

Agenda



Councils working together

Meeting: Dorset Waste Partnership Joint Committee

Time: 10.00 am

Date: 12 September 2017

Venue: Council Chamber, Purbeck District Council, Westport House, Wareham, BH20 4PP

Anthony Alford (Chairman)	West Dorset District Council
Michael Roake (Vice-Chairman)	North Dorset District Council
Kevin Brookes	Weymouth & Portland Borough Council
Ray Bryan	East Dorset District Council
David Budd	Purbeck District Council
Tony Ferrari	Dorset County Council
Patricia Jamieson	Christchurch Borough Council
Barbara Manuel	East Dorset District Council
Ray Nowak	Weymouth & Portland Borough Council
Margaret Phipps	Christchurch Borough Council
Alan Thacker	West Dorset District Council
Daryl Turner	Dorset County Council
David Walsh	North Dorset District Council
Peter Webb	Purbeck District Council

Notes:

- The reports with this agenda are available at www.dorsetforyou.com/countycommittees then click on the link "minutes, agendas and reports". Reports are normally available on this website within two working days of the agenda being sent out.
- We can provide this agenda and the reports as audio tape, CD, large print, Braille, or alternative languages on request.
- **Public Participation**

Guidance on public participation at County Council meetings is available on request or at <http://www.dorsetforyou.com/374629>.

Public Speaking

Members of the public can ask questions and make statements at the meeting. The closing date for us to receive questions is 10.00am on 7 September 2017, and statements by midday the day before the meeting.

Debbie Ward
Chief Executive

Contact: Denise Hunt
County Hall, Dorchester, DT1 1XJ
01305 224878 - d.hunt@dorsetcc.gov.uk

Date of Publication:
Monday, 4 September 2017

1. **Apologies for Absence**

To receive any apologies for absence.

2. **Code of Conduct**

Councillors are required to comply with the requirements of the Localism Act 2011 regarding disclosable pecuniary interests.

- Check if there is an item of business on this agenda in which the member or other relevant person has a disclosable pecuniary interest.
- Check that the interest has been notified to the Monitoring Officer (in writing) and entered in the Register (if not this must be done on the form available from the clerk within 28 days).
- Disclose the interest at the meeting (in accordance with the County Council's Code of Conduct) and in the absence of a dispensation to speak and/or vote, withdraw from any consideration of the item.

The Register of Interests is available on Dorsetforyou.com and the list of disclosable pecuniary interests is set out on the reverse of the form.

3. **Minutes**

5 - 10

To confirm and sign the minutes of the meeting held on 12 June 2017.

4. **Public Participation**

(a) **Public Speaking**

(b) **Petitions**

5. **Dorset Waste Partnership Forward Plan 2017**

11 - 16

To consider a report by the Head of Service (Strategy) of the Dorset Waste Partnership (attached).

6. **Minutes of Dorset Waste Partnership Joint Scrutiny Group**

17 - 20

To consider the minutes of the Dorset Waste Partnership Joint Scrutiny Group held on 4 July 2017.

7. **Finance and Performance Report September 2017**

21 - 40

To consider a report by the Director of the Dorset Waste Partnership (attached).

8. **Vehicle Replacement Programme**

41 - 52

To consider a report by the Head of Service (Operations) of the Dorset Waste Partnership (attached).

9. **Garden Waste Service and Price Setting**

53 - 62

To consider a report by the Finance and Commercial Manager of the Dorset Waste Partnership (attached).

10. **Internal Audit Progress Report - September 2017**

63 - 66

To consider a report by the South West Audit Partnership (SWAP) (attached).

11. Strategic Waste Partnership Board

67 - 74

To consider a report by the Director of the Dorset Waste Partnership (attached).

12. Questions from Councillors

To answer any questions received in writing by the Chief Executive by not later than 10.00am on 7 September 2017.

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Dorset Waste Partnership Joint Committee

Minutes of the meeting held at West Dorset District Council, South Walks House, Dorchester, Dorset on Monday, 12 June 2017.

Present:

Michael Roake (North Dorset District Council) (Vice-Chairman)

Members Attending

David Walsh (North Dorset District Council), Tony Ferrari (Dorset County Council), Daryl Turner (Dorset County Council), Ray Bryan (East Dorset District Council), Barbara Manuel (East Dorset District Council), David Budd (Purbeck District Council), Peter Webb (Purbeck District Council), Alan Thacker (West Dorset District Council) and Kevin Brookes (Weymouth & Portland Borough Council).

Other Members in attendance

Margaret Phipps, Christchurch Borough Council (Reserve)
Patricia Jamieson, Christchurch Borough Council (Reserve)
Timothy Yarker, West Dorset District Council (Reserve).
John Ellis, Weymouth & Portland Borough Council (Reserve) attended the meeting as an observer.

Dorset Waste Partnership Officers Attending:

Paul Ackrill (Commercial and Finance Manager), Gemma Clinton (Head of Service (Strategy)), Grace Evans (Clerk), Michael Moon (Head of Service (Operations)), Karyn Punchard (Director), Andy Smith (Treasurer) and Denise Hunt (Senior Democratic Services Officer).

Other Officers in attendance

Steve Mackenzie (Purbeck District Council), Lindsay Cass (Christchurch and East Dorset Borough Councils), Graham Duggan (Dorset Councils Partnership) and Rebecca Kirk (Purbeck District Council).

- (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: **Monday, 19 June 2017**
- (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 **Tuesday, 12 September 2017.**)

Election of Chairman

27 **Resolved**
That Anthony Alford be elected Chairman of the Joint Committee for the year 2017/18.

Appointment of Vice-Chairman

28 **Resolved**
That Michael Roake be appointed Vice-Chairman of the Joint Committee for the year 2017/18.

Apologies for Absence

29 Apologies for absence were received from Anthony Alford and Peter Hall.

Code of Conduct

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

Terms of Reference

- 31 The terms of reference for the Joint Committee had been published incorrectly due to a clerical error. The revised terms of reference as set out in the Inter Authority Agreement were circulated at the meeting.

Noted

Minutes

- 32 The minutes of the meeting held on 23 March 2017 were confirmed and signed.

Public Participation

Public Speaking

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.

Dorset Waste Partnership Forward Plan 2017

- 34 The Joint Committee considered its forward plan and were informed of the forthcoming items to be considered in September and November 2017.

Noted

Minutes of Dorset Waste Partnership Joint Scrutiny Group

- 35 The Joint Committee noted the minutes of the Joint Scrutiny Group meeting held on 3 April 2017 that included a recommendation that the Joint Committee endorse the revised "Recycle for Dorset" Service Policy. It was noted that this was the subject of a separate item later on the agenda and that the Joint Scrutiny Group had made some useful suggestions regarding publicity concerning the change in policy in respect of Christmas trees.

A member drew attention to the use of CCTV in prominent fly tipping areas and encouraged the use of existing infrastructure and partnership working, a view endorsed by DWP officers who were keen to explore working with partners and to drive further efficiencies.

Noted

Financial Report June 2017

- 36 The Joint Committee considered a joint report by the Director and Treasurer of the Dorset Waste Partnership which set out the 2016/17 revenue outturn and final capital expenditure, the budget equalisation reserve, the 2017/18 budget forecast and a proposal for a replacement ICT system. Appendices 4 and 5 of the Director's report were commercially sensitive and exempt from publication.

The Director highlighted the very positive variance arising from the 2016/17 budget outturn, the reasons for which had been set out in the report. It was recommended to transfer £480,416 of the total underspend to the budget equalisation reserve bringing the level of reserve funds to £1m and to return the remaining balance of £2.52m to partners using the cost sharing percentages. A level of £1m for the budget equalisation reserve was felt necessary as the impact of risk factors taken together could amount to a shortfall in the budget of up to £900k.

An omission in the report concerning the budget variance in relation to waste disposal

was highlighted and it was confirmed that the previous and final forecasts had been £486k and £470k respectively.

Members of the Joint Committee congratulated officers on the outturn position, with some expressing the view that this should be promoted as a good news story in the local press.

The Director drew attention to appendix 9 of the report which was a graphical representation of the end of year position that could be publicised at the appropriate time. She acknowledged the hard work of DWP staff, but also advised caution, highlighting the unique set of factors that had contributed to the outturn position that in all likelihood would not reoccur again. She also drew attention to the significant risk factors in 2017/18, which had led to the need to top up the budget equalisation reserve.

Some Members of the Committee shared the view of the Director and advised taking a cautious approach, particularly as many risk factors were outside the control of the DWP and not readily understood by the wider public.

In response to a specific question in relation to the replacement ICT system, it was confirmed that the capital sum included full rollout of in cab technology for all vehicles, following an initial pilot of 20 vehicles.

Resolved

1. That the outturn position for 2016/17 be noted;
2. That the final capital expenditure position for 2016/17 be noted;
3. That £480,416 of the 2016/17 revenue underspend of £3.002M be transferred to the Budget Equalisation Reserve;
4. That £2,521,885 of the 2016/17 revenue underspend of £3.002M be returned to partners in accordance with the cost share mechanism set out in the Inter Authority Agreement;
5. That the procurement and implementation of a replacement ICT system as described in paragraph 4.4, as a variation from the existing capital programme and revenue budget be approved, subject to host authority acceptance of the business case and financing arrangements; and
6. That the early 2017/18 budget forecast be noted.

Reason for Decisions

The Joint Committee monitored the Partnership's performance against budget and scrutinised actions taken to manage within budget on behalf of partner Councils.

Scheme of Delegation and 2017/18 Schedule of Meetings

- 37 The Joint Committee considered a report regarding the adoption of a Scheme of Delegation and schedule of meetings in 2017/18.

The Legal Advisor introduced the report and explained that the Inter Authority Agreement required the Joint Committee to adopt schemes of delegation for decision making and to approve a schedule of meetings for the remainder of the year. As the host authority and employer of DWP staff, the Dorset County Council (DCC) Schemes of Delegation had been adopted. The existing general scheme was from 2013 and would be subject to some amendments due to a change in DCC Cabinet portfolio holders.

Resolved

1. That the Scheme of Delegation be re-adopted; and
2. That the proposed Schedule of Meetings be approved.

Reason for Decisions

To support the delivery of effective public services through the Dorset Waste Partnership.

Revised "Recycle for Dorset" Service Policy

38 The Joint Committee considered a report by the Head of Service (Strategy) concerning the revision of the Recycle for Dorset Service Policy.

The Head of Service (Strategy) explained that it was necessary to revise the policy in order to reflect the business as usual state and to drive further efficiencies. She highlighted the two main changes to the policy as being the provision of gull proof sacks for properties that were not eligible for a wheeled bin and the removal of natural Christmas tree collection with the residual waste collection following the Christmas period.

Members were informed that there was no obligation for Councils to collect Christmas trees under the Controlled Waste Regulations 1992 and that the collection of the trees with the residual waste did not comply with the DWP waste strategy or business plan which encouraged residents to reuse, recycle and compost. It was confirmed that although a £10k saving would be made, the reason for the change in policy was not financially based. The DWP had achieved excellent recycling rates and an ethos based around observing the waste hierarchy and it was important to continue setting an example to Dorset residents.

There was some debate by the Joint Committee on the removal of the Christmas tree collection. Some members felt that this could lead to an increase in fly tipping and considered that Christmas trees should be treated as an exception as a gesture of goodwill and willingness to work with the community. The suggestion was made that Christmas trees could be collected as part of the brown bin collection and diverted away from landfill.

Other members supported the change in policy as being in line with the waste hierarchy. They noted that other councils did not provide this service and that the DWP should learn from their experience. Other forms of disposal available to residents were also highlighted, such as taking Christmas trees to HRCs or using charitable collections that operated in some areas.

In response to a question it was confirmed that the number of trees collected with the residual waste in previous years was not known, but had been estimated to be approximately 2,500 trees across Dorset. It was highlighted that users of the garden waste service paid for the collection of natural Christmas trees as part of their subscription.

The Director confirmed that a free collection of the Christmas trees with the garden waste collection would cost between £9k-14k. A charge of £10 could be made to residents who did not subscribe to the garden waste service, but this would require a one off cost to develop the administration system to support this payment.

A member acknowledged that, although it seemed sensible to remove Christmas trees with the garden waste, only subscribers to the garden waste service would pay and it would be time consuming for the crews to look out for and collect other trees on an ad hoc basis and be impractical on the ground.

Overall, it was considered by a majority of members that the removal of the natural Christmas tree collection in the revised policy should be supported.

Resolved

That the draft "Recycle for Dorset" Service Policy be approved.

Reason for Decision

To help the Dorset Waste Partnership meet its 2017/18 Business Plan objectives.

Infrastructure Review

39 The Joint Committee considered a report by the Director of the DWP which set out the current infrastructure used by the DWP as well as the anticipated costs and risks of using third party sites. The Joint Committee received a powerpoint presentation by the Director and Head of Service (Strategy) outlining the key elements of the report.

Following the presentation the Director referred to the high risk to the Wimborne Household Recycling Centre (HRC) if access to Somerley HRC in Hampshire was stopped. A member noted that Christchurch HRC was similarly used by Hampshire residents.

Members were informed that Hampshire County Council was holding discussions with all of its neighbouring authorities in order to have a single system across all of its HRCs for use by non-residents. It was also known that there were more Dorset residents using Somerley HRC than Hampshire residents who visited the HRC at Christchurch.

In order to avoid the administrative costs of charging Dorset residents per visit to Somerley HRC, monitoring arrangements were currently conducted twice a year and a one-off payment made to Hampshire County Council based on £2 per resident visit, amounting to approximately £80k per year. However, Hampshire County Council had indicated that this could rise to £5 - £6 per resident visit in future. It was confirmed that there were no restrictions to non-residents using Dorset HRCs.

A member highlighted the shortage of landfill sites in Dorset following the closure of Trigon and Beacon Hill, leading to the need to transport waste further distances for disposal.

The Director responded that sites had been identified in the Waste Local Plan, and that operators may choose to invest and develop facilities in Dorset or elsewhere. There might also be facilities available outside of Dorset who were experiencing under capacity that the DWP could use in future.

Furthermore, there were opportunities for the DWP to develop sites and take in additional tonnages from commercial waste operators depending on the type of infrastructure in place.

Resolved

That the findings of the Strategic Outline Programme and actions contained therein be noted.

Reason for Decision

The partner authorities of the DWP had a statutory duty to collect / dispose of waste and provide sites where residents may deposit their household wastes. The infrastructure to support these services needed to be fit for purpose

Dorset Waste Partnership Corporate Risk Register

40 The Committee considered a report by the Head of Service (Strategy) presenting the current corporate risk register of the Dorset Waste Partnership.

In particular, she highlighted a new risk to the budget arising from the potential revocation of HRC charges arising from the Government's new Litter Strategy for England published in April 2017.

She informed members that should the ability to charge be removed there would be

increased future costs of disposing for the items as well as the associated cost of unpicking the HRC contract.

Noted

Questions from Councillors

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

Meeting Duration: 10.00 am - 11.30 am



Dorset Waste Partnership Joint Committee

Date of Meeting	12 September 2017
Officer	Gemma Clinton, Head of Service (Strategy)
Subject of Report	Forward Plan 2017
Executive Summary	<p>This paper sets out the Forward Plan for the Dorset Waste Partnership (DWP) for 2017. The Forward Plan is based upon the DWP Business Plan 2014/19.</p> <p>Members are asked to comment on items for future inclusion.</p>
Impact Assessment:	Equalities Impact Assessment; N/A
	Use of Evidence: DWP Business Plan 2014/19
	Budget: N/A
	Risk Assessment: N/A
	Other Implications: None
Recommendation	That the Joint Committee notes the DWP's forward plan and comments on the items included and suggests others for future meetings where appropriate.

Reason for Recommendation	To provide greater visibility of the DWP Forward Plan and to ensure decisions are taken in a timely and programmed manner to achieve the objectives of the Business Plan and meet the Joint Committee's needs.
Appendices	Appendix One: DWP Forward Plan 2017
Background Papers	None
Report Originator and Contact	Name: Gemma Clinton, Head of Service (Strategy) Tel: 01305 224716 Email: g.clinton@dorsetwastepartnership.gov.uk

1. Background

- 1.1 The Joint Committee previously requested that the Work Programme be reported as a separate item so that progress could be more easily identified and the timing of key decisions highlighted.
- 1.2 The Forward Plan (Appendix 1) gives an indication of all reports to be submitted to Joint Committee during the calendar year to provide clarity on forthcoming projects and plans.

Gemma Clinton
Head of Service (Strategy)
 September 2017

**Dorset Waste Partnership Joint Committee Forward Plan
(Meeting Date – 6 November 2017)**



Explanatory note: This work plan contains future items to be considered by the Dorset Waste Partnership Joint Committee. It will be published 28 days before the next meeting of the Joint Committee.

This plan includes key decision to be taken by the Joint Committee and items that are planned to be considered in a private part of the meeting. The plan shows the following details for key decisions:-

- (1) date on which decision will be made
- (2) matter for decision, whether in public or private (if private see the extract from the Local Government Act on the last page of this plan)
- (3) decision maker
- (4) consultees
- (5) means of consultation carried out
- (6) documents relied upon in making the decision

2
2
9
3
Any additional items added to the Forward Plan following publication of the Plan in accordance with section 5 of Part 2, 10 of Part 3, and Section 11 of Part 3 of The Local Authorities (Executive Arrangements) (Meetings and Access to information) (England) Regulations 2012 are detailed at the end of this document.

3
Definition of Key Decisions

Key decisions are defined in the Inter-Authority Agreement as decisions of the Joint Committee which are likely to -

- "(a) result in the Dorset Waste Partnership (DWP) incurring expenditure which is, or the making of savings which are, significant having regard to the DWP's budget for the service or function to which the decision relates namely where the sum involved would exceed £500,000; or
- (b) to be significant in terms of its effects on communities living or working in an area comprising two or more electoral divisions in Dorset."

How to request access to details of documents, or make representations regarding a particular item

If you would like to request access to details of documents or to make representations about any matter in respect of which a decision is to be made, please contact the Senior Democratic Services Officer, Chief Executive's Department, County Hall, Colliton Park, Dorchester, DT1 1XJ (Tel: (01305) 224878 or email: d.hunt@dorsetcc.gov.uk).

Date of meeting of the Committee (1)	Matter for Decision/ Consideration (2)	Decision Maker (3)	Consultees (4)	Means of Consultation (5)	Documents (6)
6/11/17	Key Decision - Yes Open Finance and Performance Report To provide an update on current financial issues relating to the Dorset Waste Partnership and make recommendations, if necessary, to Partner Councils.	Dorset Waste Partnership Joint Committee	DWP Officers Dorset Finance Officers Commissioning Group	Meetings and discussions	
6/11/17	Key Decision - Yes Open Business Plan 2018/19	Dorset Waste Partnership Joint Committee	DWP Officers Dorset Finance Officers Commissioning Group	Meetings and discussions	
6/11/17	Key Decision - Yes Open Revenue Estimates 2018/19	Dorset Waste Partnership Joint Committee	DWP Officers Dorset Finance Officers Commissioning Group	Meetings and discussions	
6/11/17	Key Decision - No Open Revised Enforcement Guidelines and Procedures	Dorset Waste Partnership Joint Committee	DWP officers DWP Commissioning Group DWP Joint Scrutiny Group	Meetings and discussions	
15/01/18	Key Decision - Yes Open Waste Contract Strategy	Dorset Waste Partnership Joint Committee	DWP Officers Dorset Finance Officers Commissioning Group	Meetings and discussions	

15/01/18	Key Decision - No Open Corporate Risk Register	Dorset Waste Partnership Joint Committee	DWP Officers Commissioning Group	Meetings and discussions	
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Private Meetings

The following paragraphs define the reasons why the public may be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that exempt information would be disclosed and the public interest in withholding the information outweighs the public interest in disclosing the information to the public. Each item in the plan above marked as 'private' will refer to one of the following paragraphs.

1. Information relating to any individual.
2. Information which is likely to reveal the identity of an individual.
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals that the authority proposes:-
 - (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - (b) to make an order or direction under any enactment.
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

Business not included in the Forward Plan

Is this item a Key Decision	Date of meeting of the Committee	Matter for Decision/ Consideration	Agreement to Exception, Urgency or Private Item	Reason(s) why the item was not included
		NONE		

The above notice provides information required by The Local Authorities (Executive Arrangements) (Meetings and Access to information) (England) Regulations 2012 in respect of matters considered by the Committee which were not included in the published Forward Plan.

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Dorset Waste Partnership Joint Scrutiny Group

Minutes of the meeting held at County Hall, Colliton Park,
Dorchester, DT1 1XJ on Tuesday, 4 July 2017

Present:

David Jones (Chairman - Christchurch Borough Council)
Jane Somper (Vice-Chairman - North Dorset District Council)
Steven Lugg (Dorset County Council), Andrew Parry (East Dorset District Council), Mike Wiggins (Purbeck District Council) and Gill Taylor (Weymouth and Portland Borough Council).

Officers Attending: Karyn Punchard (Director of the Dorset Waste Partnership (DWP)), Paul Ackrill (Finance and Commercial Manager), Gemma Clinton (Head of Service (Strategy)), Michael Moon (Head of Service (Operations)) and David Northover (Senior Democratic Services Officer).

Note:- 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 Group.

Election of Chairman

19 **Resolved**
That Councillor David Jones be elected Chairman of the Group for the year 2017/18.

Apologies for Absence

20 Apologies for absence were received from Councillors Hilary Cox (Dorset County Council and Trevor Jones (West Dorset District Council).

Code of Conduct

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

Minutes

22 The minutes of the meeting held on 3 April 2017 were confirmed and signed.

Appointment of Vice-Chairman

23 **Resolved**
That Councillor Jane Somper be appointed Vice-Chairman for the year 2017/18.

Public Participation

24 There were no public questions or statements received under Standing Orders 21 (1) and (2), nor any requests to address the Group.

Minutes of the Dorset Waste Partnership Joint Committee

25 The minutes of the Dorset Waste Partnership Joint Committee held on 12 June 2017 were received and noted.

Mention was made of the means by which Christmas trees were collected and disposed of and if it was anticipated that there would be any adverse effect this year on fly tipping given the new policy.

Officers confirmed that there were a number of means by which Christmas trees could be managed following their use and that efforts would be made to ensure that this was done as effectively as possible. It remained to be seen how successful this was but it would be monitored in any event.

Terms of Reference

26 The Terms of Reference of the Group were received and noted. The Group acknowledged that in it being relatively, newly established it would take a little time to achieve all that it would have hoped but the Chairman was confident that it would be seen to be adding value to how the waste management process worked. Being able to scrutinise the work undertaken by the Joint Committee was essential and how effective the Group was at doing this depended on the commitment of all to ensure this was the case. The Chairman considered that from what he had already seen, there was a good basis for this to happen.

However the Terms of Reference would be kept under review and monitored as required to ensure that it remained fit for purpose. The means by which the Group might learn more about what the Partnership did and how it delivered its service was discussed and what opportunities there was for this.

Customer Services: Background

27 The Group considered a joint report by the Chairman and the Head of Service (Strategy) which provided background information to how the DWP provided their service to the public and whether these services met the needs of the customer. The report provided the opportunity for the Group to give thought to how improvements could be made to how customer services were managed, what this might entail and the means by which this might be done in order to define the scope of work required for a final report on the matter to be considered at the Group's meeting in December 2017.

The Chairman took the opportunity to thank the Head of Service (Strategy) for her contribution to the production of the report and for what it was designed to achieve. The way in which the report had been designed provided the Group with the opportunity to contribute their thoughts and the Chairman encouraged them to do so.

The Group acknowledged that, wherever possible and practicable, the Partnership tailored its services to meet the needs of customers, with Section 2 of the Policy detailing this. The recent approval of an internal customer service strategy was contained in Appendix 2 to the report, with the Group appreciating what its aims were designed to do and the needs they were designed to meet. Much of the planned improvements around customer service were linked to IT developments to enable more proactive and timely information to be shared with residents, with a dedicated site on the Dorset for You website explaining what it all entailed. However leafletting still had its part to play in getting the message across and information disseminated.

Members recognised the efficiencies to be gained for actively encouraging digital interaction with residents as a means of delivering their service and getting information out to the wider public efficiently but considered that there was still the need for residents to be able to have alternative means of receiving and responding to issues, given that many of whom were those very residents who were recipients of those specialised services.

Officers assured the Group that all means of communication was being utilised in getting the issue of waste across, via digital platforms such as the Dorset for You website, social media and e-newsletters to more traditional means such as leafletting, displays, roadshows and the like. They were confident that there was sufficient breadth and depth of sources of information available to do this, it was just whether the targeted recipients were receptive to this.

As had been mentioned at previous meetings, members considered that use should be made of what churches and their congregations had to offer, as well as doctors' surgeries, hospital waiting rooms, older people's luncheon clubs, day centres and

PoPPs. The Group considered that parish and town councils through the Dorset Association of Parish and Town Council's had a prominent part to play, as well as residents' associations and community groups - all of whom had the means of actively encouraging interest in how waste was managed. It was crucial to ensure that the public realised what the service offered and how it was being done and that assistance was there if necessary. It was equally important to ensure that all was being done to assist the public in ways that met their needs.

Officers confirmed that, in the recent past, the importance of recycling and separating out residual waste was not necessarily appreciated by the vast majority of Dorset's residents. Now these behaviours were common practice for the vast majority of residents and reducing, reusing and recycling was now generally accepted as the socially responsible thing to be doing and environmental, practical and financial benefits could be seen from doing this. Members were provided with the opportunity to contribute towards how improvements might be made to the delivery of services to meet customer needs.

Whilst they considered that survey responses were purposeful to an extent in establishing what was important to residents, what they would like to see and how they would like things to be done, this was not necessarily fully representational of society as a whole in meeting the needs of those that were the most vulnerable and more often than not in a need of the services being provided.

Education was another essential element in how successful the waste management process was and much work had been undertaken with schools so that young people had a fundamental understanding about how waste was managed, what it entailed and that part they were able to play in helping this come about.

The Group were interested to learn that officers from a range of teams in the DWP offered talks to groups on what waste management entailed and asked to have further information about how to go about having access to this. Officers were more than happy to oblige and agreed to make themselves as available as they could in this regard as it was by this means that the waste strategy would be able to be successfully delivered. Members considered that community groups were always keen to have speakers and this would fit well as a public service being provided. It was considered that new businesses and 'Jelly' groups particularly would benefit from being better informed of the services available.

Members considered that any questionnaires or surveys conducted had to be statistically credible. Officers were confident that from the surveys they had conducted this had been the case and that the information gained from these was of considerable value in how services were delivered and managed. Determining how residents had come to hear about a survey was important in order to know the means by which this had arrived at their attention. Face to face conversations was also key to how the team understood what was important to residents.

The Group asked to be provided with information on what the outcome from any responses received to surveys and questionnaire were so that it could be determined if what the residents had to say was being put into practice.

Officers confirmed that residents were largely receptive to the stickering of their bins when these had been cross contaminated, which helped to remind them and confirm what bins should be used for what. All of this played a part in instilling in the public's consciousness the importance of recycling and how waste could be better managed.

The Group were pleased to see the progress being made with improvements to how customer services were being delivered and informing the public of what was being offered and hoped that this would be maintained in line with those views which had

been aired by the Group at the meeting.

Resolved

That the current level of customer service provided from the DWP be acknowledged and that the views aired in the debate on the matter be taken into consideration, as practicable, in order to scope the final customer service review due to be presented in December 2017.

Reason for Decision

So that the DWP can continue to provide an effective service to all residents within Dorset.

Forward Plan 2017

28 The Group received and were invited to consider its Forward Plan for the rest of 2017, together with the Joint Committee's Forward Plan, which was based upon the DWP Business plan 2017/18.

Mention was made of what vehicle procurement and its contract procedure and garden waste pricing entailed and how this might be managed. Officers explained the reasoning for this.

The Group were provided with the opportunity to comment upon and suggest items for future inclusion and to their priority. The Forward Plan as proposed was considered to be appropriate as it stood.

The Committee took the opportunity to confirm the date of their meeting in December - this being Friday 1 December starting at 10.00 am at a venue to be confirmed, but preferably in the east of the county.

Resolved

1. That the DWP Joint Committee Forward Plan be noted.
2. That the DWP Joint Scrutiny Forward Plan be noted and endorsed to help plan future meetings and officer resources.

Reason for Decisions

To provide greater visibility of the DWP Joint Committee Forward Plan and to ensure decisions were taken in a timely and programmed manner to achieve the objectives of the Business Plan and meet the DWP's needs.

Questions from Councillors

29 No questions were received from members under Standing Order 20(2).

Meeting Duration: 2.00 pm - 4.00 pm



Councils working together

Dorset Waste Partnership Joint Committee

Date of Meeting	12 September 2017
Officers	Director of the Dorset Waste Partnership
Subject of Report	Finance and Performance Report September 2017
Executive Summary	<p>This report presents and discusses key financial performance trends and risks of variance in income and expenditure against the 2017/18 revenue budget of £33.1M.</p> <p>At end of July 2017 there is a predicted underspend on the revenue budget for the year of £957k. The report gives further detail of the reasons for this.</p>
Impact Assessment:	<p>Equalities Impact Assessment:</p> <p>This report contains no new proposals and has no equalities implications.</p>
	<p>Use of Evidence:</p> <p>The report is based on data from Dorset County Council's financial system and the management information systems used by the Dorset Waste Partnership. This is supplemented by information from service managers where necessary</p>
	<p>Budget:</p> <p>For 2017/18, a revenue budget of £33.1m was agreed by the DWP Joint Committee. Based on information known at the end of July 2017, there is potential favourable variance of £957k.</p>

	<p>For 2017/18, a capital budget of £2.682m was agreed by Joint Committee in November 2016, and this was amended by Joint Committee in June 2017 with the additional inclusion of a sum for the procurement of a replacement ICT system and associated in-cab technology, at £146.5k for 2017/18, bringing the capital budget expected spend to £2.828m. This report assumes that this sum will be fully spent, but this is subject to the outcomes of procurement exercises and associated timescales being confirmed.</p> <p>Risk Assessment:</p> <p>Having considered the risks associated with this information using the County Council’s approved risk management methodology, the level of risk has been identified as:</p> <p>Current Risk: MEDIUM</p> <p>Residual Risk MEDIUM</p> <p>This assessment relates to the potential volatility of a number of factors, in particular the price paid/income received in respect of recycle, which could yet move in an adverse direction later in the year. Nonetheless, it is acknowledged that, unless there are extreme further variations, the likelihood is that the budget position will remain favourable.</p> <p>Other Implications:</p> <p>No other implications have been identified.</p>
<p>Recommendations</p>	<p>The DWP Joint Committee is asked to:</p> <ol style="list-style-type: none"> 1. Note the current 2017/18 revenue budget forecast. 2. Note the capital expenditure position for 2017/18 to date.
<p>Reason for Recommendations</p>	<p>The Joint Committee monitors the Partnership’s performance against budget and key performance indicators, and scrutinises actions taken to manage within budget on behalf of partner Councils.</p>
<p>Appendices</p>	<p>Appendix 1 - Assurance statement by the Treasurer Appendix 2 – Revenue Budget – Major Variances Appendix 3 – Budget variance by partner council Appendix 4 – Budget position summary infographic Appendix 5 - DWP capital spend and commitments Appendix 6 – Budget Risks and Mitigations Appendix 7 – Budget Timetable</p>

Background Papers	None
Report Originator and Contact	Karyn Punchard, Director Dorset Waste Partnership Tel: 01305 225459 Email: k.punchard@dorsetwastepartnership.gov.uk

1. Background

- 1.1 The Joint Committee of 16 January 2017 agreed a revenue budget of £33.1m for 2016/17.
- 1.2 Based on 2017/18 data to date there is a forecast underspend for of £957k to the end of the year. Further detail on major budget variances is provided in Appendix 2.
- 1.3 A breakdown of the forecast underspend by partner councils is provided at Appendix 3. Note that the share by partner is adjusted by the agreed variations, which are in respect of street cleaning at North Dorset District Council (£20k) and a change of arrangements in respect of public toilet facilities at East Dorset District Council (£41.6k).
- 1.4 An assurance statement from the Treasurer is provided at Appendix 1.

2. Waste disposal

- 2.1 The effect of inflation in 2017/18 over and above the budgeted 1% is calculated to cost the DWP an additional £189k.
- 2.2 A change of contractual arrangement for glass recycling is forecast to bring in around £75k of additional income by the end of 2017/18. Glass was budgeted as a net nil cost.
- 2.3 Members will be aware that the price that the DWP pays to dispose of recycle varies on a monthly basis. Whilst this creates a lack of certainty in budgeting terms, the current arrangement is generally recognised as providing the DWP with favourable prices in comparison to the wider market, partly influenced by the relatively good quality of the product. The current forecast is a £438k favourable variance to year end.
- 2.3 Income from other recycled card, cans and plastics is also expected to generate a favourable variance of £45k.
- 2.4 Favourable variances are predicted in respect of tonnages of waste arising and associated haulage costs, estimated at £506k overall. This includes favourable prices due to a contractual change in disposal volumes with one of the DWPs key disposal outlets.

3. Container charging

- 3.1 The container charging service went live in late June 2017, following on from the decision made by Joint Committee in January 2017 to implement this new service. The year 2017/18 is seeing some one-off development costs, and a part year effect in terms of income. At the time of writing there is only just over one month's data available. Based on this data, an adverse variance of around £65k is anticipated, though with such little data to base this on, there is potential for this to change.

4. Trading Accounts

- 4.1 The financial performance of the Commercial Waste service is anticipated to be £125k favourable over and above the budgeted position.
- 4.2 A review of the financial performance of the Garden Waste service indicates that the service is expected to be on budget. The Joint Committee are reminded that gross income target was set at almost £2.1m, and that customer numbers are increasing towards 45,000 at the time of writing. There is a separate report on this same agenda that provides further detail.

5. Other minor variances

- 5.1 Other minor variances identified to date include savings arising from temporary vacancies in the Transport section, and planning for unfunded expenditure on additional temporary waste enforcement resource.
- 5.2 Appendix 4 summarises the latest forecast position in infographic format.

6. Capital Budget 2016/17

- 6.1 Capital spend and commitments for the year to date can be seen at Appendix 5.
- 6.2 Spend to date and commitments amounts to £2.383m against expected spend of £2.828m. Risk and uncertainty remains in respect of:
- 6.3 Major new facility planned for Blandford. Exact timescales and costs are subject to ongoing work.
- 6.4 Replacement ICT system and in-cab technology. At the time of writing this report, the procurement process is being finalised, meaning that uncertainty remains on price and timescales.
- 6.5 Spend on containers to date is low, meaning that there is potential for underspend to occur here. Spend will be kept under review.

7. Budget Equalisation Reserve

7.1 The Joint Committee are reminded that the following funds are currently held in the reserve:

Local Authority	Amount held in Budget Equalisation Reserve (£)
Dorset County Council	645,591
Christchurch BC	39,485
East Dorset DC	59,400
North Dorset DC	53,324
Purbeck DC	40,388
West Dorset DC	81,123
Weymouth & Portland BC	80,690
Total	1,000,000

Karyn PUNCHARD
Director
Dorset Waste Partnership
September 2017

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Assurance Statement by the Treasurer

The Treasurers responsibilities include, amongst other things, the following (extract from the Inter Authority Agreement):

- 33.4 The Host Authority shall ensure that the Treasurer shall provide sufficient financial information to the section 151 officer of each Partner Authority to enable each Partner Authority to report on the financial status of the Joint Committee against the relevant Annual Budget.

From December 2016, it has been agreed that Director shall provide the Finance Report to the Joint Committee, rather than the Treasurer, reflecting the financial responsibilities of the Director.

This Statement is to provide Assurance to the Joint Committee that the Treasurer endorses the Directors finance report, specifically by:

- Having assurance from the Accountancy team and the DES finance system that supports the findings of this report.
- Having had appropriate discussions as part of the extended DWP Senior Management Team.

Andy Smith, Treasurer to the DWP, September 2017

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Item	Significance rating (scored relative to the size of the overall DWP budget)	Probability of occurrence	Current risk vs. 2017/18 budget £k	Notes
Inflation in excess of budget - HRC Management Fees	Green	Certain	-39	Effect of inflation over and above the budgeted 1%.
Inflation in excess of budget - Gate Fees & Haulage	Green	Likely	-150	Effect of inflation over and above the budgeted 1%.
Waste disposal variances - tonnages and associated haulage costs - includes beneficial variation to NES now that baler is in place.	Green	Likely	506	Waste disposal variances - tonnages and associated haulage costs - includes beneficial variation to NES now that baler is in place.
Net Income from favourable Glass Recycling contract	Green	Likely	75	The DWP receives a net income of approx £6 per tonne on recycled glass.
Net income from recycled card / cans / plastics etc (Non DMR)	Green	Likely	45	This material is separate from the DMR recyclate.
Additional temporary waste enforcement resource.	Green	Likely	-28	Cost of resource for 12 months = £52k. Assumed to be in place by mid September 2017, therefore 6.5 months of cost in 2017/18.
Container Charging income	Green	Likely	-65	Early days for the new scheme, so this forecast is based on limited data. Early indications are of a potential income shortfall.
Commercial Waste Trading Account	Green	Likely	125	Early indications of performance over and above budgeted position.
Total of likely and certain budget variances			469	
Favourable difference on Recyclate price between budgeted cost per tonne of £17.32 and actual cost / income per tonne received.	Green	Possible	438	The recyclate price is extremely volatile, and can swing significantly up and down each month. We are currently forecasting using a rolling 12 month average price.
Vacancies within the Transport section	Green	Possible	50	Variances arising due to temporary staffing vacancies.
Total of possible budget variances			488	
Total of all budget variances			957	

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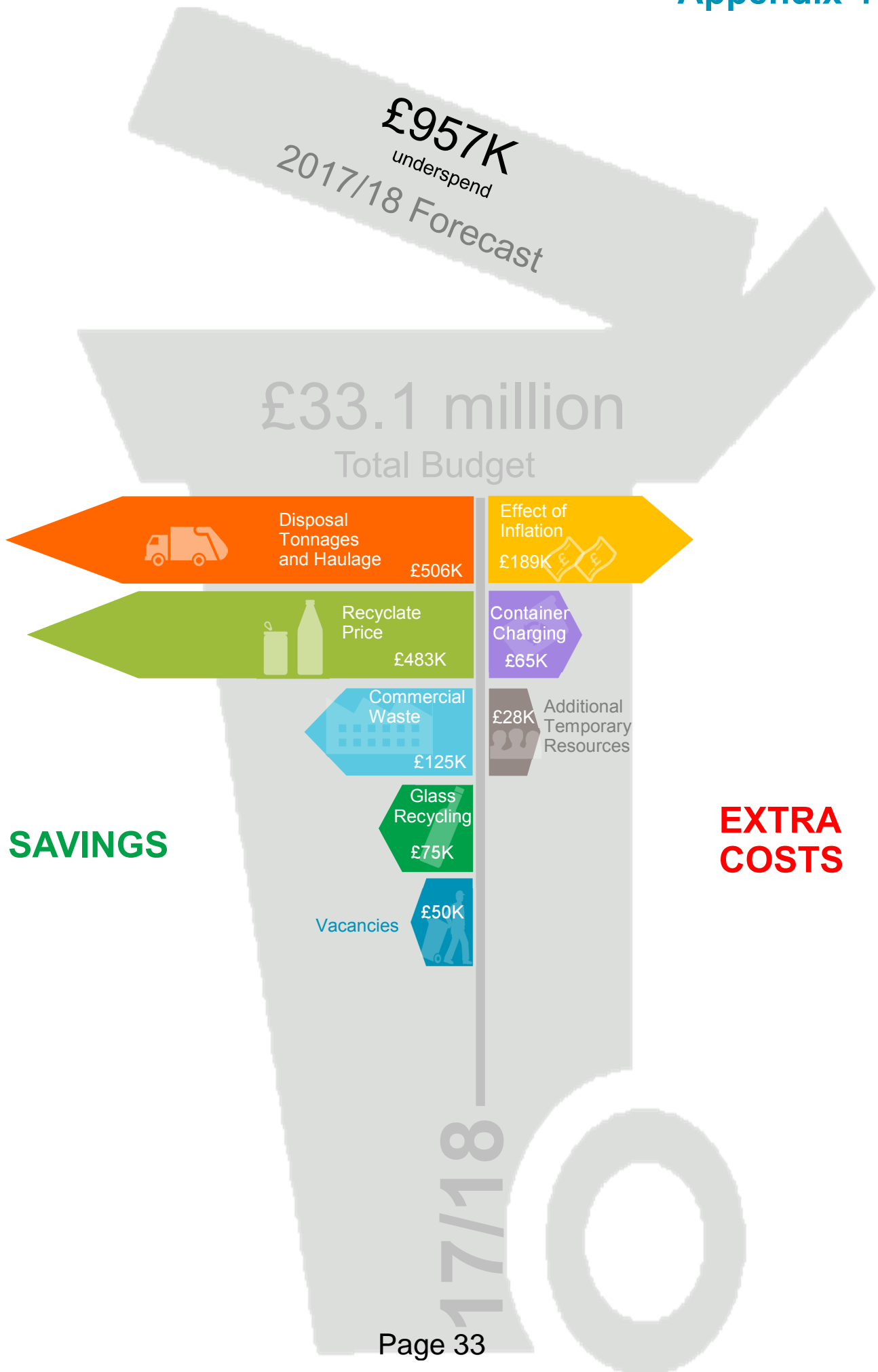
Partner variance for 2017/18 budget monitoring

Appendix 3

Total projected variance for DWP budget for 2017/18: £ 957,000

	Base cost share percentage	Agreed variations in partner funding.	Share of variance after agreed variations in partner funding £
Partner Council	(%)		
Christchurch BC	3.98%		35,292
East Dorset DC	5.93%	41,657	98,439
North Dorset DC	5.40%	20,000	71,668
Purbeck DC	4.07%		36,128
West Dorset DC	8.99%		79,825
W&PBC	7.31%		64,831
Dorset County Council	<u>64.32%</u>		<u>570,816</u>
	100%		957,000

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DWP Capital programme

Spend as at 1st August 2017

Appendix 5

	Planned capital expenditure 2017/18 £	Spend as at 1st August 2017 £	Committed as at 1st August 2017 £	Total spend plus committed £
Infrastructure				
New waste facility at Blandford	250,000	-13,128	35,403	22,274
Other minor capital works	50,000	1,260	0	1,260
Equipment				
Vehicle workshop equipment at Crookhill	54,000	-9,925	15,300	5,375
IT system				
Capital costs	146,500	0	0	0
Containers				
Containers - r4d service	505,000	38,590	357	38,947
Containers - garden waste service	60,000	50,225	281	50,506
Containers - commercial waste service	68,000			0
Vehicles				
2016/17 vehicle replacement programme - replacement van	0	36,222	0	36,222
2016/17 vehicle replacement programme - slippage (RCVs)	0	448,530	0	448,530
2017/18 Vehicle replacement programme - core fleet	645,000	0	685,083	685,083
2017/18 Vehicle replacement programme - garden waste service	600,000	0	627,836	627,836
2017/18 Vehicle replacement programme - commercial waste service	450,000	0	467,589	467,589
	2,828,500	551,774	1,831,849	2,383,623
		0	0	

All figures for planned expenditure as presented to Joint Committee November 2016
with the exception of the IT system, agreed by Joint Committee June 2017

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Key risks for the DWP budget 2017/18

1. Recyclate price volatility

Price volatility for sale of recyclate, driven largely by international market conditions, and to a lesser extent by the quality of the DWP product specifically. Prices currently vary on a monthly basis. Price analysis shows that dramatic and unpredictable changes can occur within a timescale as short as two years. Price swings that affect the DWP by up to £0.5m are considered to be a very realistic possibility.

2. Effect of inflation on contracts

Inflation forecasts cannot be absolutely relied upon, but all current forecasts for 2017/18 are greater than the budgeted 1% increase on waste disposal contracts. There is no mitigation, and DWP will need to find favourable variances elsewhere to be able to offset these costs.

3. Vehicle fuel price volatility

Fuel prices fluctuate constantly, and there are no long term reliable forecasts. 2016/17 saw a steadily increasing price throughout the year. The price paid by DWP (via DCC fuel contract) varies on a weekly basis. Prices for the first quarter of 2017/18 saw an improvement over prices paid in the final quarter of 2016/17. The current prices being paid are not a cause for concern in respect of the 2017/18 fuel budget but nonetheless this budget is included here due to uncontrollable and unpredictable nature of the fuel market. To give some context, the DWP would face a £0.5m variance if the average price for the whole year rose to £1.20 per litre (at the time of writing, prices are relatively stable at around 93p per litre).

4. Waste disposal – tonnages and disposal routes

The Joint Committee are already aware of the significance of the volume of tonnages, in budget terms. The most significant of these in the 2017/18 budget is a sum of around £8.5m for 75,000 tonnes of black bag/residual waste, at a “typical” charge of £113 per tonne (some facilities are more expensive than this, others are less). The volume of waste tonnages arising cannot be controlled or forecast with complete accuracy. For every 1%, or 750 tonnes, of variance against this budget line, a financial variance of £85k will arise. Perhaps more importantly, the price paid per tonne, whilst being the subject of a contractual agreement between DWP and its suppliers, is sometimes subject to unforeseen circumstances which can come with a big price tag. The DWP remain dependant on a stable supply chain, and the current wider economic climate means that risk remains, especially in light of Brexit (and the lack of certainty as to the implications) and also the RDF (Refuse Derived Fuel) market, which is heavily linked to Europe. Members will be updated verbally on specific risks that exist with some current DWP disposal contracts.

5. Liability for closed landfill sites

The DWP has responsibility for a number of closed landfill sites, and budget is provided for the ongoing monitoring of these sites. However, there is no budget provision for an event such as a closed landfill failure. Insurance would cover costs where the insurers would be satisfied that the event was unforeseeable etc. However, there is also risk of a landfill failure which would incur costs to the DWP. There is currently work in progress to provide greater clarification of the risks and potential costs to the DWP, and those costs may be significant.

6. HRC charging arrangements

There is a potential risk that new legislation from central government will make charging for materials such as rubble at HRCs for materials unlawful. A change of legislation such as this would cost the DWP at least £250k to change the current contractual arrangements.

The DWP finance timetable - 2017/18

Date	Subject	Meeting
16/01/17	Approval of 2017/18 budget	DWP Joint Committee
23/03/17	Budget monitoring for 2016/17 financial year	DWP Joint Committee
12/06/17	Out-turn for 2016/17 financial year	DWP Joint Committee
12/06/17	Budget monitoring for 2017/18 financial year	DWP Joint Committee
12/09/17	Budget monitoring for 2017/18 financial year	DWP Joint Committee
02/10/17	Informal budget workshop (West)	Informal
09/10/17	Informal budget workshop (East)	Informal
31/10/17	Joint Scrutiny Group consideration of draft 2018/19 budget	Joint Scrutiny Group
06/11/17	Budget monitoring for 2017/18 financial year	DWP Joint Committee
06/11/17	Draft 2018/19 budget presented	DWP Joint Committee
06/11/17	Updated five year MTFP presented	DWP Joint Committee
12/12/17	Consideration of 2018/19 draft budget	PDC
06/11/17	Consideration of 2018/19 draft budget	W&PBC
06/11/17	Consideration of 2018/19 draft budget	NDDC
06/11/17	Consideration of 2018/19 draft budget	WDDC
29/11/17	Consideration of 2018/19 draft budget	EDDC Cabinet
06/12/17	Consideration of 2018/19 draft budget	CBC Policy & Resources Committee
06/12/17	Consideration of 2018/19 draft budget	DCC Cabinet
15/01/18	Approval of 2018/19 budget	DWP Joint Committee
15/01/18	Budget monitoring for 2017/18 financial year	DWP Joint Committee
20/03/18	Budget monitoring for 2017/18 financial year	DWP Joint Committee
11/06/18	Final outturn of 2017/18 financial year	DWP Joint Committee

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Councils working together

Dorset Waste Partnership Joint Committee

Date of Meeting	12 September 2017
Officer	Mike Moon - Head of Service (Operations)
Subject of Report	Vehicle Replacement Programme
Executive Summary	This report is an update on the annual vehicle procurement programme. A review of the provisional replacement programme has identified some amended vehicle requirements which are covered in this report.
Impact Assessment:	Equalities Impact Assessment: This report does not require a EIA
	Use of Evidence: Feedback from Transport and Operational managers and the ongoing review of service requirements
	Budget: Capital spend requirement £2.162m in 2018/19. If approved, these requirements will be included in the revised 2018/19 capital programme which will be reviewed by Joint Committee in November 2017 and will be required by the Treasurer to seek funding arrangements via the host authority. Revenue implications will also be included in the 2018/19 draft budget.
	Risk Assessment: Having considered the risks associated with this decision using the County Council's approved risk management methodology, the level of risk has been identified as: Current Risk: HIGH Residual Risk MEDIUM

Vehicle Replacement Programme

	The HIGH risk relates to criticality of service delivery, financial, health and safety and reputation categories
Recommendation	That the Joint Committee agree the revised procurement programme as outlined in this report.
Reason for Recommendation	Approval of expenditure greater than £500,000 is required by Joint Committee.
Appendices	Appendix 1 – 2018/19 Revised Vehicle Replacement Programme Appendix 2 – Current estimate of replacement vehicle cost by type
Background Papers	<ol style="list-style-type: none">1. Dorset Waste Partnership Transport Strategy2. Capital Programme 2016/17 – 2020/213. Vehicle Procurement Programme
Report Originator and Contact	Name: Andy Cadman, Operations and Transport Manager Tel: 01305 225451 Email: a.cadman@dorsetcc.gov.uk

1. Background

- 1.1 The term 'core fleet' in this instance means any vehicles that are not directly related to the provision of Commercial Services (Commercial Waste and Garden Waste) i.e. refuse, recycling, street sweeping, street cleansing, vans and other associated vehicles.
- 1.2 In November 2016, the Joint Committee considered the provisional vehicle replacement programme for the next 5 years. The estimated requirements for 2018/19 amounted to £923k, with no cost estimates for Commercial Services at that point in time.
- 1.3 The vehicle procurement programme has been revisited and updated. This is presented in Appendix 1. The requirements have changed, and now the 2018/19 estimated cost is £1.582m for 24 vehicles (£2.162m including 4 Commercial Services vehicles). This is due to the following reasons:
- Review of spare vehicles and a strategic plan to incorporate more spare capacity within the fleet
 - Replacements for leased vehicles expiring in 2018/19
 - Street cleansing strategy for litter bins
 - Increased property numbers in Dorset and the constraints placed upon the R4D rounds to complete collection rounds
 - Reducing the reliance on long term vehicle hire
 - Food waste disposal

Vehicle Replacement Programme

- 1.4 In recent years since DWP was established, older vehicles that are suitable for use beyond their expected replacement date have been used extensively to increase and support the Trade and Garden Waste services. These services have the immediate need to reflect the take up in the service and the move to rolling renewals and the associated problems of predicting what the exact customer numbers will be. These services, being response driven, have resulted in the need to employ more of the ex-works vehicles in these services and subsequently decreasing the life expectancy of already old vehicles. Whilst these vehicles have allowed the DWP to respond to growth in commercial services they have limited functionality in the R4D service as all but one of these vehicles can only collect a single stream of materials.
- 1.5 The replacement of the Tri stream vehicles in 2019/20 and 2020/2021 is subject to a review currently being undertaken to ensure that the correct replacement vehicles are procured at that time.

2. Revised Core Fleet Programme

- 2.1 DWP officers have examined the performance and cost of the current fleet: and consider that it is necessary to acquire the following vehicles for 2018/19 seen in table 1 below.

(Table1 – updated requirements)

2018/19 vehicle procurement requirements- Adjusted	
R4D 70/30 Recycling vehicles 26t	1
R4D Refuse Collection vehicles 26t	1
R4D Food reception/ disposal (Modified RCV)	1
R4D Food waste collection vehicle 7.5t	1
R4D 70/30 Recycling vehicles 15t	1
R4D Refuse collection vehicles 7.5t	6
Commercial Services vehicles (Commercial and Garden Waste)	4
Semi-compaction Cleansing vehicle 7.5t	1
Cleansing Vehicles 3.5t	6
Vehicle Maintenance support vehicles	3
Operations Supervision vehicles	3
Total	28

(The proposed depot location of each vehicle is shown in Appendix 1)

The 2016/17 Joint Committee report identified the following procurement plan identified the following vehicles as shown in table 2 below.

(Table 2 – original requirements)

2018/19 vehicle replacement programme – Original (2016)	
Refuse Collection vehicles 26t (Commercial and Garden)	2
Refuse Collection vehicle 15t	2
Cage tipper 3.5t	1
Cage tipper 3.5t (narrow access)	2
Operations Supervision	2
Total	9

Vehicle Replacement Programme

Table 3 shows the increase or additional vehicles that the DWP believe are necessary and the report aims to set these requirements.

(Table 3 – difference between original requirements and updated requirements)

Additional vehicles added to the programme	
R4D 70/30 Recycling vehicles 26t	1
R4D Refuse collection vehicle 26t	1
R4D Refuse Collection vehicle 15t	-2
R4D Food waste disposal vehicle 26t	1
R4D Food waste vehicle 7.5t	1
R4D Refuse collection vehicles 7.5t	6
R4D 70/30 Recycling vehicle 15t	1
Commercial service vehicles (Commercial and Garden)	2
Semi-compaction (cleansing vehicle)	1
Cleansing vehicle 3.5t	3
Operations Supervision	1
Vehicle maintenance	3
Total	19

- 2.2 The effect on the revenue budget is in the region of £336k per annum (due to the repayment of borrowing associated with the vehicles being written off over 7 years, plus an estimate for interest on borrowing). As the DWP's knowledge and understanding of the volumes, types of materials and the complexity of modern vehicles to collect domestic residual household waste and recycling grows, consideration is being given to the "life cycle" of the vehicles.
- 2.3 With the continuing review of the fleet and a better understanding of the requirements of the Dorset Waste Partnership now that all Tranches are settled, the annual review of vehicle requirements has been carried out. This considers where demands on vehicle use comes from, as listed below, and how we can best utilise vehicles.
- Spare capacity
 - Property growth
 - Reducing the need for vehicle hire
 - Age profile of ex-works vehicles
 - Restricted access
 - Cleansing strategy
 - Food Waste disposal from remote disposal sites
 - Promotions and Waste minimisation
 - Supervision of crews and inspections
 - Vehicle maintenance issues
- 2.4 The DWP based the initial vehicle replacement plan with the intention of reducing vehicle procurement costs by using some of the partner Authorities older refuse vehicles as spares. The business case cited the use of old Authority stock as a means of delivering this objective but always recognised that this strategy was a short-term fix and that a replacement strategy would need to include spare capacity.

The ex-Authority vehicles have an additional drawback as these have tended to be standard RCV's and not designed to collect multiple recycling streams (Dry Mixed Recycling and Glass) and when required in R4D they need to be supplemented with vehicles from other service areas such as cleansing.

Vehicle Replacement Programme

After a “health check” of the older fleet, it is considered that the DWP have exhausted the “old stock” and that consideration to the number and type of spare capacity be examined. Typically, fleet spare capacity will be in the order of 15 - 25 % dependant on the type, complexity and availability of replacement via the rental market.

The following margin percentages will best support the services that DWP provide:

- R4D 70/30 Recycling and mixed Glass 20%
- R4D Residual Household Waste 15%
- Food Waste 15%
- Trade and Garden Waste 20%
- Cleansing 0 - 5%

In terms of numbers, Table 4 shows the existing spare in each of the services with the existing and proposed margins that the DWP will seek to keep by either purchasing new or relegating existing vehicles over the next two years.

(Table4)

Vehicle type	Current front line fleet number	Existing number of spares	Proposed number of spares
26t Tri stream	10	2	2
26t Dual stream	10	2	2
26t 70/30 RCV	12*	2	3
26t RCV	12*	2	3
15t 70/30 RCV	8	1	2
15t RCV	5	1	1
7.5t RCV	9	1	2
7.5t Food Waste	22	1	2
26t G/Waste	13	1	1
26t T/ Waste	5.5	(shared)	1
15t G/Waste	1.2	0	1

** Note: This table includes the purchase of the additional vehicle required for the round balancing and property increase exercise that is proposed to take place between Poundbury and Crookhill Depots*

- 2.5 There have been several significant new housing developments and more in each local authority housing plans that have and will put additional collection pressures on rounds that have already reached full capacity on some days in some areas. The tables below highlight that in several areas the existing property growth, current new builds and forecasted property developments suggest that additional vehicles are already required and will be required as these developments are realised. Table 5 shows the increase in property numbers by District area since 2011/12 when rounds for tranches 1 and 2 were devised.

Vehicle Replacement Programme

(Table5)

District / Area	Property numbers as of 2011/12	Property numbers as of 2016
CDC	23,150	24,279
EDDC	38,980	40,475
NDDC	30,260	32,169
PDC	21,870	23,188
WDDC	48,750	52,614
WPBC	30,300	32,372
Totals	193,840	205,097

- 2.6 The DWP has reduced hire spend from £726,573 in 2015/16 to £412,184 in 2016/17 and a budgeted figure in 2017/18 of £205,000. The use of older vehicles is in some part related to this strategy (see 2.7) but there is the potential that this will increase again if spare capacity is not available with resulting delays to service provision whilst hire is sought and the resulting increased customer complaints and costs associated with the call handling provider (Dorset Direct).
- 2.7 In Tranches 1 and 2 the DWP has been reliant on a number of hired 7.5t collection vehicles to collect refuse, recycling and food waste from restricted access properties rather than co-mingle the service. Whilst the Tranches 3-5 resolved a lot of these issues with dedicated food waste vehicles, in the earlier Tranches this has not been fully resolved and whilst the DWP has attempted to minimise this number by “second life” of other vehicles there remain a number of hire vehicles to date. To remedy this, it is proposed that the food waste style of collection vehicle is purchased early to collect from these properties and when the revised system is implemented they will be compatible with the new service. These vehicles will then roll back as part of the fleet margin offsetting the number needed to deliver and support the new service.
- 2.8 In 2015 a new Street Cleaning Policy was adopted. Changes to the policy included a move to wheeled bins as the primary way to provide litter bin solutions with stakeholders having options on the type and style of housings or fixings. Litter bins have been slowly replaced with wheel bins in some areas and whilst there were sufficient vehicles to manage a small number the amount and request for bins have increased. To reflect the increase and the need to better service areas at all times, including seasonal peaks, work on the right type of vehicle has been undertaken. Officers now believe that vehicles that have already been purchased within the existing replacement programme offer the best solution as they can accommodate standard litter bins, wheeled bins but importantly have a compaction system. It is proposed that the DWP renew some of the restricted access semi-compaction that have identified as been required as needing to be full compaction and re-deploy these to cleansing.
- 2.9 In 2015 the DWP entered lease agreements with a specialist municipal fleet supplier to provide 4 compact style sweeper vehicles. This has proven to work well for the DWP and it is proposed that the final DWP owned compact sweeper is replaced with a leased replacement that will run concurrently with the existing leases and expire at the same time (note, this vehicle will be “nearly new”) and will allow a full review of compact sweepers when all leases are due to expire.

Vehicle Replacement Programme

2.10 In order to ensure collection and cleansing operatives are carrying out their duties safely and efficiently it is a requirement of Operations Supervisors to undertake regular and routine inspections of the day to day operations. Additionally, Supervisors undertake cleansing and condition surveys. Regularly there is a need to respond to any of the following (but not exclusively):

- Crew inspections /surveys
- Site visits with residents and site agents
- Move operatives between vehicles to balance rounds or respond to sickness
- Arrange transport for staff to different depots for training.
- Deliver bins, caddies and other materials between depot locations and head office.

These vehicles also serve as general pool vehicles for all manner of non-specific duties so front line vehicles are employed on the duties they are intended for. It is therefore proposed to replace the small van style of vehicle with small crew cab vans c/w with load space.

2.11 As with 2.10 vehicle maintenance have retained the ex-partner vehicles at its workshop facilities within the DWP. The vehicle maintenance response vehicles range between old vans handed down from Operations to 17-year-old 4x4 vehicles where access to landfill was a consideration. None of the vehicles are adequately equipped to carry a selection of parts and tools to assist the vehicle maintenance technicians respond to roadside breakdowns and have basic equipment such as small bench and vice. The fleet type and age profile now indicates there are no suitable vehicles left in this instance for this service. It is therefore proposed to replace these vehicles.

3. Commercial Services

3.1 The current fleet requirement for vehicles for Garden and Trade Waste service is set out in the Commercial Services element of the Fleet Procurement Plan,

3.2 For the 2018/19 year, 1 additional RCV for Garden Waste vehicle has been identified as needing replacement under the 2018/19 procurement plan. In addition, Commercial Services have identified the need to have a “margin” in each of the 2 distinct services (Trade and Garden) to allow for routine scheduled servicing, un-scheduled repairs. The recommendation from officers is that 3 spare vehicles are sourced. These Garden and Commercial vehicles will be funded by the respective trading accounts

1 x 26t Garden Waste Vehicle

1 x 26t Trade Waste Vehicle

1 x 15t Trade or Garden waste (semi-restricted access)

3.3 Unlike the core fleet, the MTFP as seen by Joint Committee in November 2016 did not make any assumptions about future vehicle procurements for the Commercial Waste or Garden Waste services. The reason for this is that the services are operated as Trading Accounts and that any investment in vehicles would need to be able to demonstrate that it would add to, or maintain (but not diminish), the overall contribution generated by the trading account. Within the traded accounts the cost of new vehicles is one of the overheads covered by the income received from the traded services. The operating context for the trading account in terms of numbers of customers, income levels, and round capacity is constantly changing, and medium to long term predictions are unlikely to be reliable. Therefore, decisions on investment

Vehicle Replacement Programme

(such as vehicle procurement) need to be taken based on recent knowledge rather than set out in advance on a medium-term timescale (such as the MTFP).

- 3.4 The proposal put forward here is to purchase four new vehicles in total. These have been selected using two criteria:
- I. These vehicles are more than 7 years old and therefore due for replacement
 - II. The need to have a fleet margin as discussed in section 2.4 of this report

Mike Moon,
Head of Service (Operations)
September 2017

Appendix 1 - 2018/19 Vehicle Replacement by type and cost

GVW	Description	Service	Configuration	Est Cost	Shaftesbury	Ferndown	Christchurch	Wareham	Poundbury	Bridec	Crookhill	Spare	Princess House	Totals	Cost
					18/19										
RR4D															
26t	70/30 Split body	R4D	6x2	£191,000							1			1	£191,000
26t	RCV	R4D	6x2	£150,000							1			1	£150,000
18t	70/30 Split body	R4D	4x2	£140,000										0	£0
18t	RCV	R4D	4x2	£130,000										0	£0
15t	70/30 Split body	R4D	4x2	£121,000										0	£0
15t	RCV	RD4	4x2	£117,000						1				1	£117,000
7.5t	RCV	R4D F/Waste	4x2	£65,000						1				1	£65,000
7.5t	RCV	R4D R/A	4x2	£85,000	1		1	2		1	1			6	£510,000
3.5t	Cage Tipper	R4D Ultra R/A	4x2	£35,000										0	£0
26t	Food Delivery	R4D Disposal	6x2	£140,000						1				1	£140,000
Commercial Services															
26t	RCV	Commercial	6x2	£150,000								1		1	£150,000
15t	RCV	Commercial	4x2	£130,000								1		1	£130,000
7.5t	RCV	Commercial	4x2	£85,000										0	£0
26t	RCV	Garden	6x2	£150,000		1						1		2	£300,000
15t	RCV	Garden	4x2	£130,000										0	£0
7.5t	RCV	Garden	4x2	£85,000										0	£0

Cleansing															
18t	RCV	Cleansing / Litter Bins	4x2	£130,000										0	£0
7.5	RCV	Cleansing / Litter Bins	4X2	£70,000					1					1	£70,000
15t	L/M Sweeper	Cleansing	4x2	£130,000										0	£0
12t	L/M Sweeper	Cleansing	4X2	£120,000										0	£0
4t	S/M Sweeper	Cleansing	4x2	£70,000										0	£0
7.5t	Cage Tipper Tail-lift	Cleansing	4x2	£46,000										0	£0
7.5t	Cage Tipper Side-lift	Cleansing	4x2	£46,000										0	£0
3.5t	Cage Tipper or tail	Cleansing	4x2	£35,000	1	1			1	1	2			6	£210,000
3.5t	Gum Removal	Cleansing	4x2	£37,000										0	£0
<3.5t	Small Van	Cleansing	4x2	£20,000										0	£0
Other Services															
12t	Large Cage Tail-lift	Bin Delivery	4x2	£75,000										0	£0
3.5t	Luton van	Bin Delivery	4X2	£35,000										0	£0
<3.5t	Panel van	Promotions / Disposal / Enforcement	4x2	£18,000										1	£0
3.5t	Exhibition Van	Promotions	4x2	£35,000										0	£0
3.5t	Panel Van High Top	Vehicle Maintenance	4x2	£25,000	1				1		1			3	£75,000
<3.5t	Car derived van	Supervision	4x2	£12,000										0	£0
<3.5t	Crew cab van	Supervision	4x2	£18,000		1	1				1			3	£54,000
					3	3	2	2	2	6	7	3	0	28	£2,162,000

Vehicle replacement Costs

Appendix 2 reflects the best estimate based on current knowledge of the type of vehicles the DWP uses and the unit cost of each.

GVW	Description	Service	Con fig	Cost
R4D				
26t	70/30 Split body	R4D	6x2	£191,000
26t	RCV	R4D	6x2	£150,000
26t	Food Delivery	R4D Disposal	6x2	£140,000
18t	70/30 Split body	R4D	4x2	£140,000
18t	RCV	R4D	4X2	£130,000
15t	70/30 Split body	R4D	4x2	£121,000
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7.5t	RCV	R4D F/Waste	4x2	£65,000
7.5t	RCV	R4D R/A	4x2	£85,000
3.5t	Cage Tipper	R4D Ultra R/A	4x2	£35,000
Commercial Services				
26t	RCV	Commercial	6x2	£150,000
15t	RCV	Commercial	4x2	£130,000
7.5t	RCV	Commercial	4x2	£85,000
26t	RCV	Garden	6x2	£150,000
15t	RCV	Garden	4x2	£130,000
7.5t	RCV	Garden	4x2	£85,000
Cleansing				
18t	RCV	Cleansing / Litter Bins	4x2	£130,000
7.5t	RCV	Cleansing / Litter Bins	4X2	£70,000
15t	L/M Sweeper	Cleansing	4x2	£130,000
12t	L/M Sweeper	Cleansing	4X2	£120,000
4t	S/M Sweeper	Cleansing	4x2	£80,000
7.5t	Cage Tipper Tail-lift	Cleansing	4x2	£46,000
7.5t	Cage Tipper Side-lift	Cleansing	4x2	£46,000
3.5t	Cage Tipper or tail	Cleansing	4x2	£35,000
3.5t	Gum Removal	Cleansing	4x2	£37,000
<3.5t	Small Van	Cleansing	4x2	£20,000
Other Services				
12t	Large Cage Tail-lift	Bin Delivery	4x2	£75,000
3.5t	Luton van	Bin Delivery	4X2	£35,000
<3.5t	Panel van	Promotions / Disposal / Enforcement	4x2	£18,000
3.5t	Panel Van High Top	Vehicle Maintenance	4x2	£25,000
<3.5t	Car derived van	Supervision	4x2	£12,000
<3.5t	Crew cab van	Supervision	4x2	£18,000

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Dorset Waste Partnership Joint Committee

Date of Meeting	12 September 2017
Officer	Paul Ackrill – Finance and Commercial Manager DWP
Subject of Report	Garden Waste Service and Price Setting
Executive Summary	<p>This paper provides the Joint Committee with a reminder of the history of the service, an update on the current position in respect of customer numbers and customer cancellations, and seeks approval to delegate the annual price setting to the Director of the DWP and the Chairman of the Joint Committee within defined parameters.</p> <p>In addition, this report presents some research into potential incentives that could be offered to boost scheme take up, but finds that there is no business case for doing so at this point in time.</p> <p>Lastly, the report provides details regarding usage of the scheme in the winter months and explores potential savings and potential risks that would arise if the scheme were ceased in the winter months, which is a practice undertaken by some other authorities. The report concludes that the potential for alienating the existing customer base and associated lost income is far higher than potential savings.</p>
Impact Assessment:	<p>Equalities Impact Assessment:</p> <p>Not applicable.</p>
	<p>Use of Evidence:</p> <p>Benchmarking of other local authority garden waste services and charges.</p>

Garden Waste Service and Price Setting

	<p>Customer satisfaction surveys. Customer numbers. DES garden waste trading account expenditure and income. DWP MTFP. Vehicle procurement requirements.</p> <p>Budget:</p> <p>The decisions made in respect of the annual fee will have a direct impact upon future year budgets.</p> <p>Risk Assessment:</p> <p>Having considered the risks associated with this decision using the County Council's approved risk management methodology, the level of risk has been identified as:</p> <p>Current Risk: LOW Residual Risk LOW</p> <p>Other Implications:</p> <p>None.</p>
<p>Recommendation</p>	<ol style="list-style-type: none"> 1) That the Joint Committee delegates authority to the Director of the DWP and to the Chairman of Joint Committee to set the Garden Waste Service price annually, subject to the performance of the service being reported to the Joint Committee via the finance reports. The increase should be no more than the CPI inflation forecast + 1% for that year (with appropriate evidence provided), rounded up to the nearest 50p. 2) That the Joint Committee note the position with regard to incentivising sign up. 3) That the Joint Committee agrees no changes to the Garden Waste service in respect of winter months, and that DWP continue to provide a 12-month service.
<p>Reason for Recommendation</p>	<p>To offer a garden waste service at a price that will remain attractive and affordable to customers whilst maintaining a contribution to overheads.</p>
<p>Appendices</p>	<p>None.</p>
<p>Background Papers</p>	<p>None.</p>

Garden Waste Service and Price Setting

Report Originator and Contact	Name: Paul Ackrill, Finance and Commercial Manager, Dorset Waste Partnership Tel: 01305 224121 Email: Paul.Ackrill@dorsetwastepartnership.gov.uk
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1. Background and Service Overview

- 1.1 The garden waste service consists of a 240-litre wheeled bin collected once a fortnight throughout the whole year, with the exception of a break for Christmas and New Year. Customers receive 25 garden waste collections for their annual subscription. A compostable sack option is available for customers who are unable to store wheeled bins.
- 1.2 The garden waste service currently has 43,376 customers paying for a total of 44,838 bins. The garden waste customer base is spread out across Dorset as below.

Borough/District	Total number of properties	Number of paid garden bins	Number of properties with a GW bin	% of properties with a GW bin
Christchurch	24,279	7,020	6,788	28.0%
East Dorset	40,475	16,675	16,005	39.5%
North Dorset	32,169	6,613	6,385	19.8%
Purbeck	23,188	3,819	3,729	16.1%
West Dorset	52,614	8,022	7,823	14.9%
Weymouth & Portland	32,372	2,689	2,646	8.2%
	205,097	44,838	43,376	21.1%

- 1.3 In the 2016/17 financial year there were an additional 6,365 new customers added to the garden waste service. In the first four months of the 2017-18 financial year (April to July) there have been 3,478 new customers join the garden waste service.
- 1.4 The standard garden waste service was introduced in October 2012 at a price of £35 with annual prices agreed by Joint Committee each subsequent year as follows:
- | | |
|---------|--------|
| 2014/15 | £40 |
| 2015/16 | £41 |
| 2016/17 | £45 |
| 2017/18 | £47.50 |
- 1.5 The Joint Committee are reminded of the legal position regarding the garden waste service:
- That the local authority is required to provide to residents a means to dispose of garden waste (i.e. through the HRCs) but is not statutorily required to collect garden waste.

Garden Waste Service and Price Setting

- That the collection of garden waste is an additional, “opt in”, non-statutory service and as such a charge can be made for this service.
- The charge made for the service should cover the costs incurred in providing the service, but should not generate a profit.
- Any intention to generate profits would require a separate trading organisation to be formed.

1.6 Direct costs of the Garden Waste service are captured in an internal trading account, which Joint Committee have already seen as part of previous finance reports. The direct costs that are captured are:

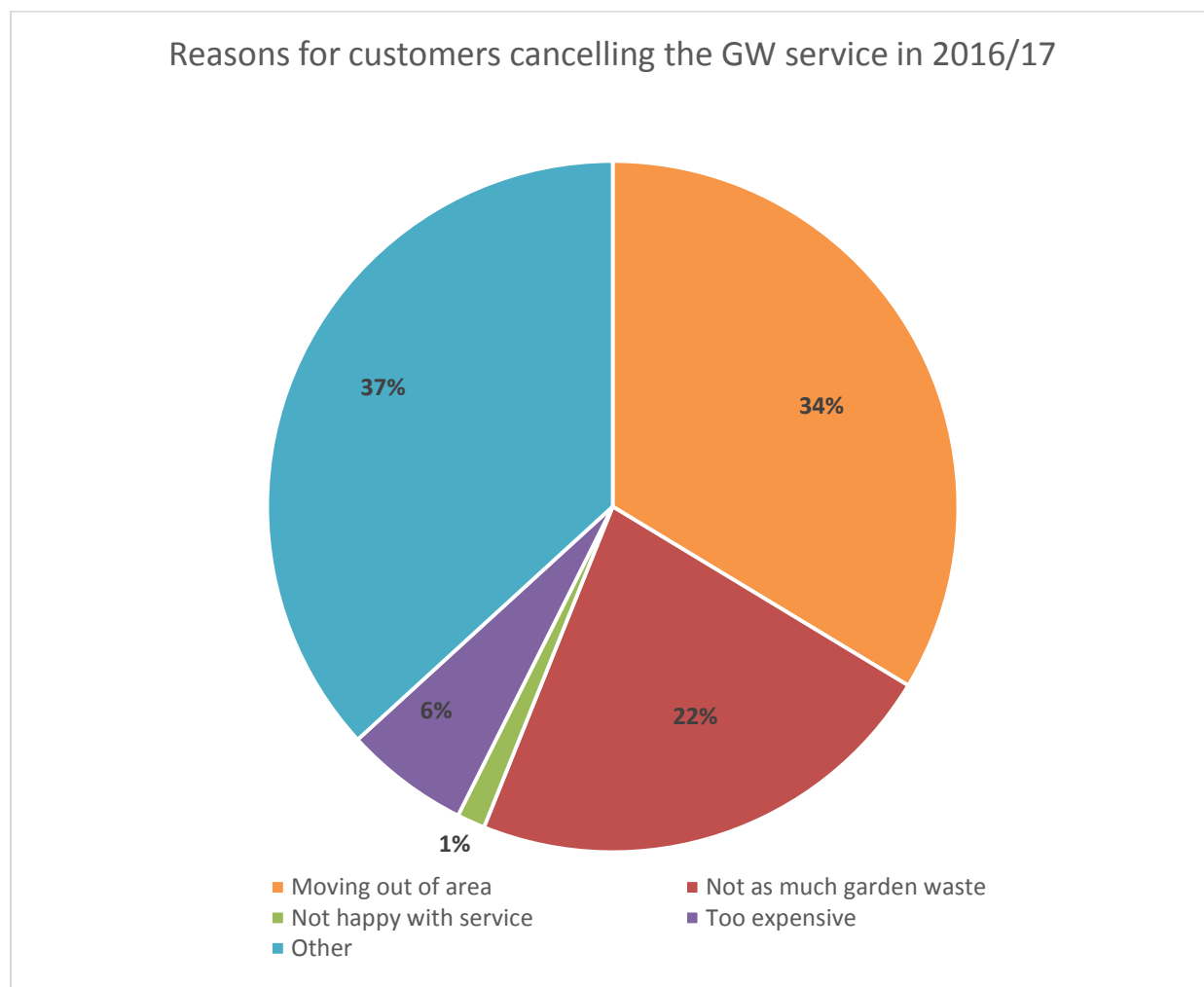
- Cost of collection – the cost of drivers and loaders, and the revenue costs of the collection vehicles (primarily fuel and maintenance).
- Cost of administration – staff cost of a small team of administrators based at DWP HQ in Dorchester, plus associated costs of IT systems, customer contact costs, marketing costs (leaflets, radio advertising etc)

Monitored separately outside of the trading account is the tonnage and associated gate fee costs for disposal of the garden waste. It should be noted that the volume of garden waste arising – and costs associated with this - varies each year depending upon the weather and ‘growing conditions’.

- 1.7 The main cost drivers for the Garden Waste service are the nationally agreed pay awards for local government staff costs, and the effect of inflation upon running costs such as vehicle fuel, vehicle maintenance and the gate fees for disposal.
- 1.8 As of 1st May 2017, there were 1,721 customers who had not renewed their garden waste service and had not notified the DWP of their intent to cancel the service. This represents 4.1% of customers who have not paid i.e. not renewed. In May 2016 6.6% of customers had not paid, and in May 2015 12.5% of customers had not paid. As a comparison, Wiltshire Council currently experience a 10% non-payment rate for their garden waste service.
- 1.9 To manage the non-payment of garden waste bins a ‘tagging’ exercise is undertaken. This exercise involves the garden waste crews applying a yellow tag to unpaid bins on every garden waste round. The yellow tag placed on each bins states ‘Your garden waste service has now stopped’ and advises the customer on how to pay for the service and that the bin will be removed if the bin is not paid for.
- 1.10 The tagging exercise is carried out over a four-week period in May, and during the first two weeks the garden waste bins are tagged but also emptied, but in the second two weeks the bins are tagged but not emptied.
- 1.11 The tagging process carried out in May 2017 resulted in an additional 555 bins being paid for, which generated £26,363 of income. This represents a return of £14.81 for every £1 spent on tagging unpaid garden waste bins.
- 1.12 At the time of writing this report a total of 780 non-paid bins have now been paid for (45% of the original 1,721) which has generated £37,050 of income. The remaining unpaid garden waste bins (941 bins) are now being collected in.

Garden Waste Service and Price Setting

1.13 Reasons given for cancellation of the service in 2016/17 is shown below:



The category “other” is primarily made up of residents having passed away, ordering an additional bin by mistake, or moving within the area to a property without a garden.

- 1.14 To date, the Garden Waste service has seen continuous growth in the customer base. At the inception of the Garden Waste service, an assumption was made that the likely maximum size of the customer base was around 40,000 customers, however, as noted above, this figure has already been exceeded. Growth in customer numbers must inevitably stabilise at some point, as ‘saturation point’ is reached. At the time of writing, it is speculative as to when that point will be reached, and caution is advised against assuming that the current levels of growth will continue.
- 1.15 As mentioned earlier, growing conditions can affect waste arisings (tonnages) in any given year. The budget calculations will assume a ‘typical year’, however it is worth noting that there is a risk of around £50k in either direction for a particularly good or particularly bad year in respect of growing conditions.

2. Garden Waste pricing policy

- 2.1 In March 2017, the Joint Committee approved a pricing strategy and delegated authority to the Director to set prices and vary prices for the Commercial Waste Service. On a similar basis, Joint Committee are now asked to approve delegation of setting the Garden Waste Service price annually to the Director and Joint Committee Chairman. This is in line with the terms of reference of the Joint Committee, with regard to strategic oversight of the DWP rather than making decisions on income budgets, outside of the main budget setting process.
- 2.2 Like Commercial Waste, it is proposed that Garden Waste pricing be based on a set of guiding principles, as follows:
- That the Garden Waste service should aim to provide the most efficient (and therefore cost effective) service provision possible to the paying customers of this service.
 - That the service should recover its own costs, and not be subsidised by the domestic service (the council tax payers) of Dorset.
 - That the price cannot be set at a level such that it intentionally plans to generate a profit. If there is an intention to do this then a separate trading organisation would be required.
 - That any price setting will take into account best estimates of information regarding likely customer numbers, volumes of waste arising, disposal costs of waste arising and other directly associated collection and administration costs. Noting that, due to the factors involved, there is a degree of speculation and a degree of risk in setting the budget and the price charged, for the Garden Waste service.
 - That any price increase delegated to the Director and Chairman of the Joint Committee does not exceed the CPI inflation forecasts for that year plus 1%, rounded up to the nearest 50p, and that the Director and Chairman of the Joint Committee are provided with appropriate evidence of inflation forecasts to satisfy themselves.

3. Incentives

- 3.1 There are currently no incentives applied to the garden waste service provided by the Dorset Waste Partnership.
- 3.2 Some local authorities offer incentives to garden waste customers to either increase the number of bins sold, promote a payment method or encourage early payment for the service. For reference purposes, the table below sets the incentives used by other local authorities for the garden waste service.

Garden Waste Service and Price Setting

Local Authority	Incentive
BOURNEMOUTH BOROUGH COUNCIL	Discount for multiple bins. 1 bin = £40; 2 bins = £60; 3 bins = £80
BRISTOL CITY COUNCIL	£3 discount for Direct Debit payment
BURNLEY BOROUGH COUNCIL	£5 early renewal discount
CHICHESTER DISTRICT	£7.50 discount for Direct Debit payment
EASTLEIGH BOROUGH COUNCIL	£2 discount for Direct Debit payment
	£2 credit card surcharge
GLOUCESTER CITY COUNCIL	50% discount for families receiving housing benefit or council tax support
HASTINGS BOROUGH COUNCIL	Direct Debit payment option only (from 2018)
LEICESTER CITY COUNCIL	£2 discount for Direct Debit payment
	Second bin half price
OXFORD CITY COUNCIL	£3 discount for Direct Debit payment
	1.5% credit card surcharge
POOLE BOROUGH COUNCIL	50% discount for residents on low incomes and those in full-time education
PRESTON CITY COUNCIL	£5 early renewal discount
SOUTH OXFORDSHIRE DISTRICT COUNCIL	Direct Debit payment option only
SOUTHAMPTON CITY COUNCIL	£5 early renewal discount
	Online discounted price before 1 April
TEST VALLEY BOROUGH COUNCIL	Second bin half price
WILTSHIRE COUNCIL	2% credit card surcharge

3.3 In considering the above information, the following should be noted:

3.3.1 The government have recently announced that credit card surcharges will no longer be lawful from January 2018.

3.3.2 Implementing payment by Direct Debit only would increase the risk of unacceptability in an Equality Impact Assessment, as there is no clear reason to adopt such a position nor adequate mitigation for those affected. In addition, approximately 40% of existing Garden Waste Service customers who are not currently paying by Direct Debit may not be willing or able to pay by Direct Debit, which would see large scale disruption / reduction to the service if that were the case.

3.3.3 There is legal uncertainty about the lawfulness of offering 'early bird discounts' to recipients of local government services, and in any case there is no clear advantage in doing so.

3.3.4 Offering discounts for switching to Direct Debit comes at a cost (lost income). Approximately 60% of existing DWP customers (approximately 27,000 customers) are on Direct Debit. To offer a discount of, say £1 – arguably the minimum discount

that could be offered - would see the DWP lose income of £27,000. Against this, there would be a reduction in the administrative process to 'chase up' non-payers, which can lead to tagging and ultimately bin removal. At the end of 2016/17, the cost of the administrative process to chase and recover unpaid bins cost approximately £4,500 in staff time and operational resources. For this reason, there is no financial incentive for the DWP to offer discounts for moving to Direct Debit.

3.4 For the reasons give above, officers would not recommend that the DWP offers incentives at this point in time. This may be reviewed again at an appropriate time in the future, particularly if customer numbers stabilise or decline, or if sign up using Direct Debits ceases to be the main payment mechanism.

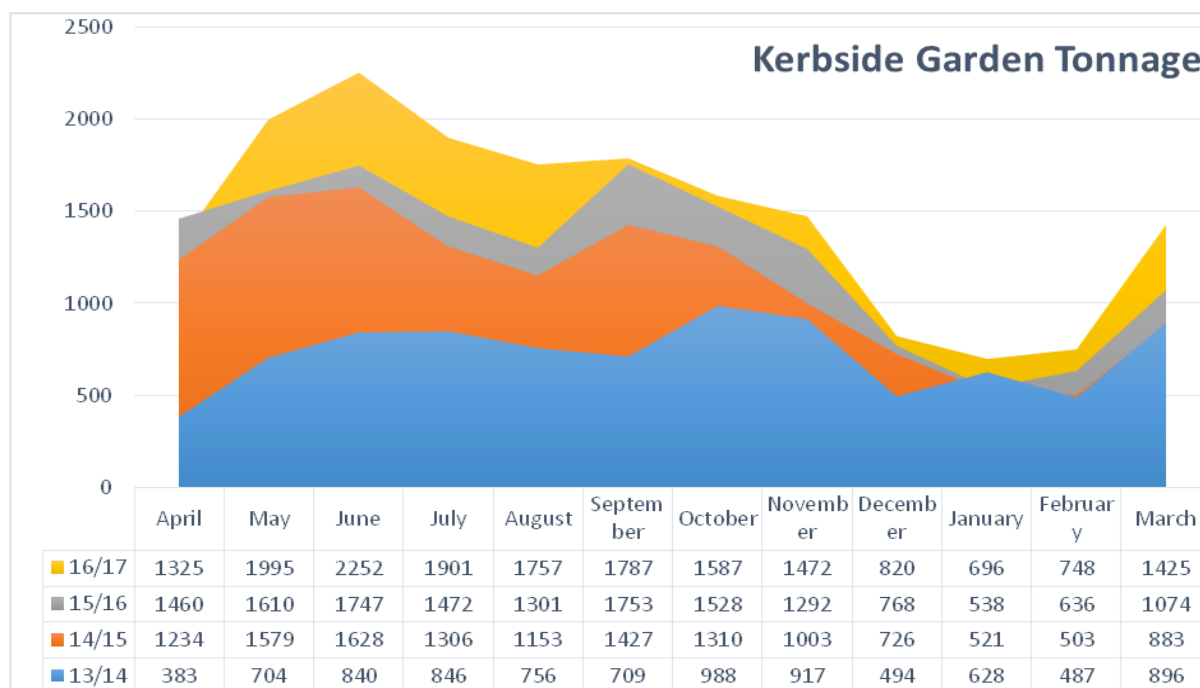
4. Winter Service

4.1 At the September 2016 Joint Committee meeting, members asked officers of the DWP to explore issues and potential savings regarding a reduced Garden Waste service in the winter months, a practice which a number of other local authorities undertake. Findings are as follows:

4.1.1 There are potential savings of around £73k available if there was no Garden Waste service for three months. The saving would arise predominantly from vehicle fuel (£29k) and staffing costs (£44k). However, there are also risks with taking such an approach, which are set out below:

4.1.2 As reported previously, tonnages collected on the Garden Waste service dramatically reduce in winter months, as illustrated in the graph below. However, even in these months, an average of 630 tonnes is collected per months, and crews report that the lowest numbers of bins collected from in winter was 32%, representing almost 14,000 customers who continue to use the service regularly throughout winter. These customers are unlikely to be happy with a reduction in service, and could represent a financial loss of £665,000 if they all chose not to renew the service.

4.1.3 We would need to consider reducing the 12-month annual fee for an 8 or 10 month service, and it is not clear if this would enable all continuing overheads to be covered.



Garden Waste Service and Price Setting

4.1.4 A change in working arrangements for the Garden Waste service crews, from a contractual arrangement for 12 months a year to 9 months a year (or similar) will present major employment difficulties which are likely to impact on the service. In short, crews who face 'unemployment' for 3 months a year are likely to seek employment elsewhere on a permanent basis. The working arrangement may be suitable for agency workers, however it is undesirable for a service to be resourced primarily by agency workers, where lack of crew consistency and local knowledge is likely to impact service efficiency and effectiveness.

4.1.5 In terms of one-off costs, there would be some minor changes required to ICT systems (e-forms) and, more significantly, new calendars and associated communications campaign would be needed, at an estimated cost of £10k and £48k respectively.

4.2 For the reasons outlined above, it is recommended that there is no change to the service during winter months.

Karyn Punchard
Director, Dorset Waste Partnership
September 2017

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Dorset Waste Partnership Joint Committee

Date of Meeting	12 September 2017
Officer	Assistant Director, South West Audit Partnership (SWAP)
Subject of Report	Internal Audit Progress Report – September 2017
Executive Summary	<p>For the 2017/18 financial year, it has been agreed that Internal Audit will report to the Joint Committee twice a year, providing an update on progress and any significant findings of audit work. This is the first of these reports.</p> <p>Since the last progress report, we have completed two pieces of audit work for DWP:</p> <ul style="list-style-type: none"> (i) Budget Management – Substantial Assurance (ii) Agency Staff – Reasonable Assurance <p>The details and findings of these two reviews are contained in the following report.</p> <p>SWAP have also carried out a further review of the DWP 37-point action plan to ensure that the actions have been sufficiently addressed and can be considered complete. We are of the opinion that all significant matters have been actioned or mitigated, and that no additional actions are required (recognising that a number of the actions will need to be sustained on an ongoing basis).</p>
Impact Assessment:	<p>Equalities Impact Assessment:</p> <p>This report contains no new proposals and has no equalities implications.</p>
	<p>Use of Evidence:</p> <p>This report is based upon our recent audit findings and discussions with the DWP Director and Finance and Commercial Manager.</p>

Internal Audit Progress Report - September 2017

	<p>Budget:</p> <p>This report has no budget implications.</p>
	<p>Risk Assessment:</p> <p>Having considered the risks associated with this decision using the County Council's approved risk management methodology, the level of risk has been identified as:</p> <p>Current Risk: LOW Residual Risk: LOW</p>
	<p>Other Implications:</p> <p>No other implications have been identified.</p>
<p>Recommendation</p>	<p>The DWP Joint Committee is asked to:</p> <ol style="list-style-type: none"> 1. Note the internal audit progress and update on reviews 2. Note the confirmation that no further actions are required on the 37-point action plan 3. Note the planned internal audit activity for the remainder of the 2017/18 financial year
<p>Reason for Recommendation</p>	<p>The Joint Committee along with the Senior Management Team (SMT) have oversight of the Partnership's performance, budget and governance. As part of this, SMT and Joint Committee will want to ensure that there is a robust system of internal control within DWP. Internal Audit provides an independent and objective opinion on the control environment by evaluating its effectiveness.</p>
<p>Appendices</p>	<p>None</p>
<p>Background Papers</p>	<p>Monitoring the Implementation of the Action Plan – June 2015</p>
<p>Report Originator and Contact</p>	<p>Name: Rupert Bamberger Tel: 07720 312464 Email: rupert.bamberger@southwestaudit.co.uk</p>

1. Background

- 1.1 The Internal Audit service for Dorset County Council is provided by the South West Audit Partnership (SWAP). As part of this service, an allocation of days is set aside to provide internal audit services to the Dorset Waste Partnership (DWP). Internal Audit provides an independent and objective opinion on the control environment by evaluating its effectiveness. SWAP work is completed to comply with the International Professional Practices Framework of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS). The work of the partnership is guided by the Internal Audit Charter which is reviewed annually.
- 1.2 For 2017/18, it has been agreed that Internal Audit will report to the Joint Committee twice a year, providing an update on progress and any significant findings of audit work. This is the first of these reports.

2. Progress Update

Budget Management Review

- 2.1 At the time of the last DWP Joint Committee, we were in the process of finalising our 2016/17 review of Budget Management. We have now finalised this report, which received a 'Substantial' level of assurance, with just one best practice recommendation being made.
- 2.2 The recommendation was that all managers with budget holder responsibility sign for their budgets as agreement of the budget set and acceptance of their responsibility for monitoring and controlling expenditure and income against budget allocations and for acting where variances are identified. This should be carried out annually, prior to the start of the financial year.
- 2.3 Well controlled areas identified in our review included; comprehensive budget holder training, evidence of regular meetings between budget holders and finance staff to discuss budgets, and appropriate scrutiny of budgets at Senior Management Team and Joint Committee. Our opinion was that the current processes in place would identify a potential budget overspend at an early stage and appropriate action would be taken.

Agency Staff Review

- 2.4 SWAP have recently completed our 2017/18 review of Agency Staff at DWP. This review looked to assess the procedures in place for the recruitment and payment of agency staff across the seven depots.
- 2.5 The audit received a 'Reasonable' level of assurance, with one Priority 4 and nine Priority 3 recommendations being made. The key finding related to the identification of inconsistencies with regards to when agency staff leave earlier than their standard hours.
- 2.6 No significant issues were identified with the processes for recording and payment of agency hours. However, differences were identified across the depots, which may be expected due to individual legacy systems from before the DWP was formed. Many of the recommendations raised within our report aimed to help to streamline processes and forms currently in use across the seven depots to provide efficiencies and to allow staff to work in any location.

Follow Up of Previous Recommendations/ 37-Point Action Plan

- 2.7 At the request of the Director – Dorset Waste Partnership, SWAP have recently carried out a further review of the DWP 37-point action plan to ensure that the actions have been sufficiently addressed and can be considered complete.
- 2.8 We are of the opinion that all significant matters have been actioned or mitigated, and that no additional actions are required (recognising that a number of the actions will need to be sustained on an ongoing basis).

- 2.9 In reaching this conclusion, reliance has been placed upon previous assurance work undertaken by SWAP to support the completion of the relevant actions. Where direct evidence of implementation could not be provided (e.g. “to foster a more collaborative culture” – Action 7), we have sought to confirm that the underlying themes and original findings have been addressed.

3. Internal Audit 2017/18 Work Programme

- 3.1 In conjunction with the DWP Senior Management Team, SWAP have agreed a work programme for the 2017/18 year. The remaining reviews to be completed this year are:
- (i) **Budget Management** – A review of budget management across the Partnership to ensure that robust arrangements are sustained and have become embedded within the organisation (15 days). This review is expected to be carried out in Quarter 3.
 - (ii) **Vehicle Maintenance** – A review of key risks relating to vehicle maintenance procedures across the Partnership (20 days). This review is expected to be carried out in Quarter 4.
 - (iii) **Client Advice** – Advice throughout the year on emerging issues or risks (5 days). This will be carried out throughout the year as required (*for example, the follow-up of the 37-point action plan*).

Rupert Bamberger
Assistant Director - SWAP
August 2017



Councils working together

Dorset Waste Partnership Joint Committee

Date of Meeting	12 September 2017
Officer	Karyn Punchard, Director, Dorset Waste Partnership
Subject of Report	Strategic Waste Partnership Board
Executive Summary	<p>This report proposes the formation of a new Strategic Waste Partnership Board to oversee joint strategic waste projects covering the DWP, Bournemouth Borough Council (BBC) and Borough of Poole (BoP) areas.</p> <p>The report includes an update on one of these projects – the Department of Communities and Local Government (DCLG) Weekly Collection Support Scheme – Strategic Waste Facility (SWF) Project, and a proposed way forward.</p>
Impact Assessment:	<p>Equalities Impact Assessment: Undertaken for the former Strategic Waste Facility project by Bournemouth Borough Council</p>
	<p>Use of Evidence: Briefing Note to DCLG June 2017, market intelligence from market engagement exercise DWP June 2017.</p>
	<p>Budget / VAT / Risk Assessment: No additional consultancy or procurement is required to progress the DCLG funded strategic waste facility projects, however any unforeseen additional legal and associated costs will be met from the remaining DCLG grant subject to the approval of the Strategic Waste Partnership Board. Before any final commitment is made to proceed with the DCLG funded projects it will be necessary for the DWP Joint Committee and the County Council's S151 officer, BBC Cabinet and S151 officer, to be satisfied that both that the</p>

	capital cost of the projects will be contained within the funding made available by the Department for Communities and Local Government and that any ongoing revenue commitments represent good value for money.
Recommendation	<p>That the Joint Committee:</p> <ol style="list-style-type: none"> (1) Approves DWP's input to develop and submit a revised bid for DCLG funding for Strategic Waste Facility projects in partnership with Bournemouth Borough Council (as the designated lead authority); (2) Delegates authority to the Chair of Joint Committee and Director of DWP to represent the DWP on the DCLG project Board; (3) Approves the establishment of a Strategic Waste Partnership Board as set out in Appendix 1; (4) Is provided with regular update reports on the progress of the DCLG funded projects.
Reason for Recommendation	<p>To ensure the Joint Committee is kept fully informed and seek approval for DWP Officers in consultation with the Chair of the Joint Committee to progress strategic waste projects</p> <p>To ensure that decisions are taken in a timely and parallel manner to those of Bournemouth Borough Council who are the lead partner on the DCLG projects, and to avoid any delays to the business case being submitted to DCLG by the end of September 2017.</p>
Appendices	Appendix 1 – Strategic Waste Partnership Board
Background Papers	Exempt report to DWP Joint Committee: Strategic Waste Facility - 13 June 2016
Report Originator and Contact	<p>Name: Karyn Punchard Tel: 01305 225459 Email: K.punchard@dorsetwastepartnership.gov.uk</p>

1.0 Background

- 1.1 In 2013, Bournemouth Borough Council (BBC) successfully submitted a funding bid to Department for Communities and Local Government (DCLG) under the Government's Weekly Collection Support Scheme for a Material Recycling Facility (MRF) to be developed for the benefit of the Bournemouth, Dorset and Poole conurbation.
- 1.2 As a result of successfully securing funding, Bournemouth and the Dorset Waste Partnership entered into a Partnership by way of an Inter Authority Agreement and worked together to procure a suitably experienced Contractor to design, build and operate a local, strategic Materials Recycling Facility (MRF). Whilst this procurement

and project was discontinued a new set of strategic waste proposals are being developed. The Director of DWP and Environment Service Director from BBC held a positive meeting with the DCLG policy lead at the end of June to discuss options for using the DCLG funding on other strategic waste projects in Bournemouth, Dorset and Poole. An update is provided below.

- 1.3 The Borough of Poole (BoP) were not formally part of the Strategic Waste Facility project, due to its existing contractual position, however, senior officers from DWP, BBC and BoP have been working closely together on other strategic waste projects, notably the renewal of residual waste contracts. DWP currently open their existing residual waste contract for BBC to use. Officers from all three authorities have recently taken part in a market engagement exercise, led by DWP, and a further report on this procurement will be considered by this Committee in January 2018.
- 1.4 In July 2017 the Chair of this Committee and DWP Director met with the Environment Portfolio holders, and senior officers from BBC and BoP, as the former Strategic Waste Facility Partnership Board plus BoP. The key issues arising from that meeting are set out below:
- All three authorities expressed views on the benefits and willingness to working more closely across a number of major waste projects including a revised bid to DCLG, renewal of the residual waste contract, and renewal of food waste contract.
 - A brief overview of the residual waste market engagement exercise was provided and discussed
 - It was acknowledged that further background work and knowledge development on possible options would be required following the market engagement – e.g. contacting other authorities, site visits, etc..
 - It was agreed that with any short term contractual arrangements the DWP would include BoP and BBC in relevant OJEU notices.
 - The outcome of meeting with DCLG was discussed and the key information required to develop a new business case. The creation of a project group with officers from each of the authorities was suggested to conduct this
 - It was agreed that a proposal for a wider waste partnership board of BBC, DWP and BoP members was desirable – and could oversee a number of projects rather than a single DCLG partnership board.
 - If agreed, a members paper was suggested to be delivered by each authority to make this arrangement more formal, note/ agree a strategy, justify the resource and outline the key partnership projects
- 1.5 It is therefore recommended that establishment of the Strategic Waste Partnership Board be approved by this Committee, to oversee a range of strategic waste projects, and that regular updates be provided to Joint Committee on these projects. It is likely that a revised Inter Authority Agreement (IAA) will be developed to include BBC, DWP and BoP along similar lines to the SWF IAA, and this will be reported to a future meeting.
- 2.0 Department for Communities and Local Government (DCLG): Weekly Collection Support Scheme – Proposed Way Forward**
- 2.1 The grant awarded to BBC and DWP from DGLG under the weekly collection support scheme was specifically for a Materials Recycling Facility. A new business case is required to gain formal approval to spend the remainder of the grant on other projects. BBC and DWP were seeking to apply the DCLG funding to the Project in a way that:

- maximised the suppression of future costs, and
 - maximised positive revenues.
- 2.2 Under a restricted procedure the partnership for this project fully evaluated all the initial tenders received and disappointingly, confirmed that all tenders received were unacceptable. This conclusion was on the basis that all tenders received were not commercially or financially viable having regard to the Partnership's budget and the anticipated total project costs. Therefore, in accordance with regulation 55(1) of the Public Contracts Regulations 2015, it was decided to abandon the current procurement process without awarding a contract.
- 2.3 Officers of the SWF partnership maintained the view that a strategic waste facility could be a positive development for the region and, despite uncertainty surrounding local government reorganisation in Dorset, investigated securing a site with the appropriate planning and permitting permissions. The intended course of action was to secure the land, tender for the design and construction and develop an in-house operating model. Unfortunately, the sites investigated have been subject to alternative commercial deals and are no longer available.
- 2.4 To maintain the integrity and ethos of this project, the partnership now wishes to propose investing the funding into the development of three publicly owned waste facilities in the region. Utilising investment to develop these facilities would comply with the following original objectives for a strategic waste facility, and aims and objectives of the respective waste management strategies and Bournemouth, Dorset and Poole Waste Local Plan:
- opportunity to process the range of co-mingled recyclable materials collected by all partnering authorities;
 - compliment the alignment of collection methodologies currently underway throughout the Dorset region;
 - ensure local authority control over resource marketing;
 - enhance the quality of recyclable materials (inputs and outputs);
 - increased opportunity for round optimisation;
 - reduced carbon implications linked to vehicle movements, direct site delivery and reduced haulage requirements;
 - provide local employment opportunities;
 - greater transparency for residents regarding processing and end destination of recyclates;
 - provide a cost-effective waste management solution for SME's;
 - ensure waste management plays its part in the wider efficiency requirements of all partners;
 - increased waste awareness/education for residents, schools and businesses;
 - increased opportunity for cottage reprocessing businesses (local circular economy)
- 2.5 The detailed business case is still being developed but involves improvements at the following sites. All costings are initial estimates at this stage within the £12.9million remaining grant.
- Hurn Waste Transfer Station - £5.5m
 - Millhams Household Waste Recycling Centre - £4.5m
 - Waste Transfer and associated facilities: Blandford Strategic Waste Facility - £2.5m
- 2.6 The detailed business case will set out the environmental, financial and operational benefits of pursuing these options These three initiatives together would provide

important waste resilience and contingency for East Dorset, Bournemouth and Poole, where there is a recognised shortfall at present.

- 2.7 All of the proposed initiatives align with the guiding principles and core policies of local and regional waste planning policies (Bournemouth, Dorset and Poole Waste Local Plan/Regional Waste Strategy for the South West 2004-2020/Localism Bill 2010), and comply with statutory and legislative drivers which will determine the viability and nature of local waste management solutions. These schemes also help balance social, economic and financial considerations, ensure sustainable waste management and offer the maximum opportunity to convert waste into a resource.
- 2.8 If funding is secured, to ensure due diligence and governance this work programme will be delivered in accordance with Bournemouth Borough Council's Project Management Gateway Process (based on the Office of Government Commerce Gateway Review for Programmes and Projects). The Project Board will include a Senior User from each of the partnering authorities, an overall Project Owner, and Project Manager. Project progression will require approval from the Strategic Waste Partnership Board and wider project approval will also be subject to the appropriate scrutiny and decision making processes of the respective partners. This will include the Dorset Waste Partnership Joint Committee and Bournemouth Borough Council Cabinet and Full Council approval. The Borough of Poole also has an interest in this project as a member of the strategic waste partnership board and operator of the Millhams HRC on behalf of BBC.

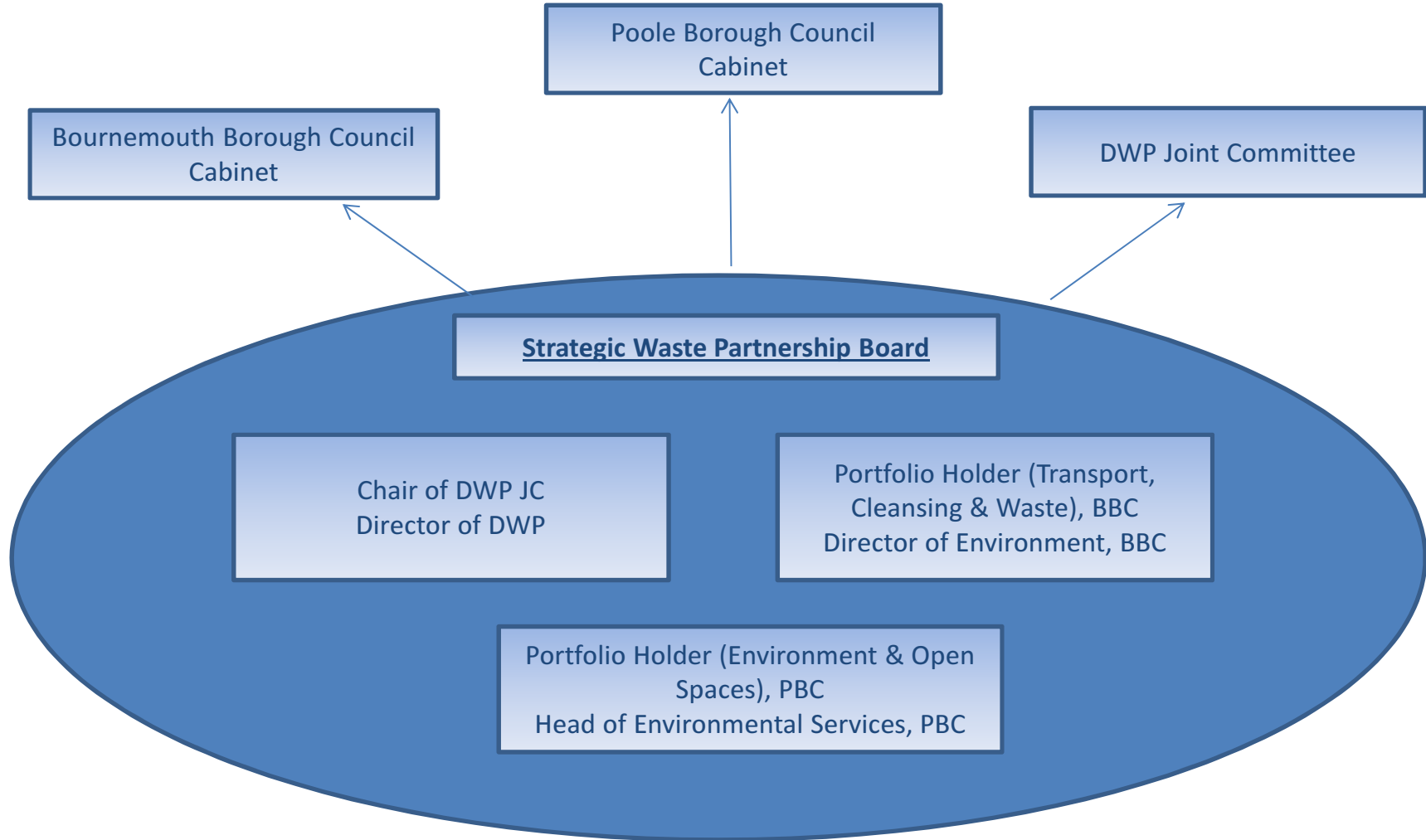
Karyn Punchard

Director, Dorset Waste Partnership

September 2017

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Appendix 1 – Governance of Strategic Waste Partnership Board



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