

MID DEVON DISTRICT COUNCIL

MINUTES of a **SPECIAL MEETING** of the **AUDIT COMMITTEE** held on Wednesday 9 July 2014 at 6.00pm

Present

Councillors

R Evans (Chairman), M D Binks, R M Deed, F J Rosamond and J D Squire

Also Present

Councillors:

Mrs J Roach

Also Present

Officers:

A Tregellas (Head of Communities and Governance and Monitoring Officer), A Jarrett (Head of Finance), P N Williams (Head of Environmental Services), C Yandle (Audit Team Leader) and J Stuckey (Member Services Officer)

26 PUBLIC QUESTION TIME

There were no members of the public present.

27 MINUTES OF THE PREVIOUS MEETING

The Minutes of the meeting held on 24 June 2014 were approved as a correct record and **SIGNED** by the Chairman.

28 CHAIRMAN'S ANNOUNCEMENTS

The Chairman had no announcements to make.

29 CHANGES TO THE WASTE AND RECYCLING COLLECTION SERVICE (00hrs.02mins.14 secs)

The Chairman had sent a list of questions to the Head of Environmental Services in advance of the meeting and it was agreed that the Officer answer the questions in the order presented.

What, if any, benchmarking had been done with authorities with similar collection profiles to understand any new requirements?

The Officer stated that this authority worked in partnership with other Devon authorities and was part of the Devon Waste Partnership. The other authorities had been consulted. He also stressed that the changes were being made in order to save money, from what was a very expensive service to operate.

What Safe Systems of Work/Risk Assessments have been done?

In 2012 the Health and Safety Officer carried out a detailed risk assessment of the Waste Service. In addition to this the authority was inspected by the Health and Safety Executive. The Inspector issued two Improvement Notices

on the authority. These were for reversing and one man operated rounds. In response to this the authority introduced reversing assistants to all vehicles and one-manned rounds were abolished. The Improvement Notices were withdrawn in September 2013. The Inspector also recommended that the collection of black sacks for refuse be phased out. The new scheme would do this when the brown bins become the container for landfill waste.

It was not possible to move to a co-mingled collection for recycling (from wheeled bins) as this would require a facility for sorting the recycling. The cost for this would be in the millions. Using a facility elsewhere would incur expensive transfer costs and give a reduction in income from material sales.

The boxes provided for recycling were of a good quality, a reasonable size and operatives were made aware that they should not lift anything they considered to be too heavy. Lifting and handling training was given to all operatives.

Under the new scheme wheeled bins would be issued to all properties within the district, except approximately 300 households which could not be reached by a refuse collection vehicle.

Route Smart software would be used to model the new scheme. The Head of Environmental Services assured Members that any problems that had occurred during the recent round change project would be resolved and would not impact on any future changes.

Food waste would be collected along with the dry recycling from a 10L caddy. Cardboard would also be collected for recycling.

Given that the overall expectation of the recent changes to collection routes was to improve efficiency and cut costs can you show how decisions were made with expected financial outcomes?

The Head of Environmental Services and the Head of Finance explained that costings had been a best-guess estimate due to there being so many unknowns in regard to the new scheme. It was not known what the take-up would be for the garden waste collection scheme and the value of recycling materials being sold could change.

What additional costs have had to be put in place to recover the service levels? And what effect have they had on overall financial costs/savings?

The Head of Environmental Services reported that fuel costs and staffing costs had increased but he did not yet have full figures to report.

Are you expecting an increase in revenue when the £50 green waste charge comes into force?

The garden waste collection service would be provided at cost of operation. The overall cost of running the service would reduce as each household in the District would only receive two vehicle passes per fortnight instead of three. If they opted-in to the garden waste service they would be paying for it.

Will households that take up the green collection need another bin?

A new bin would be provided. It was estimated that the bin cost (approx. £27 per bin) would be recouped within two years of providing the service.

Cost of new vehicles? How many and when will they come on stream?

The tenders were in for the new vehicles and would be looked at shortly. The new vehicles would be in use by January.

Cost of additional boxes/caddy's/bins for greater segregation. Cost of additional time for crews to complete their rounds i.e. more segregation = slower round times.

Additional boxes would be provided, including a smaller box for glass to allow for the extra weight. Extra boxes cost approximately £4.50 and outdoor caddy's cost approximately £10.00. It was anticipated that rounds would be slower due to the extra sorting and this would be modelled.

Plastic recovery? Has consideration been given to the bulkiness of plastics?

The new vehicles would include a compactor which would reduce the bulkiness of plastic to one fifth.

What plans do MDDC have for the disposal of plastics?

Plastics would be sold in the same way as other materials. Glass and paper were currently part of a Devon-wide contract and the same could happen for plastic.

Likely income streams from plastic and cardboard - what are they at present? Have we considered these may drop with greater volumes coming to the market?

The value of materials fluctuated all the time and could not be predicted.

Are there any plans to enforce greater recycling rates i.e. limiting the volumes of landfill collected from households?

The authority was unable to enforce recycling but needed to improve participation by education.

The Cabinet had agreed that there would be no limit on the amount of waste that could be presented for collection. Reducing the size of the landfill bin and operating a 'closed lid' policy may encourage the householder to make sure that they used the recycling containers provided, and subsequently reduce the amount of waste going to landfill.

Note: * Report previously circulated; copy attached to the signed Minutes.

30 **INTERNAL AUDIT PROGRESS REPORT (01hrs.04mins.04secs)**

The Committee had before it, and **NOTED**, a report * from the Internal Audit Team Leader updating the Committee on the work performed by Internal Audit in the 2014/15 financial year to date.

The Officer explained that two internal audits had been completed in the current year to date, Contracts and Repairs and Maintenance. In the opinion of the Auditor both areas were adequately controlled.

Discussion took place regarding the Procurement Service and staff shortages due to maternity leave. The Head of Service explained that budget cuts had led to rationalisation of staffing and that in some cases positions were not covered.

There was currently a Scrutiny Working Group looking into the procurement process.

There had been a lot of reports of mould in tenant's properties, which had required an inspection from an Officer. Discussion took place regarding the reasons for mould and whether tenants should be charged for call-outs and works. The Audit Team Leader said that many tenants concerned were elderly or vulnerable in which case charging would be unreasonable.

Note: * Report previously circulated; copy attached to the signed Minutes.

31 INTERNAL AUDIT REPORTS (01hrs.25mins.10secs)

There was no discussion under this item as it had been dealt with in the previous item.

32 IDENTIFICATION OF ITEMS FOR THE NEXT MEETING: 24 June 2014

Finalised Annual Report and Accounts 2013/14
Finalised Annual Governance Statement (AGS)
Grant Thornton's Annual Governance Report for 2013/14
Progress update on the Annual Governance Statement Action Plan
Performance and Risk report
Internal Audit Progress Reports
Internal Audit reports
Financial Resilience report
External Audit update
Anti-fraud and Corruption, Whistle-Blowing and Anti-Money Laundering Policies

(The meeting ended at 7.37pm)

CHAIRMAN