build assurance that re3 material is processed by reputable reprocessors. This in turn helps to underpin communication between the councils and residents.
- 5.14 The process involves considerable input from both Contractor and the, client, re3 Project Team. There are currently 40 suppliers that routinely receive waste material from the councils. At present only one supplier has failed to satisfy the audit criteria and was rejected (and thus are not currently being employed on the contract) by the re3 Project Team.

Sue Ryder

- 5.15 The JWDB has previously received reports on the ongoing partnership between the re3 councils, our PFI Contractor and Sue Ryder (including at the last JWDB on 18th

September 2014).

- 5.16 Sue Ryder is a charity which provides hospice care and support for people with long-term and neurological illnesses and end-of-life needs. They provide support locally through Nettlebed Hospice and Duchess of Kent Hospice.
- 5.17 The partnership with Sue Ryder has enabled the councils to make a significant contribution to the local re-use of items that would otherwise be sent for disposal whilst also helping an important local charity to fund its work.
- 5.18 During the course of 2014, Sue Ryder was able to sell items retrieved from residents visiting the re3 HWRC's with a value of £23,600. That figure represents a modest increase on the amount raised in 2013 (£22,840). As a consequence, the councils and Sue Ryder hope to collaborate on some appropriate communications work which should increase recognition of the partnership and the amount of waste diverted from disposal.
- 5.19 To provide Members with a detailed briefing on the work that Sue Ryder undertakes with the funds raised through the partnership with the re3 councils, the JWDB meeting will receive a short presentation from representatives from Sue Ryder.

6 ADVICE RECEIVED FROM ADMINISTERING AUTHORITY

Head of Legal Services

- 6.1 None for this report.

Chief Accountant

- 6.2 None.

Equalities Impact Assessment

- 6.3 None.

Strategic Risk Management Issues

- 6.4 The proposals seek to

7 CONSULTATION

Principal Groups Consulted

- 7.1 Not applicable.

Method of Consultation

- 7.2 Not applicable.

Representations Received

- 7.3 Not applicable.

Background Papers

Progress Report (18th September 2014)

Contacts for further information

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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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Agenda Item 9

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