

## **Somerset Waste Board**

Minutes of a Meeting of the Somerset Waste Board held at Somerset West and Taunton on Friday 10th December 2021 at 10.00 am.

**Present:** Cllr C Paul (Vice-Chair in the Chair), Cllr D Mansell, Cllr T Kerley, Cllr J Keen, Cllr P Goater, Cllr T Ronan.

**Other Members Present:**

**107 Apologies for Absence:** Cllr S Dyke, Cllr D Hall and Cllr A Gilling

**108 Declarations of Interest** - Agenda Item 2

There were none.

**109 Minutes from the Previous Meeting** –Agenda Item 3

Cllr Mansell reminded SWP about bringing reports about the reuse shop and carbon capture information to a future meeting. The Managing Director of Somerset Waste Partnership informed the board that a member briefing would be circulated and a presentation will come to a future meeting.

The minutes of the meeting on 24th September 2021 were confirmed as correct record and were signed by the Chair

**110 Public Question Time** - Agenda Item 4

There were no public questions.

**111 Feedback from Joint Scrutiny Panel of Somerset Waste Board**

The Chair informed the Board that the Panel had a very robust meeting, and the following was highlighted.

- The Panel commented on the Financial Performance Update 2021/2022 and Development of the Annual Budget 2022/2023 with regard to Covid costs Members were supportive of the draft budget.

- The Panel commented on the Performance Report Quarter 2–July 2021 to September 2021 highlighting the missed collections and recycling element of the Recycle More roll-out.
- The Panel noted the Recycle More update.
- The Panel commented on the SWP outline business plan 2022-2027 and particularly highlighted that it would be helpful if the separating of the collection and disposal figures on the finance and budget information reports could continue post unitary.

## **112 Financial Performance Update 2021/2022 and Development of the Annual Budget 2022/2023- Agenda item 5**

The Chair invited Strategic Finance Manager Christian Evans to provide a verbal update on this item. The report set out the financial performance against the approved Annual Budget for the first 7 months of the current financial year (April to the end of October), and a forecast outturn position. The report is also the formal commencement of the budget setting process that will ultimately lead to the Annual Budget for 2022/2023.

The following was highlighted:

- Overall, the end of October position shows that the Somerset Waste Partnership budget is forecast to be overspent by £1.186m (2.5% of the original budget), albeit on relatively limited actual costs in the year to date. This does not include the Recycle More roll out costs, which is accounted for separately.
- Estimated figures for the collection indicate a predicted combined £1.045m overspend across the 4 District partners at this stage.
- There are still additional Suez collection covid related contract costs which fall to District partners (£675k for 2021/22).
- Waste disposal costs are forecast to overspend by £141,000. This relates to increased waste volumes (predominantly residual waste) at the Household Waste Recycling Centres.
- As agreed, no savings as a result of the new contract will be taken from the Somerset Waste Partnership (SWP) until all roll out costs have been fully funded and breakeven point is reached, it is still anticipated this will be in

quarter 3 of 2022/23 (i.e., no change from previous forecasts and hence part year savings expected for partners in 2022/23).

- Appendix 1 shows a detailed draft budget and table on page 23 for initial projections.
- Household growth figures are provided by each individual District partner. The current average of these figures is growth of 0.93%. The actuals applied to the 2022/23 budget will be known in January. The figures will relate to the December household numbers provided by HMRC (Valuation office agency).
- A significant increase in the inflations applied to the disposal contracts for Somerset County Council.
- Breakeven point is anticipated to be in Quarter 3 of 2022/23. Savings included above are reflected in the breakeven point. Once breakeven point is reached, contract savings will be shared on the basis currently stated in the IAA.
- Current potential variables which may affect the breakeven point: Potential contractor costs due to covid and national driver shortage, Resolution of dispute with previous collection contractor (Kier), Material income & yields, any future delays in the roll-out of Recycle More, waste funding and food waste funding and Potential future government changes to charging companies for packaging responsibilities and the impact of a Deposit Return Scheme.
- As part of SWPs Business Plan priority to decarbonise its operations funding has been agreed for 2 projects. The purchase of an electric refuse vehicle and the purchase and installation of photo voltaic panels at Evercreech Depot.

The board asked the following questions including the overspends on the budget and whether this was due to driver shortages. The extra costs and how each authority has been dealing with these. More detail on the cause of high figures and contract inflation. Clarification was sought on the period the inflation figures applied to, savings for the year after the overspend; and a request for a breakdown in the figures to understand the element of the covid cost. Further questions around the differences in the household figures for collecting.

The board was advised that due to inflation payments to SUEZ needed to increase and it was confirmed that the published figure was the actual figure, and the period covered two years.

The board was further informed that the overspend was due to direct costs that included new issues such as safety measures put in place when the pandemic arrived. The draft budget had previously gone to each authority's section 151 officers and this continued on a regular basis.

It was agreed a briefing note on the indices and the effect these had on the figures would be compiled and sent out to members for further explanation

**The Board resolved to:**

- **Note the summary financial performance for 2021/2022 to the end of month 7 (October) and the potential outturn position for each partner authority.**
- **Consider the draft budget for 2022/2023 and the key factors that will influence the budget setting process, the final budget will be submitted to the February Waste Board.**

**113 Performance Report Quarter 2–July 2021 to September 2021- Agenda item 6**

The Chair invited Mickey Green to provide an update on the performance report quarter for quarter 2

The following was highlighted:

- Business Plan: Roll-out of Phase 3 of Recycle More began on 1st November in Somerset West and Taunton (old Taunton Deane area), with planning already underway for Phase 4 (Sedgemoor and West Somerset). The Recycle More report provides more details on the readiness for and risks to roll-out.
- Waste Minimisation: Overall household arisings were up by over 7,800 tonnes, or 4.16% compared to Q2 in 2019-20. However, there were service issues affecting Q2 this year, as well as the suspension of garden waste collections, so this may not indicate the continuing trend for the remainder of the year.
- Recycling: The recycling rate continues to improve compared to last year (up 4.90% to 57.34% from 52.44%), as well as showing an increase over Q2 2019-20 (up 2.15% from 55.19%), used as a comparator unaffected by the pandemic.
- For Q2 2021- 22 almost 99.0% of materials stayed in the UK, with the amount that was reprocessed in Somerset also remaining high at over 56.0%.
- The new infographic provides a clear visual about what happens to the material collected and enables people to see tonnages and the recycling rate at a glance. Copies of the main infographic and the mini versions can be found at the end of this report. The infographic and updated Recycling

Tracker are on the website: <https://www.somersetwaste.gov.uk/recycling-tracker/>.

- Missed collections: there was a significant increase in missed collections in Q2, compared to Q1 (2.430 per 1,000 collections against 1.548 in Q1). This measure only records reported missed collections where collections should have been made and does not include, 'dropped' or 'incompleted' rounds. More detail can be found on the Missed Collections page of the appendices.
- Risk: In addition to our corporate risk register we maintain detailed risk registers for Recycle More and Covid-19. Risks have also been updated to reflect those largely relating to the impacts of the national driver shortage.
- Viridor/Biffa: As highlighted to the Board in June and September it was announced on the 21 May 2021, that part of Viridor's business is to be sold to Biffa.
- Veolia and Suez have announced that they signed a combination agreement on 14 May 2021, following approval by their respective Boards of Directors of the latest terms for their merger.

A question was asked about the cost impact of sending out extra collection vans to pick up recycling due to the increase in cardboard.

The board were told cardboard costs had significantly gone up from £10.00 a tonne to £90.00 however additional costs were paid by the contractor. SWP had supported the contractor with COVID related costs. There were ongoing discussions taking place about this.

Confidential updates will be provided to the board when SWP have more information to share.

**The Board resolved to note the performance results in the Second Quarter 2021-22 Performance Report.**

**114 Recycle More update - Agenda item 7**

The Chair invited Somerset Waste Partnership Head of Communications and Engagement Mark Ford to provide an update on Recycle More. On 28 October the third phase of Recycle More rolled out in the Taunton Deane area. This followed the introduction of the service to South Somerset on 28 June this year and Mendip at the end of October 2021. This paper updated on progress with bedding in the service change in South Somerset and Mendip and the very early days of the service in Taunton Deane.

The following was highlighted:

- The timetable of the Recycle More roll-out
- The important changes for all residents and what materials go into each recycling container.
- The impact of Recycle More in Mendip and South Somerset. Including the figures in tonnages that are being recycled.
- The roll out of Recycle More and figures for missed recycling per 100,000, missed refuse and the opening of Walford cross depot has been completed
- Phase 4 preparation and planning for Sedgemoor and West Somerset with a launch date at the end of February, the initial engagement has started and the Williton depot will be upgraded in the new year.
- There were challenges and risk with it being a large area, rural in parts, and across two district councils and customers services teams, as well as the unknown covid impact of the new variant, and the driver shortage nationwide pressures. Cumulative fatigue among staff, SUEZ and SWP was also a concern
- The next steps with key dates of when events will happen for the communications of Recycle More.
- The board members asked questions including comparisons in recycling glass bottles and jars percentage to Mendip products such as crisp packets and some foils which could be taken to a supermarket as they currently couldn't be placed in the recycling, illustrating the tonnage comparisons between South Somerset and Mendip and across other districts with the different number of households and the period it covers; concerns about the Williton depot and if it will be ready for the roll-out of Recycle More or whether waste will need transporting; if materials from one area are transported to another area how this would affect the figures.

The board were informed that the percentages differed due to the timing of the launch and the impact of COVID. The launch in South Somerset was in a less restricted time and SWP were continuing to look at figures and would report back about these.

Mickey informed the board that SWP were waiting for the UK infrastructure to catch up on the processes for dealing with some items which were currently not recycled. It was welcomed that people could take some of these items to the supermarket but there needed to be a more consistency approach. This was covered in the Business Plan to be involved in an early stage and a full report on this would come back to the Board in due course.

The depot upgrade was a challenge and negotiations with Suez had resulted in shunting vehicles being used to move the recycling to Taunton. Additional drivers will be used to deal with the extra driving hours when shunting backwards and forwards. These vehicles will be weighed in and the tonnages will be applied to West Somerset as they will be identified they leave the depot.

**The Board resolved to note the progress made in implementing Recycle More and the risks to the programme.**

**115 SWP- Outline Business Plan 2022 - 27–** Agenda Item 8

The Chair invited Mickey Green to summarise the report and plan. Members were reminded the Somerset Waste Board is required to annually approve a rolling five-year business plan. This report sought approval to the draft business plan for consultation. This may be the final Business Plan in this format with the transition to a Unitary Authority in 2023.

The following was highlighted:

- SMG were consulted over the Summer and the Board and Joint Waste Scrutiny Panel were consulted on the approach at their meetings in September. Formal consultation with partners is planned as laid out in the report.
- Feedback from the partner consultation will be reflected in the final Business Plan presented to the Board in February 2022.
- This year's plan is an evolution rather than a revolution but aims to reflect the impact of service disruption in 2020/21, the ongoing impacts of a national driver shortage, the ongoing pandemic and the pressure this has created on SWP, SUEZ and partner staff.
- The activity required to smoothly transition to a unitary authority is reflected in the Business Plan, but as this activity evolves it may impact on other activities.
- The new electric refuse truck and the photovoltaic panels will be installed at the two main depots in the new year.

**The Board resolved to approve the draft Business Plan 2022-2027 for consultation.**

**116 Somerset Waste Board Forward Plan–** Agenda Item 9

The Board agreed the Somerset Waste Board Forward Work Plan to include the suggestions raised by Cllr Mansell earlier in the meeting.

**117 Information Sheets issued since the last meeting-** Agenda item 10

The Board noted the SWP Eco-School Grants were now available.

**118 Any Other Urgent Items of Business -** Agenda Item 11

Cllr T Ronan ask for clarification on the recycling materials that have been shipped overseas to Romania in light of the national media about these issues and sought assurances this did not include recycling from Somerset.

Members were informed a briefing would be sent out on this matter.

**(The meeting ended at 11.56pm)**

**CHAIR**