

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Strong Communities Select Committee held at County Hall, The Rhadyr, Usk, NP15 1GA on Thursday, 30th June, 2016 at 10.00 am

PRESENT: County Councillor S. Howarth (Chairman)
County Councillor V. Smith (Vice Chairman)

County Councillors: D. Dovey, A. Easson, P. Watts and
D. Blakebrough

Also in attendance County Councillor(s): D. Blakebrough

OFFICERS IN ATTENDANCE:

Mark Howcroft	Assistant Head of Finance
Roger Hoggins	Head of Operations
Rachel Jowitt	Head of Waste & Street Services
Paula Harris	Democratic Services Officer
Nigel Leaworthy	Commercial & Operations Manager
Carl Touhig	Recycling Strategy and Business Manager

1. To note the appointment of the Select Chair

County Councillor Simon Howarth was appointed as Chair.

As it was the 100th Anniversary of the Battle of the Somme, the Chair asked members to remember the lives lost in battle and held a minute's silence.

2. To elect a Vice Chair

County Councillor Tony Easson was appointed as Vice-Chair.

3. Apologies for absence

We received apologies from County Councillors S. White, A. Webb, S. Jones and Hazel Ilett.

The Chair raised a point of clarity regarding attendance to the Committee. The Chair was saddened at the lack of attendance & lack of apologies by some Members and promised to address this by speaking to the Leader of the Council.

4. Declarations of Interest

No declarations of interest received.

5. To confirm minutes of the previous meeting

The minutes of the Strong Communities Select Committee meeting held on 28th April 2016 were confirmed as an accurate record and signed by the Chair.

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5.a Open Public Forum

We were joined by Carl Thomas and Ian Hodgkinson from The Glascoed Pub who had approached their local member Val Smith in regard to the speed of the road, the A472 outside their premises.

They were keen to promote their business and with 7 acres of land they are looking to maximise the use of the Pub and its grounds. They advised that neighbours often struggle to pull out of their drives due to the lack of visibility, with the hedges blocking their view of the road and asked for better signage and possibility of a speed camera.

They also asked if the Council could address the issue of cutting the grass and the maintenance of the hedgerow and banking from Glascoed Village to County Hall.

The Elected Member for the area advised she had not taken the issue further recently but was concerned for the residents and their concerns.

The Chair asked the Head of Operations if there was data available for this road, such as a Traffic Impact Assessment. The Head of Operations answered that he would return to the Committee with further information. **(ACTION R.H.)**

6. Revenue and Capital Outturn Report

Context:

The purpose of this report is to provide Members with information on the forecast revenue outturn position of the Authority at the end of reporting period 4 which represents the financial outturn position for the 2015/16 financial year.

The report will also be considered by Select Committees as part of their responsibility to,

- assess whether effective budget monitoring is taking place,
- monitor the extent to which budgets are spent in accordance with agreed budget and policy framework,
- challenge the reasonableness of projected over or underspends, and
- monitor the achievement of predicted efficiency gains or progress in relation to savings proposals.

Key Issues & Recommendations:

That Members consider a net revenue outturn underspend of £676,000, an improvement of £878,000 on quarter 3 outturn predictions.

Members consider a capital outturn spend of £18.3m against a revised budget of £18.8million, after proposed slippage of £43.7 million, resulting in a net underspend of £508k, of which circa £433k is available for recycling onto other projects/priorities which it is recommended will be held pending review of the additional pressures.

Consider and approve the £43.7m capital slippage recommended, paying attention to those schemes included in paragraph 3.5.4 where slippage has been requested by the service manager but is not being recommended to slip (£170k), and notes the significant level of slippage required at outturn not manifest earlier in the year highlighting a concern in managers capital forecasting going forward.

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Considers the use of reserves proposed and notes the significant decline on earmarked reserve levels at end of 2015-16 and the likely indication at end of 2016-17.

Approves the reallocation of reserve balances, as per paragraph 3.9.5 following the actuarial review of the insurance reserve and review of other small reserve balances, in order to address reserve pressures and the apportionment of general underspend in supplementing reserve levels as follows:

- £1,037 million to Redundancy and Pensions reserve
- £419k to IT reserves
- £350k to Invest to Redesign reserve

Approves the use of the Invest to Redesign reserve during 2016-17 totalling £30,835 as MCC's additional contribution to enable the work on the City Deal initiative to continue.

Member Scrutiny:

A Member thanked the Officer for the report and responding to her requests for information in a quick and efficient manner. As the Member had specific questions they wished to ask the Officer, the Member requested to speak to him, one to one at a later date.

The question of slippage was brought up and Members felt that better forward planning would be useful in future. The Officer responded that figures were artificially effected by the future school agenda at present.

A Member questioned the number of staff made redundant. The Officer answered that in 2015/16 the total number of staff made redundant was 102; 99 compulsorily redundancies and 3 other departure packages.

A Member asked if Officers were aware of the need to create savings throughout MCC. The Officer replied that moving to a percentage saving, from a mandate savings approach would make issues less obvious.

A Member asked what changes had been made with SEWTRA. The Head of Operations informed the Committee that the form of the agreement, previously a contract: commenced in April 2016. SEWTRA is being asked by Welsh Government to cut costs which effects MCC.

It was questioned why there had been extra costs at TIC for a double man facility. The Officer told the Committee that due to abuse from members of the public has resulted in it being unsafe for one member of staff to be at the site alone.

A questioned was raised regarding the mandates and it was commented that some of the figures seemed unreal with no plan and stressed how it was to set realistic, time-bound targets.

Concerns were raised regarding toilets and asked that the Senior Officer report back to the Committee at a future meeting.

A Member asked if the Monmouth Comprehensive School project was going to plan. We were answered that the tender prices received in January we were approximately £5m more than the funding envelope that the Council and Welsh Government are collectively funding. We are currently looking at revisions to the scheme. At present the Caldicot scheme is going ahead as originally tendered, that has necessitated some money moving from the Monmouth scheme to the Caldicot School scheme.

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The Chair asked if the new lease had been signed for the cattle market in Raglan. The Head of Operations answered that we had not taken practical completion of the site as yet, so the maintenance and the preparation, partially of the dirty water system is still under development it was asked how much revenue & rent, rates MCC have received to date. The Assistant Head of Finance replied that we had received a six figure cheque from the Auctioneers which was returned to them because they would use this to influence the strategy of how much rent they pay going forward. The Officer requested to stop discussion on this subject as the confirmation of rent was a sensitive commercial negotiation. The Chair said that he would send a letter to the Chair of the E&D Select Committee to scrutinise this project.

A Member queried MCC's position with Wormtec. The Officer answered she was unable to confirm figures as the information was commercially sensitive. MCC was a bad debtor and under the 2014/15 the debt was written off. It was noted that Welsh Government paid for the untreated food waste when Wormtec operations ceased and that there was no cost to MCC. It was clarified that liability for the land lies with the Ministry of Defence (MOD) and Natural Resource Wales (NRW) and confirmed that MCC has no financial or contractual liability.

Committee's Conclusion:

The Committee was satisfied with the answers to its questions on budget management, however, concerns were raised regarding the delivering of savings on public toilets and it was agreed to table a progress report on the review of public toilets to a future meeting.

The Chair agreed to write to the Chair of the Economy and Development Select Committee in respect of the new lease for the cattle market in Raglan to request the Committee to scrutinise progress being made.

7. Future of the Civic Amenity Site Contract

Context:

We received a report from the Recycling Strategy & Business Manager to advise the Committee on the proposed way forward for the Dragon Waste contract.

Key Issues:

Throughout the Recycling Review reference has been made to the future of our Civic Amenity Sites and Transfer Stations and how they become operationally and financially fit for purpose to complement our kerbside provision and ensure a sustainable and high performing recycling offer is made to Monmouthshire residents.

To be clear the current Dragon Waste contract is for the following services:

- Management and operation of 4 Civic Amenity* Sites (Llanfoist, Five Lanes**, Troy and Usk which are owned by MCC and managed by Dragon Waste)
- Management and operation of 2 Transfer Stations – Llanfoist & Five Lanes
- Haulage of residual waste to Project Gwyrdd EfW at Trident Park, Cardiff.

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(* the legal term for the sites is Civic Amenity. They are more commonly known now as Household Waste Recycling Centres (HWRCs) and therefore will be referred to as such through the paper.

** Llanfoist and Five Lanes sites are under full maintenance leases to Dragon Waste whereas Troy and Usk are owned by MCC and managed on our behalf by Dragon Waste)

This is a very old contract and has evolved over time as legislation and priorities change.

In 1994, Monmouthshire County Council and Terry Adams formed a joint venture company (JVC), Dragon Waste, to operate and manage the waste disposal and Civic Amenity Sites. This was in response to legislation that no longer allowed local authorities to operate civic amenity sites that resulted in many setting up JVCs or Local Authority Waste Disposal *arms-length* Companies (LAWDaC).

Terry Adams sold his shares to Viridor and since the late 1990s Viridor have remained the majority shareholder (81%) of Dragon Waste.

In 2014 the contract was renegotiated with Viridor to allow a smooth transition to Project Gwyrdd, instigate transparent management costs to enable any future procurement to be undertaken on a truly comparative basis, a fit for purpose recycling contract and savings across the contract. The outcome of these negotiations were brought before Select Committee prior to Cabinet approval in October 2014.

Viridor also hold the organics contract for recycling of kerbside collected organic waste. This contract sits outside of this paper as Select Committee and Council have already determined the long term future of organic waste and agreed to a partnership with the Heads of the Valleys AD programme which will commence from April 2018.

The legislation allowing local authorities to operate their own sites has now been repealed and the opportunity to run the Civic Amenity sites in-house is now an option that some Councils have adopted determined the long term future of organic waste and agreed to a partnership with the Heads of the Valleys AD programme which will commence from April 2018.

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Member Scrutiny:

It was queried if there would be any practicalities or impracticalities to consider with regard to the performance improving suggestions such as opening of residents' black bags or making some sites recycling only by restricting black bag waste tipping. It was reported that Rhonda Cynon Taff County Borough Council has implemented such measures with no reported increase in fly tipping mainly through comprehensive advertising and publicity.

It was confirmed that anonymous composition analysis has identified that 50% of black bags contain recyclable or food waste and concluded that there is more to do to work towards the target set by Welsh Government of 70% recycling.

It was queried how the reissue of grey bags will encourage better use of black bag waste. The Officer reported that there was an increase in kerbside residual waste in line with an increase in waste in general and that capture analysis is being undertaken to anonymously identify what is being recycled in black/grey bags by residents.

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In response to a question, Members were informed that research information is available (e.g. from WRAP UK) that explores barriers to recycling. A Member suggested provision of an education programme to provide continuous information to residents rather than reliance on online searches. The Officer answered that, inevitably, some people do not participate and work is focussed on hard to reach areas where individuals do not engage. This work is limited due to availability of resources. It was concluded that the majority of residents engage in recycling, and also agreed that it was important to keep processes simple, with as few changes as possible to ensure that residents who currently recycle, continue to do so.

A Member advocated opening the tender process to more than one contractor.

A Member questioned if the recycling centres at Mitchel Troy, Monmouth and Usk are too small, how waste collection is being missed and if alternative sites have been explored, including the possibility of establishing one site between Usk and Monmouth. Additionally, it was queried if the proposed expansion of the range of products for profitable collection at the Caerwent, Five Lanes site would justify the expenditure. Finally, the poor quality of food bags was commented upon. The Officer explained that feasibility work had been undertaken at the Mitchel Troy site on land owned by MCC behind the depot. It was projected that provision of facilities similar to the Llanfoist site would be a £1.7m capital cost. It was estimated, on the projected tonnage throughput, that the increase in recycling and reduction of residual waste would not cover the cost of borrowing funds to improve the site and would not sufficiently impact on recycling targets. Members were reminded that the improvement target is 67%.

Regarding the suggestion of establishing one site to replace the recycling centres in Usk and Monmouth, in favour of one site between the two locations, the Officer explained that there was no site identified and no provision in the Local Development Plan at present. This would be a matter for public consultation.

The Officer clarified that the expansion of the Five Lanes site referred to expansion of the shed for the transfer station not the range of materials. It was added that it is intended to engage with the market to consider how best to maximise opportunities on the site.

A Member commented that the location of the recycling centre in the Maryport St. Car Park in Usk is not ideal as it is too small, a busy car park, parking spaces have been lost, it is difficult for the skip lorries to service the facility and the steps are unsuitable for some service users. The Member called for consideration to relocate the site. The Officer advised that availability of capital is limited.

Members discussed the impact of housing development and were informed that no additional funding is provided to address the increase in demand for services. This point is being raised with relevant officers. The Chair questioned if it was possible to raise additional funds through an environmental levy to deliver better services but was confirmed that it is not legally possible to have an environmental levy. It was added that the Welsh Government is investigating innovative ways of funding waste recycling (e.g. producer responsibility). It was commented that Keep Wales Tidy is piloting a deposit return scheme and the all Wales Officers Group is supportive of the concept, Welsh Government is not supportive at this time.

An Officer provided feedback on the current food bags explaining that they are manufactured from cornflour and made in the UK to the British Kitemark standard. It was explained that they are cheaper than the previously purchased green bags which are made from potato starch. Following some complaints about the quality of the new bags, the manufacturer was contacted and the bags of unsuitable standard were replaced with a higher quality product; the quality is being monitored. Members were reminded that there is a £30K saving through the purchase of the new bags.

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In response to a question, it was confirmed that capture analysis identifies that food waste mainly consists of edible food that it beyond its sell by, best by or use by date. Food manufacturers are considering ways of better explaining food longevity and safety with limited amounts of compostable waste (vegetable trimmings/peelings, teabags etc.). Members were invited to visit the recycling centre for the capture exercise to witness the types of waste disposed of by residents.

The Chair asked why there was no proposal to reintroduce acceptance of red and purple bags at transfer stations. The Officer explained that this provision had been available at all sites but analysis indicated that members of the public were using the facility as an additional refuse facility, for example, included sacks from the kerbside that were stickered as contaminated. The facility was withdrawn as feedback from the contractor indicated examples of individuals becoming abusive and aggressive when challenged. It was added that that consultation with residents on how to make the service available would be required to consider reintroduction.

Recommendations:

The recommendations contained in the report were agreed

Committee's Conclusion:

The Committee received a comprehensive report and Members noted the progress that had been made, accepting the report's recommendations. The Committee requested to be kept regularly updated on progress in respect of the Heads of the Valleys Anaerobic Digestion partnership programme.

8. Recycling Review and Implementation Plans

Context:

To update Select Committee on the recycling collections pilot planned to commence in September this year and for Members to note and comment on the proposals for the trial for the Recycling Review as previously reported to Committee and Cabinet.

Key Issues:

The recycling review has been before Select Committee many times. It was agreed that a further report would be brought before Members with the details of the approved pilot so that there was a full understanding of what we were planning to do ahead of further reports in early 2017 with a final recommendation for the authority. Just to recap the pilot will:

- Remove glass from the purple bags and be collected separately
- Red and purple bags to remain separate for the trial
- Food and garden to be collected as now, recognising that a commitment has already been given to collect this separately
- Residual – fortnightly and 2 bags (see below for proposal to reintroduce grey bags)

The pilot area has been mapped, subject to a detailed vehicular access review.

The rounds are shown in appendix 1. As previously reported the pilot was to be based around Llanfoist Transfer Station due to the site being able to receive glass separately without the need for any investment in infrastructure. The pilot includes approximately 5,500 households within Abergavenny, Gilwern, Govilon, Goytre, Llanellen, Llanover, Llangybi and Little Mill. This area

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has been chosen as it represents a good demographic cross section of the County and includes a mix of urban, semi-rural and rural areas.

We are still engaging with the market to determine the final specification for the pilot vehicle but our goal is to secure a three-stream vehicle with a pod for glass and a split body to collect red and purple bags separately.

At previous meetings Members have been concerned about the receptacle used to collect glass. Further research and investigations have been undertaken and we believe that glass should be collected in a box. Why? We have investigated the use of both a box and a reusable 'hessian-type' bag with our crews, other authorities, our MCC H&S officer and an external H&S consultancy. Feedback from a health and safety perspective is that a box is more suitable due to several reasons:

- Bags - strain is placed on one shoulder when carrying/loading, Box - Better techniques in lifting, good stance and posture, weight distributed between both arms.
- Bags - potential for loaders being cut due to close proximity of the bag during emptying with the risk of broken glass.
- Bags – No rigidity to support loader during emptying, box is more rigid, very unlikely to break, therefore less risk of injury to loader.
- Bags - Higher risk of blowing away and spillage onto pavement
- Bags - Higher rate of replacement due to blowing away and their durability – estimated life of bag 2-3 years, box up to 10 years.

MCC officers feel that the bags present too much of a health and safety risk to our loaders and are therefore proposing that we do not continue to proceed any further with this option.

Whilst there maybe concerns regarding visual amenity and street scene we must remember that we are removing glass from our recycling stream to ensure compliance with existing law whilst maintaining the integrity of the existing red and purple service.

We are also recommending that the re-introduction of the grey bags occurs within the pilot area during the trial. With the current trend of increasing residual waste (overall residual waste went up 10% in 2015-16 compared to 2014-15), it would be opportune to gauge whether re-introduction and compulsory use of the grey bags has a positive effect in terms of a reduction in residual waste presented kerbside and/or an increase in recycling capture.

Member Scrutiny:

Members queried the motivation for and cost of the green box pilot, and how success of the trial will be measured ahead of consideration of the introduction of the scheme countywide. The Officer explained that the cost of the trial will be in the region of £40,000. This includes some additional staff and the purchase of a split back vehicle with a pod utilising a second-hand RCV chassis. It was explained that there is the potential to halve the throughput to the Materials Recycling Facility (MRF) with consequent reduction in costs, with a potential saving of £250,000 per annum. Additionally, separation of glass will allow it to be glass recycled instead of going to aggregate which is not the preferred outcome environmentally or in terms of MCC's Wellbeing and Future Generations goals. The Officer explained that success would be indicated through improvement in recycling performance targets (or no change as MCC has good kerbside recycling performance), improvements in the financial performance of the service and best environmental recycling outcomes.

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The Chair indicated that there was a risk to investment if residents don't separate the glass and advocated a communication plan. The officer responded that efforts will be made to engage with the residents undertaking the trial including the presence of officers in the area and also capture analysis to monitor progress.

A Member criticised the proposals as a stealth means of returning to boxes, that the health and safety considerations were unchanged and that we were pandering to the market. The Officer explained that a third bag option was explored but found to be unsuitable for acceptance by the market. Members discussed that they were generally not in favour of boxes. The Officer clarified that the market wants to purchase glass loose and unbroken, and also explained the problems associated with plastic or recyclable bags. It was confirmed that Cabinet have already approved the pilot scheme and that if the trial is unsuccessful, alternatives will be sought.

Committee's Conclusion:

The Chair thanked the officer for bringing a position update to the Select Committee on the recycling collections pilot planned to commence in September this year. Members commented on the proposals for the trial and remain unconvinced that the black boxes had sufficient benefits over the plastic sacks. The Committee agreed to receive a further update on the results of the pilot in due course.

9. Managing Public Open Space

Context:

The purpose of the report is to seek the Committee's views on the proposal for an inclusive and engaging review which will determine Monmouthshire's future strategy for managing and maintaining MCC owned public open space.

Key Issues:

Monmouthshire County Council owns and manages a range of open space of which equates to approximately 4'030'000m² plus a number of countryside and heritage sites, which are maintained predominantly by either Grounds Maintenance, based within Waste & Street Services/Operations directorate or Tourism Leisure & Culture in the Enterprise Directorate.

Member Scrutiny

Members welcomed and accepted the report.

Committee's Conclusion:

The Committee considered the future strategy for managing and maintaining MCC owned public open space and agreed with the proposals presented in the report and were content that the report be taken to the next available Cabinet meeting.

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10. Strong Communities Forward Work Programme 2016

This item was received.

11. Cabinet and Council Forward Work Planner

This item was received.

12. Date and time of next meeting

21st July 2016 at 10am

The meeting ended at 1.48 pm