

Agenda Item 5



**GREATER MANCHESTER WASTE DISPOSAL AUTHORITY
AUTHORITY MEETING
26TH APRIL 2017, 9.30 AM, COUNCIL CHAMBERS, CIVIC CENTRE, OLDHAM**

Present:

Councillor: Murphy (in the Chair)

Councillors: Ali, Brock, Cummings, Driver, Emmott, Fitzpatrick, Hewitt, Holden, Jones, King, Lancaster, Piddington, Quinn, Shilton Godwin, Smart, Young and Zaman

Independent Member: Njoroge (Independent Chair of the Audit & Standards Committee)

Officers: Clerk, Treasurer & Deputy Clerk, Director of Contract Services, Solicitor, Deputy Treasurer, Head of Corporate Services, Head of Finance, Head of Contract Services and Senior Corporate Services Officer – Governance

Contract Review Team: Head of Programme Management Office, Interim Head of Procurement and Interim Programme Director

Advisors:

Partner - Head of Local Government	DWF
Partner Transactor	KPMG Waste Infrastructure Development Programme (WIDP)

District Officers:

Treasurer	Bolton Council
Assistant Head of Waste and Fleet Strategy	Bolton Council
Strategic Area Manager	Manchester City Council
Audit & Counter Fraud Manager	Oldham Council
Head of Service (Streetscene & Parks Management)	Salford City Council
Assistant Executive Director, Environmental Services	Tameside Council
Head of Environmental Services	Tameside Council
Head of Environmental Services	Trafford Council
Head of Public Protection	Stockport Council

Apologies:

Councillors: Iqbal and Quinn

Officers: All Officers were present

The Chair welcomed Viridor's Trade Union Representatives and the Authority's Advisors to the meeting. The Trade Union Representatives were in attendance for the public part of the meeting and would withdraw at the appropriate juncture.

M86 Urgent Business, if any, introduced by the Chair

The Chair advised that a supplementary report would be circulated at the appropriate time during the meeting in relation to Item 13 – Recycling & Waste Management Contract (the Contract) Savings Update and Way Forward. The supplementary report presented more up to date information and recommendations. In addition, the report would be supplemented with a presentation and an adjournment of the meeting would be allowed to give Members time to read and consider the supplementary report before agreeing final recommendations.

In light of the above, the Chair proposed and Members agreed, that the agenda be reorganised to consider Item 13 - Contract Savings Update and Way Forward before Item 12 – Asset Management Plan Update.

M87 To receive Declarations of Interest in any contractor or matter to be discussed at the meeting

There were no declarations of interest received at the meeting.

M88 To approve the minutes of the last meeting held on 17th March 2017

The Head of Corporate Services proposed that the Annual General Meeting (AGM) of the Authority was brought forward to the afternoon of 9th June 2017 given that District's Annual Council meetings concluded early this year on 24th May 2017. With regard to Members concerns about the timings of elections and counts, it was agreed that a more suitable date would be 12th June 2017 at 1.00 pm.

RESOLVED: That the Authority:

- a) approves the minutes of the last meeting held on 17th March 2017 as a correct record; and
- b) agrees that the AGM of the Authority will be rescheduled to take place on 12th June 2017 at 1.30 pm.

M89 Public & Member Question Time

There were no questions received.

M90 Audit & Standards Committee Annual Report for the 2016/17 Municipal Year

Consideration was given to the report of the Independent Chair of the Audit & Standards Committee that outlined work undertaken by the Audit & Standards Committee during the Last Municipal Year in the form of an Annual Report (Appendix A). The report set out how the Committee had discharged its terms of reference and hence provided assurances to Members about the effectiveness of the Authority's Corporate Governance arrangements.

The Independent Chair of the Audit & Standards Committee presented the report to Members and explained that the relationship between Independent Members and the Elected Members worked very well to provide excellent challenge. The Independent Chair advised the Authority that the system of Corporate Governance and Standards in 2016/17 was adequate.

The Chair of the Authority thanked the Independent Chair and Independent Members and Elected Members for their useful scrutiny and for holding the Authority to account. Their hard work was not often acknowledged and he asked that the Independent Chair pass on the Authority's appreciation to her Committee colleagues.

RESOLVED: That the Authority notes the work of the Committee and the positive assurances about Corporate Governance and Standards 2016/17.

The Independent Chair of the Audit & Standards Committee withdrew from the meeting at this juncture.

M91 Health & Safety Action Plan 2017/18

Members considered the report of the Director of Contract Services that asked the Authority to consider and approve the Health & Safety (H&S) Action Plan for 2017/18 attached the report at Appendix A.

RESOLVED: That the Authority approved the H&S Action Plan for 2017/18 attached to the report at Appendix A.

M92 Value for Money Annual Review 2016/17

The Authority considered the joint report of the Treasurer & Deputy Clerk and Director of Contract Services that presented an annual update in relation to the Authority's Value for Money (VfM) Policy and Framework, in order to satisfy itself that appropriate arrangements were in place to promote economy, efficiency and effectiveness, prior to review by the Authority's external auditors, Grant Thornton LLP (GT).

RESOLVED: That the Authority:

- a) approves the VfM risk matrix, set against the Chartered Institute of Public Finance and Accountancy (CIPFA)/Solace Framework, attached at Appendix A of the report; and
- b) delegates to the Director of Contract Services approval to implement any actions/feedback arising out of the 2016/17 external audit.

M93 Performance Monitoring 2016/17

Consideration was given to the report of the Head of Corporate Services that provided the Authority with a summary of unverified performance from April 2016 to March 2017.

RESOLVED: That the Authority notes the progress made during the year against the key corporate objectives in the Business Plan from 2016 to March 2017.

M94 Behavioural Change and Communications (including Resource Greater Manchester (RGM))

Members considered the report of the Director of Contract Services that provided an update on the delivery of the 2016/17 Recycle for Greater Manchester (R4GM) annual communications plan and the Authority's own activities. The report also sought agreement for the outline activity and work streams in support of the 2017/19 delivery plan for the Authority's Behavioural Change and Communications Strategy.

With regard to the predicted underspend, Members suggested that the Behavioural Change Task & Finish Group decide how that would best be spent and any decision be reported back to the Authority. Recommendation b) within the report was amended accordingly.

RESOLVED: That the Authority:

- a) notes the progress made on delivery of the 2016/17 communication activities;
- b) notes the predicted underspend in 2016/17 and delegates to the Behavioural Change Task & Finish Group the final decision on spend, which subsequently will be reported to the Authority;
- c) approves the outline activity to commence delivery of work streams in support of the Authority's Behavioural Change and Communications delivery plan for the period of 2017/19;
- d) delegates to the Director of Contract Services in consultation with the Behaviour Change Task & Finish Group authority to approve the final delivery plan and works streams for the 2017/19 financial years;
- e) approves the delayed start for the Oldham campaign described in paragraph 4.3 of the report; and
- f) notes the activities described in paragraph 4.4 of the report with stakeholders surrounding joint working to support delivery of the Behavioural Change and Communications Strategy.

M95 Exclusion of Press and Public

RESOLVED: That, in accordance with Section 100(4) of the Local Government Act 1972, the public and press are excluded from the meeting at this juncture for the following business on the grounds that it involves the disclosure of exempt information as defined in the respectively indicated paragraph(s) of Part 1 of Schedule 12A of the Act.

It would not be, on balance, in the public interest to disclose this information to the public and press for the reasons indicated within the report(s).

Whilst District Officers and Advisors remained in the meeting, Viridor's Trade Union Representatives withdrew from the meeting at this juncture.

M96 The Contract Savings Update and Way Forward

The Solicitor advised that a number of complex legal issues had arose in relation to the proposals contained in the report for, which external legal support had been engaged. The advice contained within the report was subject to legal professional privilege and the contents of the report were of the utmost commercial sensitivity and as such confidentiality must be maintained.

Members considered the joint Officers' report that set out further progress being made in improving the Value for Money of the Viridor Laing (Greater Manchester) Limited (VLGM) Contract, and supporting progress reports that had been submitted to each Authority meeting during the Municipal Year. A short adjournment took place to allow Officers to distribute the supplementary report to Members and Officers.

The Treasurer & Deputy Clerk introduced the item and led Members through the report along with the Director of Contract Services, the Contract Savings Team and Authority's Advisors. Members were also provided with a presentation that explained the current position, next steps and recommendations.

The meeting adjourned at 12 noon to 12.10 pm to allow Members time to consult with their District Officers. A further adjournment then took place until 12.30 pm for Group meetings and discussions

At the recommencement of the meeting, the Chair thanked Officers for their on-going hard work, which had been superbly undertaken with an extreme amount of professionalism. The Authority echoed the Chairs' comments.

Members proposed and agreed that a further recommendation e) was added to the report about transitional plans.

RESOLVED: That the Authority unanimously:

- a) confirms that the Contract be terminated;
- b) notes that the Contract will continue to be administered in accordance with its provisions during the termination notice period as set out in paragraph 5.5 of the report;
- c) approves the additional funding proposals for advisory costs as set out in paragraph 6.7 of the report and requests that a further report detailing projected costs be considered at the next appropriate meeting;
- d) agrees that at 100% owned, limited liability company, be established as set out in paragraph 6.8 of the report;
- e) agrees that the joint transitional plan, worked up jointly with Waste Collection Authorities (WCAs) be brought to the AGM of the Authority on 12th June 2017 for approval; and
- f) delegates to the Clerk and Treasurer & Deputy Clerk, in consultation with the Chair and Vice-Chairs of the Authority, power to enact the prioritised ways forward set out in Section 6 of the supplementary report.

M97 Asset Management Plan (AMP) Update

The Authority considered the joint report of the Director of Contract Services and Head of Engineering and Asset Management that provided an update on the 2016/17 Plan and sought agreement for the AMP for the 2017/18 annual period.

RESOLVED: That the Authority:

- a) agrees the 2017/18 action plan;
- b) approves (subject to confirmation that the engines are powered by gas) proposals to progress the proposal at Salford Road as set out in paragraph 5.3 of the report, and delegates to the Director of Contract Services (in consultation with the Chair of the Authority) power to conclude negotiations; and
- c) notes the general updates on 2016/17 progress as set out in Appendix A of the report, with progress reports dealt with in accordance with paragraph 5.4 of the report.

The Chair closed the meeting and concluded the Authority's business for the 2016/17 Municipal Year. The Chair thanked Members for their attendance and thanked Authority Officers and District Officers for their valuable briefings throughout the year. The Chair was optimistic that Members would return to the Authority for the 2017/18 Municipal Year to make informed decisions and looked forward to seeing Members at the AGM of the Authority on 12th June 2017.

The meeting opened at 9.30 am and closed at 1.55 pm.

GMWDA