

**JOINT WASTE DISPOSAL BOARD
20 SEPTEMBER 2011
(6.30 - 8.15 pm)**

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

Reading Borough Council
Councillor Paul Gittings
Councillor Rachel Eden

Wokingham District Council
Councillor Gary Cowan
Councillor Rob Stanton

Officers Oliver Burt, Reading Borough Council
 Sarah Innes, Reading Borough Council
 Dave Fisher, Reading Borough Council
 Kevin Holyer, Reading Borough Council
 Steve Loudoun, Bracknell Forest Council
 Mark Moon, Wokingham Borough Council
 Vincent Paliczka, Bracknell Forest Council

Apologies for absence were received from:
 Janet Dowlman

43. Election of Chairman

RESOLVED that Councillor Mrs Hayes be re-elected Chairman of the Board for the coming year.

44. Appointment of Vice-Chairman

RESOLVED that Councillor Gittings be re-appointed ViceChairman of the Board for the coming year.

45. Declarations of Interest

There were no declarations of interest.

46. Minutes of the Meeting of the Joint Waste Disposal Board - 7 July 2011

RESOLVED that the minutes of the meeting of the Board held on 7 July 2011 be approved as a correct record and signed by the Chairman subject to the addition of the following to minute 39:

- 4 An analysis be undertaken in order to gain a better understanding of the potential benefits and disadvantages within the partnership."

It was agreed that Councillor McCracken and the Project Director would meet to agree what was required and how best to progress the work.

Arising on the minutes, the officers also answered a number of questions from the Board on progress since the last meeting on issues which would not otherwise be considered during the meeting. The main points made were that:

- The contractor was proposing to make changes to the MRF themselves to increase performance.
- Officers would approach the Contractor with a request for a proposal in relation to tetrapaks.
- There had been no progress since the last meeting on savings proposals.
- A date for a further session to follow-up the actions proposed at the waste management workshops held late in 2010 would be arranged shortly.

47. Urgent Items of Business

There were no urgent items of business.

48. Project Update

The Board considered a report informing it of progress since the last meeting.

Officers were continuing to discuss with the contractor a solution to the ongoing issues around the replacement of the retail outlet. The contractor had been asked to reconsider their initial response.

The Board welcomed the latest news on the Community Repaint which, subject to successful negotiation, should represent a saving.

The Board also discussed the steps being taken to recover the situation following the replacement of textile banks at the HWRCs. There was concern as the Bracknell Forest Mayor's Charity had received a significant donation from the money raised from these in previous years although it was stressed that this was not a contractual obligation. Negotiations were continuing with the contractor to obtain a donation equivalent to that achieved from the textile banks last year, this year.

Arising from this discussion, the Chairman agreed that she would look into why no similar donation from the textile banks' income was made to the Wokingham Borough Mayor's charity.

The Board was also advised that the new haulage contract was expected to be let in the next couple of weeks. In addition, it was noted that Reading Borough Council would be considering the amendments discussed at the last meeting to the Joint Working Agreement at its cabinet meeting on 31 October 2011. Bracknell Forest had already approved the amendments whilst Wokingham would consider them on 17 November 2011.

RESOLVED that:

- 1 Progress since the last meeting on 7 July 2011 be noted; and
- 2 Adoption of both the contractor and Green Machine proposals for managing paint be approved for a period of 12 months prior to review.

49. **Annual Financial Statement**

The Board considered a report summarising the financial position of the joint waste PFI. It sought to conclude the management of finances in the 2010/11 year; detailed the emerging position in the current year and presented the first draft of the budget for the 2012/13 year.

The Board was advised that based on actual tonnage and costs for the first three months and forecast tonnages and costs for the remainder of the year, the project was currently projecting a £338k over spend against budget. This overspend was attributed to contract waste tonnage for the first quarter being up 2000 tonnes, or 4%, on the forecast, and that the budget for the current year assumed inflation at 4.6%, but by April 2011 had increased to 5.3%.

The draft waste disposal budget for 2012/13 was based upon estimated tonnages derived from a waste modelling exercise which the councils had completed in July 2011.

In response to questions, the officers advised that assumptions about inflation had to be based on the best information at the time the budget was set in April, even though it was accepted that in the current volatile economy, the rate was likely to vary and may go down in the course of the year. The officers also clarified what elements had and had not been taken into account both in the 2010/11 and 2011/12 budgets.

NOTED

50. **Benefits Realisation**

The Board considered a report supported by a more detailed presentation describing the work of officers in developing a framework for the measurement and monitoring of the outcomes from the re3 waste PFI contract. This would assist in ensuring that the outcomes of the business case were actually achieved. It was also intended to help place emerging factors and influences in a strategic context.

The status of 10 outcomes, described as Project Objectives, had been identified from the Final Business Case for the re3 waste PFI contract. In some cases, the ultimate achievement could only finally be assessed in year 25 of the contract while, in others, there were clear interim targets.

The Board noted that there were two objectives for which suitable measurement criteria were required. These were Project Objective 5 relating to the ongoing value for money of the contract and Project Objective 6. Officers wanted to be able to update the existing value for money comparators, but to do this, the councils might need to engage the services of financial advisors. It was proposed that this should only be done if existing budgetary resources allowed and members approved. Officers were in the early stages of liaising with colleagues at other similar projects in order to create a small number of indicators which would help the re3 councils to compare their PFI contract against others. This liaison also provided an opportunity for sharing information and experiences of contract management.

Amongst the points made during the ensuing discussion were that:

- The three councils would like to receive borough-specific data as well as the overall picture.
- An easily updateable model would be preferred.

The Board welcomed the approach proposed which also indicated that the contract was offering good value for money.

RESOLVED that

- 1 The contents of the Annual Financial Statement be noted;
- 2 Further work be undertaken in respect of Project Objective 5, subject to resources being available; and,
- 3 A summarised update of the monitoring report be presented at each Joint Waste Disposal Board with a more detailed report at each AGM.

51. **Meeting Dates**

The Board agreed the following schedule of meetings which were all to commence at 6.30pm:

Wednesday 14 December 2011 – Reading
Thursday 22 March 2012 – Wokingham
Thursday 12 July 2012 – Bracknell
Thursday 20 September 2012 – Reading
Thursday 6 December 2012 – Wokingham
Thursday 21 March 2013 – Bracknell
Thursday 18 July 2013 - Reading

CHAIRMAN