

Agenda Item 3

All minutes are draft until agreed at the next meeting of the committee/panel. To find out the date of the next meeting please check the calendar of events at your local library or online at www.merton.gov.uk/committee.

SOUTH LONDON WASTE PARTNERSHIP JOINT COMMITTEE 17 FEBRUARY 2015

(17.30 - 18.35) (at The Town Hall, Katherine Street, Croydon, CR0 1NX)

PRESENT: London Borough of Croydon
Councillor Stuart Collins and Councillor Stuart King (substitute for Councillor Kathy Bee).

Royal Borough of Kingston upon Thames
Councillor David Cunningham.

London Borough of Merton
Councillor Judy Saunders (in the Chair) and Councillor Andrew Judge.

London Borough of Sutton
Councillor Jill Whitehead (substitute for Councillor Colin Hall)

ALSO PRESENT: London Borough of Croydon
Councillor Andrew Pelling and Councillor Joy Prince

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies for absence were received from:
Councillor Kathy Bee (London Borough of Croydon),
Councillor Colin Hall (London Borough of Sutton) and
Councillor Richard Hudson (Royal Borough of Kingston upon Thames).

2 DECLARATION OF INTERESTS (Agenda Item 2)

None.

3 MINUTES OF THE PREVIOUS MEETING (3 DECEMBER 2014) (Agenda Item 3)

The Minutes of the meeting held on 3 December 2014 were agreed as a correct record.

4 PUBLIC QUESTIONS (10 MINUTES) (Agenda Item 4)

The Chair advised that any questions asked by members of the public (a) needed to be questions rather than statements; and (b) should clearly relate to an agenda item being considered at this meeting (and not to a previous decision). The Chair also advised that 10 minutes was scheduled for this part of the meeting.

One member of the public (who had made a requested in advance in writing) asked a number of questions relating to a various issues including relating to alleged possible toxic emissions from the proposed energy recovery facility (referred to as an

incinerator by the member of public); the sorting of rubbish, the viability of the current proposals and possible alternatives to the current proposals;

Officers and Members responded where appropriate, including indicating that the issue of air quality had been examined carefully previously; none of the Boroughs comingled refuse which had been previously sorted.; the Boroughs' good recycling rates compared to others in London; and that the proposed contract allowed Boroughs to maximise recycling

A member suggested that a future meeting of the Committee look (in public session) at the problems associated with incinerators, especially air quality around the UK. (NB. See also Minute (5) of December minutes on this issue.)

At the conclusion of this item, the Chair indicated that ways of having a dialogue with the public would be looked at.

5 PHASE A CONTRACT MANAGEMENT REPORT (Agenda Item 5)

The Committee considered the report which provided an update on the performance of the three Phase A Contracts applicable to the South London Waste Partnership (SLWP). Officers confirmed that the disciplinary problems referred to in paragraphs 2.2.6 & 2.2.7 mainly related to the Factory Lane and Villiers Road site.

RESOLVED: That the contents of the report be noted.

6 SOUTH LONDON WASTE PARTNERSHIP BUDGET UPDATE (Agenda Item 6)

Members expressed concern about the cost overspends, including on the HRRC Procurement Exercise (as detailed in the report in paragraphs 2.6 - 2.10). Officers explained that although the increased costs had arisen from additional unforeseen works, this had resulted in a better outcome as detailed in the report.

Members were concerned that the reasons for the cost overspends were ascertained in order that this wasn't repeated in future procurement exercises, especially as they were likely to be more complicated. Officers gave an assurance that the issues raised by the current procurement exercise had been noted.

A Member suggested that perhaps there was a need for a protocol that if there was potential for an overspend above a certain percentage, then the Chair (and other Members as appropriate) should be involved.

Shared Services – In response to a query, officers gave an outline of the timetable for the procurement of shared services; confirmed that Boroughs would be consulted at the appropriate time, including about potential costs; but pointed out that procurement of shared services was outside the remit of this Joint Committee.

RESOLVED: That, subject to Members comments above about cost overspends being included in these Minutes, the Committee notes the contents of the report.

7 EXCLUSION OF THE PUBLIC (Agenda Item 7)

RESOLVED: That the public are excluded from the meeting during consideration of the following items on the grounds that they are exempt from disclosure by virtue of Part 4B, Paragraph 10.4 and Category 3 of the constitution.

8 PHASE B UPDATE - ENERGY RECOVERY FACILITY (ERF) DISPOSAL CONTRACT (Agenda Item 8)

The Committee considered the report which provided an update on the position of the Phase B - Energy Recovery Facility (ERF) Disposal Contract.

Officers responded to queries about the current status of the town planning process for the proposed ERF facility, and how this related to the contract, including that it was anticipated that a further update giving greater clarity, would be submitted to the next meeting; and that following the Judicial Review in October 2014 upholding the Planning Authority's decision to grant permission, a request to appeal had been made to the Court of Appeal, whose response was currently awaited.

RESOLVED: That the Committee notes the planning progress on the ERF project.

9 HOUSEHOLD REUSE AND RECYCLING CENTRES PROCUREMENT - PREFERRED BIDDER RECOMMENDATION REPORT (Agenda Item 9)

The Committee considered the report which -

- (a) informed the Committee of the outcome of the procurement process for a contractor for the Household Reuse and Recycling Centres, the contract being due to commence on 1 October 2015 for a period of 7 years with the option to extend for a further 7 years by mutual agreement; and
- (b) recommended the appointment of a Preferred Bidder and Reserve Bidder.

Officers responded to queries about the bidding process and details of the bids submitted, and how they were assessed.

Reference was made to the current scheme in Croydon, whereby residents who recycled, could receive compost derived from recycled materials. Officers confirmed that quantities of soil improver would still be similarly available under the proposed new contract.

Officers also confirmed that each household waste site would include a facility/container for the re-use/recovery of items.

Annie Baker, Strategic Partnership Manager, undertook to respond to Councillor Andrew Judge (LBM) and Councillor David Cunningham (RBK) on their individual queries after the meeting. It was noted that if any Councillor had further queries outside of the meeting, they were welcome to contact officers.

RESOLVED: That: the Joint Waste Committee agrees that -

(a) the Joint Waste Committee approves the appointment of Veolia ES (UK) Limited as Preferred Bidder in relation to the procurement exercise that has been undertaken by the South London Waste Partnership for the management of Household Reuse and Recycling Centres.

(b) the Joint Waste Committee recommends on to each of the Boroughs of Kingston-upon-Thames, Sutton, Merton and Croydon that they also approve the appointment of Veolia ES (UK) Limited as Preferred Bidder through their respective executive arrangements.

(c) the Joint Waste Committee further approves that Sita UK Limited is appointed as the Reserved Bidder and that the Committee recommends to the individual executives of the four partner authorities that they equally approve this recommendation.

(d), subject to approval of the recommendations above by each borough's executive committees, and financial close and 'fine tuning' discussions with Veolia ES (UK) Limited being resolved to the satisfaction of the Management Group and there being no material changes to the proposed solution beyond the scope of the proposed solution set out in this report, the Chair of the Management Group, acting in consultation with the Chair of the Joint Waste Committee, the Management Group and the Legal Lead of the HRRC procurement, be given authority for Croydon to award the final contract and agree all necessary documentation without further recourse to this Committee.

10 SLWP RISK REPORT (Agenda Item 10)

This report detailed the red risks (i.e. high risks) around the Partnership waste disposal service contracts.

RESOLVED: That the Committee notes the key developments on the Risk Register and the mitigation of these risks.