

Dorset Waste Partnership Joint Committee



Minutes of the meeting held at Purbeck District Council,
Westport House, Wareham, BH20 4PP on
Tuesday, 20 March 2018.

Present:

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

Members Attending

Ray Bryan (East Dorset District Council), Mike Dyer (East Dorset District Council), Patricia Jamieson (Christchurch Borough Council), David Budd (Purbeck District Council), Peter Webb (Purbeck District Council), Kevin Brookes (Weymouth & Portland Borough Council), David Walsh (North Dorset District Council), Deborah Croney (Dorset County Council) and Timothy Yarker (West Dorset District Council).

Dorset Waste Partnership Officers Attending:

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

Other Officers in attendance

Steve Mackenzie (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:**Tuesday, 27 March 2018**
- (2) These minutes have been prepared by officers as a record of the meeting and of any decisions reached. They are to be considered and confirmed at the next meeting of the Joint Committee to be held on **Monday, 11 June 2018.**)

Apologies for Absence

13 Apologies for absence were received from Daryl Turner, Tony Ferrari, Margaret Phipps, Barbara Manuel, Ray Nowak and Alan Thacker.

Members who were substituting at this meeting included Deborah Croney, Mike Dyer and Timothy Yarker.

Code of Conduct

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

Councillor Deborah Croney declared a general interest as the Local Member for the Blandford area. As this was not a disclosable pecuniary interest she remained in the meeting and took part in the debate.

Ray Bryan declared a general interest as he was a partner governor on behalf of the County for the Dorset Healthcare University NHS Foundation Trust. As this was not a disclosable pecuniary interest he remained in the meeting and took part in the debate

Minutes

15 The minutes of the meeting held on 19 January 2018 were confirmed and signed.

Public Participation

16 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.

Forward Plan 2018

17 The Joint Committee received a report on its work programme.

Noted

Finance and Performance Report - March 2018

18 The Joint Committee considered a report by the Director of the Dorset Waste Partnership (DWP) that presented the key financial performance trends and risks of variance in income and expenditure against the 2017/18 revenue budget of £33.1m. The report also suggested how the predicted underspend of £1.722m could be treated at the end of the financial year in terms of the amount returned to partner councils.

The report had shown an increase in the forecast underspend from £1.372m to £1.722m, a large proportion of which had been due to the favourable variance in relation to waste disposal tonnages arising and the associated costs of haulage. The volatility of the recyclate price and unpredictable medium term forecast due to the international market, particularly the restrictions in China, had also been highlighted in the report.

The Director outlined the recommendations, including the return of £1.372m to partner councils in accordance with the cost share formula. This underspend had been reported to the Joint Committee in January 2018 and some councils had already taken this into account in their expected year end position.

The Committee had agreed at its January meeting for £383k to be taken from the Budget Equalisation Reserve (BER) in order to cover the pay award, leaving a current balance of £617m. It was therefore proposed that if £1.372m was repaid to partner councils, that the remaining underspend was used to top up the BER to provide a total reserve of £967k.

Since the report had been published, the latest knowledge indicated that the underspend was now more likely to be in the region of £2m, therefore increasing the amount in the BER to approximately £1.245m, however, the exact figure would not be known until the end of the financial year. Responding to a question in relation to confidence in the updated forecast, the Director advised that she had a reasonable degree of confidence due to the rigorous approach taken by the finance team as well as the reduced likelihood of further significant variances during the final month of the 2017/18 financial year. She confirmed that the pay award had been included in the budget in 2018/19.

In light of the updated projection of a £2m underspend based on figures provided at the end of February 2018, a majority of members were supportive of the proposals set out in the report, which ensured that the BER received a top up and that £1.372m was returned to the partner councils in accordance with the cost share formula.

The Chairman highlighted that the potential increase in the BER to £1.245m needed to be considered alongside the forecast budget overspend of £1.1m in 2018/19.

Due to the significant overspend that the DWP had previously experienced, an alternative view was expressed that this amount may not be sufficient to cover the £1.1m projected deficit in 2018-19 and that the BER should therefore be increased to £1.5m due to the significant budgetary risks and unforeseen circumstances. However, it was noted by other members that although there were variances outside of the control of the DWP, the work and experience of the senior management team had provided a stable and efficient service. Members now received better information that allowed a greater understanding of all of the risk factors as well as increased confidence and clarity in the budget projections, particularly as the end of the financial year drew to a close.

Members highlighted the need to communicate the issues clearly at an early stage to the partner councils in the event that the overspend predicted in 2018/19 should increase.

Resolved

1. That the current 2017/18 revenue budget forecast be noted;
2. That the capital expenditure position for 2017/18 to date be noted;
3. That the return of £1.372m to partner councils in accordance with the cost share formula be approved;
4. That the specific carry forward of funding of £75k for ongoing contract related technical advice be approved;
5. That the specific carry forward of funding of £50k for ongoing project related consultancy support be approved;
6. That the top up the Budget Equalisation Reserve (BER) with any remaining balance be approved; and
7. That the proposed Performance Indicators for 2018/19 be approved.

Reason for Recommendation

The Joint Committee monitored the Partnership's performance against budget and key performance indicators, and scrutinised actions taken to manage within budget on behalf of partner Councils. Returning the underspend that was reported at the last Joint Committee, was because some partner councils are relying on this underspend as part of their strategy towards balancing the current financial year. Topping up the BER with any remaining balance recognised that the reserve has been depleted by £383K to cover the effect of the pay award in 2018/19.

Questions from Councillors

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

Exempt Business

20

Resolved

That in accordance with Section 100 A (4) of the Local Government Act 1972 to exclude the public from the meeting in relation to the business specified in minutes 21 and 22 as it was likely that if members of the public were present, there would be disclosure to them of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

Commercial Services Business Plan 2018-19

21 The Joint Committee considered an exempt report presenting the Business Plans for Commercial Services for the financial year 2018-19 that also provided an update on actions with the current year business plans.

Resolved

That the Commercial Services Business Plan 2018-19 and the Garden Waste Business Plan 2018-19 be approved.

Reason for Recommendation

To achieve the vision and strategic aims of the DWP.

Strategic Waste Management Centre for Central Dorset

22 The Joint Committee considered an exempt report providing a review of the business case for construction of a new strategic Waste Management Centre (WMC) for the central Dorset area that had been previously approved by Members on 13 June 2016.

Resolved

1. That the Committee's approval of the proposal for a new strategic Waste Management Centre in central Dorset as updated in the attached business case for a household recycling centre and waste transfer station be reaffirmed;
2. That taking an Option on land as described in this report be approved;
3. That land purchase for the scheme, subject to planning consent, on terms to be agreed by the Director of the DWP in consultation with the Chair of the Joint Committee be approved;
4. That the application for prudential borrowing as outlined in this report be approved; and
5. That the release of Optimism Bias (up to 10% of the total estimated capital cost) is delegated to the Director of the DWP in consultation with the Chair of Joint Committee, if required, be approved; and
6. That a separate project to investigate potential alternative sites for a depot and vehicle maintenance workshop to serve the north Dorset area be approved.

Reason for Recommendation

To secure a key site in Blandford for the development of a strategic Waste Management Centre in central Dorset which would provide the capacity to maximise the benefits of operational efficiency and resilience to provide business continuity now and in future years.

Meeting Duration: 11.00 am - 12.05 pm