

TO: JOINT WASTE DISPOSAL BOARD
20 September 2011

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 since its last meeting on 7th July 2011.

2. RECOMMENDATIONS

- 2.1 To note progress made since the last meeting on 7th July 2011.
- 2.2 That Members agree to seek adoption of both the Contractor and Green Machine proposals for managing paint, as described at 3.12 to 3.17, for a period of 12 months prior to review.

3. SUPPORTING INFORMATION

Retail Outlet Replacement

- 3.1 Members will be aware of the reference within the contractual Service Delivery Plans (SDP's) of a retail outlet which the Contractor was to operate at Smallmead.
- 3.2 Members will also be aware that the Contractor has taken steps over the last year to put in place a service which could, in part, replace the activities planned for a retail outlet. The replacement service, which involves and supports Sue Ryder Care, operates at both sites and has been successful since its commencement early in 2011.
- 3.3 For some time, however, officers have requested detail of the finances that would otherwise have been associated with the provision of the retail outlet. Officers have been quite open about the fact that we felt that there might be a case for some form of repayment to the councils on the basis that the councils are likely to have been paying for it through the unitary charge, while no service has been provided.
- 3.4 Officers are liaising with the Contractor in an effort to secure a positive outcome and will report back to Members finally at either the next JWDB Meeting or before.

Longshot Lane Mini-MRF

- 3.5 Similar to the retail outlet issue discussed above, Officers have been enquiring as to the status of the planned mini-MRF at Longshot Lane. The enquiries have been both about the delivery of a replacement and also the potential for a repayment to the councils' equivalent to the element of the unitary charge which would have been paid by the councils while no replacement service was provided.
- 3.6 Since early in 2010 there have been plans to replace the planned mini-MRF at Longshot Lane with a simpler, mechanical grab. Trials on both have shown that the grab is more efficient at recovering items of value (for recycling or reuse), and has a wider practical application for the Contractor, than a mini-MRF.

- 3.7 Officers have been informed by the Contractor that the mechanical grab will be on site and operational within the next four weeks.
- 3.8 Officers are liaising with the Contractor in an effort to secure a positive outcome and will report back to Members finally at either the next JWDB Meeting or before.

Community Repaint

- 3.9 As discussed at the meeting of the JWDB on July 7th 2011, the councils have been informed by the Contractor of a proposal to process paint at a cheaper rate than is currently the case.
- 3.10 The proposal is to deliver paint from re3 facilities to a WRG facility in Sheffield.
- 3.11 At the time of writing this report, the Contractor has not provided a business case, as offered, for the proposed change.
- 3.12 Using information in our possession (tonnage and price data), however, officers feel that a saving of c £25,000 is achievable via the Contractors proposal.
- 3.13 The Contractors proposal offers a reduction in price of £100 per load (IBC container) of 'hazardous' paint (strictly all non-water based paints) and the same price as is currently paid for processing water based paint.
- 3.14 As such it should be possible to agree a system which utilises both the new proposal from the Contractor and the previous proposal to the JWDB, by Green Machine (the Bracknell based Community Interest Company).
- 3.15 Green Machine wish to provide for resale unused and unwanted, water-based paint. They do not propose to process any of the non-water based paints.
- 3.16 Subject to the proposal continuing to be deliverable for Green Machine, this would appear to offer the best of both worlds to the councils.
- 3.17 Officers feel that the councils should agree to both proposals being adopted for 12 months prior to review.

Replacement of Textile Banks at HWRC's

- 3.18 At a meeting in June 2011, attended by the Chief Executive of WRG, the Chair of the JWDB and the Chief Executive of Reading Borough Council, the Contractor proposed to change the charities and organisations collecting textiles across the re3 area.
- 3.19 It was proposed that there would be a share, for the councils, of revenue arising from the new arrangement.
- 3.20 At the meeting, council representatives made it clear that the issue must be handled sensitively because the councils had some long associations with the organisations that would be affected.
- 3.21 Subsequent discussions led officers to advice the Contractor that changes would not be possible in non-Contract locations. This meant that only the textile banks in the HWRC's at Longshot Lane and Smallmead could be changed.
- 3.22 The manner in which the transition was communicated to the incumbent charities and organisations, and subsequently arranged, has been handled poorly - something which the Contractor has acknowledged.

- 3.23 The Contractor has now informed the councils that any share of revenue is linked to the current, wider discussions between our respective parties on revenue share.

Haulage Contract Re-let

- 3.24 The process of appointing hauliers for the next five years is approaching completion.
- 3.25 To assist with the timely appointment of a new haulier, our PFI Contractor (with council support) has undertaken a combined Pre-Qualification Questionnaire (PQQ) and Tendering process. Both submissions are made at the same time but only the Tenders of those bidders who pass the PQQ threshold are retained in the process.
- 3.26 At the time of writing this report, the PQQ submissions received from bidders were being assessed.
- 3.27 Officers will brief Members on the outcome of the haulage market testing process as soon as the result is known.

Amendments to re3 Joint Working Agreement

- 3.28 At the Joint Waste Disposal Board meeting on July 7th, Members approved amendments to the Joint Working Agreement (JWA) between the re3 councils.
- 3.29 Members also approved a plan for the formal adoption of the amendments.
- 3.30 Officers have followed the plan and can inform Members that the individual councils will approve the amendments as follows:
- Bracknell Forest Council – 12th September 2011
 - Reading Borough Council – tba
 - Wokingham Borough Council – 17th November 2011
- 3.31 Alongside this process, officers will liaise with our Contractor, WRG, and seek their necessary formal approval (including the approval of the funders). Officers do not envisage any problems in securing this approval.
- 3.32 Following the final, council approval of the changes, as detailed at 3.24 above, a final copy of the new JWA will be produced by the Legal Services Team at the Administrative Authority. This process will mirror that which was undertaken when the original suite of contract documents were signed, in London, on October 31st 2006.
- 3.33 The new, amended version of the JWA will then replace the existing version and come into use.

Finance

- 3.34 The financial details for the PFI contract, usually summarised within this report, are included within a separate report at this AGM.

BACKGROUND PAPERS

Board Report 7th July 2011

CONTACTS FOR FURTHER INFORMATION

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Appendix 1

References within the contractual Service Delivery Plans to the provision, by the Contractor of a retail outlet and mini-MRF.

Reference 1 – SDP 4 (4.2)

4.2 *Smallmead HWRC*

CA Site General The reconstruction of two new household waste recycling centres sites at the Smallmead and Longshot offer considerable improvements for the public and the Councils' collection contractors. The design and service proposed incorporates the following features:

- Improved vehicle management to reduce queuing on the highways.
- Improved layouts to improve throughput.
 - On-site education facilities.
- Access and on-site assistance for disabled and elderly users.
- Additional signage, directing the public to the correct unloading points and for use of banks and bays.
- Additional measures to reduce Trade Waste inputs, including Close Circuit Television (CCTV) monitoring cameras.
- Low-level facilities and personal assistance by site staff for disabled and elderly users and assistance provided on request by any member of the public.
- Additional manning to assist the public and improve throughput and recycling rates.
- Improved lighting to have the flexibility to extend opening hours, to include hours of darkness
- Extensive recycling options for a widened range of materials including timber, mixed plastics, bric-a-brac and Waste Electrical and Electronic Equipment (WEEE).
- Covered weather protected tipping windows for Residual Waste.

- A retail outlet at Smallmead where items can be refurbished, repaired, made safe and reused.
- A recycling barometer to inform the Public how well we are doing in recycling their waste.

Reference 2 – SDP 4 (4.2iv)

Storage and welfare An area to the rear of the Smallmead HWRC has been set aside for storage of WEEE, welfare facilities for staff and general storage for items such as bric a brac. Please reference Drawing 3056-10 (PL) 02 for greater detail of the layout of the Smallmead HWRC, the drawing indicates an area is set aside for fridges and freezers of approximately 16m x 8m which gives storage capacity for about 130 units, a secure fenced area for Hazardous Waste and a staff welfare block with a rest area, kitchen and toilet. Externally to the left of the rear entrance to the Smallmead HWRC will be where the WEEE is stored in lockable containers that can be picked up directly by a relevant sub-contractor.

An ISO container will be used to store fridges and freezers so that the original storage area can be used as a retail area. The ISO container will be sited alongside the wall to the south of the service vehicle entrance.

Reference 3 – SDP 4 (4.2 Additional Information)

4.2 Additional information

Transfer licenses of Not used.

Best Practice Not used.

Actions to promote re-use. Elements of the waste stream that can be re-used will be separated. An area has been selected to be used as a retail outlet prior to redevelopment of the site. Following full redevelopment of the site the Contractor will make space available for the resale of items. The location of such activities will be confirmed following the Completion of the Works at Smallmead and it is clear as to where the most appropriate place will be.

Measuring and recording and The nominal or net weight of materials leaving site for re-use or re-sale will be recorded with details included in the monthly report.

Reference 4 – SDP 4 (4.4i)

4.4 Smallmead Materials Recovery Facility (MRF)

4.4.1 Role and Function The purpose of the MRF will be to receive, sort and separate co-mingled or partially separated mixed dry (MDR) recyclables including, mixed paper and card and mixed plastic and cans. We shall provide reception and sorting facilities for the processing of MDR and the production of recycled materials which meets current Best Value definitions under BV82a for Recycling. Interim arrangements will continue to be provided through the utilisation of the Beenham MRF and the Longshot mini-MRF until the new Smallmead MRF has been commissioned (See SDP 8).