

5 JULY 2018

**SOCIETY, ENVIRONMENT AND COUNCIL DEVELOPMENT
EXECUTIVE ADVISORY BOARD**

5 July 2018

- * Councillor Adrian Chandler (Chairman)
- * Councillor Pauline Searle (Vice-Chairman)

- | | |
|---------------------------------|--------------------------|
| * Councillor Angela Gunning | * Councillor Bob McShee |
| Councillor Murray Grubb Jnr | Councillor Tony Phillips |
| * Councillor Christian Holliday | * Councillor David Reeve |
| * Councillor Nigel Kearse | * Councillor Tony Rooth |
| * Councillor Sheila Kirkland | Councillor Matthew Sarti |

*Present

Councillor Matt Furniss was also in attendance.

S1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence was received from Councillors Tony Phillips and Matthew Sarti. In accordance with Council Procedure Rule 23(i), Councillors Caroline Reeves and Jenny Wicks attended as substitutes for Councillors Tony Phillips and Matthew Sarti, respectively.

**S2 LOCAL CODE OF CONDUCT AND DECLARATION OF DISCLOSABLE
PECUNIARY INTERESTS**

There were no declarations of interest.

S3 MINUTES

Further to the minute concerning the Council's Air Quality Strategy, a Councillor advised that he had been assured by the Waste and Fleet Services Manager that the Council was seeking to improve air quality through its electric fleet vehicle procurement process and he withdrew his previous comment to the contrary.

The minutes of the meeting of the Board held on 19 October 2017 were approved as a correct record, and signed by the Chairman.

S4 GUILDFORD BOROUGH COUNCIL PROCUREMENT

The Board considered an update report advising of the procurement methods available to the Council and the current route to market trends used by officers. The report also informed the Board of the proposals for improvements to the procurement function at the Council and the future opportunities arising from the changes.

The report followed a presentation to the Board in February 2017 by officers who summarised the recommendations in their report, developments in legislation, training issues and the long-term goals of the Corporate Procurement Advisory Panel (CPAP). The Board had requested an update on the cost savings to be made by procurement 6-9 months later. However, as the Procurement Officer and Procurement Assistant had left the Council's employment, the Principal Solicitor overseeing the procurement function had prepared this report as an interim measure whilst recruitment to a newly created Procurement Manager post was being carried out. This report explored the tender procedures available under relevant Regulations and looked at the Council's current approach to procurement and areas of opportunity. A further report would be brought to the Board to deal with cost savings from procurement in due course when the Procurement Manager was in post and had the opportunity to review costs.

5 JULY 2018

The Council was legally obliged to ensure that it achieved best value and continuous improvement when exercising its functions including when it was purchasing goods, services and works. It carried a fiduciary duty to local tax payers to spend money lawfully and efficiently and was obliged by law to adopt standing orders which regulated its approach to contracting. Further, the Council was obliged to access the market in legally compliant ways; to meet various transparency obligations in relation to expenditure; and to meet a range of obligations under Data Protection legislation in respect of data controlling and processing.

The Council's duties were threefold, namely, compliance with relevant Regulations when procuring contracts valued above a threshold set by the Official Journal of the European Union (OJEU); producing Procurement Procedure Rules (PPRs) which complied with Regulations and other legal requirements; and ensuring that the PPRs were followed by procuring officers. The latest rules that the Council need to comply with, the Public Contract Regulations 2015, came into force in February 2015. They modified the previous Regulations and codified the case law in this area particularly in relation to contract variations and exemptions. The 2015 Regulations created a framework by which public bodies must procure their goods, works and service contracts.

The report outlined the procurement routes to market for new tenders for goods, works and services contracts valued above the OJEU threshold which were Open Procedure, Restricted Procedure, Competitive Procedure with Negotiation, Competitive Dialogue, Innovation Partnership, Negotiated Procedure without Prior Publication and Light Touch Regime. For contracts below the OJEU threshold, a less formal tender or quote procedure could be followed which could either be an Invitation to Tender or a Request for Quote process following the procedures detailed in the PPRs. Framework agreements, a contract between the party who had set up the framework and a supplier or group of suppliers, could also be used in certain circumstances.

As with all procurements, the process undertaken to award the contract must be fair, open and provide for equal treatment. In all cases a detailed specification of the goods, services or works being procured was required prior to the tender going out to the market.

There was currently a devolved model of procurement at the Council with procuring managers in individual services undertaking all of the procurement activity. The Procurement Officer's role, acting with the Procurement Assistant, had been one of advice and assistance which procuring officers utilised at will. The Procurement Manager being recruited would strengthen this function, lead on improvements to the service and provide commercial input and route to market advice. The Procurement Manager would be tasked early on to provide comprehensive training across the services on procurement issues and to work closely with procuring managers to improve procurement outcomes, ensure effective contract management and demonstrate how procurement could assist with service planning and delivering cost savings. The PPRs would be re-written to ensure they were fully up to date with the law and the current requirements of the Council. In future, procuring managers would seek guidance from the internal procurement team prior to seeking external advice, and instructions to external consultants in relation to procurement advice and instructions would be issued via the procurement team.

The CPAP provided strategic advice on procurement activity across the Council and its role would be enhanced to provide a gateway function, approving the route to market and contract award for contracts over a certain level. The CPAP could also approve exceptions/waivers as well as oversee contract management issues. It would be chaired by the Director of Finance and include senior representatives from Procurement, Legal and Finance. Procuring managers would seek approval by the Panel following which the next stage of authority would be sought.

The Council undertook significant procurement activity for goods and services. The changes put in place would improve its performance in this area by strengthening the procurement function, ensuring procuring managers had the necessary knowledge and skills and ensuring appropriate strategic control via the CPAP.

The following points arose from subsequent discussion:

- The reference in the report to the first procurement officer joining the Council in 2015 was intended to show that it was a relatively new resource.
- There would be merit in waiting for the newly appointed Procurement Manager to commence employment with the Council before making significant changes to procurement procedures as he or she may bring other experiences and ideas to the fore.
- The majority of the Council's procurement exercises required open (a one stage process with the Council proceeding directly to Invitation to Tender through open advertisement) or restricted (a two stage process including selection stage where suppliers were shortlisted against specific relevant criteria followed by an Invitation to Tender being sent to a minimum of 5 shortlisted suppliers) procedures usually involving more than two stages. The field would be narrowed in the event of much market interest or to give the Council flexibility.

S5 RECYCLING IMPROVEMENTS - REVIEW OF REFUSE AND RECYCLING SERVICE

Councillor Matt Furniss, Lead Councillor for Infrastructure, Transport and Governance, introduced a presentation in respect of a review of the Recycling and Waste Collection Service. The review was a Corporate Plan objective due for completion in December 2018, seeking Executive approval in June 2019 and implementation from July 2019 to April 2020. The presentation covered the guiding principles of the review, the key drivers for change, an outline of the current service, the Phase 1 proposal, the potential Phase 2 proposal and next steps. The advantages and disadvantages of the current service and both proposals were included.

The guiding principles were to maintain high levels of customer satisfaction, respond to market and legislative changes, maintain/improve environmental performance, avoid additional hard containers for waste and choice of vehicles. The key drivers for change were the market, legislation and local factors including financial challenges for this Council and Surrey County Council, the need to replace the vehicle fleet and the aim to reduce waste. The current service, which utilised split bodied vehicles, consisted of fortnightly collections of comingled recycling and refuse and weekly collections of food waste. The Phase 1 proposal sought to continue the current service changing to single bodied vehicles plus a split bodied vehicle for food waste and nappy collection. The potential Phase 2 proposal would use single bodied vehicles collecting food waste and nappies weekly and three weekly collections of paper and card, comingled recycling and refuse. Advantages of the current service was service stability and disadvantages were that it did not respond to market changes, planned legislation and increased costs. Continuing the same service, simpler fleet vehicles and ability to adjust services to respond to changes in the market and legislation were advantages of the Phase 1 proposal and possible minor disruption to some residents was the disadvantage. The potential Phase 2 proposal's advantages were responding to changes in the market and planned legislation, increased recycling, savings on disposal costs, increased revenue opportunities and increased flexibility whilst major service change was the disadvantage. The next steps were to undertake a detailed financial analysis, plan implementation of a vehicle change in the service, report to the Executive to

5 JULY 2018

approve the release of vehicle funding, order vehicles and return to the Executive in June 2019 to consider whether and when to implement Phase 2.

In addition to the need to procure a new fleet of refuse collection vehicles, major factors affecting the service were the introduction of the Government's Deposit Return Scheme (DRS) in 2010/21 and market factors. The most significant market factor was China, which had previously received up to 70% of the world's waste paper, limiting the paper it accepted for recycling to high quality only which reduced the amount which could be disposed of via that route leading to a flooded and uncertain market. These factors could decrease demand, increase costs and reduce the amount of material collected at the kerbside for recycling by up to 30% as it was being disposed of via other routes. There was a high level of customer satisfaction with the service and the Council was currently ranked twelfth in the country for recycling levels.

The following points arose from related discussion and questions:

- There was some reluctance to see a return to the use of refuse sacks if Phase 2 was implemented as this was seen as a retrograde step which some residents may criticise. Use of sacks for comingled recycling was not favoured as broken glass could split sacks causing danger and untidiness. However, as the sacks would not contain food waste they should not attract vermin. The advantages of sacks, which were currently provided for flats, were that they could be collected more rapidly, were recyclable and reduced the need for more costly plastic containers. Also, some residents had limited space at their properties to accommodate numerous collection containers. However, there was a view that sacks were appropriate for nappy collections. Sacks would be provided by the Council and labelled to make their intended content clear. Residents may need to sign up to the weekly nappy collection.
- Collection services were varied to accommodate the residential situation. There was flexibility over bin size and residents could select the size which best met their needs, subject to a maximum. Although the use of large communal bins was effective for blocks of flats, in areas where they were used more extensively such as Brighton recycling rates tended to be much lower. A direct service to property was preferred. A separate container for paper and card was suggested as comingling of recyclables reduced their quality and therefore their value. It was a challenge for the Council to achieve the best container balance.
- Three weekly collections may be seen as unreasonable and confusing for residents who may forget which materials were being collected next due to the time lapse between collections. Effective communication with residents could alleviate confusion caused. Lessons could be learnt from other councils that had introduced three weekly collections. The Board received a list of 12 such councils, the majority of which were in Scotland and Wales, and one of which was considering moving to four weekly collections. There was stricter legislation in Scotland and Wales mandating kerbside sort and collection. Recycling targets were very high in these countries and local councils were penalised if they did not meet them. The Waste and Fleet Services Manager was intending to visit some councils operating this level of service to ascertain advantages and disadvantages.
- Although the overall number of staff and vehicles would be broadly the same following service changes, they would be configured differently.
- The Council's environmental performance had improved over the years and it sought to increase recycling rates. Councillor Nigel Kears requested that further information concerning how the Council would maintain and improve its environmental performance be sent to him.
- The new refuse collection vehicles, which would be suitable for providing the existing and future services, would be purchased in September 2019 at the earliest when there

5 JULY 2018

would be a clearer picture of market trends and legislation so services could be adapted to reflect them. A communications campaign would accompany the purchase.

- Garden waste collections would continue unchanged and as the associated vehicle fleet was younger there was no need for replacement in the near future. Although garden waste collections reduced the amount of waste being landfilled, they also reduced composting. Surrey County Council's composting campaign, which formed part of the wider Surrey Waste Partnership communications, had been successful with a high take up of composters.
- The review would not include a public consultation as there were no distinct choices for residents with the market and legislation dictating changes.
- Doubt was expressed over the impact of the DRS on reducing the amount of kerbside recycling by a predicted 30% as a similar scheme involving the return of glass bottles in the past had limited take up. However, the mandatory 5p charge per plastic bag had been very effective in encouraging reuse of shopping bags.
- Few refuse collection operatives received work related injuries.
- Education was key to encouraging the public to reduce waste and it was felt that every opportunity should be taken to promote this. The Surrey Waste Partnership had undertaken some work in this area which included schools. Reference was made to campaigns promoting reusable nappies. A Councillor offered to provide officers with details of a nappy library operated by volunteers in Guildford Library.
- Although Surrey County Council sent some waste to an energy from waste incinerator, all the recyclables collected in the Guildford Borough were recycled.
- The current profitable recycling streams were textiles at a value of £200 per tonne and paper at up to £40 per tonne. Unfortunately, few textiles were placed on the kerbside for collection. Approximately 8,000 tonnes of the Borough's mixed recycling was paper and card.
- The 2012 report in respect of the Recycling and Waste Collection Service was available on the Council's website.

In summary, the Chairman stated that, although the Board was in favour of Phase 1 of the review and endorsed it, there were some reservations around waste containers and three weekly collections associated with Phase 2. It was therefore agreed that the outcomes of the completed review would be reported to the Board in May 2019 for consideration prior to Executive approval being sought in June 2019. Members expressed a preference for the final decision regarding this high profile service to be made by full Council.

S6 PROCUREMENT OF NEW CEMETERIES

The Board received a presentation regarding the procurement of new cemeteries. The presentation queried whether the Council should provide new cemetery space, provided background to current service provision and obligations, outlined current Borough capacity, addressed delivery of a new cemetery and raised discussion points.

Following a service review in 2013/14, the Executive agreed to endorse the acquisition and establishment of new burial ground within the Borough in close proximity to the town centre to ensure accessible provision for different faiths, cultures and practices, while continuing to examine other options and the suitability of land.

In terms of current service provision and obligations, the provision of burial grounds was not a statutory duty for local authorities, the increasingly diverse society had a variety of requirements, and local authorities were legally required to dispose of the deceased in cases where there were no family or estate and to do this in accordance with their religious beliefs. The Council operated two open burial grounds in central Guildford, namely, Stoke and The Mount, and was responsible for eight closed churchyards.

5 JULY 2018

Current Borough capacity was 5 to 10 years and there was very limited capacity for catholic lawn graves, non-conformist with no marked provision for members of the travelling community or followers of the Muslim faith and there were sections of the community that the Council was not able to cater for. Capacity was available in local parish churchyards, Brookwood Cemetery, Clandon Wood Natural Burial Reserve, Nightingale Cemetery and Eashing Cemetery.

A site had been allocated for cemetery use in the draft Local Plan and delivery would cost in the region of £5-7 million. A business case had been developed utilising the estimated capital cost and assumptions for ongoing costs and income. To break even the site would need to undertake around 80 full new burials per annum, including the associated memorial income. At this rate the pay back period would be 170 years.

Questions for discussion included in the presentation were whether the Council should provide a cemetery or leave provision to the private sector; whether a Borough provision should be subsidised, break even or net income generating; and where these decisions sat when judged against other priorities for the Service such as the delivery of the crematorium.

The following discussion points arose:

- Although there were estimates relating to the costs associated with a subsidised, break even or income generating service, there were many variables. The existing service was subsidised by the Council.
- The delivery cost of £5-7 million covered land acquisition, Environment Agency ground water measures and the development of the site
- The number of funerals arranged and financed by the Council under Section 46 of the Public Health (Control of Diseases) Act 1984 was increasing and work was being undertaken with Environmental Health to plan for this.
- There was minimal private sector interest in delivering cemeteries as crematoria were more economically viable than cemeteries.
- The only remaining places at The Mount Cemetery were reserved.
- Home burials were permitted with the permission of the land owner if they were not deemed to be a public nuisance.
- The parish churchyards were operated under ecclesiastical law and the majority were Church of England serving parishioners.
- The cost of burials at Brookwood Cemetery and Clandon Wood Natural Burial Reserve were significantly higher than Stoke Cemetery.
- The cemeteries were well looked after and people enjoyed visiting them.
- In response to the three discussion questions contained in the presentation, the Board indicated its support for the Council providing a new cemetery, as agreed following the service review in 2014, on a break even financial basis. In terms of spending priority, it was suggested that the new cemetery should be planned for over the next three years, and delivered after this date and that a site be identified in the meantime.

S7 PROGRESS WITH ITEMS PREVIOUSLY CONSIDERED BY THE EAB

The progress report required updating following changes to the Lead Councillors and their responsibilities. It was noted that the Smart Cities item would feed into various workstreams and now formed part of the Innovation Strategy. Progress updates were sought in respect of the Leisure Strategy and Arts Development Strategy. It was felt that Business Rates was an important issue for some small traders and the Discretionary Rates Review scheme should be reviewed at an early opportunity. It was currently scheduled for review in 2019.

S8 EAB WORK PROGRAMME

COMMUNITY EXECUTIVE ADVISORY BOARD

5 JULY 2018

The Chairman advised of some changes that had been made to the Board's Work Programme, namely, the two health related items scheduled for the September meeting had been combined and the Social Care Green Paper item had been deferred as it had not yet been issued. The point of the future operation of public conveniences item listed for the October meeting was to consider whether the Council should continue to provide this service.

The meeting finished at 9.23 pm

Signed

Date

Chairman