

**TO: JOINT WASTE DISPOSAL BOARD
14 DECEMBER 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 20 September 2011.

2. RECOMMENDATIONS

- 2.1 **To note progress made since the last meeting on 20th September 2011.**
- 2.2 **That Members consider whether they would like officers to review the current access controls as they relate to the use of trailers.**

3. SUPPORTING INFORMATION

Operations and Facilities

- 3.1 The Contractor is in the process of installing optical fire detection within the Smallmead MRF.
- 3.2 The benefit of this system is that it identifies a fire itself rather than awaiting the product of the fire (smoke or heat) to be detected.
- 3.3 This development is part of a process being undertaken by the Contractor, with support from the insurers (Zurich Municipal) and International Fire Consultants (IFC) Ltd, to improve the fire detection and protection system. The original system that was provided by the Engineering Procurement Construction (EPC) contract between the Contractor and their selected sub-contractor has not proved to be acceptable.
- 3.4 Officers from the re3 Project Team and Bracknell Forest Borough Council have been in discussion with the Contractor about the requirement, with the planning permission for Longshot Lane, for appropriate traffic management systems.
- 3.5 While a system was proposed in the planning application, it has not yet been utilised according to the permission given. The Contractor has sought approval from the WRG Board for changes to be made at Longshot Lane such that a permanent, two-lane access is created for users of the Household Waste Recycling Centre (HWRC).
- 3.6 Furthermore, Officers are requiring the reinstatement of a webcam for use by patrons planning a visit to Longshot Lane.
- 3.7 Following the aborted procurement process earlier in 2011, The Contractor has now appointed a haulier for the next five years of the Contract.
- 3.8 The exact impact on the total cost of 'internal' contractual haulage is hard to estimate but it should result in a small saving to the councils against the current cost. At a time of rising costs that is a positive outcome.
- 3.9 The successful bidder is a company called Fred Sherwood and Sons (Transport) Ltd.

- 3.10 The previous haulage contract, covering the first five years of the PFI contract and which was held by BP McKeefry Ltd, came to an end at midnight on December 3rd 2011.

Access Arrangements at Household Waste Recycling Centre's (HWRC's)

- 3.11 Members have previously received reports on the subject of access controls at both Smallmead and Longshot Lane HWRC's. Access controls have been a feature at both sites for some time and are quite normal at sites around the country.
- 3.12 The controls take a number of forms. There is a height-barrier at both sites and there are restrictions on the amount a householder can bring in for some types of waste. A further control relates to the use of trailers.
- 3.13 Initially, the control related to the length of trailer and was set at 6 feet. The length being set at a scale which was manageable in the facility (for safe parking and manoeuvring) and also that corresponded with a 'household' sized amount of waste.
- 3.14 This proved impractical, however, because of the wide range of sizes of trailer available. A householder with a slightly larger trailer than the limit would feel harshly treated and if any lee-way was applied it could soon have made the whole affair very tricky to manage consistently.
- 3.15 As a result, the control was amended to accept single-axle trailers only. This was decided-upon because it was easier to identify compliance or non-compliance with the standard and still took account of the original reasoning (as described at 3.12 above).
- 3.16 During 2010/11 the partnership received 4 complaints about the policy of trailer control. The facilities cater for up to 6,000 visits per week.
- 3.17 Wokingham Borough Council (WBC) has, however, received a complaint on this subject and the (now previous) Chief Executive of WBC asked that this issue be reconsidered by Members of the JWDB.
- 3.18 As a result, Members are asked to consider the current control being applied.

Community Repaint

- 3.19 Negotiations between the Community Interest Company (CIC), Green Machine CIC, who hope to set-up a paint re-use scheme in the re3 area and the Contractor have now concluded.
- 3.20 All necessary paperwork has been received and the required contractual checks have been undertaken.
- 3.21 The contractor is seeking to secure an up-front funding allocation, in-year, in order that Green Machine CIC can be paid in advance rather than in arrears. The necessity for this unusual payment profile is a result of set-up costs.

Finance

- 3.22 The forecast outturn financial position for 2011/12 is attached under Appendix 1.

- 3.23 The project is reporting a collective overspend of £293,000 for 2011/12; this is due mainly to increased levels of waste processed during Quarter 1, however, figures for Quarter 2 indicate that this trend has begun to ease.
- 3.24 Given the current uncertainty around inflation, discussions are taking place with the Accountants of the three Councils in finalising the assumptions used in calculating the Budget for 2012/13.
- 3.25 A statement of expenditure against the re3 Management budget is included under Appendix 2 which shows a remaining budget of £82,350 as at 30th November 2011. However, the re3 Management budget is expected to be fully committed resulting in forecast year end expenditure of £197,900.

BACKGROUND PAPERS

Board Report 20th September 2011
Board Report 22nd September 2009

CONTACTS FOR FURTHER INFORMATION

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Appendix 1

re3 PFI Budget Monitoring

2011/12 Waste PFI Outturn

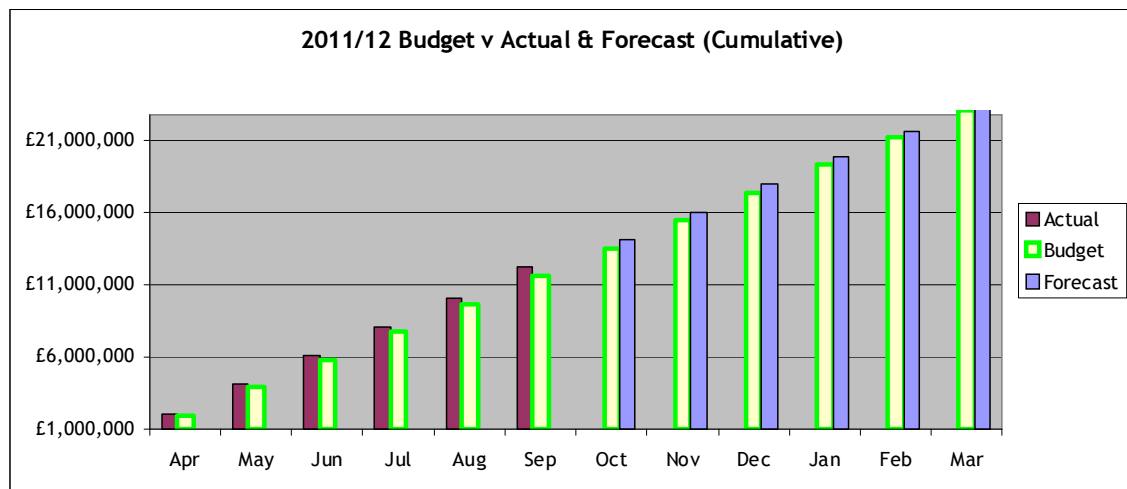
		BFBC £	RBC £	WBC £	TOTAL £
Apr-11	Actual (Adjusted)	511,750	673,664	769,134	1,954,548
May-11	Actual	483,510	762,724	787,882	2,034,116
Jun-11	Actual	522,176	697,694	731,556	1,951,426
Jul-11	Actual	500,800	720,775	753,378	1,974,953
Aug-11	Actual	500,270	738,648	770,362	2,009,280
Sep-11	Actual	509,820	783,266	794,023	2,087,109
Oct-11	Prov Actual	497,272	654,212	704,674	1,856,158
Nov-11	Estimate	487,606	693,102	721,640	1,902,348
Dec-11	Forecast	483,332	683,311	699,197	1,865,840
Jan-12	Forecast	481,333	686,253	696,981	1,864,567
Feb-12	Forecast	459,705	659,061	670,013	1,788,779
Mar-12	Forecast	500,252	707,126	727,413	1,934,791
TOTAL		5,937,826	8,459,836	8,826,252	23,223,913
Business Rates		104,007	134,898	141,517	380,422
Planners Farm Lease (note 5)		11,368	9,802	16,330	37,500
Waste Min Savings from 10/11 (note 6)		-14,861	-19,124	-21,016	-55,000
Waste Min Saving 2011/12 (note 7)		-35,774	-46,035	-50,590	-132,400
2011/12 Projected Outturn		6,002,566	8,539,376	8,912,493	23,454,435
2011/12 Original Budget		5,989,706	8,482,900	8,789,855	23,262,460
Revised 2011/12 Budget		5,951,220	8,419,900	8,789,855	23,160,975
Projected Over/Underspend		51,346	119,476	122,638	293,460

1.3%

Notes

- Based on actual figures for Quarter 1 and Quarter 2; Provisional actual tonnage figures for Oct 11 and Estimate for Nov 11; and 193k tonne forecast (Nov 10)
- Trade waste disposal included in RBC costs & budget.
- BFBC Budget removed £38k due to forecast diversion of street sweepings from landfill to composting.
- RBC Budget removed £63k in Mar 11 due to unspecified budget reduction.
- Outstanding Planners Farm lease liability split according to contribution to Composting Payment 2007/8 to 2010/11
- Estimated Waste Min savings from 2010/11 currently under discussion with WRG. Estimated £35k unused promotional budget and £20k salary saving.
- 2011/12 Waste Min budget reduced from £182,400 to £50,000 per July 11 JWDB.

re3 Management Budget/Costs not included



Appendix 2

JWDB - re3 Waste PFI Management Costs 2011/12						Period to 30 November 2011
Employees	Budget	YTD Cost	YTD Variance	Projected Annual Cost	Projected Annual Variance	Comments
	£	£	£	£	£	
Salaries, NI & Superannuation	170,800	113,867	-56,933	170,800	0	
Training	3,000	60	-2,940	3,000	0	
Employees sub total	173,800	113,927	-59,873	173,800	0	
Other Costs	Budget	Cost	Variance	Projected Annual Cost	Projected Annual Variance	Comments
Transport						
Travel Expenses	900	371	-529	900	0	
Supplies & Services						
Equipment	500	0	-500	500	0	
Stationery	500	296	-204	500	0	
Consultancy Fees	20,000	0	-20,000	20,000	0	
Purchase of Computer Equipment	1,800	829	-971	1,800	0	
Mobile Phones	400	127	-273	400	0	
Other Costs sub total	24,100	1,623	-22,477	24,100	£0	
2011/12 Total	£197,900	£115,550	-£82,350	£197,900	£0	
Council Share		£		Projected Annual Share		£
Reading		£38,517		Reading		£65,967
Bracknell		£38,517		Bracknell		£65,967
Wokingham		£38,517		Wokingham		£65,967
Total		£115,550		Total		£197,900