

## **SOMERSET WASTE BOARD**

Minutes of a Meeting of the Somerset Waste Board held In the Luttrell Room at County Hall Taunton on the 24<sup>th</sup> of June at 10.00am

**Present:** Cllr D Mansell, Cllr F Smith-Roberts, Cllr S Dyke, Cllr T Kerley, Cllr A Gilling, Cllr J Keen, Cllr P Goater and Cllr T Ronan

### **Other Members Present:**

#### **1. Annual Appointment of the Somerset Waste Board Chair and Vice-Chair- Agenda Item 1**

Nominations were invited for the Chair of Somerset Waste Board. Cllr Tim Kerley nominated Cllr Sarah Dyke, and this was seconded by Cllr Federica Smith-Roberts. There were no other nominations and Members agreed by a majority vote that Cllr Sarah Dyke be appointed as Chair of Somerset Waste Board for 2022/23.

Nominations were then invited for the appointment of Vice Chair of Somerset Waste Board. Cllr Peter Goater nominated Cllr Tom Ronan for the position which was seconded by Cllr Sarah Dyke. There were no other nominations and Members agreed by a majority vote that Cllr Tom Ronan be appointed as Vice Chair for 2022/23.

#### **2. Apologies for Absence:**

Apologies received from Cllr Andy Sully.

#### **3. Declarations of Interest- Agenda Item 2**

#### **4. Minutes from the previous meeting- Agenda Item 3**

The Panel agreed the minutes from 11th February 2022 as an accurate record.

Cllr D Mansell reminded SWP about bringing reports about the reuse shop information to a future meeting.

#### **5. Public Question Time- Agenda Item 4**

There were no public questions.

## **6. Feedback from Joint Scrutiny Panel of Somerset Waste Board - Agenda Item 5**

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

- The Panel commented and noted the Constitutional Matters, Waste Board Membership and Meeting dates.
- The Panel commented and noted the Performance report highlighting about who to contact about the Fixy McFixFace going out into the communities.
- The Panel commented and noted the Finance report highlighting the pay award increase for drivers and loaders.
- The Panel commented and noted the update of the Recycle More report.
- The Panel commented and noted the Approach to partial re-fleet

## **7. Constitutional Matters, Waste Board Membership and Meeting dates**

**2022/2023-** Agenda Item 6

The Chair invited the Governance Specialist Neil Milne to provide an update about the Constitutional Matters, Waste Board Membership and Meeting dates 2022/2023. The report sets out changes to board membership for 2022/23 following agreement of each partnership organisation and also the proposed meeting dates for the Board up to April 2023. In addition, it also sets out the meetings procedures for the Board now that that the emergency legislation which allowed virtual meetings has come to an end and the requirement to operate under the 1972 legislation and revert to face-to-face meetings. The Board should acknowledge the need to operate under the basis as Somerset County Council is the administering authority for the Board.

The following was highlighted:

- No restrictions on decision-making of SWB in relation to the Transition Period except those already set out in its constitution and the law. Any decision of SWB which purports to have effect after 31 March 2023 will be ineffective as decision-making in relation to the period after this date is the function of the Executive of the County Council during the Transition Period.
- SWB has already made a business plan and budget for the year 2022/23 – these documents remain effective following the making of the SCO. However, the SWB will have no powers to set a budget for waste services in February 2023 for the 1 Paragraphs 3 & 4, The Somerset (Structural Changes) Order

2022 Page 19 (Somerset Waste Board 24 June 2022) period from 1st April 2023 as it will cease to exist as a joint committee on that date.

**That the Somerset Waste Board:**

**1. Notes the revised Board's membership for 2022/23 and Joint Scrutiny Panel of Somerset Waste Board set out in Section 2.**

**2. Notes the Board meeting dates for 2022 and 2023 set out in section 3.**

**3. Acknowledges the need for the Board to again operate under the 1972 legislation with a return to face to face meetings, which will be webcast.**

**8. Performance Monitoring Report Q4 2022/2023- Agenda Item 6**

The Chair invited Mickey Green to provide an update on the performance report for quarter 4. The report summarises the key performance indicators for the period from January 2022 to March 2022 and compares these to the same period last year (and where relevant the year before). This period was again affected by Covid-19 and also by the national driver shortage.

The following was highlighted:

- Recycling: SWP recycling rate continues to improve compared to last year (up 3.85% to 56.22% from 52.37%), as well as showing a smaller increase over 2019-20 (up 3.22% from 53.00%), used as a comparator unaffected by the pandemic.
- End use: For Q4 2021-22, again almost 99.9% of materials stayed in the UK, with the amount that was reprocessed in Somerset at almost 45.0%. Currently, this amounts to just over 44 tonnes of recyclate was reprocessed outside of the UK, albeit within the EU, with all this material being mixed plastics sent to Portugal, from Recycling Sites and Schools.
- Risks have also been updated to reflect those largely relating to the impacts of the national driver shortage.
- Defra are seeking to clarify the legislation for when construction waste should be treated as DIY and instead classified as household waste. Government consider DIY activities to include any construction work, such as building, decorating or repairing activities, carried out by the householders by themselves, in their own homes.

- Government's response on the other two elements of 'collection and packaging reforms' ('Deposit Return Scheme' (DRS) and 'Consistency in household and business recycling') are still awaited
- In a provisional ruling on 19 May, the UK's Competition and Markets Authority has said that the merger of Veolia and Suez in the UK would "lead to a loss of competition". It is important to note these findings are provisional with the final decision by the CMA due to be made by 17th July 2022.
- Part of Viridor's business was sold to Biffa, it was believed that this had concluded the strategic review by KKR (the global investment company that acquired Viridor for £4.2 billion in July 2020), which culminated in Viridor's decision to focus on Energy from Waste rather than the wider waste sector.
- SWP new Fixy service is bringing repair and reuse of electricals and electronics to communities across Somerset. The customised Fixy van (named "Fixy McFixFace" by a public vote, is travelling the county supporting repair cafes and groups with tools and portable appliance (PAT) testing.

**The Board members asked the following questions:**

The transporting of domestic waste and a discussion to take place with Biffa about using weight measurements for disposing waste rather than the axles on vehicles. On the end use following the recent terror cycle Panorama programme SWP response rate within the UK is good however do spot checks need to be carried out. The impact of missed collections in Taunton and the move to recycle more and household bins going into public bins and waste being left behind. Communication can be difficult to residents when missed collections happen. Some waste still goes into landfill and do SWP still have access to landfill and who are the contactors. More information on the community action groups. PVC is a problem material going through incinerators is PVC going to be broken down for this. The 0.1% going overseas is this coming from the recycling sites and schools with its plastics. The Fixy bus is this monitored in terms of carbon savings and a timetable of where Fixy has been and the success rate of this.

The Managing Director of Somerset Waste Board informed the board that was a decision of the Somerset Waste Board. Based on double axle trailer, the vehicle is carrying capacity will be significantly higher. The board can review again if there for a reason as the policy's been in for quite a few years. Further decisions about the impact in Taunton to ensure improvements are made. With the change over on contractors SWP have high standards and will continue this is carried on.

Noting the comments about communication and this is a focus point about getting the information out to residents. The DIY waste is a carrier bag size that is free at the recycling centre, the landfill waste goes via Viridor the figures are in the report. A

trail will be started for PVC window targeting those hard to recycle materials tiny amount of landfill, the trail will be taking out the UPVC window frames that cannot go through the energy from waste. The 0.1% is paper and card which is low grade going overseas and is challenging.

Somerset Waste Partnership Head of Communications and Engagement Mark Ford informed the board that Fixy has travelled to various of places currently SWP are reaching out with Cafes for networking. Donations of IT an update will be provided at Septembers meeting. SWP are planning reuse week in July where Fixy will be out in the community. Once the Fixy bus is out more in the community we will have more of an understanding with the figures of what is being repaired.

### **That the Somerset Waste Board notes the performance results in the Fourth Quarter 2021-22 Performance Report**

#### **9. Finance Update Q4 2022/2023- Agenda Item 7**

The Chair invited Strategic Finance Manager, Christian Evans and Managing Director of Somerset Waste Partnership to provide a presentation and update the panel.

The following was highlighted:

- That Somerset Waste Partnership was an overspend by £536,776 for 2021/22 (1.14% of the original budget).
- The overall position for District partners was an overspend of £690,841. The main cause is due to the ongoing COVID-19 cost.
- The roll out of an enhanced recycling provision to schools was delayed and a carry forward of £175,000 has been requested to enable this work to be completed in 2022/23. A further carry forward of £10,000 has been requested for a signage review at the recycling centres which was delayed in 2021/22.
- The Recycle More fund balance as of 31st March 2022 was a surplus of £853,792. However, there are several commitments to approximately the same value as the surplus which are expected early in 2022/23.
- The previous forecast of savings for 2022/23 was £700k (shared with partners to reflect in their MTFP process) and SWP now expect savings of £1,025m to be achieved in 2022/23.
- Challenging circumstances COVID, national driver shortage crashing together and causing significant issues. Retention payments, recruitment allowances, extra HR staff to focus on recruiting people.

- Key decision will be taken by the portfolio holder in regard to the national driver shortage.
- Update on key risk and issues including household numbers, inflation included oil price, resourcing/ contract sustainability, legislative change and new administration priorities and ambitions.
- Appendix B data quality part to follow up with reasonable assurance and the GDPR conclusion and no suits planned for 2022/2023

**The board members asked the following questions:**

The COVID measures what might be the ongoing cost of this in the future. The infection rate in April was high how did this affect the crew. 5% pay rise against projected 11% inflation is a 6% pay cut.

The Managing Director of Somerset Waste Board informed the board that in terms of COVID measures SWP and Suez both feel comfortable with removing some of the measures are not all of them.

The Strategic Finance Manager Christian Evans informed the board the 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: -**

- 1. Approve the financial outturn position of the Partnership overall and the individual partners' balances at year end, and the summary accounts for 2021/2022 as presented in Appendix A.**
- 2. Approve the recommendations of the partner authorities as to the use of the individual surpluses and deficits as of 31st March 2022. Detailed in paragraph 2.5.**
- 3. Note the outturn position of the Recycle More fund in paragraph 2.4.**
- 4. Note the outcome of internal audit reports set out in Appendix B.**

**10. Recycle More Update- Agenda Item 8**

The Chair invited Somerset Waste Partnership Head of Communications and Engagement Mark Ford to provide an update on Recycle More by early July. Recycle More will have been rolled-out across the county (the service being introduced to communal properties in Sedgemoor and West Somerset happening at the end of June). This paper provides a progress update on the expanded kerbside service and plans to roll-out to schools.

The following was highlighted:

- SWP has rolled-out a major service change it has taken a phased approach. It is not practical or desirable to change recycling and waste collection services for 260,000-plus households at one time.
- Mendip offers the best opportunity to see the changes year on year since it has been running the longest. In the first 17 months of Recycle More in Mendip, there has been an average decrease of just over 20% or around 1.5kg each week per household.
- The longer the service is in place, the clearer the long-term trends will be. At this stage SWP appear to be seeing the introduction of Recycle More producing a decrease in refuse/rubbish of around 20%.
- Recycle More recycling increases for each phase were also, by necessity, calculated using different baselines (to try and account of the impact of Covid lockdowns restrictions on waste) and assumptions based on material sampling.
- Together, this indicates a reduction in 'total arisings' from at the kerbside of approaching 300 tonnes per week across the county, around 10%.

**The board members asked the following questions:**

Concerns about the Roll-out of Recycle more in the different areas and would like to see the comparators and the changes that have been made through the roll-out. To have a break down the figures of what has been achieved through the materials. The ECO grants what are the states showing.

Somerset Waste Partnership Head of Communications and Engagement Mark Ford informed the board phasing of the roll-out has been essential with all the unusual things that have come in for example COVID, driver shortage and empty depots. The recycling rate has gone up the first in 10 years. 20 applications on the ECO School I will bring back a summary in the next report to show how the projects have worked.

The Managing Director of Somerset Waste Board informed the board the increase in cardboard, the big decreases in paper, the world has changed and none of the districts started from the same place. SWP emphasis on the composition and

participation analysis helping to understand in terms of different demographic groups and across the County.

**That the Somerset Waste Board notes the progress made in implementing Recycle More and the risks to the programme.**

**11. Approach to Partial Refleet-** Agenda Item 9

The Chair invited Somerset Waste Partnership Managing Director Mickey Green and Steve Holgate Head of Fleet at Suez to provide an update on Partial Refleet.

The following was highlighted:

- 23 of SWP fleet date from 2016 and were not replaced at the start of the contract and are not due for replacement until April 2024. 1 has been replaced with a refurbished electric RCV and SWP need to order all vehicles by the end of the financial year of 2022/23.
- vehicle reliability has been a particular issue with the 2016 vehicles recently, which has been a causal factor behind some of the recent service quality issues. This is despite a refurbishment to the operating equipment, bin lifts, compaction equipment.
- SWP have explored many options including refurbishing to extend useful life for example to allow tie for e-RCV market to mature. SWP have ruled out all but the pod vehicles due to the cost and likely impact on service reliability.
- Hydrogenated Vegetable Oil (HVO) could deliver 90% carbon savings. Not a long-term solution. Developing Proposal for piloting on Front-Line fleet (building on depot trail).
- Cost is indicative and are likely to increase (at least with inflation).
- Comparison of electric vehicles versus diesel 26 tonne RCV's.
- Continue with trials and modelling to ensure SWP and SUEZ are confident that they have identified the best value lowest carbon options. The board will be updated on this, on whether all 10 26 tonne RCVs can be electric.
- Commercial negotiations with SUEZ to maximise contract discount and to reflect minor contract variations linked to partial electrification of fleet
- SWP will liaise with SCC finance as there is likely to be a capital bid in this year's capital programme in the order of c£5.8m should the board wish us to proceed with maximising the electrification of fleet



- Develop the business case for HVO as an interim decarbonisation option (should be able to fund from potential underspends elsewhere in SWP budget)
- Continue to work up service proposals (and hence future replacements for 26tonne Pod vehicles) when national legislation is finalised.
- SWP will bring a final recommendation to the Board in September (noting that formal decision making will be through the capital programme linked to the new Authority).

**The board members asked the following questions:**

What's the viability of the hydrogen vehicles, previously local companies were employed to do maintenance on body work of vehicles are there any local companies that can do the work that is required. The savings on CO2 per ton £317.00 per tonne is this good. Are there government grants for the infrastructure. Will the half tonnes and the 16 Tonne vehicles to be rebodied and refurbished. The use of hydrogen as an internal conversion combustion engine fuel.

The head of Fleet Steve Holgate informed the Board Diesel RCV 200,000 electric RV's RV 400,000 a hydrogen RCV 800,000 yes, Suez can provide SWP with a fleet of hydrogen vehicles, that would be expensive because from a technology point of view, it's probably 10 years behind electric. There are only two manufacturers currently that are putting hydrogen chassis on the market. Grants are available that require public access and the depot from a health and safety aspect would not be able to be carried out. The internal combustion engine is banned from 2035 the hydrogen vehicles that are converting hydrogen Suez to convert electricity into hydrogen, transport it on vehicles to the depot.

Managing Director of Somerset Waste Partnership informed the board the mobile Charger is portable to charge the electric vehicles. SWP are currently looking at manufactures for the vehicles. The savings on CO2 has been raised to SMG in regard to funding projects and that figure is a benchmark. Refurbishment for the seven and a half tonne vehicles will not be cost effective. The Hydrogen option will be explored for the future.

David Carter explained to the board about the infrastructure high lighting key elements such as the diesel vehicles banned from 2040, the digestions that create methane that can create waste that goes into fuel and the government looking into green and blue carbon production that goes into an energy system.

**That the Somerset Waste Board:**

- 1. Provides a steer on the approach to the partial refleet in 2024, in particular on the approach to maximise the electric fleet.**
- 2. Notes the further work proposed to be undertaken and the risk associated with not committing to purchase vehicles in the current financial year.**
- 3. Notes the options being explored for the wider decarbonisation of SWP's fleet ahead of their expected replacement in 2030**

## **12. Somerset Waste Board Forward Plan**

The Panel agreed the current Somerset Waste Board Forward Work Plan

## **13. Any other urgent items of Business**

(The meeting ended at .pm)

**CHAIR**