

Somerset Waste Board
Friday 29 June 2018
10.00 am Luttrell Room -
County Hall, Taunton



To: The Members of the Somerset Waste Board

Councillor Derek Yeomans, South Somerset (Chair)
Councillor Nigel Woolcombe-Adams, Mendip (Vice-Chair)
Councillor Nigel Taylor, Mendip
Councillor Patrick Berry, Taunton Deane
Councillor Hazel Prior-Sankey, Taunton Deane
Councillor Martin Dewdney, West Somerset
Councillor Brenda Maitland-Walker, West Somerset
Councillor Jo Roundell Greene, South Somerset
Councillor Gill Slocombe, Sedgemoor
Councillor Dawn Hill, Sedgemoor
Councillor David Hall, County Council
Councillor Mike Pullin, County Council

Issued By Scott Wooldridge, Strategic Manager - Governance and Risk - 21 June 2018

For further information about the meeting, please contact Julia Jones or Scott Wooldridge or 01823 359027 or jjones@somerset.gov.uk / 01823 357628 or swooldridge@somerset.gov.uk

Guidance about procedures at the meeting follows the printed agenda.

This meeting will be open to the public and press, subject to the passing of any resolution under Regulation 4 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

This agenda and the attached reports and background papers are available on request prior to the meeting in large print, Braille, audio tape & disc and can be translated into different languages. They can also be accessed via the council's website on www.somerset.gov.uk/agendasandpapers



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AGENDA

Item Somerset Waste Board - 10.00 am Friday 29 June 2018

**** Public Guidance notes contained in agenda annexe ****

1 **Annual appointment of Chair and Vice-Chair of Somerset Waste Board 2018/19**

2 **Apologies for Absence**

3 **Declarations of Interest**

4 **Minutes from the meeting held on 23 February 2018** (Pages 7 - 12)

The Board is asked to confirm that the draft minutes of the previous meeting are accurate or to agree any amendments that are necessary.

5 **Public Question Time**

The Chairman will allow members of the public to present a petition on any matter within the Board's remit. Questions or statements about any matter on the agenda for this meeting may be taken at the time when each matter is considered (see guidance notes).

6 **Waste Board Constitution, Membership and Meeting Dates for 2018/19**
(Pages 13 - 16)

To consider the report

7 **Financial Outturn and Use of Balances 2017/18** (Pages 17 - 24)

To consider the report

8 **Performance Outturn 2017/18** (Pages 25 - 34)

To consider the report

9 **Somerset Waste Board Vision and Future Strategy** (Pages 35 - 42)

To consider the report

10 **Recycle More project update** (Pages 43 - 50)

To consider the report

11 **SWP risk update** (Pages 51 - 62)

To consider the report

12 **Health and Safety Update** (Pages 63 - 68)

To consider the report

Item Somerset Waste Board - 10.00 am Friday 29 June 2018

13 **Information Sheets Issued Since the Last Meeting**

This is an opportunity for Members to raise matters contained in the following information sheets issued since the last meeting. A compendium of information sheets will be available for members to inspect at the meeting.

14 **Somerset Waste Board Forward Plan** (Pages 69 - 72)

To review the latest version and items of business for future meetings.

15 **Any other urgent items of business**

The Chairman may raise any items of urgent business.

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1 Inspection of Papers

Any person wishing to inspect Minutes, reports, or the background papers for any item on the agenda should contact Julia Jones on tel. (01823) 359027 or 357628, fax. (01823) 355529 or email jjones@somerset.gov.uk

2 Notes of the Meeting

Details of the issues discussed and decisions taken at the meeting will be set out in the Minutes, which the Board will be asked to approve as a correct record at its next meeting. In the meantime, details of the decisions taken can be obtained from Julia Jones or Scott Wooldridge in the Community Governance Team on tel. (01823) 359027 or 357628, fax. (01823) 355529 or email jjones@somerset.gov.uk

3 Public Question Time

At the Chairman's invitation you may ask questions and/or make statements or comments about **any matter on the Board's agenda**. You may also present a petition on any matter within the Board's remit. **The length of public question time will be no more than 30 minutes in total.**

A slot for Public Question Time is set aside near the beginning of the meeting, after the minutes of the previous meeting have been signed. However, questions or statements about any matter on the agenda for this meeting may be taken at the time when each matter is considered.

If you wish to speak or submit a petition, **then you will need to submit your statement or question in writing to Julia Jones by 12noon on the Tuesday prior to the meeting.** You can send a fax to (01823) 355529, send an email to jjones@somerset.gov.uk or send post for attention of Julia Jones, Community Governance, County Hall, Taunton, TA1 4DY.

You must direct your questions and comments through the Chairman. You may not take direct part in the debate.

The Chairman will decide when public participation is to finish.

If there are many people present at the meeting for one particular item, the Chairman may adjourn the meeting to allow views to be expressed more freely.

If an item on the agenda is contentious, with a large number of people attending the meeting, a representative should be nominated to present the views of a group.

An issue will not be deferred just because you cannot be present for the meeting.

Remember that the amount of time you speak will be restricted normally to three minutes only.

4 Hearing Aid Loop System

To assist hearing aid users, the Luttrell, Hobhouse and Wyndham Rooms have infra-red audio transmission systems. These work in conjunction with a hearing aid in the T position, but we also need to provide you with a small personal receiver. Please request one from the Committee Administrator and return at the end of the meeting.

5 Emergency Evacuation Procedure

In the event of the fire alarm sounding, members of the public are requested to leave the building via the signposted emergency exit, and proceed to the collection area outside Shire Hall. Officers and Members will be on hand to assist.

6 Somerset Waste Board Forward Plan

The latest published version of the Forward Plan is available for public inspection at County Hall or on the County Council web site at:

<http://democracy.somerset.gov.uk/mgListPlans.aspx?RPId=196&RD=0>

Alternatively, copies can be obtained by telephoning (01823) 359027 or 357628.

7 Excluding the Press and Public for part of the meeting

There may occasionally be items on the agenda that cannot be debated in public for legal reasons (such as those involving confidential and exempt information) and these will be highlighted in the Forward Plan. In those circumstances, the public and press will be asked to leave the room while the Cabinet goes into Private Session.

8 Recording of meetings

The Council supports the principles of openness and transparency, it allows filming, recording and taking photographs at its meetings that are open to the public providing it is done in a non-disruptive manner. Members of the public may use Facebook and Twitter or other forms of social media to report on proceedings and a designated area will be provided for anyone who wishing to film part or all of the proceedings. No filming or recording will take place when the press and public are excluded for that part of the meeting. As a matter of courtesy to the public, anyone wishing to film or record proceedings is asked to provide reasonable notice to the Committee Administrator so that the relevant Chairman can inform those present at the start of the meeting.

We would ask that, as far as possible, members of the public aren't filmed unless they are playing an active role such as speaking within a meeting and there may be occasions when speaking members of the public request not to be filmed.

The Council will be undertaking audio recording of some of its meetings as part of its investigation into a business case for the recording and potential webcasting of meetings in the future.

A copy of the Council's Recording of Meetings Protocol should be on display at the meeting for inspection, alternatively contact the Committee Administrator for the meeting in advance.

SOMERSET WASTE BOARD

Minutes of the Meeting of the Somerset Waste Board held in the Luttrell Room, County Hall, Taunton, on Friday 23 February 2018 at 10.00am.

PRESENT

Cllr C Aparicio Paul	
Cllr P Berry	Cllr J Parham (sub for Cllr Taylor)
Cllr M Dewdney	Cllr N Woolcombe-Adams
Cllr D Hall	Cllr D Yeomans (Chair)
Cllr A Gilling (sub for Cllr Hill)	

Other Members Present: Cllr J Dyke

Apologies for Absence: Cllr D Hill, Cllr J Roundell-Greene, Cllr B Maitland-Walker, Cllr G Slocombe, Cllr N Taylor and Cllr G Wren

Declarations of Interest – agenda item 2

Members of the Waste Board declared the following personal interests:

Cllr C Aparacio-Paul	Member of South Somerset District Council
Cllr D Yeomans	Member of Curry Rivel Parish Council

Minutes of the meeting held on 15th December 2017 – agenda item 3

The Minutes of the meeting of the Board held on 15th December 2017 were taken as read and following endorsement by the Board they were signed as correct by the Chair.

Public Question Time – agenda item 4

There were no public questions.

469 Performance Monitoring Report Q3 April – December 2017 – agenda item 5

The Chairman invited David Oaten to introduce the report:

The report summarised the key performance indicators for the period from April 2017 to December 2017 compared to the same period in the last two years. Key headlines were:

- Less waste (both residual and recycling) has been produced which has resulted in a slightly higher recycling performance.
- A continued trend of lower tonnages through the recycling sites, particularly for residual waste.
- The results of the in depth performance review of missed collections at Appendix C1.

Mr Oaten highlighted the following points:

- Not much change from the Quarter 2 report
- Garden waste has increased to 6kg per household

Mr Green, Somerset Waste Partnership Managing Director and Fran Drew from Kier, reported on the Missed Collections: Deep Dive and highlighted the following points with the aid of a powerpoint presentation:

- Overall positive statistics regarding missed collections with 99.1% collected.
- The main focus will be on Assisted Collections and Garden Waste.
- Customers pay for garden waste so their expectations are higher.
- Kier have agreed actions today and going forward and are undertaking a recruitment drive.

During discussion the following points were raised:

- if it was envisaged that there would be a difficulty recruiting drivers and collection staff? It was clarified that some of the challenges relate to uncertainty with the forthcoming Brexit
- whether it was clear for the public to understand where to report missed collections and if more communications are required.
- That further work required on internal reporting systems.

The Board welcomed the report and the proposals. The Chairman moved the recommendations.

The Board **RESOLVED** to note the performance results within Appendices A and B, and the findings of the missed collections deep dive (Appendix C).

ALTERNATIVE OPTIONS CONSIDERED:

As set out in the officer report.

REASON FOR DECISION:

As set out in the officer report.

470 **Financial Performance Update 2017/2018 and Final Budget 2018/2019-**
agenda item 6

The Chairman invited Martin Gerrish, Finance Officer to introduce the report. The report set out the financial performance against the approved Annual Budget for the first 9 months of the current financial year from April to the end December (with January updates where available) and how this has impacted on the forward budget for 2018/19.

The Board were asked to approve the Annual Budget for 2018/19 in accordance with its Constitution and Inter Authority Agreement.(Both documents are available on the SCC internet and from the author)

The Board was asked to approve an improved approach to the use of our internal

audit support from 2018/2019.

Mr Gerrish began by saying that the collection position is better this year – this is due to garden waste going up dramatically, therefore making us financially better off. Collection containers - there was a concern with both Mendip and South Somerset but this has been better than expected. So although the figures are the same the reasons behind it have seen an overall improvement. The only disappointing area is recycling credits – we are 2.5% below the budget.

Cllr Slocombe (who was absent from the meeting) asked the following questions in relation to the disposal budget.

Cllr Slocombe noted the large underspend on the collect disposal side – 860 thousand overall and noted that this seems to consistently happen every year, she asked whether we are aiming the estimate too high and should we have a lower estimate going forward?

Cllr Slocombe also asked whether there is any potential for district partners to be getting more benefit through the recycling credit agreement?

Mr Gerrish answered by saying that in the last 5 years there had been an underspend in the disposal side in 4 of the last 5 years – where this seems like a lot of money its only 3% so we have always spent 96.5% of our budget. The reasoning why there has been an underspend on disposal are very positive – it has been interventions that we have done – most recently with permits this has given us a really positive financial effect, going back to previous years we got a budget from WRAP which enabled us to put food stickers on the food waste which in turn meant that the change from landfill to food disposal meant we were £30/£40 pounds per tonne better off. We have had good years but that's because we have done something about it.

In terms of recycling credits districts automatically get an 3% increase on price. There is an increase year on year to the amount that we transfer to districts. I have answered the questions on recycling credits and will send the full answers to the questions to her in writing.

There has been more household growth than predicted by district partners. The cost to every person in Somerset is £3.40 per household per week to the partnership – this excluded garden waste.

Page 43 of the report talks about internal audit – changes that have been made are positive around governance and overall there is a better information flow between Kier, Viridor and Somerset Waste Partnership.

During discussion the following points were raised:

- Cllr Munt asked why the tax line on page 38 was not on all 3 graphs.
- Mr Gerrish responded by saying that this is because we only pay landfill tax on disposal costs.
- Cllr Hall asked if there would be any fluff update.
- Mr Gerrish replied by saying that this is progressing but no update at the moment.

The Chairman moved the recommendations.

The Somerset Waste Board **RESOLVED** to:

1. note the summary financial performance to date as contained in this report, and how this will impact on the budgetary requirements for 2018/2019.
2. approve the attached Final Annual Budget for 2018/19 (totalling £45,145,256) as set out in Appendix 1.
3. approve that the Managing Director negotiates any final requirements with the relevant contractors in accordance with this Annual Budget Report.
4. approve the proposed approach to using our internal audit support as set out in Appendix 2.

ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report.

REASONS FOR DECISION: As set out in the officer report and as debated at the meeting.

471 **Risk Update** - agenda item 7

The Chairman invited Mark Blacker, Business and Governance Manager to introduce the report.

The report updated the Board on the changes to Somerset Waste Partnership's risk profile.

Mr Green began by addressing that the only risk which was currently rated red was risk 21 – this related to the risk for depot network.

The following points were raised during discussion:

- that there is a shortage of drivers and that this had been an issue for several years and what work was being done for a training programme for young people to mitigate this risk.
- that the county council and district councils have signed up to eliminating single use plastics and the partnership need to help drive that.
- Clarification on item 2.6 was provided as SWP is looking at replacing a system.
- the risks of not sufficiently diverting food waste away from landfill into recycling as there is still 40% of food waste in the waste bin.
- SWP intention that education programmes targeting schools with the intention that the children will educate the whole family in the importance of food waste recycling.

The Chairman moved the recommendations.

The Somerset Waste Board noted the update and that the Strategic Management Group continues to work closely to ensure a joined-up approach across the public sector in Somerset.

ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report.

REASONS FOR DECISION: As set out in the officer report and as debated at the meeting.

472 **Plastics Update** – agenda item 8

The Chairman invited Mickey Green, Managing Director, Somerset Waste Partnership to introduce the report.

The report addressed the issue of plastic waste reaching the natural environment and that this is of significant public concern, stimulated by the recent coverage of the ocean pollution on the BBC's Blue Planet tv series.

The report provided an update on steps being taken by Somerset Waste Partnership to inform, participate in and respond to the public debate, and to support joined up leadership across the public sector in Somerset.

During discussion it was highlighted that the biggest issue is black plastic – this cannot be very easily disposed of – the most effective way is turning it back to oil but this is not cost effective.

The Chairman moved the recommendations.

The Board **RESOLVED** to :

The Somerset Waste Board noted the update and that the Strategic Management Group continues to work closely to ensure a joined-up approach across the public sector in Somerset.

ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report.

REASONS FOR DECISION: As set out in the officer report and as debated at the meeting.

473 **Recycle More and Collection Contract Procurement: Update** – agenda item 9

The Chairman invited Bruce Carpenter, Somerset Waste Board to introduce the report.

The report summarised the progress in procuring a new collection contractor (and hence delivery of Recycle More) since the Somerset Waste Board agreed to end its kerbside waste and recycling collections contract with Kier 18 months early (now ending in March 2020).

Mr Carpenter highlighted the background to the proposals and the previous reports and briefings to the Board. The procurement timetable is at the document preparation stage at the moment and the Contract Notice is the next step and then the pre-qualification.

The following points were raised during discussion:

- if it is possible for potential partners to offer alternative approaches to deliver the Recycle More outcomes – therefore offering more flexibility. It

was confirmed that bidders have the opportunity to incorporate innovation but still need to deliver the key outcomes.

- The potential risk sharing between the partnership and the contractors
- The evaluation method.

The Board noted the progress made in developing the procurement strategy for a new collection contract – informed by soft market engagement and input from our commercial and technical, legal and procurement advisors.

ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report.

REASONS FOR DECISION: As set out in the officer report and as debated at the meeting.

475 Somerset Waste Board Forward Plan – agenda item 10

The Board were updated by the Governance Manager on the latest position of the forward plan and that there was no scheduled business for the next meeting. It was agreed by that the next meeting due to be held on 23rd March 2018 should be cancelled. The next Board meeting would be held on 29th June 2018.

476 Information Sheet Issues Since the Last Meeting – agenda item 12

There were none.

477 Any Other Business of Urgency – agenda item 13

There was no items raised.

(The meeting ended at 11.45am)

**COUNCILLOR DEREK YEOMANS
CHAIR OF THE SOMERSET WASTE BOARD**

Somerset Waste Board
 29 June 2018
 Report for information

Constitutional matters, Waste Board membership and meeting dates 2018/19

Lead Officer: Scott Wooldridge, Monitoring Officer and Strategic Manager for Governance and Risk

Author: Scott Wooldridge, Strategic Manager for Governance and Risk

Contact Details: 01823 357628

Forward Plan Reference:	SWB/18/03/02
Summary:	The report sets out the Board’s meeting dates for 2018/19 together with the County Council, District and Borough Council membership of the Somerset Waste Board from May 2018 to the next Annual General Meeting in June 2019. The report also outlines future constitutional matters for the Waste Board in relation to the future amalgamation of Taunton Deane Borough Council and West Somerset Council.
Recommendations:	<p>That the Somerset Waste Board:</p> <ol style="list-style-type: none"> 1. Notes the Board’s membership for 2018/19 set out in Section 1. 2. Agrees the Board meeting dates for 2018 and 2019 set out in Section 2. 3. Supports the necessary work to be taken forward by the Administering Authority with partners to review the Constitution and Inter-Authority Agreement as set out in Section 3.

1. Somerset Waste Board Membership 2018-19

1.1. The Board membership for 2018/19 is as follows:

1.2. Mendip District Council

Nigel Taylor
 Nigel Woolcombe-Adams

1.3. Sedgemoor District Council

Dawn Hill
 Gill Slocombe

1.4. Somerset County Council

David Hall
Mike Pullin

1.5. South Somerset District Council

Jo Roundell-Greene
Derek Yeomans

1.6. Taunton Deane Borough Council

Patrick Berry
Hazel Prior-Sankey

1.7. West Somerset District Council

Martin Dewdney
Brenda Maitland-Walker

- 1.8.** The Board is asked to welcome the appointment of Cllr Mike Pullin from Somerset County Council and Cllr Hazel Prior-Sankey from Taunton Deane Borough Council to the Board.

2. Board meeting dates for 2018 and 2019

- 2.1.** The Board is requested to approve the following Board meeting dates for 2018 and 2019:

2.2. 2018	2019
28 September (Taunton Library meeting room)	15 February
	15 March
19 October (Sedgemoor District Council offices)	28 June (AGM)
14 December (South Somerset District Council offices)	27 September
	6 December

- 2.3.** All meetings to be held at 10am and will be held at either Taunton Library meeting room, South Somerset District Council or other district council offices due to refurbishment works at County Hall from September 2018 for approximately 18 months. Agendas and papers will be published five clear working days before the meeting. Details of any proposed key decisions for consideration by the Board are published in advance via the Waste Board's Forward Plan which can be viewed on the County Council's website.

3. Future constitutional matters for the Board

- 3.1.** The Board received reports in 2017 regarding the proposed amalgamation of Taunton Deane Borough Council and West Somerset Council. In February 2017 the Board approved a consultation response to the Secretary of State

regarding implications for the Somerset Waste Board.

- 3.2.** The Government has now approved the Structural Change Order relating to the two councils which will lead to the formation of a Shadow Authority during 2018 pending the creation of a new single authority named Somerset West and Taunton in April 2019. Shadow Authority arrangements are designed to manage the transition from two councils into one. The Shadow Authority will consist of all 84 Members of both existing councils and will be an entity in its own right.
- 3.3.** Following the approval to the Structural Change Order, this triggers the need for Somerset Waste Partnership to progress work with Taunton Deane and West Somerset representatives to review the Inter Authority Agreement (IAA). The process for this is set out in clause 20 of the IAA and will result in the dissolution and replacement of the current Partnership and Board to coincide with the creation of the new authority. Further details regarding potential implications and proposed actions in relation to the IAA review are set out elsewhere on the Waste Board's agenda within the Financial Outturn and Use of Balances 2017-18 report.
- 3.4.** In addition to the IAA, there are a number of constitutional implications for the Partnership and the Board as a result of the formation of the new authority:

 - The need to revise the membership of the Board to replace references to Taunton Deane and West Somerset councils with the new authority
 - The Board membership will reduce from 12 members to 10 members
 - The new authority will be entitled to two representatives
 - During 2018, in addition to Taunton Deane and West Somerset, the shadow authority will also need to be involved in the development of the 2019/20 Annual Budget and the Business Plan
 - The need to review the scrutiny arrangements and in particular the membership of the Joint Scrutiny Panel
 - Potentially revise the quorum requirements from six members to five members, with the requirement for at least one member from each of three (currently four) different Partner Authorities
- 3.5.** Section 16 of the Board's Constitution outlines that if it is agreed by all of the Partner Authorities that another local authority should be permitted to join the Board, then pursuant to Regulation 11(2)(c) of the 2000 Regulations, the Board shall be dissolved with a view to a new board being established and a replacement constitution on similar terms to the existing Constitution (as varied by agreement of the proposed Partner Authorities) being completed. In view of the Structural Change Order, it is proposed that this work is progressed by the Monitoring Officer for the Administering Authority in liaison with the Monitoring Officers of all partner authorities and a report recommending a new Constitution be presented to the Board during Autumn 2018.

4. Background papers

- 4.1** Waste Board Constitution
- 4.2** Somerset Waste Partnership Inter Authority Agreement
- 4.3** The Somerset West and Taunton (Local Government Changes) Order 2018

Somerset Waste Board meeting
29 June 2018
Report for decision

Financial Outturn and the Use of Balances

Lead Officer: Mickey Green Managing Director and Martin Gerrish, Finance Officer

Author: Martin Gerrish, Finance Officer

Contact Details: mgerrish@somerset.gov.uk or (01823) 355303

<p>Forward Plan Reference:</p>	<p>SWB/17/03/01</p>
<p>Summary:</p>	<p>Although a change in legislation means that a Joint Committee such as the Somerset Waste Board is no longer required to produce full statutory accounts in accordance with the CIPFA Code of Practice and to undergo a full external audit, it has been agreed by the Board that we would bring a report and summary financial statements to the Annual General Meeting in June.</p> <p>As part of the end of year financial reporting, we ask the Board to approve the proposed use of balances held as at 31st March 2018, and an update on the 2 legal claims that are being pursued.</p> <p>Looking forward, the budget for 2019/2020 will be the first that the Board will set that will need to reflect the formation of a new authority to replace Taunton Deane and West Somerset. Work to update our current Cost Sharing Agreement will need to be undertaken ahead of the first draft budget reported back to the Board in September. This report sets out the principles that will underpin this work.</p>
<p>Recommendations:</p>	<p>That the Somerset Waste Board: -</p> <ol style="list-style-type: none"> 1. Notes financial outturn position of the Partnership overall and the individual partners' balances at year end, and the summary accounts for 2017/2018 as presented in Appendix A; 2. Confirms the recommendations of the partner authorities, (as summarised in Appendix B), as to the use of the individual surpluses and deficits as at 31st March 2018. 3. Notes the updates on the 2 respective legal claims being made on behalf of the SWB (paragraph 2.6 below). 4. Re-affirms the underlying principles for the necessary amendments to the Cost Sharing

	<p>Agreement as a result of the formation of a new authority to replace Taunton Deane and West Somerset (paragraph 2.7 below); and</p> <p>5. Authorises the Managing Director in consultation with the Senior Management Group to propose detailed changes to the Cost Sharing Agreement ahead of formal Board approval of the changes at the September 2018 meeting (paragraph 2.7 below).</p>
<p>Reasons for recommendations:</p>	<p>The Board, as those charged with governance, need to be aware of the final financial performance of the Somerset Waste Partnership for 2017/2018, and some of the key reasons behind the performance.</p> <p>It is for the Board to confirm recommendations of the partners as to the usage of any useable balances at the end of the financial year.</p> <p>The first draft budget for 2019/2020 will be considered at the September meeting, and reviewing the Cost Sharing Agreement is a necessary pre-requisite to allow a budget for the 5 as opposed to the current 6 partners to be prepared.</p>
<p>Links to Priorities and Impact on Annual Business Plan:</p>	<p>The request to retain the one-off income obtained from the rental and sale of vehicles ties into the Business Plan objective for implementation of Recycle More. The further request from the County Council to retain some of the underspend within the Partnership is a recognition of the further infrastructure costs that will be needed for the collection-disposal interface.</p>
<p>Financial, Legal and HR Implications:</p>	<p>If the recommendations in this report are approved, particularly with regard to balances, the impact on each partner is set out in Appendix B.</p> <p>There are no specific legal or HR implications of this report.</p>
<p>Equalities Implications:</p>	<p>There are no specific equality impacts of this report.</p>
<p>Risk Assessment:</p>	<p>The risks associated with these recommendations are primarily concerned with a situation where partners withdraw the vehicle income previously set aside. Previous papers brought to the Somerset Waste Board have indicated the need for one-off funds to be available for the implementation of Recycle More, and members have already agreed to retain this income within the Partnership for this purpose.</p>

1. Background

- 1.1. The Board set its Annual Budget for 2017-2018 (originally totalling £43,577,620) at its meeting of 24th February 2017. Individual partner contributions, and the income and expenditure that are subsequently charged to each partner, are prescribed within our Cost Sharing Agreement.

Our Annual Budget is predominantly spent on making payments to our main contractors – Viridor and Kier. These payments account for approximately 97% of our expenditure.

- 1.2. A number of assumptions are made in the setting of each Annual Budget, such as the tonnage arising, amounts going through each disposal option, household numbers, inflation, the amount of kerbside recycling achieved for recycling credits and the number of green waste customers. Some of these cost drivers are quite volatile and this will account for the variations from budget reported below.

2. Financial performance and options for balances

2.1. Summary outturn figures

The table below shows the variations from budget on all our major expenditure areas. **For the avoidance of doubt in the table below, negative figures shown in brackets are underspent budgets. Figures not in brackets are overspent budgets.** (A zero figure indicates that the line is on budget or that it is not a budgetary responsibility of that partner). Figures are rounded to the nearest £000.

Summary of budget variances

	SCC £'000	MDC £'000	SDC £'000	SSDC £'000	TDBC £'000	WSC £'000	Total £'000
Head Office	(67)	2	2	2	2	1	(59)
Disposal Costs	(1,025)	0	0	0	0	0	(1,025)
Collection - Recycling	0	(6)	(8)	(9)	(7)	(4)	(33)
Collection - Refuse	0	(1)	(1)	(2)	(2)	(0)	(7)
Collection - Garden	0	(1)	(2)	4	30	15	45
Collection Costs	0	3	3	4	6	1	16
Recycling Credits	(20)	13	1	10	1	(4)	0
Container Purchase & Delivery	0	(19)	(0)	(23)	(9)	0	(50)
Other	(7)	(5)	(5)	(15)	(5)	(2)	(40)
	(1,118)	(15)	(12)	(30)	16	6	(1,153)

New Collection Contract costs- funded from the earmarked reserve
Earmarked reserve (prior years vehicle income)

51
(421)
(1,523)

Overall, if we exclude the in-year spend on the new collection contract, the total Partnership **underspend was £1,153,000** (2.656% of the original budget). This represents an improvement on the December position reported in February (where we forecast to be underspent by £798,000 or 1.8% of the budget). The reasons for the variances reflect the position previously reported to the Board, and are set out in sections 2.2. and 2.3 below.

2.2 Collection variations

The overall position for District partners has not changed significantly since the last Financial Update to the Somerset Waste Board in February 2018. At that point (Quarter 3), we were forecasting a total overspend of £69,000, (0.42% of the agreed collection budget) compared to a **final outturn underspend of £35,000** (0.21% of the agreed collection budget).

Excluding the garden waste performance, all Districts were underspent. (Members are reminded that the overspend on garden waste costs experienced by most partners are compensated by the income that the relevant District partner receives directly, so the reported overspends on Taunton Deane and West Somerset are effectively netted off).

There were minor changes in Quarter 4 on budget lines that members are familiar with, such as recycling credits and new containers. Final container costs, (which are a variable budget line), reduced slightly in the final quarter (costs down £16,000). Recycling credits improved slightly, and came much closer to budget as a result. At Quarter 3, we were estimating a shortfall of £60,000 across all the Districts combined, which was 2.5% of the recycling credits budget. By year end, this was only a £20,000 shortfall (0.8% of the budget). Looking back, achieving 99.2% of the recycling credits budget is the exactly the same performance against budget as for 2016/2017.

Head Office costs were generally underspent, although there were some additional pensions deficit contributions payable. Smaller savings were achieved across the collection contract, such as vehicle financing c£18,000, depot costs c£6,000 and contract pension payments c£9,000.

The “headline” figure above does not include any drawdown of the earmarked reserve for Recycle More (£421,284), which has been set aside for the project costs as reported in previous Board papers. By the end of the last financial year, £50,678 has been spent on the Recycle More project, leaving a balance of £370,606 for future years.

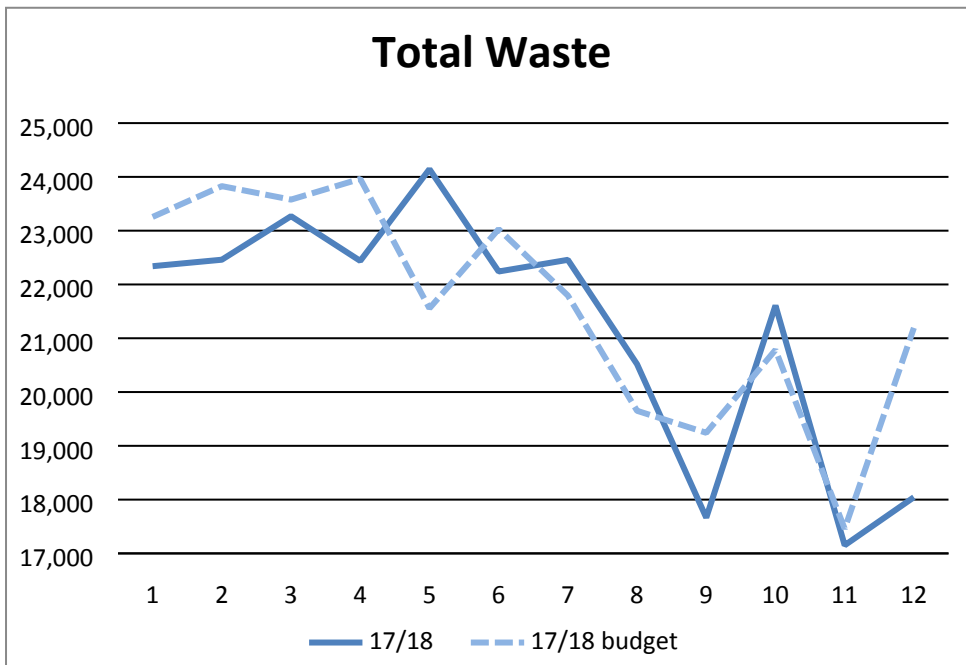
2.3 Disposal variations

The disposal position improved again during Quarter 4, increasing the underspend on this budget area from £867,000 to £1,118,000 or 4.11% of the budget.

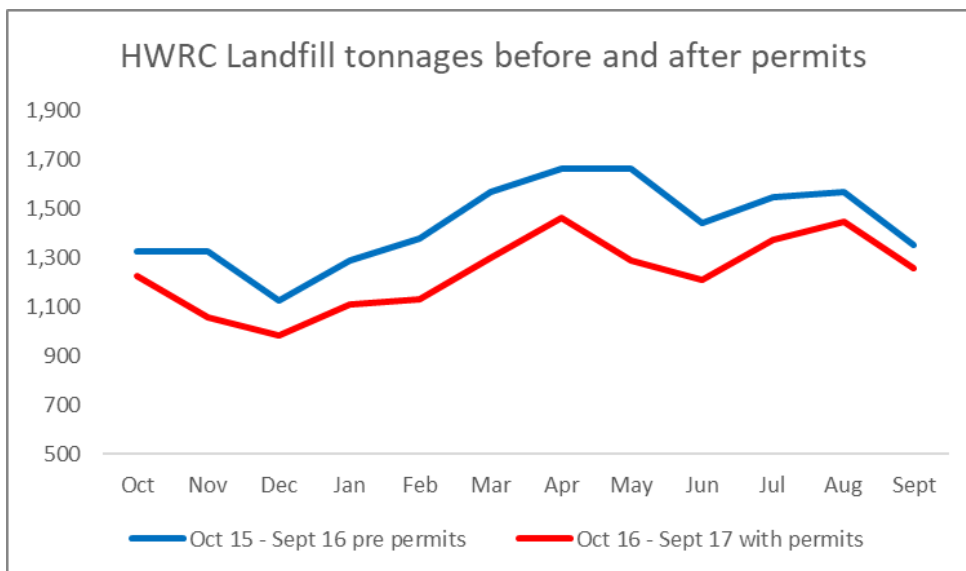
The downwards trend in disposal tonnages has been reported in previous financial and performance updates. This was particularly noticeable with the Recycling Centres, where the full-year effect of the permit system resulted in tonnages under budget in the first few months of 2017/2018. The tonnages then were closer to budget until month 12.

Obviously, the heavy snow during March led to a significant reduction in March at both the Recycling Centres (28% down on the previous year) and on the kerbside (16% down on the previous year). Tonnage figures to date cannot confirm whether or not there will be a corresponding upturn in the start of this financial year.

The first graph (Total Waste) below illustrates this point.



The graph below shows the impact of the permits over the 12 month period before and after their introduction (landfill tonnages only). This equates to a 14.5% decrease in tonnages.



2.4 Use of balances

In setting the Annual Budget for 2017/2018, it was already envisaged that funds would be required to pump-prime changes to the collection service. Recycle More will require a number of one-off pump-priming costs (in addition to any new vehicles that will be capital financed). The District section 151 officers preferred that the on-going contract inflation be built into the Annual Budget 2017/2018, and it would be the one-off vehicle rental and sale income that could be made available for Recycle More.

Officers have previously reported the need for one-off funding for the Recycle

More project, and reports on this project have set out where these costs could fall. Members are asked again to carry forward the rental and sale income from vehicles into the next financial year. The request for the use of District balances in Appendix B is made on this basis. The combined total of this income for the last 3 financial years now stands at £370,606.

Again, it is the officers' intention to bring forward other elements of the Business Plan that may require funding to the Board and when such needs arise.

In addition to the costs and earmarked reserves above, there is an additional request for £246,000 of the County Council disposal underspend to be carried forward within the Partnership. It is requested that this amount is carried forward for Recycle More, where there will be a need for disposal infrastructure such as delivery and tipping points. There is also a need for additional staffing support for the tendering and roll-out phases of the project, which will need one-off funding.

2.5 Preparation of financial statements

Following the change in legislation for our financial years commencing 1st April 2015 and afterwards, and agreements at previous Board meetings, we no longer produce a full set of accounts under the CIPFA Code of Practice, and do not have to host (or pay for) a full external audit. External audit will naturally look at the waste position as part of their audit of the County Council, our Administering Authority. This saves several weeks of Finance time as a result, which has been used to provide further time to support the Recycle More project.

However, summary accounts are still prepared for the Annual General Meeting (Appendix A). These are prepared in accordance with the CIPFA Code of Practice, using standard accounting principles and practice, except that we sometimes provide greater detail for members.

Our Constitution and Inter Authority Agreement set out the earmarked reserves that we maintain for each of the Partners. These reserves and balances are set out in the bottom half of the Balance Sheet (£1,729,801).

In summary, the amounts held by the Partnership are the £1.523m figure referred to above (the underspend in 2017/2018), £0.181m of lease payments (simply a timing difference) and a small balance of £0.025m of West Somerset funding from 2014/2015 that it is not allowed to withdraw from the Partnership under the Sort It Plus funding agreement.

2.6 Legal claims

During 2017/2018, the Board were updated on 2 claims that were being made on its behalf.

The national claim on "fluff" (whereby we contend that landfill tax should not be payable on disposal materials used for engineering purposes) has been the subject of a court ruling since the last Board meeting (Let's Recycle link included below).

Biffa, Veolia and Devon Waste Management have lost their appeal against HMRC

regarding whether black bag waste used as landfill 'fluff' is liable for landfill tax. The three companies argued that as the waste was being 'used', it was not being deposited as waste and therefore an exception and not liable for landfill tax as outlined in the Finance Act of 1996. Even though the HMRC representative accepted that the waste was "used", the judge concluded that the court does "not consider the deposit in a landfill cell of black bag waste which is intended to remain there permanently to be one of those exceptions" even if it used to line landfill cells and protect the cell liners.

Biffa will be appealing the decision, but this is a grave blow for the Somerset Waste Partnership's chances of recovering any money through its own claim.

The truck cartel claim is still being mapped out. The latest position is that the Local Government Association (which is co-ordinating the action of behalf of all interested authorities) has engaged an eminent QC to look at the funding proposals and to see how they could be amended to further protect the interests of participating Authorities. His response is being fed back to the legal firms who are proposed to take action on our behalf.

2.7 Cost sharing for the new council

From April 2019, a new council will be in existence in Somerset, replacing Taunton Deane and West Somerset.

From a Somerset Waste Partnership financial perspective, this will impact on our budget preparation, and in particular on our Cost Sharing Agreement, which calculates individual partner contributions into the pooled budget. There are a number of formulae that split costs amongst collection partners in particular, based on factors such as households, customers and sparsity.

The first draft budget for 2019/2020 will come to the Board at its September meeting, and finance staff will need to have a basis for splitting collection costs in an appropriate manner between 4 as opposed to 5 collection partners.

Initial thoughts amongst finance officers and the Senior Management Group are that the **minimal amount of changes be made at this stage**, not least because there will need to review the whole Cost Sharing Agreement again ahead of Recycle More in April 2020.

Members are asked to agree that the Senior Management Group be tasked with proposing amendments to the Cost Sharing Agreement back to the Board in September.

It is critical that these changes avoid any cost shunting, and that no authority is better off or worse off as a result of the new council. The proposals will need to be mindful of the key principles in the Cost Sharing Agreement, and which we have always works to, such as: -

"costs . . . are shared on a fair and equitable basis"

apportion costs in "the most logical and transparent way possible"

"being mindful of the need to avoid any one Partner Authority subsidising another"

2.8 Capital approvals for Recycle More

There is an update on Recycle More elsewhere on this agenda. Previously, partners have been willing to fund capital costs (primarily for vehicles) in return for a reduced cost from the contractor, and some have made provisions within their capital programme to do so.

It is still highly probable that this opportunity will still exist and provide a return to investing partners, and that capital monies set aside will still be required.

3. Consultations undertake

- 3.1. The outturn position, use of balances and plans to incorporate the new council in our Cost Sharing Agreement have been discussed with the Senior Management Group.

4. Implications

- 4.1. Should the use of balances be approved, District partners will be paid or be required to pay back the sums as set out in Appendix B.

5. Background papers

- 5.1. **Somerset Waste Board Constitution and Inter Authority Agreement.**
“**Annual Budget 2017/2018**” from the Somerset Waste Board meeting 24th February 2017.
“**Financial Performance Update 2017/2018 and Final Budget 2018/2019**” from the Somerset Waste Board meeting 23rd February 2018.
BIFFA case <https://www.letsrecycle.com/news/latest-news/waste-firms-lose-latest-landfill-fluff-case>
- 5.2. For any background papers, please contact the report author.

Somerset Waste Board meeting
29 June 2018
Report for information

Performance Report - April 2017 to March 2018

Lead Officer: David Oaten, Contracts Manager – Treatment & Infrastructure

Author: John Helps, Performance Monitoring Officer

Contact Details: 01823 625705

Forward Plan Reference:	SWB/FP/18/03/04
Summary:	This report summarises the key performance indicators for the period from April 2017 to March 2018 and compares these to the same periods in 2015-16 & 2016-17. It also updates the board on the current kerbside collection service performance issues, the actions being taken to address these issues, and the changes proposed to the way we report performance in the future.
Recommendations:	That the Somerset Waste Board notes the tonnage and performance results for the financial year 2017-18, the current kerbside collection service performance issues, the actions being taken to address these issues, and the changes proposed to future performance reporting.
Reasons for recommendations:	Report for information only.
Links to Priorities and Impact on Annual Business Plan:	Transparency – Publishing Key Performance Indicators
Financial, Legal and HR Implications:	Report for information purposes only.
Equalities Implications:	Report for information purposes only.
Risk Assessment:	The risk of service degradation ahead of early termination of the collection service contract has been a key risk monitored through the SWP risk register.

1. Background

- 1.1. Reports with a full range of key performance indicators for services managed by Somerset Waste Partnership are presented to the Board in December (Quarter 2 performance) and June (Outturn performance).

2. Performance Findings

2.1. Headline figures to note for April to March 2018 compared to the same period in 2016-17 are shown in the table below.

National Indicators	Result	% Change	Appendix	Lines
Residual waste per household (NI 191) - kg/hh	479.72	-1.74%	A1	(39)
Recycling & reuse rate (NI 192) - %	52.28%	-0.45%		(40)
Waste landfilled (NI 193) - %	46.10%	0.22%		(41)
Waste Streams	Tonnes	% Change		
Total Reused, Recycled & Composted	133,309	-2.41%		(24)
Residual Landfilled	116,900	-0.95%		(27, 30, 31)
Recovery	4,991	4.15%		(28, 29, 32)
Total Household Arisings	254,985	-1.57%		(33)
Total Commercial Arisings	5,650	4.72%	(25, 35)	

Kg/hh Headlines	Kg/hh	kg/hh + / -	A2	
Garden Waste	172.21	-1.95		
Recycled	276.33	-10.04		
Residual Landfilled	479.72	-3.12		
Total Household Arisings	1005.30	-16.09		

Missed Collections	No.	% Change	B1	
Refuse	7,787	24.23%		
Garden Waste	5,040	6.73%		
Recycling & Food	13,907	9.87%		
Repeat Missed Collections	5,837	26.10%		

Flytips	No.	No. + / -	B2	
Total No.	4,662	-226		

- 2.2.** The headline tonnage figures, shown in Appendix A1, reflect a period where tonnages have continued to decline – a 1.57% (-4,080 tonnes) decrease in overall household waste arisings (line 33). Key points are:
- **2.41% (-3,287 tonnes) decrease in household waste reused, recycled and composted (line 24).** Key drivers for this are:
 - The amount of garden waste treated during this period at the recycling sites and at kerbside decreased by 1.12% (-495 tonnes - line 10),
 - A continued drop in the amount of paper collected, with a decrease of 7.58% (-865 tonnes - line 19),
 - A reduction in the quantity of wood recycled with a decrease of 5.42% (-333 tonnes – line 23),
 - A drop in the weight of sweepings that were recycled 9.65% (-740 tonnes – line 22),
 - A 4.76% (-250 tonnes) decrease in non packaging scrap metal (line 15),
 - A 1.23% (-227 tonnes) decrease of food waste collected from households (line 7),
 - Water based paint recycling continues to show strong growth, with an increase of over 300% this year at 197 tonnes (line 18).
 - A decrease of 1.74% (-8.47 kg/hh) in residual household waste (line 39) and a 0.85% (-997 tonnes) decrease in household waste landfilled (line 34). Key drivers for this are:
 - Significantly, in light of the implementation of the permit scheme a 6.94% (-1,113 tonnes) reduction of residual waste sent to landfill from the recycling sites (line 31) and,
 - Also an insignificant increase of 0.01% (11 tonnes) of residual waste sent to landfill collected from the kerbside (line 30), suggesting that the majority of material displaced from the recycling sites has not been presented for collection.
- 2.3.** Appendix A2 shows that Somerset households produced less waste, when compared to 2016-17, with a reduction of 16.09 kg/hh, bringing the total waste arisings to 1,005.30 kg/hh. The majority of this decrease occurred at the recycling sites. Also of note is a slight drop in garden waste of 1.95 kg/hh, with a total of 172.21 kg/hh. This total is made up with an increase in kerbside collections of 2.40 kg/hh to 75.70 kg/hh, and a decrease at recycling sites of 4.35 kg/hh, a total of 96.51 kg/hh.
- 2.4.** Appendix A3 shows a total reduction of material through the recycling sites of 2,615 tonnes. There was a loss of 507 tonnes of dry recycling and 1,104 tonnes of garden waste, as well as decreases of 1,127 tonnes of residual waste, 97 tonnes of hardcore & soil and an increase of 220 tonnes of wood sent for recovery. The majority of these reductions are still thought to be related to the permit scheme.
- 2.5.** Appendix A3 also shows that the average recycling rate across the network is over 77% with only one site not exceeding a rate of 72%. The lowest performing site at 69.14% being Frome and the highest performing at 86.00% being Chard.

2.6. Visits across the recycling site network have decreased of 25,330 (-1.54%), with 1,615,173 visits in the full year April to March. Again this is thought to be permit related. Key points to note are:

- The sites showing the biggest decreases in visitor numbers are Chard with a reduction of 8,168 (-5.59%), Taunton reduced by 7,934 (-3.03%) and Frome down by 6,442 (-5.84%).
- Some sites actually saw an increase in visits, including Cheddar up by 10,007 (23.98%), Street an increase of 1,721 (2.03%) and Wells up by 486 (0.55%). The figure for Cheddar has been verified (as it is a very significant change in usage) and further work will be undertaken to determine the step change in visitor numbers at this site.

2.7. Missed collections are an area of particular concern at the moment. Monitoring of contractor performance for missed collections continues as a priority to ensure levels do not return to those seen in previous years:

- Appendix B1 shows quarterly missed collection data for refuse, dry recycling/food and garden waste. Performance is measured by reported 'misses per 1,000 collections' as indicated on the charts. For most service areas, the level appears to be generally worse for 2017-18, compared to the same period in 2016-17. The exceptions to this are refuse collections for West Somerset, which are broadly the same and garden waste which show a slight overall improvement. Additionally recycling collections for South Somerset show a slight overall improvement.
- In February a deep dive on missed collections was reported to the board. This identified that, beneath the headline figures, there was a particularly unacceptable level of performance on missed assisted collections, garden waste, repeat missed collections and the speed with which missed collections are rectified. The actions Kier have taken to date have not led to sufficient progress – indeed performance has worsened in some cases. Whilst there are mitigating circumstances (e.g. the bad weather experienced in Q4) and valid reasons for some of this (e.g. the time it takes after making round changes in Sedgemoor before improvement is realised) this is not acceptable. The mitigating circumstances means that the deadline previously agreed with Kier before performance deductions will be imposed has been extended from the end of April to the end of May.
- More worryingly, there has been a degradation in the quality of service in a number of other aspects of the collection service contract – in particular in the collections for communal properties, the schools service and container delivery. Communal properties have seen significant delays in responding to missed collections, partly as a result of staff shortages within Kier. The risk of service degradation has been a key risk SWP have been monitoring ahead of early termination of our collection contract with Kier. Accordingly these service issues have been escalated by SWP to Director level at Kier. Kier have provided SWP with a written action plan and a weekly director level conference call has been put in place (in addition to the business as usual service monitoring) to track progress against this action plan. A verbal update will be provided to the Board at the meeting on the latest position.

- 2.8.** Appendix B2 shows that the numbers of reported flytips across Somerset continue to decrease slightly compared to 2016-17. In Quarters 1 – 4, the total number of flytips has reduced by 226 (-4.62%). There were decreases in the numbers reported all districts, with the exception of Sedgmoor. It is worth remembering that whilst we report fly tipping numbers as part of this Board report, the Waste Partnership has little control or influence over the numbers being shown as the statutory function to manage fly tipping events still rests with the partner District authorities.
- 2.9.** By material type, the major contributors to this reduction were other household waste, down 129 incidents (-5.60%), black bags - commercial, down 72 incidents (-66.06%), white goods, down 58 incidents (-20.79%) and other electrical, down 50 incidents (-37.31%). Unfortunately, there was an increase in the number of incidents reported as black bags - household, which amounted to an extra 128 (22.86%), tyres an additional 70 (22.01%) and other (unidentified), up 20 (26.67%).

3 Future approach to performance reporting

In December 2017 the board endorsed the approach to incrementally improve the way we report performance. This included undertaking deep dives (the missed collection deep dive in February being the first such analysis), improving the alignment with the business plan (as this sets out the actions we are taking to improve performance) and bringing performance reporting together so that it gives a more rounded picture of performance.

It remains our intention to implement changes to the way we report performance to the board for the 18/19 financial year – with the first revised report being in September (when we present the first data for 2018/19). A further deep dive has not been undertaken for the June Board as our priority is to address the missed collection performance issues identified in February (as explained more fully in paragraph 2.7). A deep dive on participation in our recycling services and waste composition is proposed for the September Board meeting.

It is proposed that future board performance reports will provide:

- A very visual/at a glance way of reporting the performance metrics that matter most and which can be more easily understood by a wider audience (an approach used effectively by Dorset Waste Partnership)
- A dashboard which gives a rounded view of performance, including:
 - bullet point summary of areas of concern and areas of success
 - a traffic light (red/amber/green) status of actions within the three areas of the business plan (action on waste prevention, reuse, recycling and recovery; building capability; maintaining services and operational effectiveness) with the rationale for variances and a brief summary of progress on key projects
 - reporting on key metrics related to finance and risk, performance and environmental impact, customers and communications, workforce and partnership (with detailed reports as currently provided appended to the dashboard)

- A single performance report:
 - bringing together the currently separate performance, risk and health and safety reports.
 - Whilst headline analysis of key financial metrics will be included within this report, a separate finance report will continue to be produced given the significance to all partners of this
 - data related to communications and customers (complaints and service quality issues) will also be covered in this report, reflecting the importance of customer service in the proposed revised vision. This will include an annual survey of attitudes of people in Somerset to recycling (which Viridor are undertaking on our behalf at no cost, so we can benchmark results against others)
- It is proposed that further improvements will be made to performance reporting as a result of the work SWP propose to do on our strategy, and as a result of the national Resources and Waste strategy expected in the autumn. This is likely to include moving towards metrics which give a better assessment of our environmental impact than current weight based targets.

3. Consultations Undertaken

Consultation on findings in this report have been undertaken with SWP's Senior Management Group (officer representatives from partner authorities) and with SWP's Senior Management Team.

4. Implications

Whilst the performance report is normally for information only, the issues around service quality (in particular missed collections) have potentially significant implications:

- Customer dissatisfaction: If the service degrades further then we potentially risk losing the goodwill of the public in Somerset. We ask a lot of the public in Somerset so it is crucial that we fulfil our 'contract' with them to pick their recycling and refuse up on time, leave their environment tidy and resolve issues quickly and effectively. This will be particularly important as we implement the new service model and encourage and enable people to recycle even more.
- Reputational damage: If service quality is not at an acceptable level then there is a risk for reputational damage for SWP, partner authorities and Kier. This could impact upon our effectiveness in working to change public behaviours.

5. Background papers

- 5.1. No background papers referenced for this report.
- 5.2. The following appendices show 2017-18 performance, compared to 2016/17:
- Appendix A1 – shows tonnage by material type as well as the former key national performance indicators, for the Partnership, arranged in alphabetical commodity order and showing 3 comparative years.
 - Appendix A2 – shows headline kg per household performance, split between ‘Collection Services’ and ‘Recycling Sites’, with a combined Somerset Waste Partnership result.
 - Appendix A3 – indicates the weight and variation from 2016-17 of waste and recycling through the recycling sites, as well as the site recycling rates and total number of recycling site visitors.
 - Appendix B1 – shows the level of missed collections compared to all periods in 2016-17, as well as the level of repeated missed collections.
 - Appendix B2 – shows the level of reported flytips, broken down by waste type and District across Somerset.

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Tonnage Comparisons for April - March 2017-18 compared with the same periods in 2015-16 & 2016-17

Material & Source	Tonnage Comparisons				
	April - March			Weight Variance	Percentage Variance
	2015-16	2016-17	2017-18		
1 Batteries	160	159	163	5	3.07%
2 Bric-a-brac (Reuse)	529	434	375	-59	-13.49%
3 Cans	2,162	2,117	2,251	134	6.33%
4 Cardboard	15,055	11,432	11,091	-341	-2.98%
5 Clothes and Shoes	1,922	1,894	1,903	9	0.48%
6 Cooking Oil	14	9	19	10	115.49%
7 Food Waste	17,913	18,456	18,229	-227	-1.23%
8 Fridges and Freezers	886	983	961	-21	-2.17%
9 Furniture	262	272	250	-22	-8.25%
10 Garden Waste	42,912	44,174	43,679	-495	-1.12%
11 Glass	15,138	15,184	15,263	79	0.52%
12 Miscellaneous materials	0	0	2	2	100.00%
13 Mineral Oil	64	36	22	-14	-39.68%
14 Mixed Paper and Cardboard	288	4,055	4,131	76	1.89%
15 Non Packaging Scrap Metal	5,163	5,241	4,991	-250	-4.76%
16 Other Electrical Goods	3,554	3,404	3,250	-155	-4.54%
17 Other Packaging (Cartons)	28	23	27	4	16.30%
18 Paint	0	47	197	150	317.84%
19 Paper	12,563	11,416	10,551	-865	-7.58%
20 Plasterboard (Non-Household)	929	231	260	29	12.75%
21 Plastics	3,070	3,448	3,214	-234	-6.79%
22 Street Sweepings	8,117	7,670	6,930	-740	-9.65%
23 Wood	6,148	6,143	5,810	-333	-5.42%
24 Household Reused, Recycled & Composted	135,949	136,596	133,309	-3,287	-2.41%
25 Non-Household Reused, Recycled & Composted	1,664	986	1,171	186	18.87%
26 Total Reused, Recycled & Composted	137,613	137,582	134,480	-3,102	-2.25%
27 Asbestos	332	118	101	-17	-14.18%
28 Incineration (With Energy Recovery)	4,520	4,544	4,776	232	5.10%
29 Incineration (Without Energy Recovery)	5	11	1	-10	-91.05%
30 Residual to Landfill (Collection Services)	99,742	101,870	101,881	11	0.01%
31 Residual to Landfill (Recycling Sites)	16,772	16,031	14,918	-1,113	-6.94%
32 Sweepings Converted to RDF	251	237	214	-23	-9.66%
33 Total Household Arisings	257,421	259,064	254,985	-4,080	-1.57%
34 Total Household Landfilled	116,483	117,795	116,798	-997	-0.85%
35 Non-Household Landfilled	5,441	4,409	4,478	69	1.56%
36 Bottom Ash (From Incineration) Landfilled	60	61	63	3	4.68%
37 Total LACW Landfilled	121,332	121,383	120,147	-1,236	-1.02%
38 Total LACW	264,526	264,554	260,633	-3,921	-1.48%
39 NI 191: Residual Household Waste per Household (kg)	483.84	488.19	479.72	-8.47	-1.74%
40 NI 192: Household Waste Reused, Recycled & Composted	52.85%	52.73%	52.28%		-0.45%
41 NI 193: LACW Landfilled	45.87%	45.88%	46.10%		0.22%

Key: Miscellaneous materials -

WEEE - Fluorescent tubes and other light bulbs
Ink & toner cartridges

Performance Increase >

< Performance Decrease

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Somerset Waste Board meeting
29 June 2018
Report for decision

Somerset Waste Partnership Vision and Strategic Direction

Lead Officer: Mickey Green, Managing Director

Author: Mickey Green

Contact Details: 01823 625707

Forward Plan Reference:	
Summary:	This report reviews the Somerset Waste Partnership's (SWP's) current vision and seeks approval to an updated vision. It also seeks approval to commence work on a long term household Waste Management Strategy for Somerset.
Recommendations:	<p>It is recommended that the Board:</p> <ol style="list-style-type: none"> 1. Approves the revised vision as set out in paragraph 2.3 of this report, subject to any suggested changes made at the Board meeting; 2. Amends the action in section 5.2 the Business Plan 2018-23 (to refresh SWP's waste prevention strategy) to produce a longer term waste management strategy as outlined in paragraph 2.4 of this report.
Reasons for recommendations:	To ensure that our vision clearly reflects who we are, what we value and what we want to become, and that we have a clear approach to realising our vision, informed by the national 25 year Resources and Waste Strategy (expected in Autumn 2018).
Links to Priorities and Impact on Annual Business Plan:	The proposal would impact on both section 3 of the SWB Approved Business Plan 2018-23 (SWP's current vision), and task 5.2 (the refresh of SWP's Waste Prevention Strategy).
Financial, Legal and HR Implications:	Our vision and strategy should shape everything we do and hence will have implications for the whole of SWP. The strategy is not predicated on a certain level of funding.
Equalities Implications:	None.
Risk Assessment:	The risk of not having a clear vision and strategic direction is that we are not clear on what success looks like, have unrealistic ambition or make sub-optimal decisions in the short term.

1. Background

- 1.1. SWP has not reviewed its vision since 2013, and has no current overarching long term strategy. We now plan to move away from landfill, to recycle even more at the kerbside, to introduce new technology to our services, to change our kerbside collection contractor, to review our Recycling Centre contract, and we're in the process of reinvigorating the way we engage with the public – from our schools against waste programme to our active social media presence. The world around us is also changing – the 'Attenborough effect' means the public mood is changing, industry (supermarkets and producers) have significant plans to move away from single use plastic, waste is back on the national policy agenda, and Somerset's demography continues to change.

SWP needs to refresh its long-term waste management strategy because we need to be clear about our long-term ambition in order to ensure our activities are as joined up as possible (internally and externally), and so that we are clear against what expectation we are tracking our performance. The first step in developing a long-term strategy is to ensure that we are very clear on our vision – who we are, what we value, and what we want to become.

2. Refreshing our vision

- 2.1. Our current vision (as set out in the 2018-23 and previous Business Plan) is to:

- *Drive material up the waste hierarchy and, where sustainable markets exist, into the circular economy**
- *Avoid landfill and encourage high participation in waste avoidance, reuse, recycling and food waste collection schemes*
- *Engage with local people, support economic wellbeing and use efficient, sustainable and affordable solutions at every stage of the process*
- *Encourage and facilitate innovation, joined up strategy, policy and operations across the county*

* A circular economy is one where resources once used are not disposed of, but become feedstock materials or energy for making new products, thus reducing reliance on raw materials and waste disposal. A "closed loop process" is a variation of this where recovered materials are recycled into the same product. The benefits of a circular economy include reduced energy consumption, resource security and lower environmental impacts. A circular economy works most effectively where there are clear incentives for all persons on the loop (manufacturers, retailers, consumers, local authorities, reprocessors) to move the material around the loop.

- 2.2. An effective vision needs to be widely understood and collectively shared, and only matters if it actually shapes what we do. It should describe who we are, what we do, what we value and where we're going. In a simple and clear way it should describe to stakeholders:

- *our reason for being*
- *how we aim to serve stakeholders (customers, workforce & partners)*
- *our values (beliefs and guiding principles)*
- *where we want to be in the future*
- *our purpose and aspirations: what we want to become*

2.3. Discussions with SWP staff, the Strategic Management Group, stakeholders and members have shown that our current vision doesn't do this as clearly as it might. Accordingly the following revised vision is proposed for SWP:

Our reason for being:

We ensure our household waste is never wasted but given new life as a valuable resource. We deliver excellent customer service and value for money through our work to create a more sustainable Somerset.

Who we are:

Somerset's Local Authorities work together as the Somerset Waste Partnership to ensure our household waste is reduced, reused, collected, recycled and treated effectively.

What we want to become:

Through the passion, care, insight and expertise we bring to everything we do we will be seen as an exemplar for how we manage waste, how we work with others, and how we support people to change their behaviour.

What we value:

<i>Collaboration</i>	<i>Quality</i>	<i>Insight</i>	<i>Innovation</i>
We treat everyone we work with as an equal, and know we have greater impact when we work with others	We focus on quality in the way we serve our customers and in the way we get the most of the resources we collect	We work with our partners to generate and share insights about how and why people behave the way they do, and use it to shape what we do	We innovate and learn from others, recognising that we learn even when things don't go to plan

2.4. Waste Strategy

SWP needs to refresh its long-term waste management strategy because we need to be clear about how we will deliver our vision and our level of ambition over the longer term. It should set out our shared ambition, identify the outcomes we wish to achieve, set high level targets and our over-arching approach to achieving these targets. It will not duplicate the detailed plans of what we will do to achieve our ambitions, which will continue to be set out in our Business Plan (which will remain on a rolling 5-year horizon). An effective waste management strategy won't sit on the shelf but inform the Business Plan and how we report our performance to the Somerset Waste Board.

A SWP Waste Management Strategy will set out a long term framework for resource efficiency and waste management for domestic waste in Somerset for the next 25 years (to 2042). This length of time aligns with National Government's 25 year Environment Plan (published in Spring 2018) and the expected focus of the national Resources and Waste Strategy (expected in Autumn 2018). SWP's strategy will also need to align with SCC's Waste Core Strategy 2013 – 2028 (currently being revised).

The following objectives are proposed for SWP's waste management strategy:

1. Sets ambition for the future and key milestones
2. Provides clarity as to whether we're on track to achieve our goals
3. Shapes what we and our partners do (and don't do)
4. Is understood by staff and stakeholders
5. Reflects how we expect Somerset and our sector to change

As part of this it will encompass:

- A strategic framework for how we approach service developments to improve waste reduction, reuse, recycling and treatment
- Our approach to delivering excellent customer service and support (underpinned by appropriate technology)
- How we approach behaviour change, communications and engagement
- How we engage with communities, businesses and schools
- How we work with partners on areas like littering, fly-tipping and enforcement

3. Next steps

Whilst we can start work on SWP's strategy ahead of publication of the national Resources and Waste Strategy (expected in Autumn 2018), it would not make sense to conclude work on our strategy until after we have fully understood the direction of travel for national policy.

A key challenge for the strategy will be how we set realistic ambition when we cannot be certain of the level of funding for services in the future (or other changes beyond our control). It is proposed that the scoping phase of the project will explore scenarios of different levels of ambition, with the minimum trajectory being the EU circular economy package targets announced earlier in 2018, the high level target being 55% by 2025, 60% by 2030 and 65% by 2035. The zero waste strategies in Wales and Scotland may also provide useful benchmarks.

It is proposed that the Strategic Management Group of senior officers from each partner authority will act as the project board. Members will be consulted through the Somerset Waste Board and the Joint Waste Scrutiny Panel. To support the development of the strategy an expert advisory panel will also be established to shape the development of the strategy. This will include representatives from industry, local green groups, local communities, SWB representative, and potentially local MPs. Subject to national government policy timetable, consultation with these groups will be at the following key milestones:

- June/July: To agree the scope and approach, and to explore ambition
- Autumn: To review the implications for Somerset of the national Resources and Waste Strategy
- Winter: To review (and endorse the final draft of the strategy)

4. Background papers

4.1. None

Appendix 1: Summary of National Government's 25 year Environment Plan

Theme	Ambition	Action/area of work
Targets	Zero avoidable waste by 2050	New Resources and Waste Strategy to be published in 2018 will set out UK's approach to reducing waste, promoting markets for secondary materials, incentivising producers to design better products and how we can manage materials at the end of life by targeting environmental impacts. Recognises need to stop producing so much waste, more efficient production processes, better designed products that reduce waste and use recycled/reused materials wherever possible, and that we must ensure that we are not simply exporting waste to other countries
	Eliminate avoidable plastic waste by 2042	
	Meet current targets & develop ambitious new targets and milestones	
	Work towards no food waste entering landfill by 2030	
Plastics product lifecycle	Production stage: encourage producers to take responsibility for the environmental impacts of their products and rationalise the number of different types of plastic	Working with industry
		Reforming and possibly extending producer responsibility systems
		Exploring whether other problematic materials with suitable alternatives should be banned, like microbeads have been
		Seeking to accelerate innovation of more sustainable materials
	Consumption stage: reduce the amount of plastic in circulation through reducing demand for single-use plastics	Removing all single use plastics from central gov't estate
		Extending the successful 5p plastic bag charge to small retailers
		Seeking to significantly extend refill points to top up water bottles
		Working with retailers to introduce plastic free supermarket aisles
	End of use stage: making it easier for people to recycle by	Continuing to support industry led on-pack recycling labelling system and encouraging take up
		Implementing voluntary & regulatory interventions to cut the amount of litter and improve recycling and packaging reuse
	End of use stage: Improve the rate of recycling	Working with the waste management industry and reprocessors to significantly increase the proportion of plastic packaging that is collected and recycled
		Develop a standard for biodegradable plastic bags
		Develop a new cross-sector commitment to tackle plastic waste (applying circular economy principles), starting with packaging
Residual Waste	Improving management of residual waste (particularly Energy from Waste)	Explore different options for managing residual waste beyond electricity (including the production of biofuels for transport)
		Increase the use of heat produced at waste facilities through better connection to heat networks
		Investigate ways to cut carbon dioxide emissions from EfW facilities by managing the amount of plastics in residual waste
Collections	Committed to supporting comprehensive and frequent waste and recycling collections which protect local amenity & ensure that products are recycled as much as possible, returning high quality materials back to the economy	Accelerate the shift to consistency in materials collected through the WRAP Framework for greater consistency working with industry and local authorities to ensure that a consistent set of materials are collected by all local authorities (especially plastics)
	<i>Continue to implement the</i>	<i>Introducing new regulations to improve local authorities' enforcement</i>

r	Government's Litter Strategy for England (note that this is not SWP responsibility, but is of relevance)	<i>powers, supported by new guidance on its proportionate use.</i>
		<i>Developing a national antilittering campaign, led by the government and funded by the private sector</i>
		<i>Distributing a £450,000 litter Innovation Fund to pilot, implement and evaluate small scale local research projects that could be replicated more widely</i>

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Somerset Waste Board meeting
29 September 2018
Report for decision

Recycle More & Collection Contract Procurement: Update

Lead Officer: Mickey Green, Managing Director

Author: Bruce Carpenter

Contact Details: 01823 625710

Forward Plan Reference:	
Summary:	This report summarises progress in procuring a new collection contractor (and hence delivery of Recycle More) since the Somerset Waste Board agreed to end its kerbside waste and recycling collections contract with Kier in March 2020. A key project milestone was achieved on 20 April 2018 when a contract notice was published in the Official Journal of the European Union.
Recommendations:	It is recommended that the Board notes the progress made in procuring a new collection contract.
Reasons for recommendations:	To ensure that the Somerset Waste Board is kept up to date with this major procurement exercise and has the opportunity to shape the approach taken.
Links to Priorities and Impact on Annual Business Plan:	The procurement delivers Task 5.2 within the SWB Approved Business Plan 2018-23 concerning the implementation of future collection arrangements.
Financial, Legal and HR Implications:	In addition to delivering the environmental benefits of Recycle More a new collection contract aims to deliver significant savings to all partners, through reduced contract costs, lower disposal costs and additional recycling credits for district partners – estimated in total at up to £1.7m. It is evident from soft market testing that all potential suppliers are becoming more risk averse, and the ripple effect of China’s restrictions on low quality recyclate imports is creating uncertainty in the market. A robust procurement process has been developed to realise these benefits, enable potential suppliers to propose innovative solutions to meet our environmental and financial objectives, and ensure that risks are shared appropriately. Staff will TUPE transfer to the new contractor, and SWP aims to proactively engage with staff throughout the procurement process.

Equalities Implications:	None.
Risk Assessment:	The risks related to the procurement of a new collection contractor and Recycle More have been reviewed (see agenda item 10) and are set out in the updated risk register.

1. Background

- 1.1. A progress report on the procurement of a new waste and recycling collection contractor was presented to the Board on 23 February 2018 (Agenda Item 9). This report provides a summary of progress since then.

2. Progress to date

- 2.1. A key project milestone was achieved on 20 April 2018 when a contract notice was published in the Official Journal of the European Union (OJEU). This was the culmination of very busy period to prepare the tender pack that comprised the following documents:

- Contract Notice
- Document A: Instructions to Applicants: Pre-Qualification Questionnaire (PQQ)
- Document B: Pre-Qualification Questionnaire
- Document C: Instructions to applicants: Invitation to Submit Detailed Solutions (ISDS)
- Document D: Descriptive Document
- Document E: Contract Terms and Conditions:
 - Definitions
 - Payment mechanism and performance schedule
 - Assets
 - Authority depots and heads of terms (for leases)
 - First employees list (TUPE)
- Document F: Specification
- Document G: Response document
- Data Room
- Pricing schedule and financial evaluation mechanism

The documents were prepared and reviewed by the project team including our commercial/technical advisors, procurement and legal specialists.

- 2.2. As previously reported the content of the tender documents were informed by the soft market engagement sessions held in December. In response to these sessions the documents allow potential suppliers to submit variant proposals on the following issues:

- Managing risk on recyclate: Our starting position on sharing risk on materials value is that suppliers must submit a compliant bid based on the 50/50 risk share mechanism set out in the tender documents. However, bidders also have the opportunity to make an alternative proposal as a variant bid.

- Service methodology: In addition to a compliant bid based on the specified kerbside sort collection model we have allowed suppliers to vary specific elements of the specification – around containment, frequency and materials collected.

Variant bids will only be allowable at the initial submissions stage of the procurement, and SWP will use these variant bids to inform the development of the final specification and our approach to final tenders. Our control over the final tender specification ensures we retain full control over what service specification is actually implemented – but with the benefit of having seen whether variants (or elements of them) will deliver better environmental or financial benefits. Members will receive a confidential report on the outcome of the ISDS stage at the additional meeting of the Board on 19 October.

2.3. Outline of the submission, evaluation and moderation process

Pre-Qualification

Potential suppliers had until 25 May to submit the pre-qualification questionnaire (PQQ). This comprises a standard template but with the addition of scored questions. These were set by the project team and require bidders to provide case studies demonstrating their experience in key areas of the services:

- Delivering service changes
- Service improvement based on the use of data
- Delivering mid-term cost savings
- Improving productivity
- Marketing of materials
- Health and safety initiatives to mitigate key risks

We received PQQ submissions from five interested parties. At the time of writing this report the PQQs are being evaluated and moderated by the project team. However, we have been advised that the names of the potential suppliers should not be released for the time being in order to protect their commercial positions within the procurement procedure and to maintain competition.

The Board granted the Managing Director delegated authority to select the longlist of potential suppliers that would be invited to engage in dialogue and submit detailed solutions at its meeting on 3 November 2017.

Competitive dialogue and submission of detailed solutions

There will be two phases of dialogue, before and after the submission of detailed solutions. The purpose of the first stage of dialogue sessions is to provide clarification to bidders on the contract requirements and to ensure they fully understand what we are trying to achieve through the procurement process. These sessions will be conducted over two full days with each bidder. In addition, bidders will be invited to join a tour of the existing service depots. The intention at this stage is to reduce uncertainty and enable the suppliers to price confidently and competitively to deliver best value.

Please note that it will not be until we have received ISDS submissions that we

will see suppliers proposed methods of working, resource levels, vehicle selection and depot plans.

The ISDS submissions will comprise a completed pricing schedule, method statements (approximately 40,000 words) and various forms and certificates and must be submitted by 24 September. The project team, assisted by officers from partner authorities and specialists will evaluate the submissions between 24 September and 12 October. Moderation will take place between 15 and 19 October.

There will be no de-selection following moderation of ISDS.

2.4. Appeals process

If an appeal was received from a supplier following deselection at PQQ stage, it would be brought to the project team for a discussion to determine our approach. The grounds for an appeal would have to be considered on the relevant facts but it is difficult to envisage any such grounds in legal terms providing the evaluation criteria are applied as specified and that the deselection was on the basis of the criteria communicated to bidders at the time the PQQ was published.

Where a bidder appeals the decision to deselect where the evaluation criteria have been correctly applied, it would be necessary to determine if discretion should be used to accept the appeal. In these circumstances, acceptance of the appeal would in effect change the evaluation criteria and it would be necessary to publish the decision in OJEU and notify the other bidders. Alternatively, if the appeal is rejected on the basis that there are no legal grounds for the appeal then the procurement process could continue. This would also be the case if the applicant escalated the appeal to the courts.

Having said all this and to put it into context, the SCC procurement team have not had any appeals from deselected suppliers at PQQ stage on any other procurement projects.

3. Next steps

- 3.1 An outline of the remaining stages of the procurement project following moderation of the detailed solutions is provided in the table below:

Phase	Time	Comments
Dialogue on final tenders	Nov – Dec 2018	It is at this stage that we will be able to negotiate on commercial, legal and waste technical matters identified at ISDS to improve outcomes.
Final tenders	Feb 2019	This includes, evaluation, governance (ahead of pre-election period for DC elections in 2019) and standstill period. Contract award at February 2019 SWB meeting.
Mobilisation	May 2019 – end March 2020	This is the period in which the new provider gears up to provide the services including procurement of vehicles, plant and equipment.
Commencement	28 March 2020	The first collections by the new provider will be on Monday 30 March 2020.
Complete roll out of Recycle More	End of March 2022	The specification requires that Recycle More must be rolled out in 5 phases within 2 years of commencement, including a bedding in period of 3 months and allowing for a period of learning and reflection in March and April 2020.

4. Contingency plan: Local Authority Company (LAC)

- 4.1 SWP have commenced work to further explore this option. Research is being carried out on the implications of forming a LAC and a plan is being developed that identifies the actions and resources necessary at key milestones of the procurement project to ensure the contingency plan could be implemented .

5. Depot Options

- 5.1 Potential suppliers will be offered use of the depots that our kerbside collection services are currently primarily delivered through: 3 main depots (Bridgwater, Taunton, Evercreech) and 2 satellite depots (Roughmore in Williton and Lufton in Yeovil – refuse only).

However, feedback from soft market engagement with potential suppliers indicated that the number, size and location of these depots are not ideal and may prevent bidders from realising efficiencies and delivering best value to SWP. To mitigate this risk we have undertaken an extensive search for a new depot site to the west of the M5 motorway and identified a site that has potential to enable the consolidation of services provided from Bridgwater, Taunton and Williton. However the time available to evaluate the site, conclude negotiations with the current owners, gain the necessary consents and prepare for development is extremely tight. As a consequence Members should be aware that it may be necessary to incur some costs in order to carry out a preliminary investigation of suitability for development prior to securing an option on this the site.

We have also been considering options to reconfigure land in the east of the county that will be assigned to us at the expiry of the contract with Kier to make it more suitable for the type of operations we anticipate bidders will propose.

It is important that we obtain as much clarity as possible on these new depot options in the initial dialogue stage, although we will not have certainty whether such a facility is required until we have received final tenders.

6. Communal Collections

- 6.1** The original proposals to introduce Recycle More through negotiation with Kier in 2017 included an expansion of the range of materials that could be recycled at communal properties. At present this is limited to newspaper and magazines, glass and food and drinks cans. Recycle More would add cardboard and plastic bottles, tubs and trays to this mix. However, as it was not possible to conclude the negotiations with Kier, these plans have been delayed. We have therefore been trying to develop an interim solution that would be cost neutral and could be implemented without an impact on the vehicle and plant resources provided by Kier for the communal service.

Provision of waste and recycling collections to communal properties is an essential area of the services that are currently provided to over 600 (and growing) blocks of residences. However, delivering the services to these properties is also complex and problematic. There is considerable variation in the size and type of communal properties varying from blocks of 10 residences to over 60 in some “high rise” blocks and up to 150 in retirement villages. These different types of property have different requirements in terms of storage capacity and frequency of collection and it is difficult to provide a “one size fits all” waste and recycling collection service. The use of large bins on constrained sites and in bin stores does not fit well with the services provided to other households. Many sites are prone to contamination of the recycling containers and side waste. Having said that, other sites perform well and residents are keen to do more.

To address these issues our approach is to:

- Encourage residents of communal properties to use the full range of kerbside services where possible. (That is, where they are able to store recycling and food boxes within a storage area or with reasonable access to the kerbside).
- Continue commercial negotiations with our contractor to increase the range of materials at selected sites to include cardboard and plastic bottles
- Engage with residents to resolve problems of misuse or contamination but, if all reasonable attempts to change behaviours fail, to consider the removal of recycling facilities at sites that have proved to be excessively expensive to service. This will also have to be considered in the context of the on-going contract performance issues.

7. Background papers

7.1. Report to SWB “Recycle More” 16th December 2016.

7.2. Report to SWB “Contractual Negotiations for Recycle More” 30 June 2017.

Confidential Report to SWB “Contractual Negotiations and Procurement Strategy for Recycle More” 3 November 2017.

7.3. SWP Business Plan 2018-23 Approved by SWP on 15th December 2018.

7.4. Report to SWB “Recycle More & Collection Contract Procurement: Update” 23 February 2018

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Somerset Waste Board meeting
29 June 2018
Report for information

Risk Update

Lead Officer: Mickey Green, Managing Director

Author: Mark Blaker, Business and Governance Manager

Contact Details: 01823 625720

Forward Plan Reference:	
Summary:	Update on changes to SWP risk profile.
Recommendations:	That the Somerset Waste Board notes and comments on changes in the SWP risk profile as described.
Reasons for recommendations:	Good practice in response to SWAP internal Audit recommendations.
Links to Priorities and Impact on Annual Business Plan:	Risk Register included within the Business Plan.
Financial, Legal and HR Implications:	N/A
Equalities Implications:	N/A
Risk Assessment:	(Inherent to purpose of report)

1. Background

- 1.1. This is a regular update to notify SWB members of changes to or developments within the annual SWP Risk Register, as included with the Annual Business Plan.
- 1.2. The Risk Update is a standing item on SWB agendas and is intended to provide an opportunity to alert Board members to newly identified or escalating risks that may have a significant impact on service delivery.
- 1.3. Incorporation of this item on SWB Agendas was a recommendation of SWAP internal Audit review.

2. New or changing Risks / Opportunities Identified and Mitigation Measures

- 2.1.** The risk register (appendix A) has been updated.
- 2.2.** Opportunity 5 – Significant progress has been made with promotion of plastic reduction initiatives, with addition of recycling facilities for plastic pots, tubs and trays (PTT) at all sixteen recycling sites (including Cheddar, which previously had no plastic collection point of any kind); launch of the SWP Pledge Against Preventable Plastic; establishment of SWP as lead agency for Somerset in the national Refill campaign.
- 2.3.** Risk 1 and 2 – Changes to the membership of the partnership are underway with West Somerset and Taunton Deane combining to form a new authority and discussions commencing regarding a Somerset Local Government Reorganisation.
- 2.4.** Risk 3 – Redundancies are planned for two members of SWP staff, with a review of SWP staffing structures to follow to ensure SWP is well positioned for the organisational and technological challenges of the next few years.
- 2.5.** Risk 6 – Linked to Risk 3, SWP recognises the specific need to ensure we optimise the opportunities that will be presented by introduction of in-cab technology and other innovations. Our strategy will be to work more closely with IT teams from partner authorities to ensure solutions delivered are robust and effectively delivered.
- 2.6.** Risk 23 – Noting known issue regarding settlement of outstanding pension discussions.
- 2.7.** Risk 34 – Kier report increasing difficulties in recruiting staff as competition from Hinckley C intensifies and the impact of Brexit is felt. This is having a significant and growing impact on ability to recruit permanent staff, resulting in daily shortfalls in full staffing levels. SWP have introduced weekly conference calls with Kier Directors to ensure performance does not degrade. SWP also investigating opportunities for improved promotion and collaborative solutions with partner authorities.
- 2.8.** Risk 35 – Combined with Risk 34 it is important to manage to closing months of the contract to ensure service delivery is maintained.
- 2.9.** Risk 44 – There have been two service affecting break-ins at Colley Lane and Walford Cross depots in recent weeks, with thieves targeting batteries and fuel.
- 2.10.** Risk 46 – There have been two incidents reported recently, one in Street and one in Bridgwater, of vehicles mounting pavements while crews were loading recycling, rather than waiting for the road to clear. In one case a 4x4 ran over a crew member's foot, though fortunately no serious injury was sustained. SWP continues to take endangering of staff delivering services extremely seriously and support contractors pursuing legal action where necessary.

3. Consultations undertaken

3.1. N/A

4. Implications

4.1. Implications, benefits and opportunities of risk management are well understood and are embedded in SWP operational and strategic management approach.

5. Background papers

5.1. SWP Annual Risk Register

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SWP Strategic Risk Register

Last Updated:

30th May 2018

Ref	Business Plan Link	Cause	Description of risk	Consequence	Assess current risk		Risk rating	Change from last review	Control measures currently in place and additional mitigating actions/control measures planned	Target risk score		Target rating
					Likelihood	Impact				Likelihood	Impact	
Opportunities												
Op 1	Building Capability	We are a multi partner organisation working in a political environment	Opportunity to tackle new and emerging issues from an holistic and mutually supportive perspective	Economies of scale in analysis, planning and managing responses to new legislation or Govt policy or other changes in the operating environment.	4	4	16	↔	The Board is well established and well regarded with a good track record of financial management, value for money, innovation and a reputation for delivery. Maintain culture of innovation with support from Board. Seek / bid for external funding where possible. Develop Waste Minimisation Strategy.	5	4	20
Op 2			Opportunity to influence commercial waste and waste producers in Somerset	SWP, as a partnership, has a good reputation in the industry and could bring that to bear by creating links with local businesses and business groups.	3	3	9	↔	SWP will be considering opportunities as part of a recently initiated review of the Waste Minimisation Strategy. Opportunity will be developed through implementation of the new strategy.	3	3	9
Op 3		Financial Pressure on Partners	Opportunity to market experience internally & externally	Obtain income from marketing experience and advice	4	3	12	↔	SWP is open to secondment and consultancy opportunities, though focus on Somerset initiatives reduces capacity for this.	4	3	12
Op 4	Action on waste prevention, reuse, recycling and recovery	Householder behaviour	Opportunity: Encourage householders to save money individually by waste reduction and wider community to recycle.	Waste reduction and improved participation and capture rates.	3	3	9	↔	Directed Communications campaign. Promotion using variety of media	4	4	16
Op 5			Opportunity to capitalise on the 'blue planet' effect and increased awareness of the impact of plastic consumption	Opportunity to encourage households to change their consumption behaviours and encourage local producers to change their choice of packaging materials	3	3	9	↔	Acceptance of plastic pots, tubs and trays at recycling centres. Introduction of the 'Pledge Against Preventable Plastic' and adoption of lead role in local Refill campaign. Increased and ongoing communication programme.	4	3	12
Op 6		Recycle More Implementation	Opportunity to align Core Service review (see Business Plan) with refreshment of kerbside services.	Opportunity to ensure all public facing services are aligned so the complement each other and are more easily understood and used by residents.	3	3	9	↔	Detailed consideration of opportunities presented as part of integrated approach to the review.	4	4	16
Risks												
1			Membership of the Partnership changes.	Governance and cost sharing arrangements are out of date. Services must be maintained.	5	3	15	↑	West Somerset/TDBC merger. Local Government Reorganisation discussion. SWP reviewing impacts on Inter Authority Agreement and cost-sharing arrangements to ensure all areas where change is required are identified and managed in the spirit of the agreements.	4	2	8

SWP Strategic Risk Register

Last Updated:

30th May 2018

Ref	Business Plan Link	Cause	Description of risk	Consequence	Assess current risk		Risk rating	Change from last review	Control measures currently in place and additional mitigating actions/control measures planned	Target risk score		Target rating
					Likelihood	Impact				Likelihood	Impact	
2	Building Capability	Financial Pressure on Partners	Due to ongoing financial pressures one or more partners requires savings that impacts on existing services	Reduced performance and /or transfer of costs to others. Increased whole system costs	4	4	16	↑	Well established budget management processes are effectively maintained. Dialogue between Board members & Cabinet/Executive Colleagues on future service/savings requirements (SWB)	3	3	9
3			SWP Team does not have sufficient capacity and capability to be sufficiently effective, or is too reactive	Impacts on recycling performance, contractor performance and customer call centres	3	3	9	↔	To date team reduced by natural wastage and one redundancy plus one officer on secondment. Redundancy agreed for two further members of staff and planning for review of the team structure is underway.	3	2	6
4	Building Capability	We are a multi partner organisation working in a political environment	Loss of shared vision and trust between partners	Difficulty agreeing priorities, impact on reputation of partners. Focus becomes on managing negative relationships, not the business	2	4	8	↔	Involve all partners in the business plan process and continue to promote early dialogue about issues via SMG group and with individual partners as appropriate. Maintain awareness of partner pressures and aspirations via the Somerset Waste Board, SMG and formal/informal contact with all partners	1	4	4
5			Lack of member engagement and/ or frequent member turnover.	Potential failure within partners to understand basis and benefits of SWP. Diversion of attention to managing relationships not the business	2	4	8	↔	SWP to work with SWB to refresh the SWP vision. Induction Training for new members, involve all partners in the business plan and strategy development process, monthly member briefings, continue to attend and inform scrutiny committees and other local bodies including TCs/PCs	1	4	4
6			Lack of resources within SWP mean issues arise during implementation of new SWP Customer Service system	Use of legacy system (Wisper) is extended, increasing risk of failure and creating demand on support resource.	2	3	6	↔	New system (My Council Services) has been procured and significant work completed on development. Anticipate working system, with full connection with Echo live in September 2018. It is clear this is a challenging programme for SWP and discussions are underway with partner authority IT teams to find better ways of collaboration as we move toward more sophisticated collection contractor systems in 2020.	2	2	4
7			Inefficiencies due to customer relations IT not being joined up	More staff required to do same job, slower response to customers	3	3	9	↔	New customer service systems being introduced adding flexibility and efficiency. Review IT strategy. Plan and schedule next generation IT, including collection service "in-cab" and tracking systems in tandem with Recycle More procurement process. Create engagement with partner IT teams.	2	3	6
8			External agencies fail to understand us and penalise effective joint working (e.g. loss of partial VAT exemption).	Unexpected costs and/or time consuming and otherwise pointless changes to our contractual & governance arrangements	3	3	9	↔	Joint approach to briefing and lobbying at appropriate level. Act quickly and in a concerted way to any new threats (SMG)	2	2	4

SWP Strategic Risk Register

Last Updated:

30th May 2018

Ref	Business Plan Link	Cause	Description of risk	Consequence	Assess current risk		Risk rating	Change from last review	Control measures currently in place and additional mitigating actions/control measures planned	Target risk score		Target rating
					Likelihood	Impact				Likelihood	Impact	
9			Planning authorities agree new developments without consideration of waste requirements	Poor developments may not fit standard collections model and require different arrangements leading to increased costs and frustration for householders.	3	3	9	↔	SWP working with partners to incorporate developer's guidance into planning. SWP have worked closely with SDC planning team to try to improve solutions in Bridgwater town centre and have agreed a secondment with SCC planning team to provide expertise and capacity.	2	3	6
10	Action on waste prevention, reuse, recycling and recovery	Householder behaviour	Increase in material in refuse bins	Heavy material goes in kerbside bins not to Recycling Centres. Impacts on district recycling rate (not to Somerset overall).	4	3	12	↔	Waste composition analysis and participation monitoring. Directed Communications campaign, review messages to the public about how to use services sustainably. Promote cost effective disposal routes for business waste. Promotion using variety of media, encourage members to take ambassadorial role in promoting benefits of services (Comms Team, SWB Members)	4	2	8
11			Reduction in recycling materials	Loss of income while some costs remain fixed. Increase in disposal costs if put in refuse instead.	3	3	9	↔	Positive promotion of services. Promotion using variety of media as described in the Communication Plan (Comms Team)	2	2	4
12			Poor separation of materials by householder	Loss of income if material quality deteriorates. Reduced efficiencies due to increased sorting time.	3	3	9	↔	Review of waste composition and kerbside presentation analysis, with opportunity to develop targeted communication plan.	3	3	9
13			Reduction in existing or new garden waste customers	Loss of income while some costs remain fixed	2	3	6	↓	Positive promotion of services. Note that customer base has increased year on year in recent years. Promotion using variety of media Numbers holding strong, some service issues ongoing.	2	2	4
14			Lack of interest from bidders, uncertainty about RM service model or similar procurements going to market during the same period.	Bidders drop out and we fail to have a competitive process and deliver best value.	3	4	12	↔	Management of an effective pre-procurement phase and dialogue process. Liaise with other authorities procuring at the same time. Assessment of pre-procurement phase to gauge appetite of market for Somerset procurement. Go/No Go decision. Contingency plan is to establish a LAC	2	2	4
15	Bidders take a risk averse approach due to lack of experience with RM service	Bidders price high to mitigate risks.	3	4	12	↔	Management of an effective pre-procurement phase and dialogue process. Risk sharing on materials values and yields is likely to reassure bidders. Amended procurement approach following pre-procurement	2	2	4		
16	Failure to achieve economic and efficiency objectives through the procurement.	Failure to achieve economic and efficiency objectives would impact on partners MTFPs. Reputational damage to SWP. Cuts to services may be necessary.	3	4	12	↔	Management of an effective pre-procurement phase and dialogue process. Assessment of pre-procurement phase to gauge likely outcomes of the procurement process. Contingency plan is to establish a LAC	2	3	6		

SWP Strategic Risk Register

Last Updated:

30th May 2018

Ref	Business Plan Link	Cause	Description of risk	Consequence	Assess current risk		Risk rating	Change from last review	Control measures currently in place and additional mitigating actions/control measures planned	Target risk score		Target rating
					Likelihood	Impact				Likelihood	Impact	
17	Action on waste prevention, reuse, recycling and recovery	Procurement of new collection contract	Failure to achieve environmental and social objectives through the procurement.	Failure to achieve environmental and social objectives would impact on partners plans and strategies	2	2	4	↔	Management of an effective pre-procurement phase and dialogue process. Learn from procurement processes elsewhere for examples of addition of effective social value.	1	2	2
18			Procurement process takes too long.	Failure to have a contract in place	2	5	10	↔	Close involvement in the process by T& F group and "managed dialogue" approach to procurement, with specialist support, ensures all parties are engaged and process is understood. Plan for contingency LAC solution to ensure service maintained regardless of outcome.	1	3	3
19			Cost of procurement and external support exceeds budget	Fail to achieve best value for partners	2	2	4	↔	Budget monitoring	1	3	3
20			Legal challenge to the procurement process.	Could delay contract award if challenge is received. This could put commencement at risk. High costs if damages are awarded against SWP	2	3	6	↔	Procurement assurance role is built into project structure,. Also, experienced external advisors will be used and internal legal oversight.	1	3	3
21			Depot network does not allow for efficient delivery of RM	Costs of inefficiency adds to bid prices	4	4	16	↔	Secure option on new depot site. Establish bidders preferences and optimum network during pre-procurement/ dialogue. Develop clear timetable for depot infrastructure development.	2	3	6
22			Changing demographics of Somerset population - increasing aging population.	Increasing emphasis on care in the home and care in the community leads to additional demand for clinical and assisted services.	2	2	4	↔	Regular review of assisted collection service requirements (every three years). Diversion of sanitary and hygiene waste to additional refuse capacity. Predicting demand through ongoing monitoring of key demographic changes to ensure effective service planning.	2	2	4
23			Former SSDC employee pension transfer. (This is a known issue, though there is uncertainty regarding final settlement, so included as a risk)	Financial liability for partnership.	2	3	6	NEW	Ongoing negotiation, including taking legal advice, to agree settlement of issue.	2	2	4
24			New vehicles are not available in time due to supply chain problems. Vehicles do not achieve design levels of productivity	Unable to deliver service as planned.	2	4	8	↔	Ongoing dialogue with vehicle suppliers. Bidders to produce contingency plans utilising alternative vehicles if supply issues are identified.	2	2	4

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					Likelihood	Impact				Likelihood	Impact	
25	Action on waste prevention, reuse, recycling and recovery	Recycle More Implementation	Bidders are unable to find cost effective solution for pots tubs and trays (PTT inc black plastic) and cartons.	Reduction in quality of offering to customers.	3	3	9	↔	Current advice from WRAP is that black plastic should not be collected for recycling. There are possible technical solutions being developed. SWP to make clear ambitions in pre-procurement and dialogue and learn from market response	2	2	4
26			Transition between current service and RM takes longer than anticipated	Savings and diversion for residual waste/environmental benefits are delayed. Impact on partner MTFPs.	2	4	8	↔	Key area for dialogue and evaluation of bids. Effective pre-planning prior to service implementation	2	3	6
27			SWP capacity is insufficient to deliver transition to Recycle More	Transfer of resource to procurement may deplete support of current service. Increase in complaints. Sub-standard planning and implementation of new service.	2	3	6	↔	Ensure business case includes analysis of SWP resource requirements of new contract and transition. On-going review of SWP client team structure and priorities.	2	2	4
28			New vehicles for RM are inefficient for delivering current service prior to transition.	Low utilisation of vehicles, increase in 2nd tips and OT	1	2	2	↔	Pre -procurement and dialogue process will include fleet configuration and vehicle specification. Reduced fleet of RCVs to be maintained until after transition.	1	2	2
29			New packaging options (e.g. rigid compostable tubs) enter market without reprocessing route.	Public confusion and dissatisfaction. Complaints rise and reputational damage to SWP.	3	2	6	NEW	Work with current disposal contractor to ensure innovation. Lobby packaging industry to ensure "joined up" approach to packaging development.	2	1	2
30			Waste profile changes.	Vehicles/plant become inefficient. Materials value reduces	2	3	6	↑	Tracking of consultation processes and possible implementation to ensure vehicles specs are aligned with any changes.	1	2	2
31			prevention, reuse, recycling and recovery	New Waste Treatment Facility	Delays in development of Energy from waste infrastructure	An alternative route would be required for disposal of residual waste.	3	2	6	↔	Contractual risk is with the contractor, who are wholly responsible for finding alternative disposal routes at no additional cost to SWP. The residual risk would be reputational and environmental only. Ensure progress is monitored and communications plans in place in event of anticipated delay. Currently on schedule	3
32	Risk of fire at Waste Transfer Station of Disposal site.	Waste Transfer Stations temporarily out of action.			3	3	9	↔	Landfill is monitored and transfer to Waste Transfer Station will improve capacity to monitor potential fires. Removal of small electrical items and possibly household batteries will reduce key cause of fires.	2	2	4

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					Likelihood	Impact				Likelihood	Impact	
33	Action on waste		Financial case for alternative to landfill is damaged and cost increases (e.g. due to legislative changes)	Tied into contract that is not best value in future due to changes in market costs.	4	3	12	↔	Break clauses in the contract provide opportunities to review options .Monitor market costs and technical developments to ensure effective planning through life of the contract. Some anecdotal feedback indicates it is a good deal.	3	2	6
34	Maintaining services and operational effectiveness	Contract management	Driver/loader shortages	Impact on service delivery if rounds not deployed. Quality of delivery suffers when inexperienced drivers are employed. This is an increasing risk due to impacts of Brexit (weak pound and uncertainty of future residency rights) and increasing competition from Hinckley C build.	4	4	16	↑	Work with contractors to ensure they maintain procedures for driver training and retention. Establish pay rates and identify areas of concern. Seek opportunities to collaborate on recruitment and improve role of drivers. Work with local colleges to promote driving as a career option.	4	3	12
35			Risk of under investment and deterioration of depot facilities if contractor loses interest as contract approached end of term	Poor working conditions for staff, H&S risks, increased D/T on fixed plant. Backlog of R&M at contract end.	3	3	9	↑	Some evidence of service degradation. Currently being assessed at Senior Management level. Regular audits by ops staff, Development of action plans for essential works at each depot. Review contract management. Introduce quarterly strategic review meeting between senior SWP officers and senior contractor staff.	2	2	4
36			Aging sorting and baling plant becomes unreliable as contract approaches expiry.	Increased downtime on fixed plant, increased O/T, lack of storage space in yards possible impact on collections/unloading.	2	3	6	↔	Balers have been problematic. Regular updates on down time and remedial work at ops meetings. Deed of variation requires plant to be "safe and serviceable" in accordance with the contract. Ensure service performance is considered with newly introduced Strategic Partnership Board	2	2	4
37			Service degradation due to loss of interest as contract approaches expiry	Missed collections, container deliveries, complaints increase and are not dealt with.	4	4	16	↑	Regular monitoring (IT), KPI reviews at Ops meetings. Strategic partnering board established. Review contract management. Ensure service performance is considered with newly introduced Strategic Partnership Board. Framework for improvement presented to contractor and penalties to be imposed if improvements not forthcoming.	3	3	9
38			Aging fleet becomes unreliable as contract approaches expiry	Increased down time disrupts collection services - performance deteriorates	4	3	12	↑	Regular updates on down time and R & M at ops meetings. Deed of variation requires vehicles to be "safe and roadworthy" in accordance with the contract but also allows use of substitute vehicles from other contracts to improve resilience. Review contract management. Ensure service performance is considered with newly introduced Strategic Partnership Board	2	3	6

SWP Strategic Risk Register

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					Likelihood	Impact				Likelihood	Impact	
39	Maintaining services and operational effectiveness	Service impacts due to things outside of our direct control	Lack of preparedness or poor response to service disruption events e.g. weather	Lose control of situation resulting in high call loads; Loss of customer confidence and reputation; Loss of partner confidence in SWP.	2	4	8	↔	Business Continuity Plans (BCPs) in place for SWP and contractors. Draw on experience of cold weather events in 2008-11. Clear communications strategy approved by the Board's Severe Weather Sub Group. Further work intended to ensure that contractor and client side BCPs are joined up (MG & BC)	1	4	4
40			Drop in value of recyclate (e.g. due to changes in Chinese policies)	Impact on contractor bottom line and viability of contract; Loss of public confidence in recycling	4	3	12	↔	Monitor pricing index for mixed plastics. Maintain our emphasis on quality which provides the best buffer for this risk. Provide reassuring messages to the public in the event of further price drops	3	2	6
41			Legislation changes requiring different ways of handling materials (e.g. Hazardous wood)	Difficulties storing material separately, finding suitable reprocessors/implementing charges/refuse to accept	3	4	12	↔	Industry is lobbying the EA to clarify, work with contractor to ensure solutions found. Continue to monitor the situation	3	4	12
42			DCLG continues to challenge innovation in funding Recycling Centres (e.g. entry fees/material charges)	Potential to reduce services provided or lead to increased costs.	3	4	12	↔	Continue to base policy on performance, popularity, effectiveness and affordability. Work with members from all tiers of local government to seek flexibility to ensure continuity of services. Keep members, and particularly Board Members, informed especially following changes to administration or portfolio holders.	3	3	9
43			Increase in value of material or energy	Potential for income share with both contractors	3	3	9	↔	Continue to lobby govt for challenging packaging recovery targets and lobby industry for quality to be reflected in higher prices. Evaluate potential for risk/reward share in all future ventures including infrastructure development and addition of new materials	4	3	12
44			Thefts from depots	Services delayed or incompletd due to theft/vandalism	3	3	9	NEW	Improve security of depots. Liaise with landlord. Improve CCTV	2	2	4
45			Landfill site fires, primarily caused by hot ashes in waste, unwrapped broken glass acting as a magnifier, or lithium ion batteries in waste	Hazard for site staff, closure of landfill sites, operational delays for vehicles resulting in late kerbside collections	3	3	9	↔	Increase publicity relating to fire prevention, encouraging people to dispose of waste responsibly. Cease use of landfill sites for disposal of Somerset's residual waste, transferring to disposal via Waste Transfer Stations.	2	3	6
46	operational	Issues inherent in	Risk of serious injury or death to staff	Personal impacts; Potential fines, legal claims; intervention by HSE etc. Loss of reputation	4	5	20	↑	Health & Safety has a high profile within service and with contractors. Bi-annual reports to SMG and SWB on internal and contractor performance. H&S advisory Group meets quarterly. Collection activities	2	5	10

SWP Strategic Risk Register

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30th May 2018

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					Likelihood	Impact				Likelihood	Impact	
47	Maintaining services and operational effectiveness	working at roadside and/or with heavy vehicles manoeuvring in confined working areas.	Risk of serious injury or death to member of the public	Personal impacts; Potential fines, legal claims; intervention by HSE etc. Loss of reputation	2	5	10	↔	were the subject of a routine HSE inspection in Nov 2011 and no major concerns were identified. On sites public separated from heavy plant movements. As a result of HSE recommendations, SWP are increasing frequency of crew monitoring by officers and resources to enable this to be done efficiently are being prepared. Level of accidents to public on sites are very low and generally self-inflicted. SWP to focus comms campaign on respecting safety of working crews. Work with contractor to seek closer liaison with police.	1	5	5
48	Maintaining services and operational effectiveness	Financial pressure on Contractors	Qualitative and/or quantitative reduction in contractor's management team or front line staff	Deterioration in service, higher complaints, reduced satisfaction with service, more pressure on client, lack of capacity to innovate.	4	4	16	↑	Frequent programmed engagement with Senior Management Teams of both contractors. Direct engagement with front-line staff by SWP. Continued secondment of experienced SWP staff to Kier. Sign-off to significant changes. Develop improved regular liaison with new Kier Senior Mgmt. Team and attend staff meetings at depots. Maintain current arrangements with Viridor (MD and Chairman). Close monitoring of performance and implement contractual penalties if appropriate.	2	3	6
49			Contractor defaults or fails	Potential short term delivery implications, requirement for service review / procurement with associated costs of process and potential higher cost of delivering the service.	2	3	6	↔	Awareness of financial state of cos. through checks & regular contact with Senior Managers, networking within industry to get early warning of trends & pressures. Respond quickly to any relevant intelligence obtained, assess risks that ensue and act accordingly (MD and Team).	2	3	6

Somerset Waste Board meeting
29 June 2018
Report for information

Health and Safety Update: October 2017 – March 2018
Lead Officer: Mickey Green, Managing Director
Author: Terry Richards, Senior Officer
Contact Details: 01823 625724

Forward Plan Reference:	SWB/FP/18/03/06
Summary:	<p>This report updates the Somerset Waste Board on our principal contractors' (Kier and Viridor) health and safety performance in quarters 3&4 of the 2017/18 financial year. It identifies trends, reasons underlying these, and the actions being taken by our contractors and SWP in response. The key highlights are:</p> <p>Kier</p> <ul style="list-style-type: none"> • Accidents remained static at 23. • Near Miss reports increased substantially from 77 to 1056 (reflecting SWP pressure on Kier to improve the way crews record issues so that the risks can be more effectively managed – see section 2.2) • Two incidents of Near Miss reports resulting from vehicles mounting the pavement endangering crew (Referred to in the Risk Update report – 2.10.) • 1 notification under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulation 2013 (RIDDOR). • No environmental incidents or incidents involving members of the public reported. • <p>Viridor</p> <ul style="list-style-type: none"> • Accidents reduced to 9 (down by 8) and near miss reporting reduced by 23%. • 6 accidents involving members of the public, of which 2 were RIDDOR reportable. • 4 Environmental Incidents reported (down by 1)
Recommendations:	That the Somerset Waste Board notes the contents of this report.
Reasons for recommendations:	<p>The waste management sector has an injury and fatality rate significantly higher than the all-industry average. Health and Safety management within the scope of the Somerset Waste Partnership has therefore always had a very high profile. A public report for members on a six monthly basis helps maintain awareness.</p>

Links to Priorities and Impact on Annual Business Plan:	Business Plan 2018-23 Section 4 – Key Issues
Financial, Legal and HR Implications:	There are no direct financial, legal or HR implications arising from this report. There are however substantial ‘hidden savings’ to the Board and the Somerset community arising from low incident/accident rates, resulting in savings from avoided investigations and reduced lost working time.
Equalities Implications:	There are no equalities implications arising from this report.
Risk Assessment:	There is the potential for serious risk to the health, safety and welfare of personnel deployed in providing waste management services, particularly considering the diversity of operations provided through SWP. While the contractors take primary responsibility for the safety and health of their workforce, the SWP has a role in encouraging, monitoring and fostering a culture of safety.

1. Background

1.1. Our principal contractors provide the SWP with detailed reports every 6 months, breaking down accidents and incidents on a depot and site basis. These are scrutinised by the SWP, challenged for further clarification when required, then edited to compile this summary report. Only statistics for the previous 6 months are included in the report (for reference to previous performance).

SWP Officers continue to monitor Viridor and Kier H&S performance on a daily basis; through scheduled and unscheduled site inspections, direct participation in H&S meetings with workforce and managers, analysis of incident/accident and, performance reporting. The current inspection schedule is:

- H&S inspections of Viridor composting facilities - scheduled mid 2018
- Closed Landfill annual H&S audits are scheduled for mid 2018
- A review of pedestrian access to recycling sites – Ongoing
- Review of speed calming measures on sites
- Review of all site signage, operational and H&S.
- H&S audit of 3 Kier Depots.
- Trial changes in Kier vehicle and crew monitoring (see 2.2)

1.2. Statistical Reporting

Both Kier ES and Viridor Waste Management Ltd use the industry recognised standard of the ‘All Accident Frequency Rate (AAFR)’ for reporting accident statistics and, the ‘Accident Frequency Rate (AFR)’ for reporting RIDDOR qualifying accidents - calculated as: *Total number of Injury / Accident events in the period on their respective operations for the SWP, divided by the total number of hours worked in the period x 100,000.*

2. Kier (collection):

- 2.1. **Accidents:** Kier report an All Accident Frequency Rate (AAFR) of 4.91, up 0.20 from the previous report. Although the number of accidents remained the same at 23, the number of hours worked reduced slightly – causing the small increase. This is due to the number of hours worked being part of the formula for calculating the AAFR and AFR (as explained in 1.2. above). The 3 most frequent types of accident are shown in the table below.

HSE Causation factor	Oct 17–Mar 18	Apr 17–Sep 17
Slipped, tripped or fell on the same level	35% (8)	26% (6)
Hit by a moving, flying or falling object	22% (5)	18% (4)
Injured whilst handling, lifting or carrying	13% (3)	26% (6)
Other	30% (7)	30% (7)

There was 1 RIDDOR notified (matching the previous 6 month performance) involving an accident to a recycling loader. The 'Accident Frequency Rate (AFR) figure is up from 0.10 to 0.21 for the current period, again due to the reduction of hours worked on the Somerset contract. The details of the incident are:

Depot & Date	Walford Cross, Taunton - 01/02/2018
Job Role	Recycling Loader
Accident Details	The tins and plastics section of the vehicle jammed. Whilst carry out investigative work, the jammed mechanism freed itself causing the tins and plastic flap to move suddenly up into the body of the vehicle. The IP had his middle and index finger inside the confines vehicle, resulting in injuries to both fingers requiring hospital treatment.
Injury	To Right Hand
Direct cause	Operative placing part of body into dangerous area of vehicle
Corrective Actions	Complete review of vehicle mechanics to establish root cause and roll-out of new vehicle training package for all recycling staff.

2.2. Near Misses: Kier have a ‘Near Miss’ (hazard spot) procedure for reporting actual or potential health, safety, or environmental concerns. SWP have previously expressed concern to Kier that reporting of these by crews had lapsed. This was a cause for concern as the monitoring of near misses is important to prevent more serious incidents occurring. Kier have responded effectively, undertaking further training with crews to raise awareness of hazard spotting, along with incorporating inspections that were previously monitored separately into this recording statistic (e.g. depot spot checks, Personal Protective Equipment defects/orders, round planning) giving a fuller picture of issues identified for investigation and remedial actions. Accordingly the number of near misses recorded in the second half of 2017/18 is 1056 (up 979). The contributors to near misses are:

Category	Number of Reports	% of Total
Personal Protective Equipment/Welfare	473	45%
Unsafe place of work	144	14%
Housekeeping / Security / Trips	121	11%
Other	318	30%

SWP have been reviewing our approach to monitoring crews and vehicles, to determine if internal inspections carried out by Kier can supplement SWP monitoring – freeing up SWP Officer time for other duties. This approach is being trialled at the Taunton depot, and if successful will be rolled out to other depots.

3. Viridor (treatment & disposal):

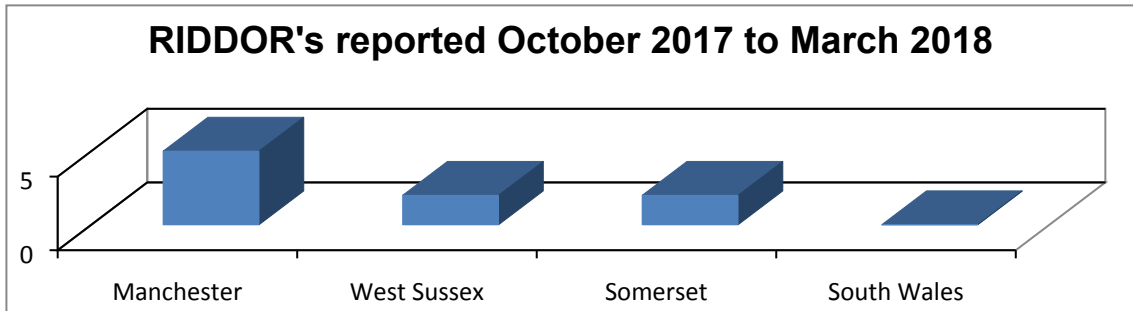
- 3.1. Accidents:** The total number of injuries & accidents recorded was 9, a significant reduction of 8 from the previous 17. Points to note are:
- Members of the public injured dropped from 9 to 6 (including 2 reported under RIDDOR). One of these was due to a person falling whilst carrying a load and the other was a trip on a low kerb. Both resulted in hospital treatment for cuts.
 - Staff injured reduced from 6 to 3.
 - Contractor staff injured reduced from 2 to zero.
 - Viridor report an All Accident Frequency Rate (AAFR) of 14.91 for this period, down from the previously reported 28.16 – a 47% reduction.

Accidents are broken down into more detail in the table shown below, starting with the causation factor. We list the top 3 by number of accidents in this reporting period and include the figures from the previous report for continuity.

Cause	October 2017 – March 2018	April 2017 – September 2017
Slipped, tripped or fell on the same level	4 (45%)	2 (12%)
Contact with a sharp object	2 (22%)	5 (29%)
Injured whilst handling, lifting or carrying	1 (11%)	4 (24%)
Other	2 (22%)	6 (35%)

Viridor’s Accident Frequency Rate (AFR) for reporting RIDDOR qualifying accidents in Somerset Recycling Centres is currently 3.31 (with 2 public injury reports included). The Somerset RIDDOR number comparison to similar Viridor

contracts that we include in these reports is shown below.



There has been a change in the way accidents involving members of the public are reported by Viridor. This is because the Health and Safety Executive (HSE) have ruled that while on recycling sites, incidents of visitors who sustain injuries that qualify for reporting under RIDDOR, must now be reported under this regulation in the same manner as employees. Previously such injuries to members of the public were excluded. A subsequent increase in numbers notified under RIDDOR is a possibility, due to the 1.6 million recycling site visits per annum that we have in Somerset being included within this reporting, and this may lead to seasonal fluctuation given that recycling centres are much busier in summer than winter.

As part of future changes to performance monitoring; we will look to amend the way we report this so that we take better account of visitor numbers and seasonality, by monitoring the number of accidents to members of public as a proportion of visitor numbers. Applying this to 2017/18 data as an example shows that the accident ratio remained virtually static; reducing from 0.96 (Qtr's 1&2) to 0.93 (Qtr's 3&4) – accidents per 100,000 visits.

3.2. Near misses: Viridor also use 'Near Miss' reporting is to identify potential hazards and injury causation, as a way of highlighting issues and concerns that need to be addressed, or investigated further. The figure for this period is 75, down by 16 from the previous figure. Only 9 of these were classed as actual 'near misses', the vast majority (66) were classed as 'unsafe acts' observed by staff. A recorded 'unsafe act' can range from hazardous materials hidden inside a black sack, to poor behaviour on site, to an icy path needing treatment, so covers a multitude of potential risks.

3.3. Environmental Incidents: There were 4 Environmental Incidents; as listed in the following table.

08/01/18 – Chard HWRC – The Environment Agency (EA) made the SWP aware of a report from a member of the public that an oily discharge was leaking from the site and entering the nearby stream. Viridor and the SWP investigated immediately and found no evidence at all of any such discharge entering the water course. The SWP informed the EA of their findings. No further response received from EA.
28/10/2017 – Chard HWRC – During compaction of the metal holding container a site operative noticed what looked like smoke coming out of bin one. The site was evacuated of all personnel and the fire brigade called. By the time the fire brigade arrived the smoke like substance had stopped. The area was doused with water as a precaution anyway. Fire brigade declared the situation safe - site was reopened.
27/10/2017 – Dulcote HWRC –Smoke and subsequently flame were seen coming from the metal holding container during compaction after the site had closed for the day. The fire brigade were called and the fire extinguished by them. A fire watch

using CCTV was instigated by the SWP once staff and the fire brigade had left the site.

26/10/2017 – Saltlands HWRC - . Whilst collecting waste containers on site, the collection vehicle burst a hydraulic pipe causing an oil spill. Oil spill Granules were applied and oil spill cleaned up. The granules were disposed of as hazardous waste.

4. Consultations Undertaken

4.1. No consultations undertaken during this period.

5. Background Papers.

5.1. H&S report to the Somerset Waste Board 15 December 2017 - SWB 17/09/07

Somerset Waste Board and Somerset Waste Partnership Forward Plan of Key Decisions

The Somerset Waste Board and Waste Partnership are required to set out details of planned key decisions at least 28 calendar days before they are due to be taken. This forward plan sets out key decisions to be taken at Waste Board meetings as well as individual key decisions to be taken by an Officer. The very latest details can always be found on our website at:

<http://democracy.somerset.gov.uk/mgListPlans.aspx?RPId=196&RD=0>

Regulation 8 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 defines a key decision as an executive decision which is likely:

(a) to result in the relevant local authority incurring expenditure which is, or the making of savings which are, significant having regard to the relevant local authority's budget for the service or function to which the decision relates; or

(b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the relevant local authority.

Waste Board meetings are held in public at County Hall unless the Board resolve for all or part of the meeting to be held in private in order to consider exempt information/confidential business. The Forward Plan will show where this is intended. Agendas and reports for Board meetings are also published on the County Council's website at least five clear working days before the meeting.

Individual key decisions are shown in the plan as being proposed to be taken within a ten day period, with the requirement that a report setting out the proposed decision will be published on the County Council's website at least five working days before the date of decision. Any representations received will be considered by the decision maker at the decision meeting.

In addition to key decisions, the forward plan set out below lists other business that is scheduled to be considered at a Board meeting during the period of the Plan, which will also include reports for information. The Plan is updated on a weekly basis and the latest version is published on the Council's website usually on a Monday (except where this is a bank holiday). Where possible the Board will attempt to keep to the dates shown in the Plan. It is quite likely, however, that some items will need to be rescheduled and new items added as new circumstances come to light. Please ensure therefore that you refer to the most up to date Plan.

For general enquiries about the Forward Plan:

- You can view it on the County Council's website at <http://democracy.somerset.gov.uk/mgListPlans.aspx?RPId=196&RD=0>
 - You can arrange to inspect it at County Hall in Taunton.
 - Alternatively, copies can be obtained from Scott Wooldridge or Julia Jones in the Community Governance Team by telephoning (01823) 359027 or 357628.

To view the Forward Plan on the website you will need a copy of Adobe Acrobat Reader available free from www.adobe.com
Please note that it could take up to 2 minutes to download this PDF document depending on your Internet connection speed.

To make representations about proposed decisions:

Please contact the officer identified against the relevant decision in the Forward Plan to find out more information or about how your representations can be made and considered by the decision maker.

The Agenda and Papers for Somerset Waste Board meetings can be found on the County Council's website at:
<http://democracy.somerset.gov.uk/ieListMeetings.aspx?CId=196&Year=0>

Weekly version of plan published on 1 June 2018

FP Refs	Decision Date/Maker	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring it to be considered in private?	Contact Officer for any representations to be made ahead of the proposed decision
FP/18/03/01 First published: 1 March 2018	29 Jun 2018 Somerset Waste Board	Issue: Annual appointment of Chair and Vice-Chair of Somerset Waste Board 2018/19 Decision:			Mickey Green, Managing Director - Somerset Waste Partnership Tel: 01823356897
FP/18/03/02 First published: 1 March 2018	29 Jun 2018 Somerset Waste Board	Issue: Waste Board Constitution, Membership and Meeting Dates for 2018/19 Decision:			Scott Wooldridge, Strategic Manager Governance & Risk and Council's Monitoring Officer Tel: 01823 359043
FP/18/03/03 First published: 21 November 2017	29 Jun 2018 Somerset Waste Board	Issue: Financial Outturn and Use of Balances 2017/18 Decision: To receive an update on the financial position			Martin Gerrish, Strategic Manager - Financial Governance and Finance Officer for SWP Tel: 01823 355303
FP/18/03/04 First published: 21 November 2017	29 Jun 2018 Somerset Waste Board	Issue: Performance Outturn 2017/18 Decision: To receive an update as at the end of March 2018			David Oaten, Contracts Manager - Treatment and Infrastructure Tel: 01823 625721
FP/18/03/07 First published: 21 November 2017	29 Jun 2018 Somerset Waste Board	Issue: Recycle More project update Decision: To receive an update on the project from the Managing Director			Mickey Green, Managing Director - Somerset Waste Partnership Tel: 01823356897
FP/18/03/05 First published: 21 November 2017	29 Jun 2018 Somerset Waste Board	Issue: SWP risk update Decision: to receive the regular risk management update			Mark Blaker, Business and Governance Manager, Somerset Waste Partnership Tel: 01823625720

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FP Refs	Decision Date/Maker	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring it to be considered in private?	Contact Officer for any representations to be made ahead of the proposed decision
FP/18/03/06 First published: 1 March 2018	29 Jun 2018 Somerset Waste Board	Issue: Health and Safety Update Decision:			Community Safety Team, Terry Richards, Somerset Waste Partnership - Senior Operations Officer Tel: 01823 359146, Tel: 01823625724
SWB/18/05/01 First published: 21 May 2018	29 Jun 2018 Somerset Waste Board	Issue: Somerset Waste Board Vision and Future Strategy Decision: To consider the report			
SWB/18/05/02 First published: 21 May 2018	28 Sep 2018 Somerset Waste Board	Issue: Initial Budget for 2019/20 and Finance Update report Decision: To consider the report			
First published: 1 May 2018	28 Sep 2018 Somerset Waste Board	Issue: Recycle More update Decision: to receive an update from the managing director on the progress with this project			Mickey Green, Managing Director - Somerset Waste Partnership Tel: 01823356897
SWB/18/05/03 First published: 21 May 2018	14 Dec 2018 Somerset Waste Board	Issue: Updated draft budget for 2019/20 and Finance Update Report Decision: To consider the report			