

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	Action
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No	Item
1	To Note the Membership of the Joint Committee 2019/2020 RESOLVED: To note the membership of the Prosiect Gwyrdd Joint Committee for 2019/20.
2	Apologies for Absence Apologies for absence were received from Councillors George, Jeavons and Pratt.
3	Declarations of Interest None received.
4	Minutes The minutes of the meeting held on 20 November 2018 were agreed as a correct record and signed by the Chairperson.
5	Heat Network Update <p>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 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</p>

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	<p>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 replay 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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	<p>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>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>The Chairperson invited questions and comments from Members;</p> <p>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>RESOLVED: To note the content of the report.</p>																								
7	<p>Unaudited Annual Financial Return for Year Ended 31 March 2019</p> <p>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> <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</p>																								

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	<p>£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><tr><th></th><th>2018/19 Budget £</th><th>2018/19 Outturn £</th><th>2018/19 Variance £</th></tr><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></table> <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 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> <p>I. To note the outturn position for the financial year ended 31st March 2019.</p>			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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	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	Date of next meeting 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.	

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