

BARNSELY, DONCASTER AND ROTHERHAM JOINT WASTE BOARD

**Venue: Town Hall, Moorgate
Street, Rotherham S60
2TH**

Date: Monday, 2nd December, 2019

**Time: 8.45 a.m. for Briefing
9.00 a.m. for Meeting**

A G E N D A

1. To determine if the following matters are to be considered under the categories suggested in accordance with the Local Government Act 1972.
2. To determine any item which the Chairman is of the opinion should be considered as a matter of urgency.
3. Introductions and Apologies for Absence
4. Declarations of Interest
5. Minutes from the Joint Waste Board Members Meeting held on 30th September, 2019 and Matters Arising (Pages 1 - 4)
6. Joint Waste Board - Inter authority Agreement Delegations Report

Inter Authority Agreement Delegations Report (to follow)
7. BDR Manager's Report August to October 2019 (Pages 5 - 15)
 - Governance
 - Contract Delivery
 - Legal
 - Financial
 - Communications
 - Resources
 - Other
 - Liaison Committee Minutes
 - Glossary of Terms

(Exempt under Paragraph 3 of Part 1 of Schedule 12(A) of such Act indicated, as now amended by the Local Government (Access to Information) (Variation) Order 2006)

8. Current Issues

9. Risk Register (Pages 16 - 23)
10. Any Other Business
11. Date, time and venue for the next meeting

BARNSELEY, DONCASTER AND ROTHERHAM JOINT WASTE BOARD
Monday, 30th September, 2019

Present:- Councillor Hoddinott (in the Chair); Councillor C. McGuinness (Doncaster MBC) and Councillor S. Howard (Barnsley MBC); together with Mrs. L. Baxter, Ms. K. Boasman, Mr. S. Blakeman, Mr. J. Busby (DEFRA), Mr. P. Hutchinson and Mr. T. Smith.

Apologies for absence were received from Councillor Lamb (Barnsley MBC), Sansome (Rotherham MBC), Mr. P. Castle (Barnsley MBC), Mr. P. Dale (Doncaster MBC) and Mrs. G. Gillies (Doncaster MBC).

32 DECLARATIONS OF INTEREST

No Declarations of Interest were made at the meeting.

33 MINUTES OF THE PREVIOUS MEETING HELD ON 11TH MARCH, 2019 AND ANY MATTERS ARISING

Consideration was given to the minutes of the previous meeting of the Barnsley, Doncaster and Rotherham Joint Waste Board held on 11th March, 2019.

Agreed:- That the minutes of the previous meeting be approved as a correct record.

34 APPOINTMENT OF CHAIRMAN FOR THE MUNICIPAL YEAR 2019/20

Agreed:- That Councillor Lamb of Barnsley Metropolitan Borough Council be appointed Chair of the Barnsley, Doncaster and Rotherham Joint Waste Board for the 2019/20 Municipal Year.

35 APPOINTMENT OF VICE-CHAIRMAN FOR THE MUNICIPAL YEAR 2019/20

Agreed:- That Councillor McGuinness of Doncaster Metropolitan Borough Council be appointed Vice-Chair of Barnsley, Doncaster and Rotherham Joint Waste Board for the 2019/20 Municipal Year.

36 JOINT WASTE BOARD

The Barnsley, Doncaster and Rotherham Joint Waste Manager submitted a report stating that one of the contractual documents entered into between the Barnsley, Doncaster and Rotherham Local Authorities at financial close of the BDR Waste PFI project was an Inter-Authority Agreement (IAA). This IAA 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 Local Authorities for the management and administration of what are termed Relevant Contracts under the IAA. At the date of today's

meeting, the BDR Waste PFI Contract is the only Relevant Contract to which the IAA applies and is referred to as the "Principal Contract".

The submitted report detailed how the functions of this Joint Waste Board will be delegated down to the BDR Steering Committee and the BDR Manager in order to deal more efficiently with the day-to-day decisions that will be required under the Principal Contract. All decisions of the JWB, BDR Steering Committee and the BDR Manager will be made in accordance with the provisions of the prevailing Inter-Authority Agreement.

It was noted that the report template stated that the report had been approved by the Assistant Director of Legal Services who had in fact left the Authority some time ago. It was not known whether the report had received approval by the Legal Accountable Officer.

Agreed:- (1) That the report be received and its contents noted.

(2) That the Joint Waste Board notes that:-

(a) with the exception of the decisions reserved to the Local Authorities for a unanimous decision under the Inter-Authority Agreement, all other decisions in respect of the Principal Contract are delegated by the Joint Waste Board to the Authorised BDR Steering Committee Member;

(b) the Authorised BDR Steering Committee Member may elect to delegate certain decisions to the BDR Manager;

(c) the BDR Manager may delegate any decisions delegated to them to a member of the Joint Waste Team (if the right to delegate is granted by the Authorised BDR Steering Committee Member); and

(d) Rotherham Metropolitan Borough Council's representative on the BDR Steering Committee (Tom Smith, Assistant Director Community Safety and Street Scene) will be the Authorised BDR Steering Committee Member for 2019/20.

(3) That the report template be updated to reflect the correct approval status.

(4) That discussion take place with the Democratic Services Manager with regard to webcasting of the meeting.

BDR MANAGER REPORT APRIL TO JULY 2019

Consideration was given to the update report of the BDR Manager covering the period from April 2019 to July 2019.

A number of issues were highlighted including:-

- Resources
- Contract Delivery
- Complaints
- Health and Safety
- Legal
- Finance
- Communications
- Human Resources

Discussion ensued with the following issues raised/clarified:-

- Current recycling performance - 12.51%
- General contract performing satisfactorily
- Investigations had taken place into the complaints received with regard to flies with work undertaken to gain a much better understanding of whether the flies were associated with the site or not
- Significant progress made with regard to fire protection work and on target for completion mid-November
- The increase in “close calls” evidenced a more pro active approach to and awareness of the importance of health and safety

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

38 CURRENT ISSUES

The Doncaster representative reported that they had a meeting with their Clinical Commissioning Group the following week to discuss Clinical Waste Service.

The Rotherham representative reported that the Authority had a new agreement in place with Rotherham’s Clinical Commissioning Group which saw them continuing to pay for the collection service.

There was no update from Barnsley.

39 RISK REGISTER

The Barnsley, Doncaster and Rotherham Joint Waste Board considered the updated Waste PFI risk status report (risk register) which had been maintained during the various stages of the joint waste project. The report stated that 16 risks were registered with one new risk proposed for inclusion on the Register. There were currently no risks proposed for deletion in the Register.

Agreed:- That the updated information on the risk status report, as now submitted, be received.

40 EXCLUSION OF THE PRESS AND PUBLIC

Resolved:- That under Section 100(A) 4 of the Local Government Act 1972, the 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 12(A) of such Act indicated, as now amended by the Local Government (Access to Information) (Variation) Order 2006 (information relates to finance and business affairs).

41 BDR MANAGERS ANNUAL REPORT 2018-19

The Barnsley, Doncaster and Rotherham Joint Waste board submitted a report which highlighted and updated the following issues relating to the Joint Waste Private Finance Initiative (PFI) for the period April 2018 to March 2019:-

- Governance
- BDR Liaison Committee Meeting
- BDR Steering Committee
- Operating Contractor
- Contract Delivery
- Complaints
- Fire Protection Improvements
- Upgrade works
- Health and Safety
- Insurance
- Operational Management Budget 2019-20
- Communications

Agreed:- That the report be noted.

42 ANY OTHER BUSINESS

There was no other business to report.

43 DATE, TIME AND VENUE FOR THE NEXT MEETING

Agreed:- That the next meeting of the Barnsley, Doncaster and Rotherham Joint Waste Board be held on Monday, 2nd December, 2019, at the Town Hall, Rotherham.

**BDR WASTE PFI
BDR MANAGER UPDATE REPORT**

AUGUST 2019 – OCTOBER 2019

1.0 Governance

1.1 Resources

1.1.1 The BDR CELO has had her secondment to Rotherham council extended to November 2019 to complete the roll out of the new service to flats and to assist embed the new recycling services and bin changes.

1.2 Liaison Committee Meeting

1.2.1 Appendix 1 contains the minutes from the Liaison Committee meeting on 13 May 2019 and Schedule A – Functions of Liaison Committee meeting.

2.0 Contract Delivery

2.1 Bolton Road

1.1.1 Table 1 contains the information about the number of tonnes processed from April to October 2019. The overall tonnage forecast in table 1, will be reviewed quarterly to better reflect the anticipated outturn.

Table 1 – Year to date tonnes processed from 1 April 2019 to 30 October 2019

Inputs	2018/19	April	May	June	July	Aug	Sep	Oct	YTD 2019/20	
	Contract Waste (Limbs)									
Barnsley	A (Household)	52717.51	4241.24	4844.06	3993.08	4518.12	4514.58	3928.94	4680.52	30720.54
	B (Commercial)	5203.84	423.66	466.86	421.60	480.80	393.36	423.80	514.40	3124.48
	C (HWRC)	5469.45	499.04	465.62	428.62	438.56	482.94	412.92	428.46	3156.16
	D (Public Highways etc)	1091.27	99.98	86.74	94.48	100.08	97.74	96.36	107.96	683.34
	E (Grounds Maintenance)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Doncaster	A (Household)	69143.14	5600.28	6667.82	5725.36	5940.94	6356.00	5425.70	6219.62	41935.72
	B (Commercial)	5360.16	157.54	165.76	158.80	177.56	123.54	231.88	237.62	1252.70
	C (HWRC)	7562.06	667.40	644.64	536.46	594.22	638.18	552.66	529.64	4163.20
	D (Public Highways etc)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	E (Grounds Maintenance)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rotherham	A (Household)	56246.07	3969.14	4175.74	3678.52	4291.64	4049.96	3850.96	4213.04	28229.00
	B (Commercial)	3496.32	273.54	294.24	271.28	322.48	247.48	284.20	308.04	2001.26
	C (HWRC)	6393.60	559.04	548.68	478.22	524.82	587.92	493.02	475.52	3667.22
	D (Public Highways etc)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	E (Grounds Maintenance)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<i>Limbs A&B Sub-Total</i>	192167.04	14665.40	16614.48	14248.04	15731.54	15684.92	14145.48	16173.24	107263.10
BDR	A (Household)	178106.72	13810.66	15687.62	13396.96	14750.70	14920.54	13205.60	15113.18	100885.26
	B (Commercial)	14060.32	854.74	926.86	851.68	980.84	764.38	939.88	1060.06	6378.44
	C (HWRC)	19425.11	1725.48	1658.94	1443.30	1557.60	1709.04	1458.60	1433.62	10986.58
	D (Public Highways etc)	1091.27	99.98	86.74	94.48	100.08	97.74	96.36	107.96	683.34
	E (Grounds Maintenance)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	212,683	16,491	18,360	15,786	17,389	17,492	15,700	17,715	118933.62

1.1.2 The above table breaks down the input tonnages by authority and waste streams.

Table 2 - Third Party Waste Year to date 1 April 2019 to 30 October 2019

Inputs - 3rd Party	2018/19	April	May	June	July	Aug	Sep	Oct	YTD 2019/20
Renewi Derby	15407.70	2347.82	2467.00	3239.38	2131.76	3003.44	1428.80	2424.02	17042.22

1.1.3 Table 2 above shows the third party waste tonnage, this is municipal waste from the sub-contractor's other contract.

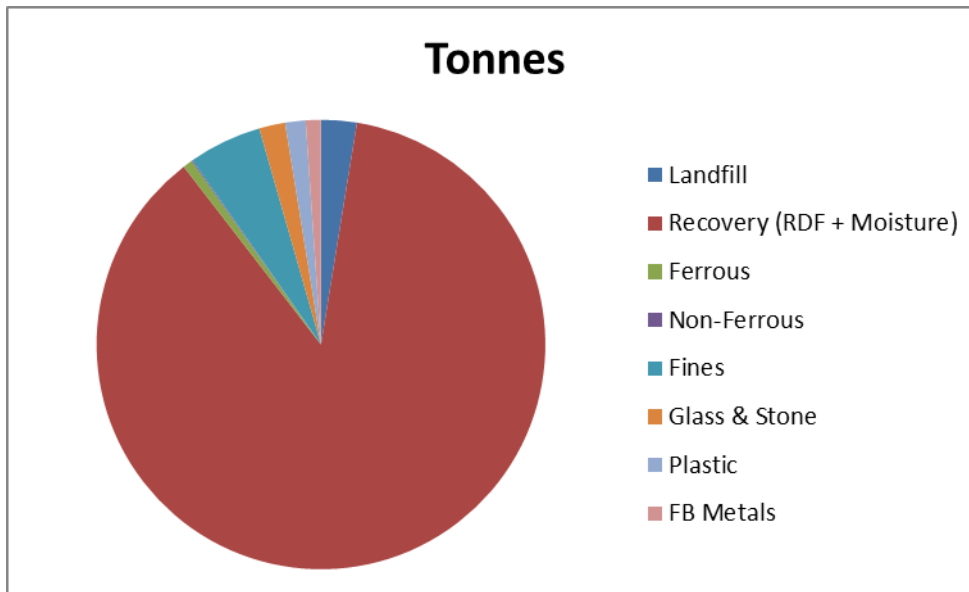
Table 3 – Performance Year to Date from 1 April 2019 to 30 October 2019

Performance	2018/19	April	May	June	July	Aug	Sep	Oct	YTD 2019/20
Recycling (%)	11.41%	12.85%	13.23%	13.59%	10.47%	10.27%	12.04%	10.25%	11.78%
Diversion (%)	97.09%	102.02%	90.26%	91.94%	98.78%	95.85%	107.34%	92.80%	96.89%
Moisture Loss (%)		27.29%	27.50%	27.63%	32.56%	30.77%	28.97%		

1.1.4 Contract recycling was 10.25% in October with the year to date recycling figure running at 11.78%. At the request of the Environment Agency, organic contamination of the glass and stone fraction was reduced. This adversely impacted the total volume of glass and stone generated.

Table 4 - Contract Outputs

Contract Outputs	2018/19	April	May	June	July	Aug	Sep	Oct	YTD 2019/20
Landfill	7303.41	526.19	420.07	509.58	399.98	401.58	377.34	464.20	3098.94
Recovery (RDF + Moisture)	188598.96	15273.84	14711.55	12888.68	15872.46	15484.77	15582.59	15109.86	104923.75
Ferrous	1673.95	123.78	127.95	113.18	87.28	135.49	126.10	109.88	823.66
Non-Ferrous	309.64	21.42	6.32	14.59	14.53	15.35	18.97	15.74	106.92
Fines	8848.05	728.23	794.75	781.38	810.97	741.58	748.55	746.36	5351.82
Glass & Stone	2451.67	292.57	489.02	514.05	315.47	149.86	231.57	268.49	2261.03
Plastic	4613.20	384.45	442.41	202.26	77.00	238.05	239.24	188.32	1771.73
Direct Delivered	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Recycling Sub-Total	17896.51	1550.46	1860.44	1625.45	1305.24	1280.33	1364.43	1328.79	10315.14
Ferrybridge Metals	2364.62	197.69	188.22	164.25	190.45	191.32	197.81	189.93	1319.67
AWM-Recycling	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fines CLO Uplift	1656.85	136.37	148.82	146.32	151.86	138.87	140.17	139.76	1002.17
Recycling Total	21917.98	1884.52	2197.48	1936.02	1647.55	1610.52	1702.41	1658.48	12636.98
Outbound Total	213798.88	17350.49	16992.06	15023.71	17577.68	17166.69	17324.36	16902.85	101434.99

Figure 1 – Contract Outputs

1.1.5 N.B. The above figures are unaudited and subject to change. Landfill diversion is calculated by total waste diverted from landfill divided by the total waste delivered.

1.1.6 It should be noted that the average monthly figure for material to landfill from April 2019 to October 2019 is 3.11% or 96.89% diversion from landfill.

1.2 Complaints

Flies

2.2.1 Table 5 below illustrates the number of fly complaints by month.

Table 5 - Fly complaints by month

	April 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	YTD
No. Fly Complaints	0	0	9	32	8	1	0	50

2.2.2 There has been a large reduction in fly complaints from the neighbouring areas and the fly numbers on site continue to drop and seem to be holding at lower numbers this is to be expected due to the time of year. The fly management plan (FMP) is still being progressed with the Environment Agency (EA) with actions being reviewed prior to the fly season in 2020.

Odour

2.2.4 Table 6 below illustrates the number of odour complaints by month.

Table 6 - Odour complaints by month

	April 2019	May 2019	June 2019	July 2019	Aug 2019	Sep 2019	Oct 2019	YTD
No. Odour Complaints	24	17	6	6	18	19	18	108

2.2.5 Renewi received a Compliance Assessment Report (CAR) form on 12 September 2019 from the EA, which indicated a score of 62 points generated by 2 Compliance Classification Scheme (CCS) category C2 events relating to odour emissions from the bio filter on line 1. Work to investigate and rectify the problem is ongoing. Renewi appear to have identified the issue and are actively taking steps as identified in an agreed action plan to rectify the situation. The scores from a subsequent CAR are currently suspended and no enforcement action is being taken.

2.2.6 Renewi have excavated and refilled a quarter of the bio filter media that has been identified as being the potential source of the odour and have replaced this with oversize compost material which was the original media used. Initial results would indicate this has been effective in reducing odours.

2.3 Fire Protection Improvements

2.3.1 The Fire Improvement Works project has continued to make good progress this month. This work is set to replace the current fire system with newer equipment. It should have minimal impact on operations as the current fire system will not be removed until commissioning of the new equipment is complete this was scheduled to be completed by 2 December 2019 however some parts were delivered late due to the flooding in the area. .

2.3.2 The timetable for delivery is shown below:

Table 7 - High Level Timetable

Activity	Programmed Date	Actual
Award of Contract	13 th May 2019	21 th June 2019
Procurement of long lead items	20 th May 2019	02 nd July 2019
Mobilisation	10 th June 2019	29 th July 2019
Start of installation and phased Commissioning	23 rd September 2019	11 th November 2019
Project completed	11 th October 2019	02 nd December 2019

2.4 Grange Lane

2.4.1 The tenders for replacing an area of the floor at Barnsley Transfer Station have been received and are currently being evaluated, the timeline has been set with a completion of 1st March 2020.

2.4.2 The work to build an enclosure around the electrical distribution board has now been completed.

2.4.3 Work to rectify the failure of the dilapidation work undertaken by Grove is ongoing.

2.5 Health and Safety

2.5.1 A planned emergency exercise took place at Bolton Road on 19 September 2019, testing site procedures.

Table 8 – Compliance from April 2019 to October 2019

2019/20	Close Call	Accident less than 3 days	Accident more than 3 days	Non RIDDOR dangerous occurrence	RIDDOR dangerous occurrence	RIDDOR more than 7 day injury	Major RIDDOR	Environmental
April	36	5	0	3	0	0	0	1
May	158	2	0	1	0	0	0	0
June	161	0	0	7	0	0	0	0
July	151	4	0	3	0	0	0	2
Aug	92	1	0	1	0	0	0	0
Sep	88	4	0	2	0	0	0	0
Oct	96	5	0	2	0	0	0	0
YTD Total	782	21	0	19	0	0	0	3

Please note: close calls are not incidents; they are where staff have made an observation of something that has the potential to cause an accident. Reporting close calls allows action to be taken before an accident occurs and is a positive indicator of the efforts being made to improve health and safety.

3.0 Legal

3.1.1 There is additional support as required from a legal locum, and internal and external technical and financial advisors for more complex matters.

4.0 Financial

Table 9 - Operational Management Budget 2019/20

Contract Manager detail	Data			
	Sum of Spend to date	Sum of Total Forecast 2019/20	Sum of Budget 2019-20	Sum of Variance 2019/20
Administration	6,234	26,186	28,294	-2,108
Call off Finance	0	0	1,120	-1,120
Call off Legal	27,414	51,114	58,103	-6,989
Call off Technical	0	0	0	0
External Finance	18,571	28,571	30,000	-1,429
External Legal	1,632	5,632	10,000	-4,368
External Technical	8,768	16,768	25,000	-8,232
Management	90,849	136,624	136,150	474
HWRC Project	0	0	0	0
Insurance Advisors	0	0	10,000	-10,000
Grand Total	153,468	264,895	298,667	-33,771

4.1.4 The budget includes costs for the technical due diligence on the Fire Improvement Works, negotiation of changes, Legal and Financial support and on-going work on operational savings.

5.0 Communications

5.1 Community Education and Liaison Officer (CELO)

4.1.1 The minutes from the last Community Liaison Group (CLG) Meeting on 2 September 2019, will be agreed at the CLG meeting on 4 November 2019 and then provided at the next Board meeting on 16 March 2020.

5.1.2 The second phase of the compositional analysis for 2019-20 commenced w/c 14.10.19.

5.0 Resources

5.1.1 There is additional support as required from a legal locum, internal and external technical and financial advisors for more complex matters.

7.0 Other

7.1 The Contractor is working with their insurance brokers to place insurance for 2020-2021.

8.0 Glossary of Terms

Term	Definition
3SE	The name for the partnership between Shanks Group plc and Scottish & Southern Energy plc.
A2A (formerly Ecodeco)	Italian company who research, design, construct, and manage plant and equipment for the disposal of waste.
Anaerobic Digestion (AD)	A series of biological processes in which micro-organisms break down biodegradable material in the absence of oxygen. One of the end products is biogas, which is combusted to generate electricity and heat.
Compliance Assessment Report (CAR) form	A CAR form is used by Environment Agency officers when assessing compliance with Environmental Permits.
Compliance Classification Scheme (CCS)	Compliance Classification Scheme (CCS) score and what action EA are considering. A CCS score is recorded where non-compliance with a permit condition(s) has been identified
Compositional Analysis	Waste Composition Analysis is a study that provides essential information about the weight and type of each component waste material that is in any given waste stream. It firstly involves obtaining representative samples of these waste streams, then manually hand sorting into various pre-defined sort categories using the correct methodology, which are then weighed in each individual fractions in align with Waste Data Flow (WDF) municipal reporting each waste stream has its own European Waste Code

	(EWC).
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.
FCC Environment	One of the UK's leading waste and resource management companies.
Facebook	Facebook, Inc. is an American online social media and social networking service company.
Ferrybridge Multifuel 1 (FM1)	Multifuel Energy Ltd. (MEL) operates a new £300 million multifuel plant on land owned by SSE at Ferrybridge 'C' Power Station near Knottingley in West Yorkshire. This project is called Ferrybridge Multifuel 1 (FM1)
Household Waste Recycling Centre (HWRC)	A civic amenity site (CA site) or household waste recycling centre (HWRC) is a facility where the public can dispose of household waste and also often containing recycling points.
Joint Waste Board (JWB)	The Statutory Committee comprising Portfolio Holders and Senior Officers with responsibility for waste.
Key Stage 1 (KS1) & Key Stage 2 (KS2)	Is a part of the National Curriculum and tells schools what subjects to teach and it tells teachers which topics to cover and at what level.
Liaison Committee	Review the Waste Management contract in operation, seek out future development opportunities and to review the operational year identifying any learning points and advise the Joint Waste Board of any corrective action requirements
Mechanical Biological Treatment (MBT)	A type of waste processing facility that combines a sorting facility with a form of biological treatment such as

	composting or anaerobic digestion. MBT plants are designed to process mixed household waste as well as commercial and industrial wastes.
Private Finance Initiative (PFI)	Mechanism for creating "public-private partnerships" (PPPs) by funding public infrastructure projects with private capital.
Provecta	Is a unique product that has a physical mode of action. This means it is equally effective against resistant and non-resistant insect populations and also that insects will never be able to develop resistance to it.
Recycle Week	Recycle Week is a celebration of recycling, organised by WRAP under the Recycle Now brand. The aim of the week is to encourage the public to recycle more, by demonstrating the benefits of recycling items from all around the home
Refuse Collection Vehicle (RCV)	The collection of rubbish and waste, usually in a rubbish or refuse truck, before final disposal.
Renewi UK Services	The new trading name for Shanks Waste Management.
Solid Recovered Fuel (SRF)	A fuel produced by shredding and dehydrating solid waste (MSW) with a waste converter technology.
SSE plc (formerly Scottish and Southern Energy plc)	A British energy company headquartered in Perth, Scotland.
Veolia	Veolia Environment S.A., branded as Veolia, is a French transnational company with activities in three main service and utility areas traditionally managed by public authorities – water management, waste management and

	energy services
Waste Infrastructure Credits	Awarded by DEFRA to incentivise local authorities to develop infrastructure to treat waste as an alternate to landfill.
Waste Transfer Station (WTS)	Facilities where municipal solid waste is unloaded from collection vehicles and briefly held while it is reloaded onto larger long-distance transport vehicles for shipment to landfills or other treatment or disposal facilities.

Contact Name:- Lisbeth Baxter, BDR Manager, Tel. Ext 55989
email: Lisbeth.Baxter@rotherham.gov.uk

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

Summary Sheet

Council Report:

Barnsley, Doncaster and Rotherham Joint Waste Board

Title:

BDR Risk Register

Is this a Key Decision and has it been included on the Forward Plan?:

No

Strategic Director Approving Submission of the Report:

BDR Steering Committee

Report Author(s):

Lisbeth Baxter

Ward(s) Affected:

None

Executive Summary:

This document presents the risks associated with the delivery of the BDR PFI Waste Facility contractual obligations now the facility is operational. The risks identified in the risk register are considered by the BDR Steering Committee every eight weeks.

Recommendation:

BDR Joint Waste Board is asked to consider and note the attached updated Risk Register, and

After consideration, advise of any further risks to be added to or deleted from the risk register.

List of Appendices Included:

BDR Risk Register (appendix 1)

Background Papers:

BDR Risk Register Scoring Guide

Consideration by any other Council Committee, Scrutiny or Advisory Panel:

The register has previously been considered by the BDR Steering Committee and the BDR Joint Waste Team.

Council Approval Required:

No

Exempt from the Press and Public:

No.

Title:
BDR Risk Register

1. Recommendations

- **BDR Joint Waste Board is asked to consider and note the attached updated Risk Register, and**
- **After consideration, advise of any further risks to be added to or deleted from the risk register**

2. Background

- 2.1 The BDR Joint Waste Board last considered the risk register at its meeting on 30 September 2019..
- 2.2 There are 3 categories of risk Red, Amber, Green (RAG) representing varying degrees of exposure. Each category contains a range of risk scores and the table below shows how the RAG rating and score are derived.

LIKELIHOOD (A)	Almost Certain 5	5	10	15	20	25
	Probable / Likely 4	4	8	12	16	20
	Possible 3	3	6	9	12	15
	Unlikely 2	2	4	6	8	10
	Very unlikely / Rare 1	1	2	3	4	5
		Insignificant / Negligible 1	Minor 2	Moderate 3	Major 4	Critical/ Catastrophic 5
	IMPACT (B)					

3. Key Issues and Risks

- 3.1 There are no new risks proposed for inclusion on the register. There are sixteen risks on the risk register.
- 3.2 There are currently no risks proposed for deletion in the register.
- 3.4 The risk areas under each of these headings are as in appendix 1 with their respective current and target RAG rating:
- 3.5 Previous reports have highlighted to BDR Joint Waste Board that there has been very little movement in current risk scores for risks in the period since the facility became operational.

Current RAG Rating	01/10/18	22/11/2018	3/12/2018	1/3/2019	30/9/2019	21/11/2019
Red	2	2	2	3	3	3
Amber	9	5	5	5	4	4
Green	4	8	8	8	9	9
Total	15	15	15	16	16	16

Target RAG Rating	1/10/18	22/11/2018	3/12/2018	1/3/2019	30/9/2019	21/11/2019
Red	0	0	0	0	0	0
Amber	7	5	4	5	5	5
Green	8	10	11	11	11	11
Total	15	15	15	16	16	16

- 3.6 Risk 7 Insurance risks remain the highest risks although insurance has been obtained for 2019/20. This is due to the hardening of the market and the requirement by the 3SE insurers for more mitigation equipment that has not as yet been installed.

Monitoring

3.7 The BDR Risk Register is reviewed eight weekly by the BDR Steering Committee. Additionally, the BDR Manager reports to the Joint Waste Team and draws attention to issues to allow internal challenge.

4. Options considered and recommended proposal

4.1 Not applicable.

5. Consultation

5.1 The BDR Steering Committee has reviewed and agreed the attached register.

6. Timetable and Accountability for Implementing this Decision

6.1 Not applicable.

7. Financial and Procurement Implications

7.1 The risks contained in the register require ongoing management action. In some cases additional resources may be necessary to implement the relevant actions or mitigate risks. Any additional costs associated with the risks are reported to the BDR Steering Committee for consideration.

8. Legal Implications

8.1 There are no direct legal implications arising from the risk register. Any actions taken by the BDR Manager in response to risks identified will take into account any specific legal implications.

9. Human Resources Implications

9.1 There are no Human Resources implications associated with the proposals.

10. Implications for Children and Young People and Vulnerable Adults

10.1 Not applicable

11. Equalities and Human Rights Implications

11.1 Proposals for addressing individual risks within the register incorporate equalities and human rights considerations where appropriate.

12. Implications for Partners and Other Directorates

12.1 The actions relating to any issues affecting partners are reflected in the risk register and accompanying risk mitigation action plans.

13. Risks and Mitigation

13.1 The BDR Manager will review and update the risk register on a six-weekly basis, to ensure risks are able to be effectively monitored and managed.

14. Accountable Officer(s):

Lisbeth Baxter BDR Manager

Approvals Obtained from:-

Strategic Director of Finance and Corporate Services: Not applicable

Director of Legal Services: Not applicable

Head of Procurement (if appropriate): Not Applicable

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Risk Number	Risk	Consequence /effect: - What would actually happen as a result? How much of a problem would it be? To whom and why?	Existing actions/controls - What are you doing to manage this now?	Risk Score with existing measures (See scoring table)		Current Score	Further management actions/controls required - What would you like to do in addition to your controls?	Target Score with further management actions/controls required (See Scoring Table)		Target Score	Risk Owner (Officer responsible for managing risk and controls)	Risk Review Date	Movement
				I	L			I	L				
14	Insurance for the BDR Waste Treatment Plant is not available	The Councils would become the insurer of last resort. The Contractor would have to approach the market every 4 months to attempt to obtain insurance/ Contract would be terminated	Contractor in liaison with Insurerer is implementing upgrade of the Fire Protection systems, this is now reducing risk. Insurance broker is working with Insurance market to build confidence	4	3	12	Robust case against Uninsurable argument. Ensure Contractor completes the fire improvement works.	5	2	10	BDR MANAGER	30/12/2019	↔
9	Changes in Government Law/Regulations including the UK exiting the European Union (Legislative Change)	Potential financial implications to cover the cost of required service change	Procedure incorporated in the Contract Conditions. Impact and actions to be jointly agreed with the Contractor to mitigate costs as far as possible. Application of the Change in Law Clauses within the contract	3	5	15	Consider the need for the Change in Law retention fund.	3	4	12	BDR MANAGER	30/12/2019	↔
17	Contractor breached financial requirement	Funder have to step in	Contractor to limit exposure to unnecessary costs and protect income during any negotiations of change	3	5	15	Ensure any negotiations recognise the need for the Contractor to be in a no better no worse position within the agreed risk matrix	3	3	9		30/12/2019	↔
7	Obtaining required terms for Insurance is difficult due to market conditions - Insurance costs increase	There is a lack of Markets for Insuring waste plants	Robust fire strategy, latest technology for fire suppression . Fire plan signed off by insurers BDR Technical advisors and Independent Certifier. Regular fire drills. Contractor liaison and education of insurance markets. Contractual position on insurance. Implementation of fire improvement works.	2	5	10	Consider reviewing the insurance requirements. Enforcement of Contractual positions	2	4	8	BDR MANAGER	30/12/2019	↔
10	Environmental Impact to Local Area from Noise/Odour/Flies/Vermin etc (Compliance)	Reputational damage and adverse publicity from pollution emanating from State of the Art Facility. Potential for Local/National interest	Contractual controls and performance measures. Monitoring the contract. Pro-active engagement with the local community . Sharing data Regular monitoring outside the perimeter of the plant	3	4	12	Increased fly spraying during the fly season. Communicate to householders to wrap waste. Ensure biofilters are adequately maintained	3	3	9	BDR MANAGER	30/12/2019	↔
13	Closure of facility or inability to provide the service due to a force majeure event (major incident at ITSAD Facility)	Service disruption. Temporary full or partial closure of facilities.	Contractual conditions provide a shared responsibility to agree measures to mitigate the effects and facilitate the continuation of the service. There are contingencies and other controls within the contract to divert waste to other waste facilities. No current short to medium threat.	3	2	6	Undertake a communications campaign. Use contingency sites and/or other contracts where possible e.g. Veolia landfill contract. Use emergency procurement if absolutely necessary.	3	2	6	BDR MANAGER	30/12/2019	↔
15	Recycling Markets	Lack of recycling markets impacts on Contractors ability to achieve recycling rate	Reviewing disposal points, ensuring Contractor has contingency in place	2	5	10	Councils may consider taking on more risk (as long as this is properly assessed) to deliver savings. Currently being investigated as part of the Councils' operational savings review.	2	4	8	BDR MANAGER	30/12/2019	↔
16	Contractor exits UK Municipal market due to financial pressures	The PFI model anticipates several stages where the private sector progressively take risk before the Councils bear additional cost risk.	The PFI Contract has several layers of protection including Lenders stepping in.	5	3	15	The Councils will identify areas where they could work with the Contractor to help reduce the losses they are currently facing whilst maintaining the intended risk transfer and achieving the required service performance.	5	2	10	Chair of Steering Committee	30/12/2019	↔
6	Serious injury/death of a member of staff or public through service operation (MAJOR INCIDENT AT ITS/AD)	Personal tragedy. Health and Safety Executive intervention. Possible service disruption. Possible corporate liability offence	Contractor has completed and regularly reviews full Risk Assessments. Staff training, H&S Inspections, Contract Monitoring and performance deductions for non compliance. External Audit has been undertaken by Consultants and RMBC Health and Safety Team Regular monitoring of the Contractual requirements in relation to Health and Safety Consistent application of the Payment Mechanism	4	2	8	Regular visits by health and safety officers. Quarterly health and safety meetings.	3	2	6	BDR MANAGER	30/12/2019	↔

8	Changes to Collection services to support budget savings that impact on the PFI Contract - waste volumes change	Potential to impact on the performance of the plant. Potential to impact on the Third Party Revenue Share due to the Councils. Implications on PFI Credits. Implications on Inter Authority Agreement.	Inter Authority Agreement measures. Significant collection change clause in the PFI Contract. Current WIDP/DEFRA position in terms of Credit Allocation position requires BDR to abide by the terms and conditions in the Promissary letter and the Final Business Case	2	4	8	Dialogue with WIDP/DEFRA and between BDR Councils. Test potential impacts to the contract/Councils against the IAA2. Lobby Government on recycling definitions.	2	3	6	BDR MANAGER	30/12/2019	
2	Contractor default needing emergency action and/or leading to contract termination.	Service disruption. Temporary full or partial closure of facilities.	A series of performance bond and Parent Company Guarantees exist to provide and/or pay for interim/alternative arrangements to be made. Funders would work with BDR to bring in a new contractor to deliver the service. Contingency arrangements may be implemented in the short term. Robust contract monitoring procedures	4	2	8	Ensure monitoring staff are sufficiently skilled to manage this situation. Liaison with other PFI Contract Managers, knowledge transfer	3	2	6	BDR MANAGER	30/12/2019	
11	Failure of plant equipment results in withdrawal of credits (Review of WICS)	Reputational damage and adverse publicity emanating from poor performance of state of the art facility. Potential for Local/National interest. Budget impact	Regular contract meetings/Monitoring and review procedures/Contingency facilities in place/Performance deduction, Step in provisions exist. It is likely that the Funders would step in an appoint another Contractor if performance is poor. Alternately the Councils could step in until the Contract could be retendered	3	2	6	Ensure monitoring staff are sufficiently skilled to manage this situation. Liaison with other PFI Contract Managers, knowledge transfer close liaison with DEFRA. Contractor has improved the refinement and is introducing further measures to ensure plant performance continues to improve	3	1	3	BDR MANAGER	30/12/2019	
12	Lack of resources due to restructures, and staff resignations failure to have a knowledge management plan (Business Continuity - BDR)	Failure to monitor the contract effectively/make payments resulting in Breach	Contract manual to document the processes and procedures. To be maintained and updated when changes occur. Contract information held on CIPFA site and on a Sharepoint portal. Staff training and development. Knowledge management plan.	3	2	6	Staff retention could be improved if a clear career path existed. CIPFA Asset Management system to hold all relevant documentation.	2	2	4	BDR MANAGER	30/12/2019	
5	Ensure the balance of risk between Contractor and BDR is maintained.	Councils could take more risk than anticipated	Change protocol in place, consideration needs to be given to level of risk as changes are negotiated.	3	2	6	Councils may consider taking on more risk as long (as this is properly assessed) to deliver savings. Currently being investigated as part of the Operational Savings review	2	2	4	BDR MANAGER	30/12/2019	
4	Fraud	Contractor could attempt to charge for more than they are entitled to/Client team could collude with Contractor	Process for checking Tickets from each Council is in place. Financial and Legal Officers form part of team. Information shared across all 3 Councils Direct debit mandate is in place for Barnsley and Doncaster to pay Rotherham. All deductions are accounted for in line with the IAA3. Guaranteed minimum tonnage requirement for the Councils. Regular reports to Steering Group/Joint Waste Board. Systems in place to pay the Contractor Internal and External Audits undertaken	3	2	6	Make an agenda item at meetings	2	2	4	BDR MANAGER	30/12/2019	
1	There is a risk that the contractor will not comply with the terms and conditions and the performance will be less than the Councils are paying for.	Service disruption. Temporary full or partial closure of facilities.	Regular contract meetings/Monitoring and review procedures/Emergency plan/Contingency facilities in place/Performance deduction, Step in provisions exist. It is likely that the Funders would step in an appoint another Contractor if performance is poor. Alternately the Councils could step in until the Contract could be retendered	2	2	4	Ensure succession planning is adequate. Invest in training for the current team Project Management and COTC.	2	1	2	BDR MANAGER	30/12/2019	