

BARNSELEY, DONCASTER AND ROTHERHAM JOINT WASTE BOARD

Venue: Town Hall, Rotherham Date: Friday, 14th June, 2013
Time: 2.00 p.m.

A G E N D A

1. Appointment of Chairman for the Municipal Year 2013/2014.
2. Appointment of Vice-Chairman for the Municipal Year 2013/2014.
3. To determine if the following matters are to be considered under the categories suggested in accordance with the Local Government Act 1972.
4. To determine any item which the Chairman is of the opinion should be considered as a matter of urgency.
5. Apologies for absence.
6. Declarations of Interest.
7. Minutes of the previous meeting held on 15th March, 2013. (Pages 1 - 3)
8. Matters arising.

To discuss matters arising from the previous minutes, which are not included elsewhere on the agenda.
9. Authorised Representatives (Chair to report).
10. IAA2 Report. (Pages 4 - 5)
11. BDR Manager's Annual Report. (Pages 6 - 17)
 - Governance
 - Resources
 - Project Delivery
 - Technical
 - Legal
 - Communications
 - Health and Safety

12. Risk Register. (Page 18)
13. Audit Summary Report. (Pages 19 - 23)
14. Exclusion of the press and the public.

The following item is likely to be considered in the absence of the press and the public as being exempt under Paragraph 3 of Part 1 to Schedule 12A of the Local Government Act, 1972 (as amended March, 2006) (information relating to the financial or business affairs of any particular individual (including the Council)).

15. BDR PFI Budget 2012-2013. (Pages 24 - 26)
16. Date, time and venue for the next meeting: -
 - week commencing 9th September, 2013, 2.00 p.m. at the Town Hall, Rotherham.
 - week commencing 9th December, 2013, 2.00 p.m. at the Town Hall, Rotherham.

BARNSELY, DONCASTER AND ROTHERHAM JOINT WASTE BOARD
15th March, 2013

Present:- Councillor R. S. Russell (Rotherham MBC) (in the Chair); Councillor R. Miller (Barnsley MBC) and Councillor C. Ransome (Doncaster MBC)

together with:-

David Burton	Rotherham MBC
Beth Clarke	BDR Joint Waste Manager
David Finnegan	Barnsley MBC
Ann Todd	Rotherham MBC
Gill Gillies	Doncaster MBC
Steve Noble	DEFRA

Apologies for absence were received from Councillor Ali and from Mrs. T. Holmes (Rotherham MBC) and from Mrs. A. Gosse (Barnsley MBC).

D29. DECLARATIONS OF INTEREST

There were no declarations of interest made at this meeting.

D30. MINUTES OF THE PREVIOUS MEETING HELD ON 14TH DECEMBER, 2012

Consideration was given to minutes of the previous meeting of the Barnsley, Doncaster and Rotherham Joint Waste Board, held on 14th December, 2012, were considered.

Resolved:- That the minutes of the previous meeting be approved as a correct record for signature by the Chairman.

D31. BDR MANAGER'S REPORT

The Barnsley, Doncaster and Rotherham Joint Waste Manager submitted a report updating the progress of the following issues:-

(a) details were reported of the recommendations of the Waste Infrastructure Development Programme (WIDP) Contract Management Review; the recommendations focused on knowledge management, including the completion of the contract manuals and work instructions, communications between the collection managers and the BDR PFI team and reviewing the organisational structure of the team to ensure it remains fit for purpose in the various phases of the contract. The Department of Environment, Food and Rural Affairs is confident about the robust quality of the contract.

Agreed :- the Joint Waste Board expressed its preference for the partnership approach to the management of the contract.

(b) The Bolton Road facility – the permit is deemed as being satisfactory, the Judicial Review period having ended on 6th January 2013; Section 73 applications will be submitted in order to obtain planning consent for minor material amendments to the application, as a consequence of detailed design work.

(c) Good progress overall continues to be made with the Ferrybridge site; the judicial review period for the S.S.E. Environmental Permit has now ended

(d) Health and Safety – there were no issues of concern to report;

(e) an information sharing protocol has been drafted for the three local authorities;

(f) Finance – operational management costs are projected to be within budget for the current, 2012/13, financial year;

(g) Communications – the ground-breaking photo-call with Elected Members, on Monday, 18th February, 2013, had been very well publicised, some minor inaccuracies in the press reporting had now been corrected; discussions continued with the liaison group to provide information about traffic issues around the Bolton Road facility; the importance of providing regular information bulletins was acknowledged; details would shortly be available about the forthcoming project partnership awards for the Best Waste Project;

(h) Preparation of the Contract Manuals is continuing.

Resolved:- That the report be received and its contents noted.

D32. RISK REGISTER

The Barnsley, Doncaster and Rotherham Joint Waste Board considered the updated Waste PFI transition phase risk register. It was noted that the 'Permitting Delay' risk is now closed, as both the Bolton Road and the Ferrybridge sites have been granted permits.

The Joint Waste Board agreed that the budget and financial risks should be included within the register, as a consequence of the severe pressures upon central Government and local authority finances.

Resolved:- That the updated information on the risk register be received.

D33. MEETING DATES

The Joint Waste Board agreed the following arrangements and pattern for meetings to be held during the remainder of 2013, including the continued use of the Rotherham Town Hall as the preferred venue:-

Steering Committee : Tuesday 21st May, 2013
Joint Waste Board : Friday 14th June, 2013

Steering Committee : Tuesday 20th August, 2013
Joint Waste Board : Friday 13th September, 2013

Steering Committee : Tuesday 26th November, 2013
Joint Waste Board : Friday 13th December, 2013

D34. KEY DATES

Consideration was given to a report presented by the BDR Joint Waste Manager setting out specific project milestone dates for the Barnsley, Doncaster and Rotherham Joint Waste PFI affecting (i) the waste disposal facility at Bolton Road, Wath upon Dearne; and (ii) the waste disposal facility at Ferrybridge.

Resolved:- That the report be received and its contents noted.

D35. AUDIT ACTION PLAN

The Joint Waste Board noted that details of the audit action plan, undertaken by Barnsley MBC during 2012, would be reported to each meeting. Currently, there were no outstanding issues to report.

D36. EXCLUSION OF THE PRESS AND PUBLIC

Resolved:- That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 as amended (information relating to the financial/business affairs of any person (including the Joint Waste Board)).

D37. BDR PFI BUDGET SUMMARY MARCH 2013

Consideration was given to the Budget Summary, as at March 2013, for the Barnsley, Doncaster and Rotherham Joint Waste Private Finance Initiative (PFI).

Resolved:- That the report be received and its contents noted.

D38. DATE AND TIME OF NEXT MEETING

Agreed:- That the annual meeting of the Barnsley, Doncaster and Rotherham Joint Waste Board be held on Friday, 14th June, 2013, at the Town Hall, Rotherham, commencing at 2.00 p.m.

BDR Waste PFI Joint Waste Board

Approval of Delegations under Second Inter-Authority Agreement for Municipal Year 2013/14

Introduction & Background

One of the contractual documents entered into between Barnsley, Doncaster and Rotherham Councils at financial close of the BDR Waste PFI project was an Inter-Authority Agreement ("IAA2"). IAA2 creates the Joint Waste Board ("JWB") as a joint committee pursuant to section 101(5) of the Local Government Act 1972, which is established as part of the joint working arrangements between the Authorities for the management and administration of what are termed Relevant Contracts under IAA2. At the date of this meeting the BDR Waste PFI Contract is the only Relevant Contract to which IAA2 applies and is referred to as the "Principal Contract".

This report details how the functions of the JWB will be delegated down to the BDR Steering Committee and BDR Manager in order to more efficiently deal with the day to day decisions that will be required under the Principal Contract. All decisions of the JWB, BDR Steering Committee and BDR Manager will be made in accordance with the provisions of IAA2.

BDR Steering Committee

Local Authorities may arrange for the discharge of functions by (i) a joint committee or (ii) by an officer of one of them under the Local Government Act 1972 s101(5)(a). In this case a group of officers is established under IAA2 called the BDR Steering Committee, which will be empowered to make the day to day decisions required for the management and administration of the Principal Contract. However, the 1972 Act does not allow the delegation of powers to be exercised jointly by a committee of officers.

To fit with the legislative requirements the JWB therefore delegates its powers to one of the BDR Steering Committee officers (the "Authorised BDR Steering Committee Member"), who will then act in consultation with the others. For the municipal year 2012/13 this delegation was made to the Barnsley member of the Steering Committee, who also acted as the Chairman of that body. It has been agreed previously that the roles of the Chairman and Vice-Chairman of the JWB will rotate between the three Authorities on an annual basis. In line with this principle it has been agreed that the Authorised BDR Steering Committee Member will also rotate annually. For the municipal year 2013/14 this delegation will therefore be made to the Rotherham member of the Steering Committee. This officer will subsequently delegate certain functions to the BDR Manager in order to more efficiently deal with the day to day decisions that will be required under the Principal Contract.

The structure of the BDR Steering Committee will be as follows:

Barnsley Representative

The Assistant Director Highways, Engineering and Waste Management and Neighbourhoods or in their absence the Group Manager Waste Services.

Doncaster Representative

The Assistant Director Environment or in their absence Head of Service, Environmental Protection

Rotherham Representative

Director of Streetpride or in their absence Waste Strategy Manager (this to be the Authorised BDR Steering Committee Member for 2013/14)

Recommendation

It is proposed that:

- With the exception of the decisions reserved to the Authorities for a unanimous decision under IAA2 all other decisions in respect of the Principal Contract are delegated by the JWB to the Authorised BDR Steering Committee Member.
- The Authorised BDR Steering Committee Member may elect to delegate certain decisions to the BDR Manager.
- The BDR Manager may delegate any decisions delegated to her to a member of the Joint Waste Team (if the right to delegate is granted by the Authorised BDR Steering Committee Member).
- The JWB notes that Rotherham Metropolitan Borough Council's representative on the BDR Steering Committee will be the Authorised BDR Steering Committee Member for 2013/14.

**BDR WASTE PFI
BDR MANAGER ANNUAL UPDATE REPORT**

APRIL 2012 TO MARCH 2013

1. BACKGROUND

- 1.1 Barnsley, Doncaster and Rotherham (BDR) Councils have jointly procured waste contracts since 1993. The BDR Waste Partnership was formed to aid the Councils to realise efficiencies in waste contracts.
- 1.2 Following the introduction of the Landfill Directive in 1999 and the Waste and Emissions Trading (WET) Act 2003 all three Authorities consulted with stakeholders on their waste strategies to develop their service provision for the future. This led to the expansion of the number of recyclable materials collected at the kerbside along with the introduction of a free garden waste collection. These measures led to more space in the residual waste bin which allowed residual waste to be collected on a fortnightly basis.
- 1.3 These measures alone would not divert enough biodegradable material away from landfill to meet the stringent diversion targets set in The WET Act 2003. In order to achieve these targets and the increased recycling ambitions of their Waste Strategies BDR submitted an Outline Business Case to DEFRA in 2007 to obtain PFI credits to help fund a BDR facility to treat waste. The aims of the facility were to achieve high levels of landfill diversion, enhance recycling performance where possible, achieve environmental aims and objectives and ultimately provide the Councils with long term self sufficiency.
- 1.3 The project was procured under European Procurement Rules using a Competitive Dialogue Procedure, this is an exceptional procedure and used where the contracting authority wishes to award a particularly complex contract. This process allows Authorities to ask for detailed information on the bids in a structured and fair manner to achieve value for money.
- 1.4 In April 2011 following a rigorous evaluation process, BDR chose 3SE for the contract to treat their leftover waste for 25 years. 3SE is a partnership between Shanks Group plc (a specialist waste contractor) and Scottish & Southern Energy plc. The contract reached Financial Close on 30th March 2012.

2.0 Governance

- 2.1 When the Contract was signed Rotherham Borough Council took over as the Administrating Authority for the Partnership and Karl Battersby Strategic Director of Environment and Development Services for RMBC became the Senior Responsible Officer.
- 2.2 The AGM of the Joint Waste Board took place on the 29th June 2012. Cllr Richard Russell from Rotherham was elected as Chairperson with Cllr Cynthia Ransome as Vice Chairperson. The Chair is to rotate on an Annual Basis.
- 2.3 Members on Joint Waste Board for 2012/13 were.
 - Barnsley Cllr Roy Miller, Deputy Cllr Sharon Howard
 - Doncaster Cllr Cynthia Ransome Deputy Cllr Paul Coddington
 - Rotherham Cllr Richard Russell Deputy Cllr Shaukat Ali
- 2.4 The BDR Steering Committee delegated authority in accordance with the terms of the IAA2 to the BDR Manager, Lisbeth Clarke, on 4th September 2012.
- 2.5 The Joint Waste Board considered appointing a Non-Executive Director to the Board on the 14th December 2012. It was decided that as the Board is made up of 3 Authorities and the public can attend the meetings there is sufficient challenge within the current Governance process.
- 2.6 The Contract and the compliance with the terms and conditions of the Waste Infrastructure Credits Award is monitored by the Department for Environment, Food and Rural Affairs (DEFRA). A Waste Infrastructure Delivery Programme (WIDP) Transactor, Steve Noble, provides support through a Memorandum of Understanding (MOU).

3.0 Resources

- 3.1 The project is managed by a core team consisting of the BDR Manager and BDR Project Administrator. Technical, Legal and Finance Officers from Rotherham, Barnsley and Doncaster respectively who were part of the procurement phase contribute to the compilation of contract manuals, due diligence on contract changes and progress to the milestones of the project on a call-off basis.
- 3.2 To ensure the Construction of the facility is as defined in the contract documents a team of building specialists are also accessed by the BDR Manager. Rotherham provide Quantity Surveying and Building control support for the Project under a Service Level Agreement. Doncaster provide

advice on the Health and Safety aspect in line with the Construction, Design and Management Regulations 2007 through a Service Level Agreement with the DMBC Corporate Construction Design and Management Co-ordinator (CDMC).

- 3.3 There are cases where more specialist support is necessary and for continuity external advisors that were employed during the procurement phase can be accessed should the need arise. Technical advisors are accessed through the Government Procurement Service, Legal advisors are accessed on an ad hoc procurement basis in line with BMBC Standing Orders and Financial Advisors are accessed through RMBC framework agreement.

4.0 Training

- 4.1 The contract is complex and many faceted, to ensure the team are aware of potential issues a knowledge management plan exists. A cornerstone of that plan is the formal training courses provided by DEFRA through their WIDP transactors. The BDR core team and call off officers received WIDP training on the transition phase, the construction phase and the contract manuals on 31/5/2012. This was followed with training on the change protocol, knowledge management, commissioning and relationship with the SPV.
- 4.2 To further augment the teams knowledge relationships have been built up with South Tyne and Wear (STW) who are further into the Construction Phase of their PFI. The STW and BDR teams are in close liaison and share knowledge to ensure best practice across both projects.
- 4.3 The BDR Manager and Project Administrator also attended WIDP events where knowledge was shared from other waste PFIs. These events were useful to highlight potential areas of risk and share solutions to problems.

5.0. Project Delivery

5.1 Bolton Road

Item	Percentage Complete	Target Completion Date	Actual Completion Date	Comments
Bridge design	100%	24/9/2012	17/8/2012	Bridge construction to adoptable standards for 120 year life
Planning Bolton Road	100%	10/8/2012	9/8/2012	Full planning consent obtained Judicial Review period ended on 9/8/2012.
Discharge of planning conditions	75%	1/7/2015		Bolton Road planning consent conditions that are not yet discharged are conditions around drainage, odour management, contamination and noise.
Bolton Road permit process	100%	July 2012 in Final Business Case (FBC)	7/01/2013	<p>Permit received from Environment Agency on 5/10/2012. There are 4 pre-operational conditions.</p> <ul style="list-style-type: none"> • An odour management plan is to be submitted and approved prior to receipt of waste (2015). • Background sampling of bio-aerosols must be undertaken for a year before operation and according to the agreed bio-aerosol monitoring plan from then on. • Further information on noise must be submitted along with a noise monitoring plan to be in place prior to receipt of waste (2015) • Evidence of the technical competence of the Site Manager must be supplied prior to receipt of waste (2015). <p>Judicial Review Period ended on 6/1/2013 the permit is now deemed satisfactory as Shanks have not raised any issues.</p>

5.1 Bolton Road (continued)

Item	Percentage Complete	Target Completion Date	Actual Completion Date	Comments
Mobilisation for Enabling Works	100%	15/10/2012	13/8/12	Shanks Contractor mobilised plant for main works on site. Shanks and Birse leased office space at Patrick Tobin Business Park
Enabling works Bolton Road	95%	23/12/2012	23/12/12	All consents in place for working on the access road. Culvert in place, backfilling complete
Mobilisation for Construction Bolton Road	100%	12/12/12	7/12/2013	3SE construction sub-contractor Birse mobilised for the construction of the main facility excavation works commenced
Power on to permanent works	11%	26/8/2014		Way leaves have been applied for.
Buildings complete excluding planting	0%	29/9/2014		
Roads and weighbridge complete	1%	01/10/2014		
Intelligent Transfer Station (ITS) Commissioning	0%	7/4/2015		
ITS Acceptance Tests	0%	20/5/2015		
Anaerobic Digestion (AD) Commissioning	0%	12/5/2015		
Animal By-Products Regulations (ABPR) Compliance	0%	12/5/2015		
AD Acceptance Tests	0%	16/6/2016		
Progress towards Service Commencement	6%	1/7/2015		

Ferrybridge

Item	Percentage Complete	Target Completion Date	Actual Completion Date	Comments
Ferrybridge permitting process	100%	July 2012 in FBC	30/11/2012	Permit issued 30/11/2012 SSE confirmed this as a satisfactory permit. Judicial Review period ended on 1/3/2013
Enabling works Ferrybridge	95%	17/12/2012		Cricket Pavilion completed, new car parking area completed, work on access underway outstanding work on tank but this will not affect the main works commencing
Main Works Hot Commissioning	0%	12/10/2014		
Operational Testing	0%	5/4/2015		
Facility Operational	0%	5/4/2015		

6.0 Technical

6.1 Planning

6.1.1 The planning application for Bolton Road following the Judicial Review period was approved on the 9th August 2012.

6.1.2 The Ferrybridge Facility was consented on 31st October 2011 by the Department of Energy and Climate Change (DECC) under section 36 of the Electricity Act 1989.

6.2 Permitting

6.2.1 The Bolton Road environmental permit number EPR/FB3339RS was issued on the 5th October 2012, the Judicial Review period ended on the 6th January 2013. There are four pre-operational conditions attached to the permit that must be discharged prior to operation, full details can be found on the permit.

6.2.2 Ferrybridge Multifuel Facility environmental permit number EPR/SP3239FM was granted on 30th November 2012 the Judicial Review period ended on 1st March 2013. There are seven improvement programme and six pre-operational requirements attached to the permit that must be discharged prior to operation, full details can be found on the permit.

6.3 Bolton Road Construction

6.3.1 3SE commenced works on the access area to the site on 10th September 2012. All licences for temporary works including the installation of welfare facilities were in place. The IDB fully consented the permanent and temporary works for the access road.

6.3.2 The public have been notified that Public Bridleway number 50 adjacent to the site will be closed while the construction is in progress, any extensions that are required will be appropriately communicated.

6.3.3 3SE have formally submitted 4 items under the review procedure;-

- A revised design for the gatehouse
- More detailed design for the access road and the offsite requirements for street lighting, pedestrian refuge etc
- Two more detailed designs for the visitors centre.

All of the above were identified as reviewable items in the contract.

6.3.4 There are no material changes and no cost impact arising from these changes. Changes to the footprint of the buildings and the architectural treatment required amendments to the planning application under section 73 applications. The changes have been consulted on and RMBC planning committee considered and approved the application on 16th May 2013

6.4 Ferrybridge Construction

6.4.1 Preparation of the site ready for the first stage of development are now complete, HZI the plant providers are in detail design phase.

7.0 Audit

7.1 The Governance of the contract has been audited by BMBC Audit the table below details the areas that need attention

Reference Number	Subject	Comments
1.1 R1	Contract Manuals	These are running behind schedule and plan in place to progress for July 2013.
1.5 R5	Terms of Reference	The Terms of Reference for the various forums are work in progress.
.1.7 R7	Gantt Chart	Gantt chart detailing BDR Project Plan being developed in conjunction with 3SE and Contract Manager.

- 7.2 The operational management budget will be the subject of an external audit by BDO LLP as required by the Audit Commission.

8.0 Legal

- 8.1 To formalise the support from DEFRA a Memorandum of Understanding (MoU) for WIDP Transactor input was signed by Chief Executives from all three Councils
- 8.2 DEFRA have confirmed the allocation of £77.4 million Waste Infrastructure Credits which are subject to the conditions stated below which the BDR Team monitor for compliance purposes:-
- The BDR Partnership having complied with and continuing to comply with the terms of a Promissory Note.
 - The BDR Partnership's agreement to and compliance to the terms and conditions set in the annex to the Waste Infrastructure Credits Letter, and
 - The BDR Partnership having signed the Post Close Memorandum of Understanding (MoU) in respect of Transactor Support.
- 8.3 The formal transfer of the legal ownership of the land at Bolton Road into the joint names of the three Councils took place on 17th December 2012.
- 8.4. The lease area and maintenance obligations connected with the lease are to be completed once the details of the location of the wetland area and landscaping are finalised with 3SE.

9.0 Communications

- 9.1 The BDR website BDRonline.co.uk which was developed during the procurement phase of the project has been updated for the construction phase. This is a key tool for communication about the Project.
- 9.2 A Community Liaison Group was formed on 7th November 2012, this group is chaired by David Packham a local resident from Doncaster. A press release was issued to inform the public about their existence and a section of the BDR website is dedicated to them. All minutes of their meetings are published on the BDR website.
- 9.3 The BDR Manager, Shanks Contract Director and members of the wider waste management team attended the Swinton Gala on 23rd June 2012 and the Wath Gala on the 14th July 2012 with the BDR exhibition vehicle, although , adverse weather conditions affected the turnout at these events.

- 9.4 3SE organised a networking event on 22nd June 2012 at the Kingswood Centre, Denaby Main, Doncaster. Over 100 businesses took part and the event was considered useful by most people.
- 9.5 Members across the BDR region are kept updated on the progress of the Contract by a quarterly newsletter "Waste Matters" and presentations for new members as required.
- 9.6 Shanks internal magazine in January 2013 contained an article on the BDR PFI and the Contract Manager.
- 9.7 Councillor Richard Russell RMBC, Councillor Cynthia Ransome DMBC, Councillor May Noble BMBC, Sandy Honeyman SSE, Nigel Catling, Paul Holmes and Jeremy Simpson from Shanks attended an official groundbreaking event at the Bolton Road Site on 18th February 2013 .

10.0 Health and Safety

10.1

Health, Safety, Quality & Environment	Annual Total
Accidents/Incidents	0
RIDDOR Accidents/Incidents	0

10.2 The 3SE Construction Design and Management Co-ordinator is Turner and Townsend. The BDR CDMC advisor reviewed the initial site set up and visits on a regular basis. There have been no incidents to report and the CDMC is happy with the overall management of the site.

11.0 Risk Register

11.1 A joint risk workshop with BDR, PricewaterhouseCoopers PwC, Amec, Walker Morris and 3SE was held on 3rd July 2012 the Risk Register was updated following this meeting the risk register is updated on at least a monthly basis by the Joint Waste Team and presented to Steering Committee for scrutiny.

12.0 Other

12.1 BDR were shortlisted for the 'Best Waste/Energy/Water Project' at the Partnership Awards 2013. Although the South London Waste Project won the award the BDR Partnership submitted a very strong bid. The BDR team are thanked for their effort and support to this project.

13.0 Glossary of Terms

Term	Definition
3SE	The brand name for the partnership between Shanks Group plc and Scottish & Southern Energy plc.
Annual General Meeting (AGM)	a meeting that official bodies, and associations involving the general public hold on an annual basis.
Construction Design and Management Regulations 2007 (CDM Regs)	These regulations place legal duties on virtually everyone involved in construction work.
Community Liaison Group (CLG)	This is group of 15 consisting of residents and ward councillors with an active interest in ensuring the facility at Bolton Road is properly managed.
Competitive Dialogue Procedure	A method used by Public bodies for awarding complex contracts such as Private Finance Initiatives.
Contract Management Team (CMT)	The term given to the group of Officers responsible for the management of the service delivery and contractual performance of the PFI Contract.
Department for Environment, Food and Rural Affairs (DEFRA)	the UK government department responsible for policy and regulations on environmental, food and rural issues.
Environment Agency (EA)	an Executive Non-departmental Public Body responsible to the Secretary of State for Environment, Food and Rural Affairs for issues affecting the Environment.
Environmental Management Systems (EMS)	Refers to the management of an organization's environmental programs in a comprehensive, systematic, planned and documented manner

Term	Definition
European Procurement Rules	These are rules that must be followed by public sector authorities when they are contracting for goods or services over a certain monetary threshold.
Hitachi Zosen Inova (HZI)	a leading global technology provider and contractor in the field of Energy from Waste facilities (Ferrybridge plant providers)
Independent Certifier (IC)	A specialist in the field of waste technology jointly appointed by the contractor and the councils. Their role is to issue the certificate of practical completion, confirming that a phase of a project or the project completion has been achieved in accordance with the Contract and associated design data.
Inter Authority Agreement (IAA2)	The legal agreement between the three authorities that sets out how the contract will be governed.
Internal Drainage Board (IDB)	independent body responsible for land drainage at Hound Hill Dyke.
Joint Waste Team (JWT)	Core team consisting of the BDR Manager and BDR Project Administrator. Technical, Legal and Finance Officers from Rotherham, Barnsley and Doncaster.
Outline Business Case (OBC)	the document that identified the investment option which optimised value for money (VFM) and prepared the scheme for procurement
Private Finance Initiative (PFI)	a way of creating "public-private partnerships" (PPPs) by funding public infrastructure projects with private capital)

Term	Definition
National Planning Casework Unit (NPCU)	A body set up to process on behalf of the Secretary of State for Communities and Local Government, planning casework previously handled by the Government Office Network.
Selective Non-Catalytic Reduction system (SNCR)	a method to lessen nitrogen oxide emissions in conventional power plants that burn biomass, waste and coal
Special Purpose Vehicle (SPV)	An entity whose operations are limited to the acquisition and financing of specific assets.
Waste and Emissions Trading Act 2003 (WET)	An Act that was intended to aid the UK to meet its obligations under the Landfill Directive. It set allowances for biodegradable waste that could be sent to landfill and introduced a trading scheme and penalties for non-compliance.
Waste Infrastructure Delivery Programme (WIDP)	Is the delivery unit in England to make available programme management resources to Defra.

Contact Name:- Lisbeth Clarke, BDR Manager, Tel. Ext 55989,
e.mail :Lisbeth.clarke@rotherham.gov.uk

Risk Status Report

Risk Ref	Risk Register	Details	Current Risk Rating				Controlled		Control Measures				
			08/12	11/12	02/13	05/13	Rating	Target Date	Not Started	In Progress	Implemented	Total	% Implemented
WPFIT0001	Waste PFI Transition Phase	Waste volumes change	4	4	4	4	2	02/03/2015	0	4	1	5	20%
WPFIT0002	Waste PFI Transition Phase	Off site works costs increase	6	6	6	6	4	28/06/2013	0	3	1	4	25%
WPFIT0003	Waste PFI Transition Phase	Planning Delay	1	1	1	1	3		0	0	8	8	100%
WPFIT0004	Waste PFI Transition Phase	Planning Failure	1	1	1	1	4		0	0	5	5	100%
WPFIT0005	Waste PFI Transition Phase	Permitting Delay	16	8	8	1	8		0	0	6	6	100%
WPFIT0006	Waste PFI Transition Phase	Permitting Failure	8	1	1	1	4		0	0	4	4	100%
WPFIT0007	Waste PFI Transition Phase	Legislative Change	12	12	12	12	9	03/06/2013	0	3	2	5	40%
WPFIT0008	Waste PFI Transition Phase	Transport Movements	6	6	6	6	4	01/04/2014	2	1	1	4	25%
WPFIT0009	Waste PFI Transition Phase	Major incident at ITS/AD	8	8	8	8	8	01/07/2015	0	7	0	7	0%
WPFIT0010	Waste PFI Transition Phase	ITSAD fails commissioning tests	12	12	12	12	8	01/07/2015	1	3	0	4	0%
WPFIT0011	Waste PFI Transition Phase	Business Continuity - BDR	9	9	9	9	6	30/09/2013	0	3	3	6	50%
WPFIT0012	Waste PFI Transition Phase	Business Continuity - 3SE	6	6	6	6	6	01/07/2015	0	5	3	8	38%
WPFIT0013	Waste PFI Transition Phase	Design Changes result in scope creep	8	8	8	8	4	01/07/2015	0	7	0	7	0%
WPFIT0014	Waste PFI Transition Phase	Construction delay	8	8	8	8	8	03/06/2013	0	2	0	2	0%
WPFIT0015	Waste PFI Transition Phase	Review of Waste Infrastructure PFI Credits	n/i	n/i	n/i	5	5	01/07/2015	0	5	0	5	0%
		15	105	90	90	88	83		3	43	34	80	43%

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1.	Meeting:-	BDR Joint Waste Board
2.	Date:-	14/6/2013
3.	Title:-	Waste Management PFI Contract Review Audit Report 2012/13 – Summary Progress Report
4.	Directorate:-	Environment and Development Services

5. Summary

- 5.1** This report outlines the progress made towards the recommendations of the BMBC Waste Management PFI Contract Review Audit Report 2013.

6. Recommendations

- 6.1** That Joint Waste Board note the progress made towards the recommendations of the Waste Management PFI Contract Review Audit Report 2013.

7. Proposals and Details

- 7.1** Barnsley Doncaster and Rotherham Councils (BDR) have jointly entered into a 25 year Waste PFI contract with 3SE. The period starts when the facility becomes operational, which is programmed to be the 1st July 2015. An Inter Authority Agreement has been entered into by the three parties to mirror the overarching contract period.
- 7.2** Barnsley MBC carried out a strategic level governance review of the Waste Management PFI Contract as part of an agreed planned programme of works. The findings of the review were reported to BMBC on 30th July 2012. Joint Waste Board were updated on 18th September 2012, 14th December 2012 and 15th March 2013.
- 7.3** The review considered the existing governance arrangements along with those scheduled for implementation. A rating of adequate assurance was given in relation to the internal control framework. This means a sufficient framework of key controls exist that are likely to result in objectives being achieved, but the control framework could be stronger.
- 7.4** Table 1 below details the recommendations from the audit, the areas needing attention and the current progress towards completion.

Table 1

Issue	Action identified	Progress
Clarification of roles and responsibilities	BDR Manager to ensure additional clarification included in contract manuals in relation to roles and responsibilities for risk management, financial management, performance management and joint working arrangements including Internal Audit.	A project plan is in place for the production of the contract manuals. Responsible people have been identified and deadlines have been set
Formal transfer of responsibility to RMBC	DEFRA website still detailed BMBC as the lead authority BDR manager to notify DEFRA of change.	DEFRA notified that RMBC were the lead authority. This action completed.
Joint Waste Board did not include a non-executive member.	Joint Waste Board to consider appointing a non-executive member.	Joint Waste Board considered including a non-executive member at the meeting on 18 th September 2012 and decided this was not necessary due to the process being subject to the scrutiny processes of three local authorities. This action completed.
Deputies were not in place for all Local Authorities	Deputies to be identified	Deputies in place for all three authorities for all forums. This action Completed
Steering Committee had too many attendees.	Steering Committee limited to the BDR Manager, supporting officers as required and one representative from each Authority.	This action completed
Barnsley MBC did not invite the BDR Manager to internal meetings	Barnsley to consider when it is appropriate to invite BDR Manager to internal meetings.	It has not been considered necessary to invite the BDR Manager to Barnsley internal meetings due to the involvement of the Group Manager Waste Management Services within the PFI Joint Waste Team.
Meetings not scheduled for a full year.	Project administrator to schedule all meetings 12 months in advance.	This action is ongoing but complete for 2013.

Table 1 continued

Issue	Action identified	Progress
Defra guidance suggests monthly meeting of JWB	Consideration to be given to the frequency of Joint Waste Board meetings.	Joint Waste Board agreed to quarterly meetings on 3 rd April 2012. An extraordinary meeting can be called at any time should it be necessary. This action completed.
Lack of terms of reference for all groups may impact on understanding of roles, responsibilities and reporting structure.	Terms of reference for each group to be drafted and agreed.	The Terms of Reference for the Liaison Committee is currently under review. This to be completed by September 2013.
Meetings, Agenda and minutes	Standard items to include:- <ul style="list-style-type: none"> • Declarations of Interest • Performance Management • Risk Management • Health and Safety Minute taker to be noted Deputies to be available for meetings	These actions have been completed.
Project Plan	Format and information recorded to be reviewed. Consideration to be given to implement a Gantt chart. Version control to be noted, key stages for Gateway Reviews to be identified.	This action is completed for all disciplines and the Barnsley Transfer Station. A Contract Management Review has been undertaken by DEFRA in November 2012.
Financial Management	BDR Manager to reconcile budget quarterly. All financial matters to be included in the contract manual. BDR Manager to ensure compliance with Terms & Conditions of the Award letter. Memorandum of Understanding (MOU) between WIDP and BDR to be signed asap.	This is an ongoing action but completed for 2012/13. RMBC are undergoing a change to financial systems once completed the Contract Manuals will detail the financial processes. This is an ongoing action. The MOU was signed 17th July 2012.

8. Finance

- 8.1** The Governance structure that is in place has ensured that the financial risks identified through the contract negotiations have been appropriately managed and mitigated.
- 8.2** Progress towards compliance with all the recommendations of the Audit will be contained within the Operational Management Budget 2013/14

9. Risks and Uncertainties

- 9.1** Of the 7 specific risks considered by the Governance Audit 4 are closed (planning and permitting delay and failure) control measures are in place for the 3 risks that remain open.

10. Policy and Performance Agenda Implications

- 10.1** The delivery of the sub-regional waste facility by 2015 will provide sustainable waste treatment solutions to support reduced CO2 emissions and increased recycling while reducing reliance on landfill.

11. Background Papers and Consultation

- 11.1** BMBC Finance and Property Services Internal Audit Waste Management PFI Contract Review Audit Report 2012/13.

Contact Name:- Lisbeth Clarke, BDR Manager, Tel. Ext 55989,
e.mail :Lisbeth.clarke@rotherham.gov.uk

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