

Somerset Waste Board

Minutes of a Meeting of the Somerset Waste Board held at The Canal side on Friday 11 February at 10.00 am.

Present: Cllr S Dyke (Chair), Cllr C Paul (Vice-Chair), Cllr D Hall, Cllr D Mansell, Cllr T Kerley, Cllr J Keen, Cllr P Goater, Cllr T Ronan, Cllr A Gilling.

Other Members Present:

119 Apologies for Absence:

120 Declarations of Interest - Agenda Item 2

There were none.

121 Minutes from the Previous Meeting –Agenda Item 3

The minutes of the meeting on 10 December 2021 were confirmed as correct record and were signed by the Chair

122 Public Question Time - Agenda Item 4

There were no public questions.

123 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 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.

124 Performance Report Quarter 3 – October 2021 to December 2021-The Chair invited Mickey Green to provide an update on the performance report for quarter 3.

The following was highlighted:

- Waste Minimisation: Overall household arisings were up by over 7,909 tonnes, or 4.46% compared to 2019-20, which may indicate reduced service disruption from the Pandemic and the growing effects of the continued roll-out of Recycle More.
- Recycling: Our recycling rate continues to improve compared to last year (up 4.34% to 56.98% from 52.64%), as well as showing a smaller increase over Q3 2019-20 (up 2.41% from 54.57%), used as a comparator unaffected by the pandemic.
- End use: Q3 2021-22 almost 100.0% of materials stayed in the UK, with the amount that was reprocessed in Somerset also remaining high at over 56.0%. This meant that just over 20 tonnes of recyclate were reprocessed outside of the EU, with all this material being plastics sent to Portugal and the Netherlands from Recycling Centres and Schools.
- Missed collections: We saw a decrease in missed collections in Q3, compared to Q2 (1.396 per 1,000 collections against 2.431 in Q2), with Q3 being the lowest of the three quarters reported so far in 2021-22.
- 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. Additionally, the risk of recyclate being dumped inappropriately has decreased as we are now exporting very little.
- Viridor's sale to Biffa does not involve the sale of any SWP assets, nor does it change the service levels required under the contract or have any cost implications.
- Suez/Veolia: 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. Progress on the global/international transaction has concluded but this does not include the UK. The UK Competition and Markets Authority recently announced a second more detailed review of the proposed merger and its effects on competition in the UK waste industry. CMA approval is unlikely to be granted until mid-2022.

Mickey shared a presentation and highlighted the impact of omicron and the proactive communications ahead of Christmas and the set-up business continuity structure straight after Christmas. Daily members messages post-Christmas and also the 5%

covid absence that impacted the recycle round and a very wide range of services distributed. The graphs show that the complaints reduction continues and highlighted the key focus of activity.

The Board Members asked the following question: for an explanation of the 20tonnes of plastic that were sent to Portugal. How does the tonnage compare to previous quarters; Previous problems in regard to the Electric vehicles and difficulties in the recovery process has this been overcome. The local government ombudsman complaint can we be certain it would not happen again. The repair bus and community action groups were highlighted for more information.

Mickey informed the board where the contamination level is high, and the contractors are required to recycle in the EU. This quarter is the best performance seen currently. Mickey advised the board that ongoing trials with vehicles are happening and exploring alternatives for example hydrogen vehicles.

Work with SUEZ has been ongoing in this area of the complaint. There is a complicated collection, for example, say an assisted collection, which is a bit round. This happened through driver shortage in COVID, as it's not always being the regular crew and understand residences frustration. Discussion about the process for the repair bus and ongoing relationships with the company Romac provided the vehicle to SWP and for the community action groups an update will be provided at Junes meeting.

Colin advised the board the infrastructure for recovery of vehicle and no engagement has happening yet as no final decisions have been approved, electric vehicles can be recovered but will take a longer period of time.

That the Somerset Waste Board: -

Notes the performance results in the Third Quarter 2021-22 Performance Report

125 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. Recycle More has been rolled out to three areas: Mendip (October 2020), South Somerset (June 2021) and Taunton Deane (Nov 2021). The fourth and final phase is due to bring the service to households across Sedgemoor and West Somerset at the end of February 2022. The report provides the progress update from Mendip, South Somerset and Taunton Deane and the update on preparation for the final phase of the kerbside roll-out programme and plans to roll-out to schools and the final tranche of communal properties.

The following was highlighted:

- Moving waste from rubbish bins to recycling is a key objective of Recycle More. In the longer-term reducing waste overall is the ultimate aim and future reporting (see 1.3) will include residual (rubbish/refuse) tonnages.
- The impact of Covid on home-working and domestic waste has been dramatic and coincided with the change of collection contract and roll-out of Recycle More. This complicates the picture considerably, making it more difficult to precisely isolate the effects of the new service.
- The initial calculations, using the 30-week period before each service change as the baseline, suggest Recycle More is reducing residual waste by around 20% nearly 80kg per household, or around 1.5kg per week.
- The recycling tonnages figures in the report for the current areas that have had Recycle More roll-out.
- Every primary school in each of the Recycle More phases has now been offered a free visit by the Carymoor team to support the roll-out of the service. From September 2020 to date (19 January 2022), the Schools Against Waste team has visited 30 schools in Mendip, 37 in South Somerset and 18 in Somerset West and Taunton. A further 12 bookings have been confirmed so far – seven in Sedgemoor and five in Somerset West and Taunton.
- The dedicated recycle-more page on the SWP webpage has been updated and at time of writing was seeing steadily increasing traffic which we expect to jump in later January and through February.

The board members asked a number of questions including the 20% reduction in waste how this compares to other recycling authorities. Can SWP build in a good campaign when the roll-out to schools take place. Limited storage space in households for the blue bag and recycling bins in the roll-out for recycle more to have a facility to comply with the recycle more programme. To have the data shared with the board of before and after the roll-out of recycle more. The Eco grants for schools including the activities the grants will be supporting. Communication with community hubs for more information on facilities

Mickey advised the board that they currently are no league today, SWP are in the top ten for recycling rate. The limited storage households are challenging the campaign has been designed to deal the challenges that may happen and the service change was design to fit all households in Somerset. Mickey informed members that community's hubs are not included in the budget SWP currently reviewing this in terms of their policy.

Mark advised the board that currently SWP are working on pre-covid, covid and the roll-out of recycle more data and will be provided at a later date. In November 2021 a grant become available for £500 and 50 of these are available in the first year with the idea of spending on projects that are well established on the ECO schools' program. Templecombe project popup clothing exchange, parents are encouraged to donate surplus clothing for recycling.

That the Somerset Waste Board: -

Notes the progress made in implementing Recycle More and the risks to the programme.

126 **Financial Performance Update 2021/2022 and Final Budget 2022/2023** The Chair invited Strategic Finance Manager Christian Evans to provide a presentation update on this item.

The following was highlighted:

- The Annual Budget for 2021/2022 was originally set at the Board meeting of 12 February 2021 at £47,045,658, a carry forward for £112,900 was granted by Somerset County Council in year for delayed work with schools resulting in a revised budget of £47,158,558.
- Inflation for the collection contract has been calculated on 6.11%, this is a basket of indices which includes labour, fuel, and CPI. This percentage is the government published figures in October 2021.
- Household growth figures are provided by each individual District partner. The average of these figures is growth of 0.99% and has been applied to the final budget.
- Household growth is based on the Household numbers provided by the district partners. Members are reminded that each collection partner will be charged according to their individual district housing growth.
- Garden waste is based on current subscriber numbers with additional growth of 0.99% across all District Partners as with household growth.

- Tonnages for recycling credits reflect housing growth applied for 2022/23 however does not include the increased growth from Recycle More as this currently feeds into breakeven.
- Funding costs have been included for Photovoltaic Panels (PV) at our two main depots and the new electric refuse vehicle (e-RCV); this includes a contract saving on diesel fuel costs against the lower cost of electric charging.
- Recycle More capital, ERCV, PV-practicalities and timing of installation, partial reflect, Recycle More break even.
- Members will be aware from previous reports and presentations that the waste budget and actual costs, particularly disposal volumes and recycling credits, remain highly volatile, which has also been further impacted by Covid-19.
- Members will be aware that SWP and SUEZ interpret Force Majeure and Qualifying Change in Law clauses differently in how they apply to the impacts of Covid and the national driver shortage. SWP and SUEZ are currently in an informal dialogue to seek a commercial resolution that avoids a formal dispute.

The board members asked, risk for the future for incinerations tax, 10% increase on the budget for recycle more and should be noted and accept the reasons for this. The extra cost incurred on covid cost and the extend of actions being taken to reduce the risk and how this looks in the next year.

Mickey informed the board that the incineration tax is still a risk but not quantifiable at the moment. On the increase those extra funding amounts in relation to Covid for a couple of months in advance. Currently SWP agreed up to the end of this financial year, there's ongoing conversation and obviously this budget was set before the very recent kind of indication of all measures being relaxed.

Chris advised the board on the increased costs. This is a particular issue when SWP are linked into very large contracts which are linked to annual inflation increases as inflation is extremely high for all sorts of different elements which make up the contract such as fuel pay, utility costs a lot higher. Districts and county councils are suffering from this high inflation and that's reflected in the increased budgets due to carry on from a COVID perspective, we have included costs per month for the foreseeable future.

That the Somerset Waste Board:

Noted the summary financial performance for 2021/2022 to date as contained in this report, and how this will impact on the budgetary requirements for 2022/2023.

Approved a final budget of £48,902,332 for 2022/2023 as set out in Appendix 1 taking into account the savings included in the budget for both the Districts and the County Council as set out in section 3.

127 SWP- Business Plan 2022 - 27– Agenda Item 8

The Chair invited Mickey Green to summarise the report and plan. The draft Business Plan for partner consultation was approved by the Somerset Waste Board (SWB) on 10th December 2021. This report updates the board on the partner consultation and seeks approval to the final Business Plan 2022-27.

The following was highlighted:

- SWP submitted a bid effectively for a reuse and repair truck focused on waste electrical equipment, encouraging and helping SWP link more with the community groups. SWP currently are reaching out and normalize that and spread that across the county and confirm that SWP have been successful.
- Action 3.1 of the Business Plan 2022-27 sets out SWP ambition for further plastic kerbside collection. SWP has accordingly applied to be part of a trial, likely to start in the second half of 2022, to trial the collection of flexible plastics and films at the kerbside. A paper will be brought to the June Board setting out the planned trial approach in more detail prior to SWP agreeing participation and signing a project and funding agreement. If successful SWP will be one of 9 Local Authorities nationwide to be part of the trial. Local authorities will be selected in order to represent a range of different 'DNAs' (profiling of various factors such as social demographics, geographies, GDP and social factors), collection systems (kerbside sort, source segregated, twin stream and co-mingled) and operators (outsourced and in house).

Mark informed the panel that communications will be sent out about the reuse truck and raise awareness within the community and opportunities to submit a name for the truck and SWP have had lots of engagement around this. Also, virtual meetings are currently happening, and the truck will be attending events and able to Pac test electricals and on the road before the summer.

The board members asked the following questions: the repair bus how this will work in regard to events and the involvement with it. Will the bus be a refurbished bus? On the reuse and promoting collection of goods at recycling centres. SWP going forward and the officer resources.

Mark informed the board that conversation with repair groups will take place and suitable events that it will attend. Sharing skills and invitation to go to schools and a clear plan of action going forward. The bus will be a bus that is already being used and refurbished to a reusable repair bus.

Mickey informed the board reuse the HWRC at recycling centre there delayed as a product of the kind of transition from Viridor to Biffa and the kind of contractual implications. Ongoing conversations and SWP have not progressed as far as they would of liked. Currently there is no cause for concern at the moment and the board will have an update on in June. In terms of social value SWP currently working on training up drivers and further updates will be provided in September.

That the Somerset Waste Board: -

- 1. Notes and considers feedback from the partner consultation process as set out in paragraph 3.1 and as verbally updated at the meeting.**
- 2. Approves the Business Plan 2022-2027, noting the significant ongoing risks to implementation of the Business Plan.**
- 3. Notes the approach proposed to the trial of collecting soft plastic from the kerbside as set out in section 4.1.**

128 Somerset Waste Board Forward Plan– Agenda Item 9

The Board agreed the Somerset Waste Board

129 Information Sheets issued since the last meeting- Agenda item 10

130 Any Other Urgent Items of Business - Agenda Item 11

(The meeting ended at 11.56pm)

CHAIR