



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>

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	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
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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

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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:

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- 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

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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