

**WASTE MANAGEMENT PARTNERSHIP BOARD
MINUTES**

Date of Meeting: 05 March 2012
Location: Cabinet Office, Civic Offices, Epping
Time: 2.00 pm
Attending: Cllr John Knapman – Env. Portfolio Holder & Board Chairman (JK)
 Cllr Gary Waller (GW)
 John Gilbert - Director, Environment & Street Scene (JG)
 Josie Falco, Waste Services Development Officer (JF)
 Steve Holgate, SITA UK (SH)
 Melvin Dhorasoo, SITA UK (MD)

Also present: Stella Forster (Minutes)

	Action
<p>1. Introductions SH introduced Melvin Dhorasoo, VV's replacement contract manager, who has been transferred from Rochford. Originally from the RB of Kensington & Chelsea, MD is experienced in trade services. .</p> <p>2. Apologies for Absence - Kim Durrani, David Marsh, Vlad Velikoselskis</p> <p>3. Declarations of Interest - None</p> <p>4. Draft minutes of the meeting held on 10 October 2011 - Agreed</p> <p>5. Matters arising - None</p> <p>6. Review of current contract performance (operational & financial) SH: The accounting report is in a new format, with two sections (i) open book accounting and (ii) KPIs. SH asked the Board to let him know if the format needs changing or any other information is required for future meetings.</p> <p>P4 Q2 & Q3 2011/12 profit margins. The Q3 figure is artificially high due to an accounting error but this will be compensated for in Q4. However the contract continues to be a good one, and is almost at break even point at EBIT.</p> <p>P5 Operating margins are now up to 14%. This will change significantly now the extended contract has been amended.</p> <p>P6 Monthly cost split. The biggest cost is always wages. Some accruals are put aside for accidents, which are put back in if not paid out. This would account for some of the figures below the line. DD (deductable damage) figures remain fairly static. Drivers appear to be more accident prone in Epping, and repairs are more expensive when not carried out in SITA's workshops. The variation in fuel costs occurs because diesel remaining in the trucks is not included. Diesel currently costs SITA approx. £1.18 per litre.</p> <p>The first SITA plastics to diesel operation is to be sited in Dublin and work will commence in June, with completion at the end of the year. There is a commitment for the company to build 6 of these plants. It involves melting plastic at high temperatures.. Each ton of plastic yields 1,000 litres of fuel, and it is hoped to produce 10m litres per year, working out to around 65p per litre, plus taxes etc. Mixed plastics work better than bottles, so no recycling credits are lost by taking them out of the recycling stream.</p>	

P7 cost split by quarter. There are some additional costs in Q3 for agency staff but generally wages are fairly static. Other figures will vary depending in which accounting period bills are paid. There will be a difference in revenue in the fourth quarter.

KPIs - P9 waste flows. Hopefully these figures match EFDC's. There was a marked increase in dry recyclables in January. Recycling remains high at around 60%, and JG confirmed the target will increase from 58% to 60% next year.

P10 Missed bins - although the figures are still exceptionally low, they are beginning to creep up a little. This is a trend to watch and will be monitored by MD.

P11 Accidents. This is a key issue. Apart from an accident in November, it was a good year and Riddors were reduced by 10%. Total accidents average one per month. The amount of lost time due to accidents has significantly reduced as a result of managing it on a monthly basis and staff training.

JK: Although there were few problems in the snow this year, there will always be a few accident hot spots in the district. The four wheel drive machines fitted with snow brushes used in Chigwell could clear the snow from those areas in a few days. The district is very hilly and ECC are protective of their salt but the machines could be used to clear stretches of the longer hills to give vehicles some traction. They are relatively small and can also be used on pavements. If ECC can be persuaded to provide the labour costs, the machinery costs (around £3k) should easily be found. SH: V V and JF have already compiled a list of the most hazardous roads. The crampons issued to staff are not suitable for anything other than snow covered ground.

P12 Overtime, agency staff & sickness. The overtime in January was due to catching up after the bank holiday. SITA avoids relying on agency staff wherever possible, but they are often necessary at peak times. The permanent staff are now better trained.

7. Contractual issues to include extension

JG thanked everyone for their hard work in putting the new contract extension in place until Nov 2014. Consideration of the tender for the next contract will begin later this year. Meanwhile there is still pressure to save on expenditure. This will be helped by the work of JF and DM on street cleansing arisings, The recycling message must be constantly reinforced to residents so that recycling tonnages do not drop.

JK: Waste officers have been asked to come up with bespoke schemes for flats that are not currently on the collection round, although as there is already a large volume of recycling collected from flats this will not result in much of an increase. Those flats which have opted out in the past will be asked to reconsider, particularly where storage facilities are available.

JF: DM had asked to raise the matter of a possible insurance claim relating to Hereward Green. It was established following a site survey that a privately owned portion of the land is subsiding. It was decided to avoid the area until the issue has been settled, but an agency driver was not aware of this and drove over it. SH: MD is dealing with this matter and the message of avoiding the area has been reinforced to all the crews

8. Government announcements on weekly collections

JG: JF has been tasked with preparing a bid for some of the Government's £250m fund which is being made available for local authorities to retain or

reinstate weekly residual waste and recycling services. As EFDC already offer a weekly service and a bid cannot be made retrospectively, all it can expect to bid for is for the service to be enhanced. An expression of interest must be received by 16 March, with supporting documentation. The issue to be considered is that the funding is limited to either 2 or 3 years, but as councils have to commit to 5 there will be at least 2 self-financing years. If councils decide to withdraw within that timeframe, the funding would have to be returned. If the decision is made to discontinue the service after 5 years, it would be politically and financially damaging to the authority.

JF: three options have been worked up:

- (i) a weekly dry recycling collection;
- (ii) a nappy collection; and
- (iii) food collection from flats.

Option 1: There appears to be little to gain, as there will be a limited increase in recycling, and with annual costs of £595k and providing two additional vehicles, there is nothing to offset the uptake costs.

SH: For some authorities where recycling targets are at 30-40%, there may be a 3-5% increase in recycling as some currently non-participating residents would be more inclined to become involved. However, as Epping has a 60% recycling rate, the increase is unlikely to amount to more than 1-2%.

Option 2: Whilst new technology exists at a plant in Birmingham, the cost of disposing of AHPs (absorbent hygiene products) is still very expensive. As more plants are built the process will become cheaper in time, but currently there are estimated to be 6,000 properties requiring an AHP collection, which would equate to £3.4m. At present, after food waste, AHPs represent the largest percentage of waste in residual bins.

SH: A less expensive option would be to dispose of nappies etc at a waste transfer station. Alternatively, they could be collected weekly but taken to landfill if less than 5% of the load, thus taking out disposal costs. Residents could be supplied with a separate bin. Rochford are investigating making a charge to each household, and using recycling credit to subsidise the service.

JK: The scheme at Harlow where only half the residents receive a collection would not be acceptable. Also, it would not be possible financially to provide a nappy service if a Government grant were not available. It was agreed not to put a funding bid in for this service, but to monitor the processing costs for possible use in the future.

Option 3. Probably the best option since Epping have already made a commitment to provide a food collection service from flats. Although 450-500L bins had been discussed, SH confirmed that any bin over a 240L capacity would be too difficult to move. There is a quantity of 240L bins in stock, which could be adapted by changing the lids and using them would not require any additional costs. There are estimated to be 52,000 properties involved.

Bin washing - Rochford do not offer a cleaning service as some other districts do, but use managing agents to arrange for the bins to be washed. SH: The system being used in Kensington is on an exchange basis; two bins are left to be filled and when emptied they are replaced every six months by a further two. They are then taken back to the depot for cleaning. However, this is an expensive operation. There are also dedicated vehicles available for bin washing. Another alternative is to supply bin liner bags. However, this may raise objections from residents who are not offered this service. JF: The system being considered is to

supply flats with caddies, which would be emptied into the 240L bulk bins for collection. Liners for the larger bins are approx. £2 each.

SH: Residents using communal areas tend to dispose of their waste in the nearest container, and contamination is a big risk as if a full load is rejected it could result in 8 tons (£8-900) of recycling credit being lost and the recycling percentage being affected. Some authorities have a 'three strikes and you're out' policy. It is generally felt that innovation schemes where incentives are given for participating in recycling is flawed, and residents should be rewarded for not contaminating their recycling, or for reducing their residual waste.

JF: The first trial is to commence shortly, which will give an indication of how a full service would work. A door stepping exercise is also being carried out, asking residents their views on how contamination can be avoided.

It was agreed to submit an expression of interest on Option 3. This is non-committal on both sides.

JG: There are some changes in regulations going through Parliament concerning the separation of comingled recyclables. There are two ways of avoiding them, (i) if it can be demonstrated that separation is not practicable, and (ii) if the MRF is happy to accept comingled. This may have some effect on the next contract as changes would have to be made to the collection service. JG to respond to the consultation.

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9. Olympic Games update

JG: The plans SITA and the waste team have made for waste collections and street cleansing are now well advanced. The areas that the torch relay passes through on 7 July and the five days of the White Water event are key areas and will be cleansed at Grade A. Extra resources will not be available and schedules for other parts of the district will have to be shuffled. LOCOG have arranged for a cleansing team to follow the relay, which will help, but litter pickers will also be working early in the morning before visitors arrive, and again in the evening when they have left. Litter and dog bins will not be more than two-thirds full at any time and no bins or recycling containers are to be visible. Broxbourne are working closely with EFDC, and an agreement has been reached for both crews to extend street cleaning across the border, with no increase in expenditure. There will be a Monday refuse collection in W/A, but it will take place before 9am. A run through is planned for April.

There are a few problem areas. The Crooked Mile is a dangerous road for litter pickers, and it will be a challenge to keep the areas around Central Line tube stations clean for the entire duration of the Games.

10. Health & Safety issues

JG: The HSE inspection was completed, and the outcome was generally better than expected. Their major criticism for both EFDC and SITA was a lack of documentation for inspections etc., and the way it is presented. They also asked that a more robust system of assessing the health & safety credentials of contractors is put in place particularly as part of procurement exercises. They will return at the end of the year, but meanwhile both organisations have produced action plans to address the issues raised, which have been agreed by the inspector.

There is still an issue with the lack of a dedicated management resource at the depot, and this has been raised at corporate level. For example, SITA was issued with an insurance claim for an accident involving a manhole that was lacking a cover, because there is no-one to take responsibility for such matters.

<p>11.</p> <p>12.</p>	<p>There are questions over who is liable for signage, and maintenance of shared areas.</p> <p>Depot relocation JG: No significant progress has been made on selecting a suitable site for the new depot. The planning application for the retail site at Langston Road has gone through, and planning consent will follow. It may be 4 years until the process is completed, which leaves possibly 2 years to find a solution to the depot problem. Cabinet agrees with JG's view that the NWA site is not appropriate, and the search for an alternative continues, including some land in Langston Road, and some at Junction 11 (Harlow park Nursery).</p> <p>MB has asked JG to seek advice from White Young & Green on how a contract might be structured without a depot included, but this would lead to a lack of control by the Council and would present problems in future years. It would be preferable to find the land for a depot to be built upon.</p> <p>The land at the Harlow roundabout would be advantageous logistically, but it would be difficult for the crews to get to work at 6am. The flooding issue of the land at Langston Road could be addressed, and if the owner can explicitly demonstrate that it is uncontaminated, it will be considered. This area would also be SITA's preference. However, it will still be an expensive exercise and the costing of all the options are awaited before a final decision can be made.</p> <p>Any other business JG: (1) S46 Notices: the Council have given a response to Defra's enforcement exercise. There were two options, (i) a marginally amended version of the existing arrangement, where the closing of bin lids etc. is still technically a criminal offence, or (ii) a decriminalised approach where infringements are classed as a civil offence although fly tipping etc. is still considered a criminal offence. The Safer, Cleaner Greener Panel opted to take the latter option and this has now been signed off and acknowledged.</p> <p>((2) On-line waste survey: this resulted in a 90% satisfaction rate, but when looked into more closely it was discovered that only 150 responses had been received. JG suggested running the survey again but publicising it more widely so that a genuine response can be established.</p> <p>(3) Dates of future meetings: the dates given in the last minutes were reaffirmed, and later ones added. The dates are: 30 April, 2 July, 3 September and 5 November 2012 7 January, 4 March and 6 May 2013.</p> <p>GW asked for progress on the new textile collection service. JF replied that, although the bookable service works well, the uptake is quite small. The service will be re-emphasised in future literature.</p> <p>JK had asked QD to arrange a meeting with Ongar Parish Council to discuss the effects of closing the recycling site. If, as County maintain, 50% of what was disposed of could have been collected on the doorstep, has there been an increase in recycling collections? Also, have other sites such as W/A or Brentwood noticed a rise in volumes? It may be possible to place more bring sites in Ongar's car parks if OPC require it. JG: It does not appear that fly tipping has increased. The only issue raised was from an elderly person whose only option of removing some large bulky waste was to use the special collection service, for which there is a charge. As a result changes to the charging structure for bulky waste are being considered.</p>	<p>QD</p>
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JF: Plans to develop new livery with an Olympic theme were rejected by the Games organisers. As it was not ideal because it would still have been on the vehicles after the Games, this was not pursued. However, many new ideas for artwork have been prepared, some adapted from previous models, and JF provided them for the Board's consideration. It was agreed that a design with a message to encourage recycling, with an emphasis on food waste, would be the best way forward. MD suggested opening the livery design to schools, which would help to bring the message home to the children and their parents.

JF: Some properties where there has been a particular problem with foxes and birds destroying dry recycling bags have been issued with a bin on the understanding that the recycling is presented in the usual way on collection day. The number of these properties is relatively low, and JF asked if the bins, identifiable by a different lid, could be emptied instead.

SH: A bin collection would be a much slower service than bags. As word spreads other residents in the same areas, who would be experiencing the same problems, may also demand a bin, and the situation could get out of hand.

It was agreed to make a full assessment of the number of properties affected before making a final decision.

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