

PROSIECT GWYRDD JOINT COMMITTEE MEETING

25 June 2019, 10.00 am

LOCATION: Monmouthshire Council Offices - Room M4 (County Hall, The Rhadyr, Usk, NP15 1GA)

Present:

Elected Members:

Councillor Michael, Cardiff Council

Councillor Weaver, Cardiff Council

Councillor Gordon, Caerphilly County Borough Council

Councillor Murphy, Monmouthshire County Council

Councillor Truman, Newport City Council

Councillor King, Vale of Glamorgan Council

Councillor Williams, Vale of Glamorgan Council

Officers:

Carl Touhig, Monmouthshire County Council

Sian Humphries, Cardiff Council

Andrew Williamson, Prosiect Gwyrdd

Marc Falconer, Cardiff Council

Gareth Harcombe, Cardiff Council

Hayley Jones, Caerphilly County Borough Council

Andrea Redmond, Cardiff Council

Silvia Gonzalez Lopez, Newport County Council

Colin Smith, Vale of Glamorgan

Matt Wakelam, Cardiff Council

No	Item
1	<p>To Note the Membership of the Joint Committee 2019/2020 RESOLVED: To note the membership of the Prosiect Gwyrdd Joint Committee for 2019/20.</p>
2	<p>Apologies for Absence Apologies for absence were received from Councillors George, Jeavons and Pratt.</p>
3	<p>Declarations of Interest None received.</p>
4	<p>Minutes The minutes of the meeting held on 20 November 2018 were agreed as a correct record and signed by the Chairperson.</p>
5	<p>Heat Network Update Members were advised that the delivery of a heat network arising from the Viridor plant has been a longstanding aspiration for Prosiect Gwyrdd. An extensive feasibility study examining the potential for a heat network in Cardiff was completed by a leading consulting engineering firm on behalf of Cardiff Council in 2017. This study was funded by the Heat Network Delivery Unit (HNDU) of the Department of Business, Energy and Industrial Strategy (BEIS) with additional Welsh Government support. Subsequently in 2018, Cardiff Council's Cabinet approved an Outline Business Case for the heat network. This clarified the Council's strategic interest in the scheme and authorised further work to establish a heat network, subject to concluding the necessary agreements, obtaining capital funding and presenting a Full Business Case back to Cabinet for approval.</p> <p>The proposed Cardiff Heat Network is envisaged to run through large parts of the Bay area before crossing the main Cardiff to London railway line. It will then skirt the southern edge of the city centre and finally end in the western parts of Newport Road. The proposed primary heat source for the network is envisaged to be the Trident Park Energy from Waste (EfW) plant.</p> <p>Andrew Williamson and Gareth Harcombe provided Members with a presentation on the Cardiff Heat Network which highlighted key points such as the requirements of the contract; Major Benefits; Network Illustration; Potential Additional Private Sector Loads; details of Phase 1 and Outline Business Case Approval; Details on the establishment of the Delivery Team and Welsh Government Funding; Viridor Agreement; Purchase of Heat; Heat Exchanger Installation and the Heat Exchangers.</p> <p>The Chairperson invited questions and comments from Members:</p> <p>Members asked if customers would need to install heat exchangers and were advised that the initial public sector customers would have these installed free</p>

No	Item	Action
	<p>of charge as a recognition of committing to the scheme. Other private customers would incur a connection and maintenance fee. Officers explained the benefits of the heat exchangers as being financial (slightly cheaper than gas); less service and maintenance than gas boilers and the carbon footprint benefits. It was noted that some customers would keep their gas boilers initially, but this would be phased out. It was also noted that the footprint of the heat exchanger is much smaller than a gas boiler.</p> <p>Members asked about the risk of getting customers to sign up, noting that the income would be needed to repay any loan or grant for the scheme. Officers advised that there would be legal clauses in the contracts to stop customers pulling out. It was reiterated that the carbon benefits of heat exchangers was 60% benefit and this was a great incentive to the customers.</p> <p>RESOLVED: to note the contents of the presentation.</p>	
6	<p>Update Report</p> <p>Members were provided with an update on the following aspects of the Prosiect Gwyrdd Contract;</p> <p>During 2018/19 a total of 167,998.42 tonnes of residual waste was sent to the Prosiect Gwyrdd Contract against a projected profile of 167,767 tonnes.</p> <p>From the waste delivered 27,741 tonnes of the Incinerator Bottom Ash was recycled, 1,491 tonnes of the Air Pollution Control Residue was recycled, 2,915 tonnes of ferrous metals was recycled and a further 508 tonnes of other metals were recycled. During the year 33 tonnes of contract waste was sent to landfill and 290 tonnes of Air Pollution Control Residue was landfilled.</p> <p>In 2018/19 Viridor achieved all of the five Key Targets:</p>	

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	<table border="1"> <thead> <tr> <th data-bbox="336 315 564 349">Key Target</th> <th data-bbox="564 315 868 349">Target Percentage</th> <th data-bbox="868 315 1187 349">Actual Percentage</th> </tr> </thead> <tr> <td data-bbox="336 349 564 506">The Contractor's Guaranteed Unprocessed Landfill Target Percentage</td> <td data-bbox="564 349 868 506">0.0%</td> <td data-bbox="868 349 1187 506">0.0%</td> </tr> <tr> <td data-bbox="336 506 564 685">The Contractor's Guaranteed Maximum Percentage of Contract Waste to Landfill</td> <td data-bbox="564 506 868 685">2.1%</td> <td data-bbox="868 506 1187 685">0.2%</td> </tr> <tr> <td data-bbox="336 685 564 842">The Contractor's Guaranteed IBA Recycling Target Percentage</td> <td data-bbox="564 685 868 842">100.0%</td> <td data-bbox="868 685 1187 842">100.0%</td> </tr> <tr> <td data-bbox="336 842 564 999">The Contractor's Guaranteed BMW Diversion Target Percentage</td> <td data-bbox="564 842 868 999">100.0%</td> <td data-bbox="868 842 1187 999">100.0%</td> </tr> <tr> <td data-bbox="336 999 564 1155">the Contractor's Guaranteed Unreprocessed IBA Target Percentage</td> <td data-bbox="564 999 868 1155">0.0%</td> <td data-bbox="868 999 1187 1155">0.0%</td> </tr> </table>	Key Target	Target Percentage	Actual Percentage	The Contractor's Guaranteed Unprocessed Landfill Target Percentage	0.0%	0.0%	The Contractor's Guaranteed Maximum Percentage of Contract Waste to Landfill	2.1%	0.2%	The Contractor's Guaranteed IBA Recycling Target Percentage	100.0%	100.0%	The Contractor's Guaranteed BMW Diversion Target Percentage	100.0%	100.0%	the Contractor's Guaranteed Unreprocessed IBA Target Percentage	0.0%	0.0%
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 || | As a requirement of revenue support from WG the facility is required to be CHP ready and to achieve and maintain R1 Status. Trident Park submitted the final stage 3 report to Natural Resources Wales confirmed with an annual figure of 0.76 which is in excess of the 0.65 requirement. The Incinerator Bottom Ash is currently being recycled by Days Aggregates at their facility in Avonmouth. The Air Pollution Control Residue is currently either being recycled by Carbon8 Aggregates at their facility in Avonmouth or landfilled by Grondon (Waste) Ltd at their Gloucestershire facility. Community and Community Benefit Fund 2018/19 the Prosiect Gwyrdd Community Benefits Fund Panel met three times where a total of £59,498.21 was awarded between twenty-eight community initiatives based with the Prosiect Gwyrdd Partnership Local Authority areas. A breakdown of the projects supported in 2018/19 is detailed in the table below. | |

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	<p data-bbox="331 331 1393 405">Breakdown of 2018/19 Prosiect Gwyrdd and Viridor Community Fund Awards</p> <table border="1" data-bbox="448 443 1323 728"> <thead> <tr> <th data-bbox="453 443 868 506">Authority</th> <th data-bbox="868 443 1134 506">Number of Projects</th> <th data-bbox="1134 443 1318 506">Total Value</th> </tr> </thead> <tbody> <tr> <td data-bbox="453 506 868 539">Caerphilly County Council</td> <td data-bbox="868 506 1134 539">1</td> <td data-bbox="1134 506 1318 539">£2,958.00</td> </tr> <tr> <td data-bbox="453 539 868 573">Cardiff Council</td> <td data-bbox="868 539 1134 573">12</td> <td data-bbox="1134 539 1318 573">£30,081.08</td> </tr> <tr> <td data-bbox="453 573 868 607">Monmouthshire County Council</td> <td data-bbox="868 573 1134 607">4</td> <td data-bbox="1134 573 1318 607">£7,375.67</td> </tr> <tr> <td data-bbox="453 607 868 640">Newport City Council</td> <td data-bbox="868 607 1134 640">3</td> <td data-bbox="1134 607 1318 640">£3,942.76</td> </tr> <tr> <td data-bbox="453 640 868 674">Vale of Glamorgan Council</td> <td data-bbox="868 640 1134 674">2</td> <td data-bbox="1134 640 1318 674">£2,290.70</td> </tr> <tr> <td data-bbox="453 674 868 728">Projects working across all areas</td> <td data-bbox="868 674 1134 728">5</td> <td data-bbox="1134 674 1318 728">£12,850.00</td> </tr> </tbody> </table> <p data-bbox="331 766 1449 913">Members were asked to encourage local groups to apply for the fund. Details of the funding criteria and how to apply can be found at: https://viridor.co.uk/our-operations/energy/energy-recovery-facilities/cardiff-erf/community</p> <p data-bbox="331 952 1449 1099">During 2018/19 the number of groups visiting Trident Park was 46, with a total of 593 visitors. It was noted that visitor numbers were slightly down on last year. Viridor have employed an Education Officer with the aim of increasing the number of educational visits to the site next year.</p> <p data-bbox="331 1137 1270 1171">The Chairperson invited questions and comments from Members;</p> <p data-bbox="331 1209 1449 1464">Members asked if many applications to the Community Fund were rejected, and if so for what reasons. Officers explained that some applications are rejected, usually due to the applicant wanting to use the funding for Capital/Build which is outside of the terms of reference of the fund. Examples of what the fund can be used for are now shown on the website; feedback is also provided when applications are rejected as well as advice on how to apply successfully in future.</p> <p data-bbox="331 1503 999 1536">RESOLVED: To note the content of the report.</p>	Authority	Number of Projects	Total Value	Caerphilly County Council	1	£2,958.00	Cardiff Council	12	£30,081.08	Monmouthshire County Council	4	£7,375.67	Newport City Council	3	£3,942.76	Vale of Glamorgan Council	2	£2,290.70	Projects working across all areas	5	£12,850.00	
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7	<p data-bbox="331 1621 1342 1655">Unaudited Annual Financial Return for Year Ended 31 March 2019</p> <p data-bbox="331 1659 1449 1872">Members were advised that this report presents the draft, unaudited Financial Annual Return for the year ended 31st March 2019 prior to the statutory deadline of 30th June. The Joint Committee will be asked to approve the unaudited Annual Return and following their approval, the document will be available for public inspection and then submitted to the Wales Audit Office (WAO) to undertake the external audit of this return.</p>																						

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	<p>Regulation 14 states that smaller local government bodies (those with annual income and expenditure below £2.5 million) can prepare their accounts in the form of an Annual Return replacing the obligation to produce a full Statement of Accounts.</p> <p>Table 1 below provides a comparison of the 2018/19 outturn with the budget. This highlights a gross expenditure outturn of £147,735, a decrease of £105,507 compared to the original 18/19 gross expenditure budget of £253,242. After including the Partner Contribution rebate of £50,000 (£10,000 per partner) the net underspend for 2018/19 is £55,507.</p> <p><u>Table 1: 2018/19 Summary Monitoring Position</u></p> <table border="1"> <thead> <tr> <th></th> <th>2018/19 Budget £</th> <th>2018/19 Outturn £</th> <th>2018/19 Variance £</th> </tr> </thead> <tbody> <tr> <td>Project Team</td> <td>193,542</td> <td>155,661</td> <td>-37,881</td> </tr> <tr> <td>Supplies & Services</td> <td>22,510</td> <td>12,152</td> <td>-10,358</td> </tr> <tr> <td>Committee & Support Services</td> <td>10,350</td> <td>6,090</td> <td>-4,260</td> </tr> <tr> <td>External Advisors</td> <td>46,010</td> <td>0</td> <td>-46,010</td> </tr> <tr> <td>Contingency</td> <td>20,000</td> <td>0</td> <td>-20,000</td> </tr> <tr> <td>Organics Contribution</td> <td>-39,170</td> <td>-26,168</td> <td>13,002</td> </tr> <tr> <td>Gross Expenditure</td> <td>253,242</td> <td>147,735</td> <td>-105,507</td> </tr> <tr> <td>Partner Contributions</td> <td>-185,000</td> <td>-135,000</td> <td>50,000</td> </tr> <tr> <td>Net Expenditure</td> <td>68,242</td> <td>12,735</td> <td>-55,507</td> </tr> <tr> <td>Appropriations (from) / to Joint Committee Reserve A/c</td> <td>-68,242</td> <td>-12,735</td> <td>55,507</td> </tr> <tr> <td>Projected Balance of the Joint Committee Reserve A/c as at 31.03.2019</td> <td></td> <td>331,347</td> <td></td> </tr> </tbody> </table>		2018/19 Budget £	2018/19 Outturn £	2018/19 Variance £	Project Team	193,542	155,661	-37,881	Supplies & Services	22,510	12,152	-10,358	Committee & Support Services	10,350	6,090	-4,260	External Advisors	46,010	0	-46,010	Contingency	20,000	0	-20,000	Organics Contribution	-39,170	-26,168	13,002	Gross Expenditure	253,242	147,735	-105,507	Partner Contributions	-185,000	-135,000	50,000	Net Expenditure	68,242	12,735	-55,507	Appropriations (from) / to Joint Committee Reserve A/c	-68,242	-12,735	55,507	Projected Balance of the Joint Committee Reserve A/c as at 31.03.2019		331,347		
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	<p>The variance is largely due to underspends previously reported to the Joint Committee in the Month 7 monitoring report in particular underspends due to the lack of spend against the contingency and external advisors budgets, as well as savings associated with staff turnover and recruitment delay. Consequentially the projected budgeted drawdown from the Joint Committee Reserve Account of £68,242 was reduced to £12,735. The balance of the reserve account as at 31st March 2019 now stands at £331,347 and the</p>																																																	

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	<p>options for the utilisation of an element of this reserve will be presented firstly to Contract Management Board and then the Joint Committee as part of the 2020/21 budget report as has been the case in previous years.</p> <p>RESOLVED:</p> <ol style="list-style-type: none"> <li data-bbox="363 517 1460 591">I. To note the outturn position for the financial year ended 31st March 2019. <li data-bbox="363 629 1460 775">II. To approve the Annual Return, and consequently authorise the Chairman to sign the Annual Return on behalf of the Joint Committee, and its subsequent submission to WAO to commence the 2018/19 audit. 	
8	<p>Date of next meeting</p> <p>The date of the next meeting was to be confirmed. Andrea Redmond would set up a meeting in late November/early December at Newport City Council Offices.</p>	