

Dorset Waste Partnership Joint Committee



Minutes of the meeting held at County Hall, Colliton Park, Dorchester, DT1 1XJ on Monday, 5 November 2018.

Present:

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

Members Attending

David Walsh (North Dorset District Council), Daryl Turner (Dorset County Council), Tony Ferrari (Dorset County Council), Ray Bryan (East Dorset District Council), Barbara Manuel (East Dorset District Council), Margaret Phipps (Christchurch Borough Council), Patricia Jamieson (Christchurch Borough Council), Barry Quinn (Purbeck District Council), Peter Webb (Purbeck District Council), Ray Nowak (Weymouth & Portland Borough Council), Kevin Brookes (Weymouth & Portland Borough Council) and Timothy Yarker (West Dorset District Council).

Other Members in attendance

Councillor Andrew Parry had been invited to attend the meeting as a member of the DWP Joint Scrutiny Group.

Dorset Waste Partnership Officers Attending:

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

- (Notes:(1) Publication in accordance with paragraph 8.4 of Schedule 1 of the Joint Committee's Constitution the decisions set out in these minutes will come into force and may then be implemented on the expiry of five working days after the publication date. Publication Date:- **Monday, 12 November 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 **Thursday, 17 January 2019.**)

Apologies for Absence

48 Apologies for absence were received from Councillor David Budd (Purbeck District Council), Councillor Alan Thacker (West Dorset District Council) and Grace Evans (Legal Advisor to the DWP).

Substitute members who attended the meeting included Councillors Patricia Jamieson (Christchurch Borough Council), Barry Quinn (Purbeck District Council) and Timothy Yarker (West Dorset District Council).

Code of Conduct

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

Minutes

50 The minutes of the meeting held on 11 September 2018 were confirmed and signed.

Public Participation

Public Speaking

51 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

52 The Joint Committee considered its work programme and were advised of forthcoming items in January 2019.

Noted

Finance and Performance Report November 2018

53 The Joint Committee considered a report by the Director of the Dorset Waste Partnership (DWP) that predicted a projected adverse variance of £180k in 2018/19 based on the first half of the financial year.

The Finance and Commercial Manager outlined the summary table for the predicted variances included in the report and advised that any overspend would come from the Budget Equalisation Reserve (BER) which was currently £1.2m, before any further funding by partner councils was required should the overspend accumulate beyond this amount.

Significant items that were highlighted included:-

- high spending areas during the first quarter had reduced considerably within operations and street cleansing;
- worsening transport costs due to vehicle fuel prices, accounting for £166k overspend and the vehicle maintenance budget that had experienced several expensive months;
- the price of dry mixed recyclate had remained steady during the past 3 months with a forecast variance of £731k;
- a small favourable variance of £40k with regard to consultancy.

Members requested an update on progress with the procurement of in cab technology "Bartec" and were advised that the system would shortly go live in the garden waste and trade waste vehicles with expected savings to be made within the first 6 months. The system was comprised of a screen in each cab and back office system to allow live information to be sent directly to the office. In terms of garden waste, all bin locations were stored within the system along the garden waste route and for trade waste, operatives would indicate once a bin had been collected at each site.

The Chairman asked about the cost profile of beach cleaning activity which was primarily a summer activity and it was clarified that this cost included street cleansing and that resources were diverted to street cleaning during the busy summer period.

The Chairman asked about the variance in relation to the reduction in capital financing costs and whether this was as a result of acquisitions being deferred during the year or late purchase of a vehicle.

It was confirmed that the main change related to the assumptions made and that no construction on the ground would take place at the new waste facility at Blandford prior to 31 March 2019.

Members asked about work to review assisted collections to assess whether these were still necessary. They were informed that annual reviews of assisted collections had resulted in a 50% reduction in some areas. The reviews were conducted in

accordance with DWP policy and involved writing to residents and asking them to re-register. The use of in cab technology would also help to address this.

Noted

Draft Revenue Estimates 2019-20

54 The Joint Committee considered a joint report by the Director and the Treasurer of the DWP containing the draft revenue estimates for 2019-20 and the assumptions of capital spend for 2019-20 and the longer term. Responsibility for approval of the draft revenue estimates would now sit with the Dorset Council Shadow Executive Committee.

The report was introduced by the Director who outlined the summary of the Dorset Council waste budget requirement for 2019-20 in appendix 1 of the report. She explained that the DWP budget had been constructed differently, through annual contributions from partner councils. One off adjustments to the budget that would leave Dorset Council no better or worse off included the elimination of inter-council payments, support costs such as HR, IT and Legal Services and changes in pension accounting. These budget items would be shown elsewhere in the Dorset Council finances in future. The adjusted 2018-19 budget, after removing the one-off adjustments was £31.518m.

Other assumptions included the following:-

- that the DWP would continue to deliver services in Christchurch in 2019-20, resulting in an income from the Bournemouth, Christchurch and Poole Council (BCP). If that service was not delivered by the DWP it would have a nil impact on the budget as the DWP would not incur those costs.
- that the vehicle procurement programme would be approved and that worn out vehicles in Shaftesbury and Ferndown were replaced. This would be considered by the Shadow Executive alongside other capital bids.

The cost pressures were outlined in the table, including the costs associated with a change in service model from tri-stream to 2 separate vehicles in the East and North of the County, resulting in additional drivers and loaders. This would result in savings in haulage as waste could be directly delivered rather than via a transfer station from these areas.

A range of deliverable savings options had been applied to the budget in 2019-20 that would not have a visible impact on services. These included items such as savings from vacancy management, piloting in cab technology in the commercial fleet, changes in haulage arrangements (assuming a change in the service model), and £200k income from garden and commercial waste. The behaviour change campaigns had been partly responsible for a reduction in tonnages this year and a "hanger" leaflet was currently being piloted in North/East Dorset. People were also thinking about what they purchased and how they recycled plastics due to national awareness and it was predicted that this would continue in future.

An assumption of £200k income had been made with regard to the new Weymouth Town Council as it was set to assume legal responsibility for beach and seafront cleansing in Weymouth with delivery of the service by the DWP on its behalf.

The additional income required for a standstill budget was £1.198m, a proportion of which would be met by BCP Council. The net funding requirement to be met by the Dorset Council was £28.638m.

Based on the predicted outturn £1m would remain in the BER and the Joint Committee was asked to support a recommendation to the Dorset Council to continue to maintain a waste specific reserve as part of its waste strategy to account for the

volatility in the recycle market.

A question was asked in relation to the recent proposal by Hampshire County Council to charge East Dorset residents to use the Somerley Household Recycling Centre (HRC), and whether any compensatory sum could be met through the funds contained in the BER.

The Chairman advised that the matter was at a very early stage and a meeting was being arranged with Hampshire County Council to discuss the issues. It would therefore not be appropriate for the Joint Committee to make any recommendation to the Shadow Executive at this stage.

Members asked about the behaviour change campaigns and whether this could be widened to deter litter thrown at the roadside from cars.

The Head of Service (Strategy) advised that littering was included in the DWP's education package to schools and community groups. The DWP also funded Litter Free Dorset which conducted a number of campaigns, another of which would be launched soon. Following a change in the legislation regarding litter thrown from vehicles, DWP officers were working with enforcement and education teams to get the processes in place to issue Fixed Penalty Notices (FPNs) that would have a wider impact in terms of social responsibility around littering.

The Litter Free Dorset webpage details would be circulated to all members and a link included in the next member newsletter.

Members asked about prosecution rate in respect of fly tipping and were advised that 4 enforcement officers had been employed since November 2017, who had been proactive in investigating fly tipping and encouraging the public to report incidences. All cases were assessed by the Legal Services team on the basis of whether they were in the public interest to pursue. When considering the costs involved the DWP also took into account the positive impact in the media and some had been successfully prosecuted. There were currently 6-8 "live" cases as well as income received from FPNs, a sum of £400 payable for each offence. The Chairman reminded members that it was the owner of the waste who remained liable for its removal.

Councillor Ferrari asked whether there would be an impact on the fee per tonnage payable if the amount of material was reduced as a result of the removal of waste from Christchurch.

The DWP Director advised that it was not currently known what the service model would be, however, it was likely that Christchurch would maintain a separate food waste collection and the residual waste would be unlikely to change significantly. There would be an impact if Christchurch came out of the W&S Waste Management contract in future.

The Chairman asked for a written note to be provided to the member on this matter in terms of a price penalty for this eventuality, in particular beyond 2021.

Councillor Ferrari expressed the view that the way in which the DWP budget had been constructed in relation to its support costs was the correct way and that this capability should continue in the new Dorset Council. In addition, he considered that holding a specific reserve (BER) due to the volatility of recycle could not be upheld once the service was operated by a single council as there were other parts of the Council that were subject to equally volatile elements such as Adult Social Care and Children's Services and therefore this could be viewed as double reserving.

The Chairman responded that the building in of support costs could be viewed as an example of good practice in the same way as the BER and reminded members of the recent adverse variance of £700k as a result of recycle volatility over which the DWP had little control.

The Director of the DWP advised that use of a BER was common practice and recommended for waste services. The recommendation requested that recycle price volatility was taken account of as part of Dorset Council's reserves strategy due to the risk to the DWP budget, rather than a separate pot of money.

Following the discussion, the recommendation in relation to the reserve was voted upon separately.

Resolved

1. That feeding the budget estimates into the Medium Term Financial Plan of Dorset Council be supported;
2. That maintaining a reserve to deal with recycle price volatility under Dorset Council, as set out in paragraph 6.3 of the report, be supported.

Reason for Recommendation

Historically, Joint Committee annually considered the proposed DWP budget each year. Responsibility for financial decisions for 2019-20 and beyond rests with Dorset Council, rather than the DWP Joint Committee.

Dorset Waste Partnership Business Plan 2019-20

- 55 The Joint Committee considered a report outlining the Business Plan for the waste function of the new Dorset Council for 2019-20.

The Finance and Commercial Manager explained that there were no major changes in the policy and strategy being proposed. In response to a question he confirmed that the £75k for technical advice in support of the complex contractual arrangements was used for the procurement of disposal contracts.

Noted

Questions from Councillors

- 56 No questions were asked by members under Standing Order 20 (2).

Meeting Duration: 10.00 am - 10.50 am