

SOMERSET WASTE BOARD

Minutes of the Meeting of the Somerset Waste Board held in the Luttrell Room, County Hall, Taunton, on Friday 2 November 2018 at 10.00am.

PRESENT

Cllr P Berry	Cllr G Slocombe
Cllr M Dewdney	Cllr N Taylor
Cllr D Hall	Cllr N Woolcombe-Adams (Vice Chair)
Cllr B Maitland-Walker	Cllr D Yeomans (Chair)
Cllr M Pullin	
Cllr J Roundell-Greene	

Other Members Present: Cllrs T Munt and D Mansell

Apologies for Absence: Cllrs D Hill and H Prior-Sankey

503 **Declarations of Interest** – agenda item 2

Members of the Waste Board declared the following personal interests:

Cllr D Yeomans	Member of Curry Rivel Parish Council
Cllr M Pullin	Member of Mendip District Council
Cllr N Taylor	Member of Somerset County Council

504 **Public Question Time** – agenda item 3

There were no public questions.

505 **Viridor Core Services Review** – agenda item 4

The Chair invited Somerset Waste Partnership Managing Director Mickey Green and Contracts Manager David Oaten to introduce the report which considered the contractual, financial, operational and social worth of extending the Core Services Contract held with Viridor Ltd. Based on the negotiations with Viridor, the proposed extension offered a savings profile which delivers significant savings now (as opposed to only realising savings from 2022 onwards should we procure). Reference was made to the Impact Assessment for the proposed change in recycling site opening hours.

Most of this savings package will be delivered through non-customer facing contractual changes. The only proposed change for customer facing related to the rescheduling of the opening hours at the recycling sites – to continue to provide all 16 recycling sites, but offer longer weekend opening hours across the network and opening hours better aligned to public use (longer Summer hours) whilst providing value for money through the extended contract term.

Members were informed the current end date was in 2022 and the proposal for an additional 9 years would result in £300,000 this year, £2.1m from 2019/20-2021/22 and then £1.3m per annum from 2022/23 onwards, delivering a total savings package of £14.1m.

Further discussion points raised included:

- This was in line with SWP's vision, the implementation of Recycle More and would not shunt costs to other SWP partners
- Viridor had delivered the acceptance of plastic pots, tubes and trays at the recycling sites early
- Support for educational waste programmes to local communities and within schools throughout the extended contract term
- Viridor are content with a new approach where Somerset County Council take 100% of savings to the value of £500k, and then share any additional savings on a 50:50 basis.
- There was wide support regarding the proposed changes in opening hours at the recycling sites with some specific minor concerns that it might not be popular with some residents
- There was also support for keeping the two existing community recycling sites at Dulverton and Crewkerne open.

Officers were thanked for their work on this and it was recognised that while councils were under financial pressure, the economy in the county was booming and it was a good result to be able to keep all the sites open.

The Chair acknowledged the good relationship that existed with Viridor's parent company, Pennon, and moved the recommendations.

Somerset Waste Board **RESOLVED** unanimously to approve:

1. the Core Services Contract extension with Viridor Ltd and take advantage of the savings profile offered to March 2031, thereby negating the need to tender the service from 2022
2. the modification of the recycling site opening hours in line with Appendix 1, with effect from 1st April 2019
3. the use of the savings identified from the modification of the closed landfill management criteria to safeguard the continuance of the Community Sector Integration Plan for the extended contract term
4. the monitoring of future use of the Crewkerne & Dulverton Community Recycling Sites during the period April to September 2019 with a view of potentially removing the entrance fee charges from October 2019 to offset the significantly reduced operational hours at these sites
5. delegated authority to the Managing Director, in consultation with the Chairman & the Lead Director for Economic and Community Infrastructure & Director of Commissioning, Somerset County Council, to conclude final negotiations with Viridor to ensure the impact of future changes to the contract are mitigated and to ensure further savings opportunities are maximised during the extended contract term and to agree the final contract Deed of Variation with Viridor.

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

REASON FOR DECISION: As set out in the officer report.

506 **Draft SWP Business Plan 2019 - 2024** - agenda item 5

Members were reminded that this set out how SWP will work towards its Vision over the next five years, with a particular focus on current year Actions. The Business Plan contained three areas of focus - delivering excellent services, changing behaviours, and building capability.

The actions contained in this, set out the most significant set of changes to Somerset's waste services since SWP's inception in 2007, and covered all aspects of services. It was also expected that this would be the most significant set of changes to national resources and waste policy for a generation, and the environmental impact of waste had a public profile higher than ever before. The scale of policy change expected would have significant impacts upon future business plans.

Points highlighted in the plan included:

- Key challenges and opportunities including – policy change and local government reorganisation, full employment, demographic changes, technological changes, legal challenges, increasing public awareness of environmental issues.
- Changing behaviours through Recycle More, moving away from landfill, ensuring homes are built with waste in mind
- SWP also proposed to adopt two charities – Refugee Aid from Taunton (RAFT) and WasteAid
- A list of actions, when they were due to happen, and why were listed in a table from page 34
- Information about the budget for 2019/20 with a draft budget summary table shown on page 43

Other points discussed raised included:

- Concern that housing development plans do not build in bin storage areas
- It was felt more influence could be achieved by getting something written into local plans about waste storage
- The issue had been raised with the Department for Environment and Rural Affairs but also needed to be pushed by each planning authority
- It was agreed individual councillors should continue to raise this to help bring about changes
- Members were reminded that this was also included in the business plan.

The Chair moved the recommendation.

Somerset Waste Board **RESOLVED** to approve the Draft Business Plan for partner authority consultation.

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

REASON FOR DECISION: As set out in the officer report.

507 **Recycle More Project update** - agenda item 6

A progress report on the procurement of a new waste and recycling collection contractor was presented to the Board in September 2018. This report provided a summary of progress since then.

A team of SWP officers, finance, representatives from partners and commercial and technical advisers had been evaluating the bids during October. To be compliant, all bidders had to submit a bid which delivered Recycle More as specified by SWP and approved by the Board and partners.

Members were reminded that ahead of commencing this procurement SWP and the Board were clear that the risk sharing mechanism in the new collection contract would need to change as the market has changed substantially since the current collection was let in 2007 and it would simply not be possible to secure a new contractor who took on all dry recycling risk.

SWP were continuing to explore site options for a new depot site to be developed but members were asked to further consider as to whether it was essential and offered value for money.

The next steps were highlighted in a flow chart shown on page 56 and members were informed that final tenders were being invited in January. The roll out of Recycle More would be completed in phases within a two-year period.

The Chair moved the recommendation to move into confidential session so that further information could be given.

Somerset Waste Board **RESOLVED** to:

1. agree the case for applying the exempt information provision as set out in the Local Government Act 1972, Schedule 12A and therefore to treat the attached confidential report and its appendices in confidence, as they contain commercially sensitive information, and as the case for the public interest in maintaining the exemption outweighs the public interest in disclosing that information.
2. to exclude the press and public from the meeting for the consideration of the attached confidential report and its appendices where there is any discussion at the meeting regarding exempt or confidential information.

Following a presentation and further discussion on this issue, the meeting was then brought back into public session.

The Chair then moved the recommendations and Somerset Waste Board **RESOLVED** to:

1. note the progress made in procuring a new collection contract.
2. agree recommendation 1 a) in the confidential report
3. delegate authority to the Managing Director, in consultation with the New Service Task and Finish Group and partner s151 Officers, to

finalise a dry recycle risk share mechanism consistent with a 50/50 risk sharing principle.

4. delegate authority to the Managing Director, in consultation with the New Service Task and Finish Group, to revise the procurement process and documentation to reflect the uncertainty over the availability of a new authority depot.
5. authorise the Managing Director to undertake any appropriate consultation with partner authorities and progress the procurement of a new Collection Contractor.

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.

508 **Somerset Waste Board Forward Plan** – agenda item 7

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.

509 **Information Sheet Issues Since the Last Meeting** – agenda item 8

Mr Green informed members there had been an information sheet regarding the Viridor contract extension.

510 **Any Other Business of Urgency** – agenda item 9

There were no items raised.

(The meeting ended at 11.25pm)

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