

Dorset Waste Partnership Joint Committee



Minutes of the meeting held at Purbeck District Council,
Westport House, Wareham on Tuesday, 11 September
2018.

Present:

Anthony Alford (West Dorset District Council) (Chairman)
Michael Roake (North Dorset District Council) (Vice-Chairman)

Members Attending

Daryl Turner (Dorset County Council), Ray Bryan (East Dorset District Council),
Barbara Manuel (East Dorset District Council), Margaret Phipps (Christchurch Borough
Council), Patricia Jamieson (Christchurch Borough Council), Barry Quinn (Purbeck District
Council), Peter Webb (Purbeck District Council), Alan Thacker (West Dorset District Council)
and David Walsh (North Dorset District Council)

Other Members in attendance

Cllr David Flagg attended the meeting as an observer.

Dorset Waste Partnership Officers Attending:

Karyn Punchard (Director), Paul Ackrill (Commercial and Finance Manager), Gemma Clinton
(Head of Service - Strategy), Grace Evans (Legal Advisor), James Potten (Communications
and Marketing Officer), Michael Moon (Head of Service (Operations)), Jim McManus
(Treasurer) and Denise Hunt (Senior Democratic Services Officer).

- (Notes:(1) Publication In accordance with paragraph 8.4 of Schedule 1 of the Joint
Committee's Constitution the decisions set out in these minutes will come into
force and may then be implemented on the expiry of five working days after the
publication date. Publication Date:- **Tuesday, 18 September 2018**
- (2) These minutes have been prepared by officers as a record of the meeting and
of any decisions reached. They are to be considered and confirmed at the next
meeting of the Joint Committee to be held on **Monday, 5 November 2018.**)

Apologies for Absence

39 Apologies for absence were received from Kevin Brookes (Weymouth & Portland
Borough Council), David Budd (Purbeck District Council) and Tony Ferrari (Dorset
County Council).

Substitute members who attended the meeting included Barry Quinn (Purbeck District
Council), Andrew Parry (Dorset County Council) and Patricia Jamieson (Christchurch
Borough Council).

Code of Conduct

40 There were no declarations by members of any disclosable pecuniary interests under
the Code of Conduct.

Minutes

41 The minutes of the meeting held on 11 June 2018 were confirmed and signed subject
to the amendment of an error in the recommendation 2 in paragraph 34.

Public Participation

Public Speaking

42 There were no public questions received at the meeting in accordance with Standing
Order 21(1).

There were no public statements received at the meeting in accordance with Standing Order 21(2).

Petitions

There were no petitions received in accordance with the County Council's petition scheme at this meeting.

Forward Plan 2018

- 43 The Joint Committee considered its work programme and were advised that the following items in November 2018 would be submitted to the Joint Committee for information and comment rather than decision as the Dorset Shadow Executive Committee had responsibility for decisions:-

Delegation of Waste Function for Christchurch
Draft Budget 2019-20

Noted

Finance and Performance Report September 2018

- 44 The Joint Committee considered a report by the Director of the Dorset Waste Partnership (DWP) that outlined a projected adverse variance of £723k in 2018/19 based on the budget monitoring position at the end of July 2018.

The Finance and Commercial Manager explained that this overspend would be met by the Budget Equalisation Reserve, which contained funds of £1.2m.

He drew attention to the reduced variance with regard to the dry mixed recyclate, which had dropped from £1.086m to £798k, the reasons for which had been outlined in the report. The recyclate price had been considerably higher than the budget assumption of £0 per tonne in 2018/19 and was linked to changes in the international market and, in particular, China. Whilst the price was currently higher than budgeted, the overspend would be based on the projected yearly average, and forecasting with accuracy was extremely difficult with the inherent risk of change in the overspend.

Members asked whether the industry was currently looking at ways in which to solve this issue and were informed by the Director that the impact of changes in China was being felt in the waste industry as a whole and that infrastructure projects in the UK to address this would not be ready in the short term. If China continued with the tightened regulations that came into force at the end of March 2018, then Europe and the UK would need to respond and provide additional reprocessing and recycling facilities.

The Head of Service (Strategy) informed members that the Government was currently investigating revisions to packaging recovery notes. It was hoped that a new Waste and Resource Strategy, due in the coming months, would include a mechanism to allow local authorities to recover some money from packaging recovery notes, currently of most benefit to re-processors. The Government was trying to do more in relation to plastics generally, including an increase in the charge for plastic bags to 10p, but packaging recovery notes would be a key factor for local authorities. The Chairman asked members to bear this in mind if there were opportunities to talk to government ministers on this issue.

The Finance and Commercial Manager highlighted the £200k adverse variance with regard to the commercial waste service and assured members that the underlying performance of the service remained strong with continuing growth in the customer base.

The variance had arisen as a result of updated internal cost allocations arising from the type of waste rounds. A dedicated trade waste round was straightforward in accounting terms, however, there were rounds that were partly domestic and partly trade. In these cases, when the vehicle arrived at the weighbridge a formula was used that had recently been updated, resulting in greater costs being charged to the trade waste account that had previously been allocated to domestic waste. A supervisor rate of 5% for garden waste and 5% trade waste had also been applied. These updated measures took costs from one area of the business to another in order to provide a genuine reflection of practical arrangements on the ground.

Cllr Walsh asked about the new clinical waste obligations and the concerns around disposal of sharp objects.

In response, the Finance and Commercial Manager stated that it was likely that the liability would be met initially by continuing with the existing Clinical Commissioning Group (CCG) contractor.

Noted

Vehicle Replacement Programme

45 The Joint Committee considered a report by the Head of Service (Operations) which set out the waste vehicle requirements for North and East Dorset that required approval by the Shadow Dorset Executive Committee. It also outlined an option to procure vehicles for Christchurch for consideration by the Bournemouth, Christchurch and Poole (BCP) Shadow Executive.

The Joint Committee acknowledged that there would be a transitional phase for Christchurch and asked about the duration of service in this area.

The Director informed members that the BCP Programme Board had requested continuation of the service in Christchurch by the DWP for one year to be agreed in principle by both BCP Shadow Executive and Dorset Shadow Executive in October 2018. If this was agreed then a legal agreement would be drawn up accordingly.

In response to questions it was confirmed:-

- That there was sufficient space in some depots to accommodate mothballed vehicles.
- That mothballed vehicles would be usable in the short term with the best vehicles used in Christchurch. Some vehicles would be used for spare parts.
- There would be no round changes in the short term in North and East Dorset as a result of the procurement of new vehicles. A trial of one of the tri-stream rounds had shown a minimal timing difference.

Advice was sought as the Joint Committee had been asked to "note and support" the recommendations and the Legal Advisor explained that this would be helpful in informing the Shadow Executive that the recommendations had received general support by the Joint Committee.

Following this advice, members of the Joint Committee who were also members of the Dorset Shadow Executive Committee expressed a concern about participating in the debate and vote of this item, however, they were advised that this would not affect their consideration at the Shadow Executive Committee.

Members asked about the implications for vehicle procurement if the transition period was extended to 2 years and whether the asset value of newly purchased Christchurch vehicles would be transferred to the BCP Council.

The DWP Director advised that there was no requirement for the DWP to purchase the new vehicles for Christchurch, although this had been included as an option in the report and there would be a 12 month transitional period to commence a procurement exercise by either BCP or Dorset Councils. The Christchurch fleet had reached the end of its life sooner than expected and purchasing new vehicles would be a more economic way of managing the fleet, although the best of the older vehicles could be used in the meantime. In the event that the procurement was undertaken by the DWP this would result in an asset value on transfer to the BCP Council that would be agreed within the disaggregation principles, so that no one council was financially disadvantaged as a result. She confirmed that the detail of the arrangements for vehicles would be included in the legal agreements.

The Chairman commented that the planning for the transition had to commence at an early stage and that further information would be available in the November 2018 report.

Resolved

1. That the proposals for the vehicle replacements proposed for North and East Dorset be noted and supported; and
2. That the proposals for the vehicle replacements for Christchurch be noted and supported.

Reason for Decisions

Approval of expenditure greater than £500,000 was required by Joint Committee.

Delegation of Waste Function for Christchurch

46 The Joint Committee considered a report by the Director of the DWP which set out the proposal for the Shadow BCP Council and Shadow Dorset Council to enter into a legal agreement to delegate the waste function for the Christchurch area to the new Dorset Council for one year from 1 April 2019. The report sought comments on the proposal in order that these could be considered by the two Shadow Executive Committees.

The Director described the 3 different patterns for collections and HRC systems currently operating in Bournemouth, Christchurch and Poole as follows:-

- Christchurch - "Recycle for Dorset" provided by DWP;
- Bournemouth - a similar system to "Recycle for Dorset" in respect of in house residual waste and contracted out recycling with glass included in the recycle mix;
- Poole - contracted out collection system and in-house running of Household Recycling Centres.

She explained that the DWP would cease as a partnership on 1 April 2019 when waste would become an executive function of the new Dorset Council. As a high profile service, it was considered that a one year transition period for Christchurch would be appropriate in order to ensure service continuity. The proposal included a delegation of function that would allow staff and assets to be transferred to the Dorset Council for 1 year for an agreed fee, and thereafter transfer to the BCP Council who would take the service forward.

Officers had considered alternative options, however, these involved highly complicated arrangements that required too much work for officers and members to carry out in the required timeframe, as well as posing a risk to service delivery.

Further to a question in relation to wider partnership working in future, although too early to say at this stage, the Director advised that the DWP already shared a residual waste disposal contract with Bournemouth Borough Council that would remain open

and for the Borough of Poole to join this arrangement should it wish to do so. The collection side was more complex and there were many ways in which the new councils could work together that could be explored after 1 April 2019.

The Vice-Chairman expressed concern that a one year period would not be sufficient whilst also noting that there would be new members of the Dorset Council. He proposed that the timescale was "2 years or sooner" to allow greater flexibility and also having regard to the new facility at Blandford. This proposal was seconded by Cllr Margaret Phipps, as she considered that one year was not sufficient time and was concerned about possible impacts on Christchurch residents.

Some members were supportive of a two year transition period as this would provide more flexibility for the Dorset and BCP Councils and allow time for appropriate planning to take place by both members and officers. They did not consider that this could be achieved sooner. Others felt that either one or two years should be clearly specified in order to budget effectively.

It was further highlighted that waste services in Christchurch could be a political issue during the election in May 2019 when it would be important to convey the message that any action taken would not reduce service performance.

Members asked how the procurement of vehicles would be carried out under the transitional arrangements, particularly as the DWP would be using vehicles in the Christchurch area that were already at the end of their life.

They were advised that the total procurement time for vehicles was 9-10 months and that a transition period of one year had been proposed by the BCP Programme Board, partly due to financial considerations. The BCP Programme Board had acknowledged the need to bring forward its thinking about what happened to waste collection in Christchurch and did not want to be tied to making an upfront payment for more than one year.

Members wanted to have confidence that the Shadow BCP Council would consider this thinking at the earliest opportunity in order to correctly determine the transition period in terms of the practical arrangements involved.

The Director advised that such provisions could be built into the legal agreement and provide clarity on the stage at which an extension to the one year timeframe could be exercised and which Council would procure the new vehicles that were required in Christchurch.

There was a view that a strong public message was needed to reassure residents that the service would not be affected during the transitional period.

The budget estimate had been based on the agreed disaggregation template for waste services, and Christchurch represented 11.8% of total budget. On that principle, 11.8% would be the fee after setting next year's budget and a financial model would be built into the legal agreement including how any overspend or underspend was treated, and early termination of arrangements.

Following the discussion, some members felt that they could agree in principle to the report, subject to the legal agreement and financial considerations.

The Chairman stated that it had been useful to air opinions and that the comments of the members would be forwarded to the Shadow Executives through the minutes of this meeting, in order to assist in the discussions on this matter. The Committee was content with this way forward.

Noted

Questions from Councillors

47 No questions were asked by members under Standing Order 20.

Referring to the Finance and Performance Report earlier on the agenda, the Vice-Chairman asked for further clarity on the financial implications of closed landfill sites for the existing and the new councils.

The Finance and Commercial Manager stated that Dorset County Council currently owned a large number of closed landfill sites. These, as well as others that were currently looked after by the partner councils, would come together under the new Dorset Council and it was assumed that budgets in respect of these closed landfills would also merge.

Meeting Duration: 10.00 am - 10.54 am