



Gareth Owens LL.B Barrister/Bargyfreithiwr
Chief Officer (Governance)
Prif Swyddog (Llywodraethu)

To: **Councillor Eryl Williams (Chairman)**

CS/NG

Councillors: Dave Cowans, Richard Dew, Goronwy Edwards, John Wynn Jones, Kevin Jones, J. Arwel Robert, Aaron Shotton and David Smith

16 November 2016

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Dear Sir / Madam

The Meeting of the **NORTH WALES RESIDUAL WASTE JOINT COMMITTEE** will be held in the **CONWY BUSINESS CENTRE, JUNCTION WAY, LLANDUDNO JUNCTION LL31 9XX** on **THURSDAY 24 NOVEMBER 2016** at **1.00PM** to consider the following items.

Yours faithfully

Robert Robins
Democratic Services Manager

AGENDA

- 1 **APOLOGIES**
- 2 **DECLARATIONS OF INTEREST**
- 3 **APPROVAL OF PREVIOUS MINUTES**

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The Council welcomes correspondence in Welsh or English
Mae'r Cyngor yn croesawau gohebiaeth yn y Cymraeg neu'r Saesneg

4 **MATTERS ARISING FROM PREVIOUS MEETING**

5 **PROGRESS REPORT**

6 **CONTRACT MANAGEMENT UPDATE**

A verbal update will be provided at the meeting.

**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 - TO
CONSIDER THE EXCLUSION OF THE PRESS AND PUBLIC**

The following items are considered to be exempt by virtue of Paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 (as amended).

The procurement process is still underway and would be prejudiced by making public at this stage.

7 **PROCUREMENT UPDATE**

8 **WASTE TRANSFER STATION NETWORK**

9 **ANY OTHER BUSINESS**



NORTH WALES RESIDUAL WASTE JOINT COMMITTEE

Monday 27th June, 2016 at 10.00am
Optic Glyndwr, St. Asaph

PRESENT:

Councillor Eryl Williams	Denbighshire County Council
Councillor Cllr Richard Dew	Isle of Anglesey County Council
Councillor Goronwy Edwards	Conwy County Borough Council
Councillor Kevin Jones	Flintshire County Council
Councillor John Wynn Jones	Gwynedd County Council
Councillor J. Arwel Roberts	Isle of Anglesey County Council
Councillor David Smith	Denbighshire County Council

ALSO PRESENT:

Flintshire County Council

Colin Everett (Lead Chief Executive), Gareth Owens (Monitoring Officer), Gary Ferguson (Corporate Finance Manager)

Denbighshire County Council

Meirion Edwards

Conwy County Borough Council

Geraint Edwards

Gwynedd Council

Medwyn Williams (Senior Manager – Waste Treatment)

Isle of Anglesey County Council

Dewi Williams (Head of Service – Highways and Waste Management)

North Wales Residual Waste Treatment Project

Steffan Owen (Project Manager)

1. APOLOGIES

Apologies for absence were received from Councillors Dave Cowans (Conwy County Borough Council) and Aaron Shotton (Flintshire County Council)

2. DECLARATIONS OF INTEREST

No declarations of interest were made.

3. ELECTION OF CHAIRMAN AND VICE-CHAIRMAN TO THE JOINT COMMITTEE

Nomination put forward, Councillor Eryl Williams, Denbighshire County Council, to be voted in as Chair.



Nomination put forward, Councillor Kevin Jones, Flintshire County Council, to be voted in as Vice-Chairman.

RESOLVED:

*That Councillor Eryl Williams be elected as the Chair; and
That Councillor Kevin Jones be elected as the Vice-Chairman.*

4. **APPROVAL OF PREVIOUS MINUTES**

The minutes of the meeting of the North Wales Residual Waste Joint Committee held on the 7 December 2015 were submitted for approval.

RESOLVED: *that the minutes of the meeting of the North Wales Residual Waste Joint Committee held on 7 December 2015 be approved as a correct record.*

4. **MATTERS ARISING FROM PREVIOUS MINUTES**

There were no matters arising.

5. **ANNUAL ACCOUNTS**

Gary Ferguson, Corporate Finance Manager (Flintshire County Council), introduced the Annual Return Year ended 31st March 2016. The Annual Return must be signed off by the Responsible Finance Officer and approved by the Joint Committee before the deadline of 30th June. The audit commences after the Joint Committee has approved the Annual Return.

Reference was made to the statement of income and expenditure/receipts and payments, which was attached at appendix 1 of the report. The appendix provided details of staff costs and total other payments including the funding received from Welsh Government for each year.

Gary Ferguson referred to the figure under the heading 'Total other receipts; shown on page 10 of the agenda and explained that this figure should be corrected from 267,950 to 287,950. This had been amended in the final copy to be signed by the Chair.

RESOLVED: *That the Annual Return for the year ended 31st March 2016 be approved.*

6. **PROGRESS REPORT**

Colin Everett, Lead Chief Executive (Flintshire County Council) provided a detailed progress report, with specific reference to notification being received from the Welsh Government (WG) on the award of the grant which was valued at £5.62m annually over the contract's 25 year operational term.



Steffan Owen, Project Manager outlined the draft budget for 2016/17 as detailed in Appendix 1 of the report. The draft budget had been split into two to reflect the project moving towards Financial Close.

All other issues would be covered within the remaining agenda items.

RESOLVED: *That the progress report be noted.*

7. WASTE TRANSFER STATION NETWORK

Steffan Owen, Project Manager, introduced an update on progress towards securing a site(s) for a Waste Transfer Station(s) (WTS) in Conwy and/or Denbighshire. At the outset of the procurement process it was recognised that all authorities would need to transport their residual waste from their own authorities to wherever the treatment site was located. Conwy County Borough Council were the only partnership authority to not have their own waste transfer station within their boundary, therefore conducted a site search process to identify a site for a waste transfer station to be funded by the partnership.

Following extensive discussions at the Project Board, it was agreed that the most efficient solution was for Conwy and Denbighshire to both develop their own WTS. The Project Board have received regular updates from both Conwy and Denbighshire on progress of developing their own WTS's and a detailed update was provided within the report.

Councillor Kevin Jones asked whether additional transport costs would be incurred with having 2 separate WTS. Steffan Owen confirmed that there would be no financial impact to the partner authorities.

Steffan Owen reported that the technical officers would determine the method for cost apportionment, be that through tonnages (e.g. residual waste tonnage as a proportion of the total waste/recyclate dealt with at the site), or some other method such as an independent expert's determination if a tonnage calculation was not deemed suitable.

Councillor Kevin Jones asked how the proposals were fit in with the Welsh Government's collaborative working agenda. Colin Everett, Chief Executive (Flintshire County Council) advised that the proposals did not have a negative impact on the grant offer from the WG who were supportive with finding a logistical solution.

RESOLVED: *That the report be noted.*

8. SECOND INTER AUTHORITY AGREEMENT

Gareth Owens, Monitoring Officer (Flintshire County Council) introduced an update on progress on discussions on finalising the second Inter-Authority Agreement (IAA2). A summary of all considerations and areas of discussion were detailed within the report. As a result of the discussion, a small number of amendments were agreed to the document which were



highlighted in the Lead Legal Officer's report attached at Appendix 2 of the report.

Councillor Kevin Jones asked for clarification on the reduction in types of materials in years ahead and asked whether this would have a knock on effect to the gate fee and percentage of material diverted. Gareth Owens explained that WTI have allowed authorities 5,000 tonnes of waste to be pre-sorted before it gets to WTI. The IAA2 makes arrangements on how that would be split between authorities.

RESOLVED:

(a) *That the report be noted; and*

(b) *That the amendments to the IAA2 documents as outlined in the report be approved.*

9. **EXEMPT ITEMS: LOCAL GOVERNMENT ACT 1972, SECTION 100A AND SCHEDULE 12A (ACCESS TO INFORMATION)**

RESOLVED *that the Public and Press be excluded from the meeting under the provisions of Section 100A of the above Act during consideration of the following item as it involves the likely disclosure of exempt information as defined in paragraph 14 of Part 4 of Schedule 12A to the Act and that in all the relevant circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.*

10. **PROCUREMENT UPDATE**

Colin Everett, Chief Executive (Flintshire County Council) gave a detailed update on progress with WTI in reaching Financial Close. The report provided details on the key areas of discussion which were outstanding in December 2015.

A number of questions were raised around the timetable, 3rd party waste, cost implications and implications of the Environment Act. Colin Everett and Steffan Owen provided detailed responses to the questions.

Members were assured that all previous technical, financial and legal-commercial issues had been closed without any concerns.

RESOLVED-

(a) *That the report be noted; and*

(b) *That delegated authority be given to the Lead Chief Executive to proceed to Financial Close and sign the contract on behalf of the authorities subject to the conditions set out in 3.6 of the report being fully met; and*

(c) *That a meeting of the Joint Committee be arranged prior to Financial Close.*

7. **ANY OTHER BUSINESS**



The Chairman expressed their thanks to Steve Parker (Denbighshire County Council) and Councillor Mike Priestley (Conwy County Borough Council) and suggested that a letter be written to them wishing them well and thanking them for their input.

(The meeting ended at 11.20 am)



NORTH WALES RESIDUAL WASTE TREATMENT PROJECT PROGRESS REPORT

PROJECT BOARD

Date : 24th November 2016

Period: 20 June 2016 to 24 November 2016

PROJECT SUMMARY

To procure a sustainable waste management solution for the 5 local authorities in North Wales (Conwy, Denbighshire, Flintshire, Gwynedd and Isle of Anglesey) that will assist with the reduction in greenhouse gas emissions from landfill and will minimise the tonnage of waste residue sent to landfill thus ensuring that the authorities avoid Landfill Allowance Scheme (LAS) infraction penalties and meet National Waste Strategy targets.

PROJECT STATUS

Overall Project Status	
Green	<p>The procurement is now in its final phase, with all commercial discussions closed. Financial Close and contract awarded are targeted for early December.</p> <p>Final iteration of the Inter Authority Agreement is to be distributed to partner authority imminently (prior to Joint Committee meeting).</p> <p>Full update is in agenda item 8.</p>

Budget status	
Green	Budget v expenditure for financial year to date will be provided at the meeting.

Status	Meaning
Green	There are no problems; all is progressing well and to plan
Amber	There are some minor/ less significant problems. Action is needed in some areas but other parts are progressing satisfactory



Red	There are significant problems and urgent and decisive action is needed.
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PROJECT UPDATE – Activities due for
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ID	Activity	RAG status	Comments	Forecast	Actual
83					
104					
114					
125					
126					
127					
128					
129	Completion of fine tuning and clarification with WTI	Amber	See item 7 on agenda	July 2016	
130					
131	Develop contract management structure for post financial close	Amber	Update to be provided at meeting	September 2016	
132	Finalise the IAA2 with legal, technical and financial officer groups	Green	Final iteration to be distributed to the authorities by 21 November 2016	November 2016	
133					
134	Work through new mark up of Project Agreement (PA) (contract) as a result of changes to WTI's bid	Amber	All commercial points now closed down (see item 7 on the agenda)	July 2015	Complete
135	Work through financial model of WTI's revised bid	Green	This is covered in agenda item 7	October 2016	Complete
136					
137					
138	Set and agree detailed Project Plan for finalising agreements with WTI	Green	Now in final weeks with WTI. Weekly progress calls have proved	October 2016	On going
139	Set meetings with	Green	Weekly conference	April 2016	On going



	WTI going forward		calls taking place		
140	Transfer Station Network – Conwy to provide options for site	Green	Two site option now agreed by Project Board, Conwy and Denbighshire working on site plans etc. See agenda item 8.	October 2016	Complete
141	Agreement to be reached on site for waste transfer station for Conwy and north Denbighshire	Green	See 140 above	April 2016	Complete
142	Project plan the development of the site (see 140 and 141) – e.g. design etc	Green	Both authorities well advanced in their design process. See agenda item 8.	April 2017	
143	Decide on Foreign Exchange approach	Green	Approach now clear – will be set and Financial Close. See agenda item 7.	October 2016	
144	Consider areas of future collaborative working	Green	To be considered at a future Project Board.	December 2016	
145	Ensure discussions are live with WTI and other relevant parties (e.g. Northern Gateway developers, Welsh Government) and stakeholders related to the use of heat	Green	WTI have already been in discussions with WG and both Northern Gateway developers about the use heat, however the partnership can provide a vital steer to the discussions and the project.	Long term	
146	Develop Contract Management Structure	Green	The Project Board have met and discussed the contract management structure, and agreed a way forward. Job Descriptions etc now developed and recruitment process to begin shortly.	February 2017	
147	Implement new contract management structure (appoint staff etc)	Green	As 146 above.	September 2016	



148	Develop Contract Manual	Amber	Project Manager has begun work on the Contract Manual, although progress has slowed as the workload has increased as the project nears Financial Close. After Financial Close, time can be allocated to completing this task.	March 2017	
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KEY RISKS – No change from that