

Dorset Waste Partnership Joint Committee



Minutes of the meeting held at Dorset Councils
Partnership, South Walks House, Dorchester, Dorset
on Monday, 15 January 2018.

Present:

Anthony Alford (West Dorset District Council) (Chairman)

Members Attending

Daryl Turner (Dorset County Council), Tony Ferrari (Dorset County Council), Peter Hall, (Christchurch Borough Council), Margaret Phipps (Christchurch Borough 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), Graham Carr-Jones (North Dorset District Council), John Ellis (Weymouth & Portland Borough Council) and Ray Nowak (Weymouth & Portland Borough Council).

Other Members in attendance

Timothy Yarker (West Dorset District Council) 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 (Legal Advisor), James Potten (Communications and Marketing Officer), 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)

Jim McManus (Dorset County 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, 22 January 2018**
- (2) These minutes have been prepared by officers as a record of the meeting and of any decisions reached. They are to be considered and confirmed at the next meeting of the Joint Committee to be held on **Tuesday, 20 March 2018.**)

Apologies for Absence

- 1 Apologies for absence were received from Kevin Brookes, Patricia Jamieson, Michael Roake and David Walsh.

Members who were substituting at this meeting included John Ellis, Peter Hall and Graham Carr-Jones.

Code of Conduct

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

Councillor Graham Carr-Jones declared a general interest as his brother was employed by the Dorset Waste Partnership. As this was not a pecuniary interest, he remained present throughout in the meeting.

Minutes

- 3 The minutes of the meeting held on 6 November 2017 were confirmed and signed.

Public Participation

4 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

- 5 Members were informed that an update report on the Blandford capital project for a waste transfer station and Household Recycling Centre (HRC) would be added to the forward plan on 20 March 2018. The SWAP half yearly review report would be considered on 11 June 2018 and January 2019.

Noted

Finance and Performance Report

- 6 The Joint Committee considered a report by the Director of the Dorset Waste Partnership (DWP) that presented key financial performance trends and risks of variance in income and expenditure against the 2017/18 revenue budget of £33.1m.

The Director reported a predicted underspend of just under £1.4m, which was similar to that reported in November 2017. She drew attention to the possible budget variances, in particular the volatility of the recyclate price. The price for recyclate had resulted in an income in the early part of the year, but had now moved into being a cost. The forecast underspend of £370k had been based on the current cost of £12 per tonne and was slightly lower than that reported to Joint Committee in November 2017.

In response to a question in relation to the cost share of the partner councils specifically relating to Christchurch Borough Council, it was confirmed that the relevant figures were contained in the first two columns in Appendix 3 of the report.

Noted

Revenue Estimates 2018-19

- 7 The Joint Committee considered a joint report by the Treasurer and Director of the Dorset Waste Partnership containing revenue estimates for 2018-19 totalling a net cost of £33.1m following consultation with partner councils.

The Treasurer confirmed that all of the partner councils had approved a £33.1m budget in 2018-19 with no change in service levels, in accordance with discussions held at the informal budget workshops in Autumn 2017. He stated that this had resulted in riskier budget assumptions in order to close the £700k budget gap required in order to achieve the standstill budget.

Members were informed of a new development concerning a recent pay award of a headline 2% plus an uplift in the minimum wage. This resulted in £383k additional cost as the budget had assumed a 1% increase. It was therefore recommended that this cost was taken out of the Budget Equalisation Reserve (BER).

Members were supportive of using the BER to offset the cost of the pay award. A view was expressed that a BER level of £1m was unnecessary if each partner held their own contingency, however, this was not supported by other members who

recalled difficulties with levels of overspend in recent years. Some members therefore considered that a BER level of £1m was reasonable and would be immediately accessible if needed.

A member noted that the views previously expressed regarding HRC closures had been taken into account and not included in the budget assumptions which was welcomed.

In response to a question regarding the budgetary impact of rises in fuel prices, members were informed that fuel was procured by way of a single County Council contract and although this would continue to be monitored, the price of fuel could become a significant budget risk if it continued to rise.

The Chairman drew attention to the impact of the recyclate price, the cost of which had risen from £0 per tonne in November 2017 to £12 per tonne in January 2018. He recognised that although the ability to forecast the recyclate price would continue to have its limitations, it would need to form part of the consideration of the BER at the meeting in June 2018 and be based on the best available information at that time.

Resolved

1. That the draft revenue estimates for 2018/19, at £33.1m, be approved;
2. That the transfer of £383k from the Budget Equalisation Reserve to apply to pay budget lines, to deal with the effect of the pay offer, as a one-off measure be approved;
3. That the level of budget reductions applied, totalling around £700k within the revenue estimates for 2018/19 be noted; and
4. That the cost shares for each partner council be noted.

Reason for Decisions

The Inter Authority Agreement required the Joint Committee to approve a revenue budget for the following year, following consultation with partner councils.

Corporate Risk Register

- 8 The Joint Committee considered a report by the Head of Service (Strategy) that outlined the current corporate risk register.

The Head of Service (Strategy) reported that the risk in relation to the failure to achieve capital and revenue budget / savings targets in 2017-18 had improved. There was one risk that had deteriorated that related to longer term finances, which was now a high risk. The other high risk included the inability to maintain and develop infrastructure to meet DWP needs which was linked to disposal options for recycling and residual waste.

Noted

Questions from Councillors

- 9 No questions were asked by members under Standing Order 20.

Exempt Business

10

Resolved

That under Section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for minute number 11 because it was likely that if members of the public were present, there would be a disclosure to them of exempt information as defined in the paragraph 3 of Part 1 of Schedule 12A and the public interest in withholding the information outweighed the public interest in disclosing that information.

Waste Disposal Contract Strategy

- 11 The Joint Committee considered an exempt report by the Director of the Dorset Waste Partnership. The report concerned options for the disposal of residual waste and organic waste following the expiry of the current contracts. This topic had been the subject of an informal briefing on the morning of the meeting.

Following introduction of the report, the Chairman asked about the possibility of eliminating the need to use landfill.

The Director responded that this would be unlikely at the present time as there were elements of waste that remained difficult to dispose of, such as bulky items and mattresses. Although the facilities for disposal of some items remained limited and expensive in the UK, she explained that the use of landfill represented a very small proportion of the waste produced. Reliance was also placed on landfill for contingency arrangements, for example, when waste treatment plants were undergoing routine maintenance.

Resolved

That authority be delegated to the Director of DWP, in consultation with the Chair of Joint Committee, to:

1. award contract(s) and agree terms for additional residual waste treatment capacity with existing providers where this is in the scope of existing contracts and cost effective;
2. conduct a procurement exercise, agree terms and award short to medium term contracts to secure capacity for residual waste treatment/disposal from August 2020 and August 2021 when the current landfill and waste treatment contracts expire;
3. engage with Bournemouth Borough Council (BBC) and Borough of Poole (BoP) to investigate the potential for joint commissioning arrangements following the expiry of BoP's contract in August 2027, including agreeing a Memorandum of Understanding with BBC and BoP as appropriate; and
4. conduct a procurement exercise, agree terms and award contracts for the treatment of organic waste from August 2020.

Reason for Decisions

To secure waste disposal arrangements to fulfil the statutory duty on behalf of the Waste Disposal Authority in a cost-effective manner.

Retirement of Treasurer

- 12 The Chairman announced that the Treasurer to the DWP, Andy Smith, was due to retire and that this was his final DWP Joint Committee meeting. He thanked him for his service as Treasurer and also welcomed Jim McManus who would fulfill the role of Treasurer in future.

Meeting Duration: 11.00 am - 11.45 am