



DEMOCRATIC AND ELECTORAL SERVICES

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Date:	4 September 2013	Direct Line:	01895 837225/837227

Dear Councillor

RESOURCES POLICY ADVISORY GROUP

The next meeting of the Resources Policy Advisory Group will be held as follows:

DATE: THURSDAY, 12TH SEPTEMBER, 2013
TIME: 6.00 PM
VENUE: ROOM 6, CAPSWOOD, OXFORD ROAD, DENHAM

Please note that this meeting is not open to the public

Yours faithfully

Jim Burness

Director of Resources

To: The Resources Policy Advisory Group

Mr D Smith
Mr Anthony
Mr Chhokar
Mr Hardy
Mr Harding
Mr Hollis
Mr Jones
Mr Kelly

Declarations of Interest

Any Member attending the meeting is reminded of the requirement to declare if he/she has a personal interest in any item of business, as defined in the Code of Conduct. If that interest is a prejudicial interest as defined in the Code the Member should also withdraw from the meeting.

A G E N D A

(Pages)

1. **Apologies for Absence**
2. **Minutes**
To receive the minutes of a meeting of the Policy Advisory Group held on 13 June 2013. (1 - 4)
A. REPORTS LIKELY TO LEAD TO PORTFOLIO HOLDER DECISION / RECOMMENDATION
3. **Payroll Contract Extension**
To consider report of the Director of Resources. (5 - 6)
4. **Update on Car Parking Capacity Survey and Proposed Procurement of Design Services**
To consider report of the Director of Services. (7 - 10)
5. **Additional Interview Room**
To consider report of the Director of Services. (11 - 14)
Appendix A (15 - 16)
Appendix B (17 - 18)
Appendix C (19 - 20)
B. REPORTS FOR INFORMATION / DISCUSSION
6. **Investment Performance - Quarter Ending 30 June 2013**
To consider report of the Director of Resources. (21 - 26)
Appendix (27 - 36)
7. **Future Waste and Recycling Services Report**
To note the report that was previously circulated to Members of the PAG, via email, for comments. (37 - 42)
Appendix (43 - 52)
8. **Any other business**
To consider any other business the Chairman decides is urgent.
9. **Exempt Information**
To note the following items contain exempt information, which is not for Publication to the press or public

10. **Minutes**
- (Schedule 12A part 1 para (3) - because of information relating to the financial or business affairs of any particular person) (53 - 54)
- To receive the Part II minutes of the Resources Policy Advisory Group held on 13 June 2013
- A. REPORTS LIKELY TO LEAD TO PORTFOLIO HOLDER DECISION / RECOMMENDATION*
11. **Land by East Lodge, Manor House, Stoke Poges**
- To consider report of the Director of Services. (55 - 56)
- Appendix* (57 - 58)
12. **Grazing land at Stoke Poges**
- To consider report of the Director of Services. (59 - 60)
- Appendix A* (61 - 62)
Appendix B (63 - 80)
13. **Stoke Park**
- To consider report of the Director of Services. (81 - 84)
- Appendix A* (85 - 88)
Appendix B (89 - 94)
Appendix C (95 - 96)
14. **Bath Road Depot**
- To consider report of the Director of Services. (97 - 102)
- Appendix A* (103 - 104)
Appendix B (105 - 112)
15. **Wexham Street Stores**
- To consider report of the Director of Services. (113 - 114)
- Appendix A* (115 - 116)
Appendix B (117 - 124)
- B. REPORTS FOR INFORMATION / DISCUSSION*
16. **Future Waste and Recycling Services Report**
- To note the Part II report that was previously circulated to Members of the PAG, via email, for comments. (125 - 128)

The next meeting of the PAG is due to take place on Thursday, 12 December 2013

RESOURCES POLICY ADVISORY GROUP

Meeting - 13 June 2013

Present:

Mr D Smith, Mr Anthony, Mr Chhokar, Mr Harding and Mr Kelly

Also Present:

Mr Bagge

1. MINUTES

The minutes of the following meetings of the Policy Advisory Group were received:

- 21 January 2013
- 21 March 2013

2. REGULATION OF INVESTIGATORY POWERS ACT 2000

The PAG considered a report explaining that as a result of statutory changes it was necessary to adopt a new Corporate Policy and Procedure Note on the Regulation of Investigatory Powers Act (RIPA) 2000 as set out in an Appendix.

Provisions introduced by the Protection of Freedoms Act 2012 and amendments to the RIPA statutory instruments have made 2 significant changes to how local authorities use RIPA:-

- All authorisations and notices under RIPA for the use of covert techniques must now be approved by a Justice of the Peace before they can take effect. There is still, however, a requirement for authorisation to be granted internally first. The role of the JP is to ensure that the Council has followed correct procedures and taken appropriate factors into account;
- The use of directed surveillance (e.g. covert CCTV, taking up observation posts, following people etc) is confined to cases where the offence under investigation carries a custodial sentence of 6 months or more and a limited number of other offences relating to underage sale of alcohol and tobacco.

The report went on to explain how the new Corporate Policy and Procedure Note reflected and incorporated these changes.

Having considered the comments of the PAG, which indicated its support for the new Policy, the Portfolio Holder has **AGREED** to **RECOMMEND** to Cabinet and the Council

1. That the revised RIPA policy and procedures note attached at Appendix 1 of the report be approved.
2. That the Head of Legal and Democratic Services be designated as the Senior Responsible Officer for the purposes of RIPA.
3. That the Head of Legal and Democratic Services be authorised to keep the RIPA procedures up to date and to amend relevant provisions as necessary after consultation with the Cabinet Member for Resources.

3. JOINT PLANT MAINTENANCE CONTRACT

Both South Bucks District Council and Chiltern District Council have similar facilities management requirements and the PAG considered a report explaining that SBDC had started the procurement process for a plant maintenance contract. The report also contained a proposal for the procurement process to be carried out jointly with CDC.

Having considered the advantages as set out in the report, the PAG indicated its support following which the Portfolio Holder **AGREED** to **RECOMMEND** to Cabinet that subject to subject to the agreement of Chiltern District Council a joint procurement exercise be carried out for plant maintenance contract with South Bucks District Council being the lead authority.

4. COUNCIL TAX SUPPORT FROM 1 APRIL 2014

The PAG considered a report reviewing the operation of the Council Tax Support Scheme since it was introduced in April 2013.

The PAG noted that whilst it is very early within the financial year to reach a definitive conclusion early signs appear to suggest that there was a general acceptance of the need to contribute to Council Tax. The PAG endorsed the view expressed in the report that a clearer picture would emerge by Spring 2014 when the scheme had been in operation for a year.

The report, after setting a proposal for the Scheme to remain unchanged for 2014/15, explained the process and timetable that would need to be followed to revise the Scheme for 2015/16.

Having considered the advice of the PAG, which supported the proposal, the Portfolio Holder has **AGREED** to **RECOMMEND** to the Cabinet that the Council Tax Support Scheme for 2014/15 remain unchanged and that the matter be the subject of a further report in Spring 2014 so that a decision can be made in respect of the Scheme for 2015/16.

5. COUNCIL TAX DISCOUNT CHANGES FROM 1 APRIL 2014

The decision made by the Cabinet on 5 February 2013 for levels of discounts awarded in respect of empty properties and second homes for 2013/14 to mirror the previous levels of exemption had been an interim measure pending a further report setting out in options for 2014/15.

The PAG now received this further report which in paragraph 6.3 set out a number of options together with their financial benefits. The report also set out in paragraph 8 the charges made by other Bucks authorities.

After considering the options the PAG indicated its support for the proposals following which the Portfolio Holder **AGREED** to **RECOMMEND** to Cabinet

1. That the Class C discount period be reduced to 3 months with a minimum occupation period of 6 weeks between discounts
2. That the discount for Class D discounts be removed (0%)
3. That the second home discount of 10% be removed.
4. That a premium of 50% be applied to properties empty for over 2 years.

6. TREASURY MANAGEMENT ANNUAL REPORT 2012/2013

The Council's Treasury Management function is a key element to the Financial Strategy which in turns feeds into the use of Resources, one of the Council's Management Principles, and the PAG considered a report setting out the Treasury Management performance of the Council for 2012/13.

The report, after providing a reminder of the new matrix for in house investments as approved by members as part of the Treasury Management Strategy 2013/14, set out:

- A summary of movements in the year
- A summary of the Council's holdings of callable and fixed deposits as at 31 March 2013
- Investments in the first quarter of 2013/14
- The current market value of the Stoke Poges Memorial Gardens Fund.

The report also provided a more detailed assessment of the economic background from Sector together with their summary outlook.

During the discussion the PAG was pleased to note that despite the low rates of interest the target for generating investment income in 2012/13 had been overachieved by £42k.

In connection with Appendix C which showed a number of corporate bonds that would meet the Council's counterparty criteria the PAG felt that it would be prudent to avoid investing in corporate bonds issued by financial institutions and to explore further the potential for investing in corporate bonds issued by utilities.

RESOLVED that the report be noted.

7. DROPMORE ROAD DEPOT UPDATE

The PAG received a report providing an update on the project to redevelop the Council's Depot on Dropmore Road following the granting of planning permission on 26 March 2013, subject to conditions as set out in paragraph 4. The report provided details of the procurement process and a separate report in Part II of the agenda provided details of tender submitted by the preferred bidder Borrás Construction Ltd to carry out the redevelopment work.

RESOLVED that the report be noted.

8. 2011 CENSUS - SOUTH BUCKS SUMMARY

The PAG received a report which provided an overview of the 2011 census results for South Bucks.

The PAG noted that the first phase of Census data for local areas was released between November 2012 and February 2013 and that more detailed information was due to be released in stages in 2013. Members were made aware of the headline results from the 2011 Census as set out in the report and were advised that more detailed Census information could be found in Appendix A of the report and on the Council's KnowledgeSource system.

RESOLVED that the report be noted.

9. EXEMPT INFORMATION

Members noted that the following items contained exempt information which was not available to the press and public:

**Part II minutes of the meeting of the PAG held on 21 March 2013
(Schedule 12A part 1 para 3 - because of information relating the financial or business affairs of any particular individual person)**

The PAG noted the minutes.

**Land at the Rear of Toilets at Windsor End
(Schedule 12A part 1 para 3 - because of information relating the financial or business affairs of any particular individual person)**

The Portfolio Holder agreed to recommend to Cabinet that the licensing arrangement should continue.

**Bath Road Depot
(Schedule 12A part 1 para 3 - because of information relating the financial or business affairs of any particular individual person)**

Consideration of the report deferred pending the outcome of the planning application.

**Stoke Place Farm
(Schedule 12A part 1 para 3 - because of information relating the financial or business affairs of any particular individual person)**

The Portfolio Holder agreed to recommend to the Cabinet that negotiations should continue with the tenant.

Land by East Lodge, Manor House, Stoke Poges

(Schedule 12A part 1 para 3 - because of information relating the financial or business affairs of any particular individual person)

The Portfolio Holder agreed to recommend to the Cabinet that negotiations should continue.

The Future of the South Bucks District Council Websites

(Schedule 12A part 1 para 3 - because of information relating the financial or business affairs of any particular individual person)

The Portfolio Holder agreed to recommend to Cabinet that the quotation form GOSS be accepted.

Dropmore Road Depot, Update

(Schedule 12A part 1 para 3 - because of information relating the financial or business affairs of any particular individual person)

The PAG noted the sum tendered by the preferred bidder Borrás Construction Ltd.

The meeting terminated at 7.55 pm

SUBJECT:	Payroll Contract Extension	
REPORT OF:	Officer Management Team - Prepared by -	Director of Resources Head of Finance

1. Purpose of Report

- 1.1. To seek approval to extend the current payroll contract to 31st March 2015.

2. Links to Council Policies & Plans

- 2.1. The provision of cost effective payroll services, links with the key driver of 'Value for Money and a lean organisation'.

3. Background

- 3.1. Aylesbury Vale District Council (AVDC) has been running

- The CDC payroll contract since Oct 2003.
- The SBDC payroll contract since June 2004.

The current contracts are both due to end on 31st March 2014.

4. Proposal / Discussion

- 4.1. AVDC runs the payroll for Aylesbury Vale, Chiltern, South Bucks and Wycombe.

- 4.2. The current contracts are running successfully. Payslips are received punctually, pay is accurate and statutory year end procedures are carried out within statutory timescales. Staff are aware that processing is located in Aylesbury and adhere to the deadlines to ensure claims are received in time. AVDC have also recently upgraded the payroll system to iTrent to comply with the need to send Real Time Information (RTI) to Revenue & Customs.

- 4.3. To extend these contracts would have no effect on staff and continuity of present procedures.

- 4.4. AVDC have indicated that they are willing to extend the existing contracts, subject to the standard CPI increase.

- 4.5. The authorities will need to retender the payroll contracts at some stage. However it would not be appropriate to do this at the moment as:

- The CDC and SBDC finance teams are about to embark on their shared service review. The outcome of which may affect the type of payroll service we wish to commission. In particular consideration needs to be given to whether or not to introduce employee self-service and / or an integrated HR/Payroll system.
- The Councils' are still reviewing staff terms and conditions. Potential payroll providers may therefore view this as a risk (as they cannot be certain how many staff will need adjustments to be made to their pay) and thus include a risk premium in their price.
- Pension auto enrolment is being introduced in early 2014 and there are changes to the Local Government Pension Scheme from 1 April 2014. We do not yet know exactly the full implications of these change on our operational requirements.

- 4.6. CDC have provisionally agreed to extend their contract to 31st March 2015.
- 4.7. The extension of the SBDC contract can be undertaken without tenders being invited or quotations obtained as it is covered by an exemption in the Contracts Procedure Rules

Para 14(2)

“The work to be executed or the services or goods or materials to be supplied constitute an extension of an existing contract such an extension to be approved by both the Committee responsible (if appropriate) and the Cabinet”.

5. Resources, Risk and Other Implications

- 5.1. To extend the contracts there would be little resource implication other than the time of legal services to prepare the contract extensions.
- 5.2. Provided the total contract value remains under the EU threshold (£173,934) it does not have to be subject to a full EU public procurement, and can be agreed under the Councils’ Contracts Procedure Rules.

6. Recommendation

- 6.1. The Portfolio Holder is asked to recommend to Cabinet the extension of the current SBDC payroll contract to 31st March 2015.

Officer Contact:	Rodney Fincham Tel: 01494 732260 (CDC) rfincham@chiltern.gov.uk Tel: 01895 837268 (SBDC) rodney.fincham@southbucks.gov.uk
Background Papers:	None

SUBJECT:	Update on Car Parking Capacity Survey and Proposed Procurement of Design Services
REPORT OF:	Officer Management Team - Director of Services Prepared by - Head of Environment

1. Purpose of Report

To update members on the survey of car parking capacity agreed for Beaconsfield and Gerrards Cross and consider the procurement of any consequential design services

2. Links to Council Policy Objectives

- 2.1 To contribute to the Council's medium term aim of planning for a thriving and sustainable South Bucks, with vibrant towns and villages.
- 2.2 This matter also contributes to the Council's aim to deliver value for money services that are driven by customer and community needs.

3. Background

- 3.1 There is a need for the Council, as both landowner and planning authority, to understand the current and future car parking capacity requirements within the District, and to consider possible actions to address any potential shortfall in capacity.
- 3.2 Following the meeting of the Environment Policy Advisory Group on 12th June 2013, having considered the advice of the PAG, the Portfolio Holder agreed to recommend to Cabinet that approval be given to conduct a parking survey of Beaconsfield and Gerrards Cross at an estimated cost of £25,000. This request was approved by Cabinet on 16th July 2013. Officers believe that some funding for the survey may be available from the LEP.
- 3.3 The survey is restricted to Beaconsfield New Town and Gerrards Cross as these are the areas where there is by far the greatest demand for car parking at present and the areas where demand is likely to increase in the future. Separate proposals are currently being developed for Beaconsfield Old Town.

4. Proposal/Discussion

- 4.1 Several companies have been asked to provide quotes for carrying out the survey and reporting the findings to the Council. It is likely that a contract for the work will be agreed in early September and the survey will then be carried out in October.
- 4.2 In the meantime Chiltern District Council has agreed to procure a contractor to assist with designing additional capacity for car parks in its area and your officers will arrange for SBDC to be named as a party who may wish to call off design services if necessary.
- 4.3 To ensure that a scheme to address any shortfall in car park capacity identified by the survey in Beaconsfield or Gerrards Cross can be progressed expeditiously, officers are requesting an estimated £25,000 from general reserves to appoint architects to undertake feasibility and design services for construction of an additional deck or decks on one or more of the Council's existing car parks and seek the planners' views. This expenditure would only be committed with the agreement of the Portfolio Holders once the survey results have been considered. Further reports would be brought to a future meeting on the potential costs of any schemes and the financial implications.

5. Resources, Risks and other implications

- 5.1 The expenditure may be charged to capital if a new deck is actually built otherwise it will have to come from revenue balances.
- 5.2 If the design work is not carried out soon after the survey report is received, the Council will be at risk of failing to meet the anticipated demand for car parking space.

6. Recommendation

- 6.1 The Environment and Resources PAGs be asked to note the contents of this report.
- 6.2 The Portfolio Holder for Resources is asked to recommend to Cabinet that £25,000 be allocated from general reserves for feasibility/design services to address any shortfall in car parking identified by the survey.
- 6.3 The Portfolio Holder for Environment is asked to recommend to Cabinet that the Director of Services be authorised to procure such

feasibility and design services in consultation with the Portfolio Holder.

Portfolio Holders:	Councillor N Naylor Councillor D Smith
Officer Contact:	Chris Marchant 01895 837360 Chris.marchant@southbucks.gov.uk Andrew Crow 01895 837259 andrew.crow@southbucks.gov.uk
Background Papers:	none

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SUBJECT:	Additional Interview Room
REPORT OF:	Officer Management Team - Director of Services Prepared by - Head of Environment

1. Purpose of Report

To consider whether one or more additional interview rooms should be constructed at Capswood.

2. Links to Council Policy Objectives

2.1 This matter contributes to the Council's aim to deliver value for money services that are driven by customer and community needs.

3. Background

3.1 There are currently two interview rooms in the reception area of Capswood2. These are used mainly by the Revenues & Benefits and Housing sections.

3.2 The number of interviews held by Revenues & Benefits has increased significantly. This is believed to be as a result of changes in the rules for housing benefit for those in housing association accommodation. It is proving very difficult to find time for all of the interviews using the two rooms currently available.

4. Proposal/Discussion

4.1 A preliminary investigation by officers confirmed that any additional interview room will need to be close to Reception. This will avoid having visitors entering the general office areas and will make it easier for the interviewer to seek assistance should the interview become difficult.

4.2 Professional advice was sought from an office design company and its recommendations form the basis of this report. Any new interview room will have to allow for comfortable wheelchair access and will also have to include two doors for safety reasons.

4.3 The designer's own preferred option is shown as Option A. This option will use part of the space currently occupied by the Revenues & Benefits

section. The advantage of this option is that it will be relatively cheap to construct and it will not diminish the space available in the Reception area. The disadvantage is that we will have to re-locate the Community Impact for Bucks team in order to keep the Revenues and Benefits section together in one area. The scope of works for this has a budget figure of £9,000 and a further £1,000 should be allowed for relocation expenses.

- 4.4 The second suggestion has been worked up as Option B which is attached. This option utilises the space at the end of the reception desk. The designer's budget estimate £15,000 and the scope of works is also attached. The advantage of this option is that no office space is used, however it will entail a considerable loss of space in reception.
- 4.5 Members may also wish to consider a third option which is to extend option A by having two interview rooms in the Revenues & Benefits area at an estimated cost of £20,000.
- 4.6 To accommodate Option A, Community Impact would have to be seated elsewhere at Capswood although in practice there are usually only two or three people at any one time. CAB have asked for additional space at Capswood which may clash with the need for an additional interview room.

5. Resources, Risks and other implications

- 5.1 The financial figures given are estimates and the actual cost may be greater.
- 5.2 Any proposed funding must come from revenue reserves.
- 5.3 The need for an additional room is based on the assumption that there will be a long term increase in the number of interviews needed rather than a short term spike.
- 5.4 There will be loss of space. Option A will require a new area for Community Impact, and officers are investigating this. Option B will significantly reduce the space available to reception staff.

6. Recommendation

- 6.1 Members of the Resources PAG are asked to recommend whether one or more additional interview rooms should be created at Capswood.
- 6.2 Members are also asked to recommend to Cabinet that up to £20,000 should be allocated from revenue reserves for the work.


6.3 This matter requires Cabinet approval.

Portfolio Holder:	Councillor D Smith
Officer Contact:	Chris Marchant 01895 837360 Chris.marchant@southbucks.gov.uk Andrew Crow 01895 837259 andrew.crow@southbucks.gov.uk
Background Papers:	None

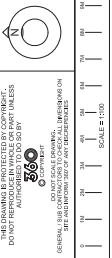
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SOUTH BUCKS DISTRICT COUNCIL

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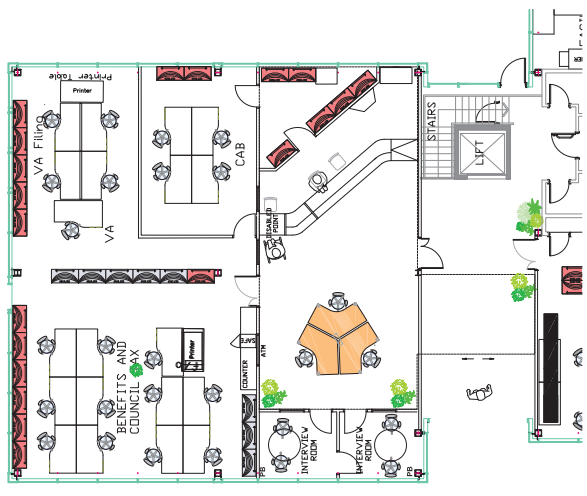


360 CONSULTANTS
100, THE BUCKINGHAM PALACE ROAD, UXTON, BUCKS MK16 9JL



SCALE 1:1000

EXISTING PLAN



OPTION A



OPTION A - PLAN

PROS

- OVERSIZED INTERVIEW ROOM ALLOWS EASE OF USE FOR WHEELCHAIR USERS AND FAMILIES.
- SECONDARY DOOR PROVIDES ADDITIONAL SECURITY.
- GLASS PARTITIONING PROVIDES ADDITIONAL SECURITY.

CONS

- 5 DESKS OMITTED. VA FILING TEAM RE-LOCATED ELSEWHERE IN BUILDING.
- LAYOUT BENCH & PRINTING AREA REQUIRE RE-CONFIGURATION.
- WORKS / MODIFICATIONS OVERVIEW:
 - MINOR WORKS TO FLOORING.
 - MINOR WORKS TO CEILING.
 - CUT BACK EXISTING WALL TO ACCEPT NEW DOOR.
 - NB: EXCLUDES ANY NECESSARY MODIFICATIONS TO LIGHTING + M&E SERVICES.

FOR INFORMATION

Client: SOUTH BUCKS DISTRICT COUNCIL

Project Address: CAPSWOOD OXFORD ROAD DENHAM BUCKS UB9 4LH


Contract Title: GROUND FLOOR GENERAL ARRANGEMENT OPTION A

Appendix A

Rev	Description	ISSUED	DATE/13
1			03/07/13

Designer / Client: SP/GDD
Scale: 1:100@A1
Project Number: 13-0215
Floor: 1
Drawn: GA-OPA
Rev: 1

360 Design Studios
22 Newham Street
London W1T 1PH
Tel: 020 7251 5400
www.360.co.uk



GROUND FLOOR - OPTION A

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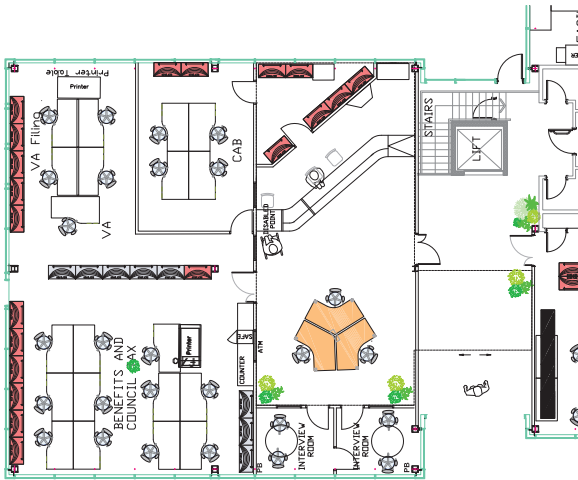
SOUTH BUCKS DISTRICT COUNCIL

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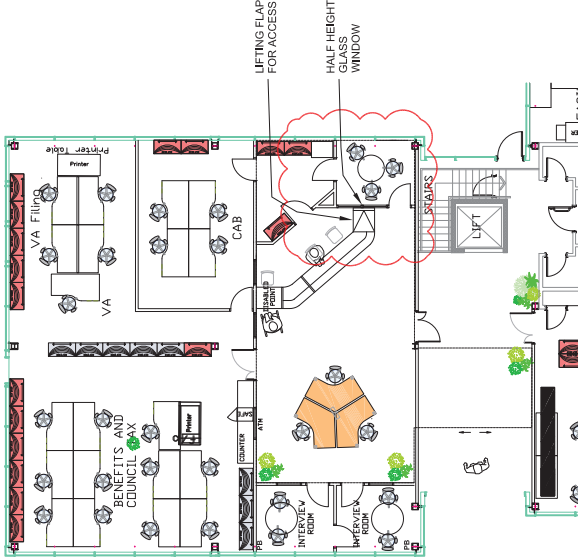
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Scale: 1:1000

EXISTING PLAN



OPTION B



OPTION B - PLAN

PROS

- NO CHANGES TO CURRENT DESKING LAYOUT.

CONS

- EXTENSIVE MODIFICATIONS & ADDITIONS REQUIRED.
- SECURITY COMPROMISED IN INTERVIEW ROOM DUE TO MORE ISOLATED LOCATION & NOT OVERLOOKED BY BENEFITS & C.TAX TEAMS.
- SECONDARY EXIT DOOR COMPROMISES USE & SIZE OF RECEPTION STORE ROOM
- REDUCED SIZE OF RECEPTION DESK.

WORKS / MODIFICATIONS OVERVIEW

- MODIFY / REPLACE RECEPTION DESK.
- MODIFY RECEPTION STORE ROOM INCLUDING CLEAR STOREY-HEIGHT GLASS PANELS.
- MODIFY OF REPLACE RAFT CEILING OVER RECEPTION DESK.
- NB: EXCLUDES ANY NECESSARY MODIFICATIONS TO LIGHTING + M&E SERVICES.

FOR INFORMATION

Client: SOUTH BUCKS DISTRICT COUNCIL

Project Address: CAPSWOOD OXFORD ROAD DENHAM BUCKS UB9 4LH

Contract Title: GROUND FLOOR GENERAL ARRANGEMENT OPTION B

Appendix B

Drawn / Code	Scale	Date
SP/GDD	1:100@A1	03/07/13

Project Number	Block	Floor	Sheet
13-0215	1	0	GA-0PB

Rev	Description
1	

GROUND FLOOR - OPTION B

360 Design Solutions
22 Newman Street
London W1T 1PH
Tel: 020 7251 1800
www.360design.co.uk

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Appendix C

Additional Interview RoomCostings

Option A - To construct new meeting room within open plan desk area - allowing for wheel chair access.

General scope of works:

Partitions works - single plasterboard skin on each side.

Glazing to partitions -single glazing only - typically 6mmm toughened glass within frame.

Manifestation to glazing

Doors/architraves/skirtings - powder coated (Komfort or similar) or painted.

Power and Data - assume sufficient available - some relocation of outlets may be necessary.

Freestanding desk

Decorations - painted.

No ceiling works.

Modification to ventilation system as necessary.

Modifications to lighting/switching/fire alarm as necessary.

Floor finish to remain.

Budget cost circa £9,000,00. Ex vat.

(plus £1,000 for relocation of Voluntary Action team)

Option B - to construct new meeting room adjacent to the existing reception desk

General scope of works:

Part demolish existing partition to store room.

Partitions works - single plasterboard skin on each side.

Glazing to partitions -single glazing only - typically 6mmm toughened glass within frame.

Manifestation to glazing

Doors/architraves/skirtings - powder coated (Komfort or similar) or painted.

Power and Data - assume sufficient available - some relocation of outlets may be necessary.

Freestanding desk

Decorations - painted.

Modification to ceiling - option to extend M/F.

Modification to ventilation system as necessary.

Modifications to lighting/switching/fire alarm as necessary.

AppendixC

New carpet to meeting room.

Budget cost circa £15,000.00. Ex vat.

SUBJECT:	Investment Performance Quarter Ending 30th June 2013
REPORT OF:	Officer Management Team - Director of Resources Prepared by - Principal Accountant

1. Purpose of Report

- 1.1 To inform Members of the investment returns for the quarter ending 30th June 2013.

2. Links to Council Policies & Plans

- 2.1 The Council's Treasury Management function is a key element to the Financial Strategy, which in turn feeds into the prudent use of Resources, one of the Council's Management Principles.

3. Background

- 3.1 The Council's Treasury Management Strategy 2013/14 set an estimated return on investment income for the year of £775,000 which was to be generated from a combination of Fixed and short term cash deposits, returns on the Stoke Poges Memorial Gardens Fund and from the possible investment of some of the Council's investment portfolio into corporate bonds.
- 3.2 In addition Sector Treasury Services Ltd is engaged by the Council as its Treasury Management consultants providing advice on investment, performance and regulations where necessary.
- 3.3 The Council has adopted the CIPFA code of practice on Treasury Management, which includes the creation of a Treasury Management Policy Statement setting out the policies and objectives of the Council's treasury management activities.
- 3.4 The code recommends that reports on investment performance are made on a quarterly basis including a Mid-year Review Report. This report represents the first of these reports for 2013/14.

4. Investment Performance - Quarter to 30 June 2013.

- 4.1 **In House Investments** - Officers invest cash flow surpluses with approved counter parties. Decisions on investing in callable and fixed deposits are taken by Officers in the light of advice from the Council's treasury consultants and brokers acting in the local authority money market, combined with general intelligence available from money market briefings made available to the authority. Members approved a new matrix for in house investments as part of the Treasury Management Strategy 2013/14 as follows.

	Duration	Maximum Amount	Fitch Rating	Comment
UK Institutions	Up to 5 years	£5m	A- or better	
	Up to 3 years	£5m	BBB+ or better	
Non UK Institution	Up to 3 years	£2m	A- or better	Sovereignty rating AA or better
Corporate Bonds/Bond Funds	Up to 5 years	£5m	A- or better	

4.2 A summary of the Council’s holdings of fixed deposits with a maturity of over one year at 30th June 2013 is shown below:

UK Institutions	Fitch Credit Rating	Principal £	Interest Rate	Invested	Matures	Notes
Royal Bank of Scotland	A					
Fixed Deposit		5,000,000	4.25%	08/02/12	08/02/17	(1)
Fixed Deposit		2,000,000	3 Month Libor	02/06/11	02/06/14	(2)
Total RBS		7,000,000				
Cater Allen	A					
Fixed Deposit		1,000,000	3.50%	21/07/10	21/07/13	
Fixed Deposit		2,000,000	3.20%	30/09/10	30/09/13	
Total CA		3,000,000				
Lloyds Bank	A					
Fixed Deposit		1,000,000	3 Month Libor, Floor 2.85%, Cap 5.85%	11/05/10	12/05/15	
Fixed Deposit		1,000,000	3 Month Libor, Floor 3.07%, Cap 5.00%	19/05/10	19/05/15	
Total Lloyds Group		2,000,000				
Barclays	A					
Fixed Deposit		1,000,000	3 Month Libor, Floor 3.05%, Cap 5.00%	24/05/10	26/05/15	
Total Barclays		1,000,000				
Close Brothers	A					
Fixed Deposit		1,000,000	2.80%	04/10/12	04/10/13	
Fixed Deposit		1,000,000	2.70%	22/02/13	22/08/14	
Fixed Deposit		1,000,000	1.50%	12/04/13	13/10/14	
Total Close Brothers		3,000,000				
Total Deposits		16,000,000				

(1) RBS have the option to switch to 3 month LIBOR¹ in years 3,4 & 5.

(2) RBS have exercised their option to switch to 3 month LIBOR in year 2.

¹ LIBOR - London Inter Bank Offered Rate

In addition the Council held the following investments of short term cash with duration of under one year at the end of the quarter:

	Fitch	Amount £	Interest Rate	Notes
Nat West Bank	A	5,628,000	Base Rate	Instant Access
Nat West Bank	A	3,000,000	0.80%	95 Day Notice Account
Bank of Scotland	A	3,000,000	3%	16/7/12 to 4/7/13
Bank of Scotland	A	1,000,000	0.75%	95 Day Notice Account
Total		12,628,000		

Since the end of the quarter the Cater Allen fixed deposit for £1 million at 3.50% matured on 21/7/13 and the fixed deposit with the Bank of Scotland for £3 million at 3% matured on 4/7/13.

This £4 million has been reinvested as follows:

£1 million into Nat West 95 Day Notice account

£1 million into Bank of Scotland 95 Day Notice account

£1 million fixed deposit with Close Brothers at 1.20% maturing on 5th September 2014

£1 million held in short term Nat West overnight account.

The bulk of these maturities have been invested short term in order to fund future possible investments in corporate bonds the progress of which is discussed later in this report.

5. Treasury Management Strategy Update

- 5.1 The new Governor of the Bank of England, Mark Carney, attended his first MPC meeting in July 2013. The tradition had been that decisions to leave official interest rates unchanged were not accompanied by any analysis on the economic outlook, with markets instead expected to wait until the MPC minutes were published two weeks after the meeting. At the July 2013 meeting the MPC issued a statement noting that while, “the incoming data over the past couple of months had been broadly consistent with the central outlook for output growth and inflation contained in the May report the significant upward movement in market interest rates would, however, weigh on that outlook; would in the Committee’s view, the implied rise in the expected future path of Bank Rate was not warranted by the recent developments in the domestic economy”. In August it was indicated that there would be no increase in the bank rate until the unemployment indicator was less than 7% of the total workforce.
- 5.2 This forward indication that there would be no foreseeable increase in interest rates combined with the all ready low interest rate environment for investments mainly as a result of the funding for lending scheme continues to make it difficult to reinvest investments that mature to achieve the return that the Council has budgeted for. We have also received notice from Nat West Bank that they will be reducing further the interest rates payable on the Council’s overnight short term deposits account on 14/9/13 from bank rate to 20 basis points under bank rate (0.50% to 0.30%) and on the 95 day notice account on 22/10/13 from 0.80% to 0.60%.

Officers will continue to seek the best possible returns for cash set against the need for security set out in the Council’s approved credit ratings matrix including alternatives from Nat West for the investment of short term cash.

5.3 Corporate Bonds Update

As part of the Treasury Management Strategy 2013/14 Officers were asked to investigate the diversification of up to £5 million of the investment portfolio into corporate bonds. After considering Officers findings Members agreed that investing in individual corporate bonds did have advantages and should proceed when market conditions were appropriate.

At the last meeting of this Pag a list of corporate bonds that met the Council’s counterparty criteria was considered and Members expressed an interest in exploring further the potential for investing in corporate bonds issued by utilities with a final decision to invest delegated to me in consultation with the Portfolio Holder.

Officers have investigated current available UK corporate bonds in the utilities sector. Utilities have proved to be a very popular sector with few available bonds and those that become available are sold very quickly. As this is the case following discussion with the Portfolio Holder it was agreed to extend the search to include telecommunications and pharmaceuticals.

There have been a few bonds under the extended search that meet the Council’s investment criteria however nothing with an effective interest rate calculation (the interest rate that the Council would receive taking into account the purchase price of the bond) that has been particularly appealing. The search for the correct bonds for the Council to purchase therefore continues. A brief summary of the bonds that have become available to date is listed below:

	Matures	Coupon	Net Yield	Effective Int Rate
Centrica	2016	5.50%	1.52%	1.28%
AT&T	2017	5.875%	1.80%	1.397%
Vodafone	2017	5.375%	1.96%	1.631%
BG Group	2017	5.125%	1.57%	1.03%

5.4 Sector Contract

South Bucks District Council and Chiltern District Council both had contracts which had a co terminus end date of 30th June 2013. As a result I have reviewed the services provided to both Councils and agreed a new joint contract for both authorities for a basic service, covering credit ratings and investment advice with any additional requirements purchased separately on an as and when basis, which has been agreed with both Councils Portfolio Holders. The new contract has resulted in a total saving of £7,500 per annum which will be distributed to both authorities appropriately.

6. Investment Policy and Procedures

- 6.1 As detailed in 3.3 above the Council has adopted the CIPFA Code of Practice on Treasury Management.
- 6.2 The Code recommends the creation & maintenance of Treasury Management Policy & Procedures.

- 6.3 It is not normally expected that the procedures will need to be revised very often and any changes have therefore been delegated down to me as Chief Finance Officer. A copy of the document is brought to Members attention on an annual basis and a copy has therefore been attached at Appendix A for Members information.

7. Economic and Interest Rate Commentary

- 7.1 Following the change to the joint Sector contract and the reduction in the service provided to the Council the economic and interest rate commentary previously provided by Sector is no longer available to the Council.

8. Resources, Risk & Other Implications

8.1 The investment budget set for the year is £775,000 .The current estimate is that there will be a shortfall in the year of £25,000 which has been declared in budget monitoring. However the budget for 2013/14 had an assumption built in that the Council would be able to achieve returns at the same level when reinvesting maturing investments which has not happened currently and the shortfall figure may grow during the year if this continues to be the case.

9. Summary

9.1 The PAG is requested to:

1. Note the investment performance for the quarter to 30th June 2013 and the progress to date on investing in corporate bonds.

Officer Contact:	Mr H Woodbridge - Ext 7319 Email address - howard.woodbridge @southbucks.gov .uk
Background Papers:	None

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SOUTH BUCKS DISTRICT COUNCIL

TREASURY MANAGEMENT POLICY & PROCEDURES

SEPTEMBER 2013

Section 1: Overall Policy Statement

Section 2: Policy & Procedures- In House Funds

Section 3: Money Laundering.

SOUTH BUCKS DISTRICT COUNCILOVERALL POLICY STATEMENT FOR TREASURY MANAGEMENT

1. The Council adopted the CIPFA code of practice on Treasury Management in June 2002. In the light of the Icelandic situation in 2008 the CIPFA amended the code in 2009 which was adopted by Members in February 2010.
2. The revised Code includes an amended version of the treasury management policy statement (TMPS) incorporating just three clauses including a revised definition of treasury management activities. The clauses and definition are set out below:

Treasury Management Policy Statement.

- This organisation defines its treasury management activities as “The management of the authority’s investment and cash flows, its banking, money market and capital market transactions :the effective control of risks associated with those activities; and the pursuit of optimum performance consistent with those risks”.
- This organisation regards the successful identification, monitoring and control risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation.
- This organisation acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management and to employing suitable comprehensive performance techniques, within the context of effective risk management.

Adoption of the revised CIPFA Treasury Management Code of Practice 2009

2. The CIPFA Code recommends that all public service organisations adopt as part of their standing orders, financial regulations, or other formal policy documents appropriate to their circumstances, the following clauses.
 1. This organisation will create and maintain, as the cornerstone for effective treasury management:
 - A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities.
 - Suitable treasury management practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
 2. This Council will receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid year review and an annual report after its close, in the form prescribed in the TMPs.
 3. This organisation delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Resources

Portfolio Holder, and for the execution and administration of treasury management decisions to the Director of Resources, who will act in accordance with organisation's policy statement and TMPs and, as a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.

Adoption of the Code in practice

The revised Code is built largely on what was recommended practise in the previous version, but does place grater or new emphasis in certain key areas. The main points in the new Code are as follows:

- a) All councils must formally adopt the revised Code and four clauses.
- b) The strategy report will affirm that the effective management and control of risk are prime objectives of the Council's treasury management activities. This is consistent with the approach always adopted by this Council.
- c) The Council's appetite for risk must be clearly identified within the strategy report and will affirm that priority is given to security of capital and liquidity when investing funds and explain how that will be carried out.
- d) Responsibility for risk management and control lies within the organisation and cannot be delegated to any outside organisation. This is something the Council has always been clear about, in that whilst it uses advisers and external sources of information, that it is the officers and members of the authority who are accountable for policy and decisions.
- e) Credit ratings should be used as a starting point when considering risk. Use should also be made of market data and information, the quality financial press, information on government support for banks and credit ratings of that government support.
- f) Councils need a sound diversification policy with high quality counterparties and should consider setting country, sector and group limits.
- g) Borrowing in advance of need is only to be permissible when there is a clear business case for doing so and only for the current capital programme. As a debt free authority this is not an issue that arises for the Council.
- h) The main annual treasury management reports must be approved by full council.
- i) There needs to be, at a minimum, a mid year review of treasury management strategy and performance. This is intended to highlight any areas of concern that have arisen since the original strategy was approved. For South Bucks this requirement is met by the regular reports to the Resources Portfolio Holder.
- j) Each council must delegate the role of security of treasury management strategy and policies to a specific named body. For South Bucks DC this is carried out by the Resources PAG.
- k) Treasury Management performance and policy setting should be subject to prior scrutiny. This is achieved via the regular discussions on Treasury Management at the Resources PAG.
- l) Members should be provided with access to relevant training.

Appendix

- m) Those charged with governance are also personally responsible for ensuring that they have the necessary skills and training.
- n) Responsibility for these activities must be clearly defined within the organisation.
- o) Officers involved in treasury management must be explicitly required to follow treasury management policies and procedures when making investment and borrowing decisions on behalf of the Council.
- p) The Council has adopted the following reporting arrangements in accordance with the requirements of the revised code:

Area of Responsibility	Reporting Arrangements	Frequency
Treasury Management Policy (revised)	Resources PAG /Cabinet/Council	Initial adoption 2010
Treasury Management Strategy Annual Investment Strategy MRP policy	Resources PAG /Cabinet/Council	Annually before the start of the year
Treasury Management Strategy Annual Investment Strategy MRP policy - mid year report	Resources PAG /Cabinet/Council	Appropriate quarterly report to RPAG
Treasury Management Strategy Annual Investment Strategy MRP policy - updates or revisions at other times	Resources PAG /Cabinet/Council	As appropriate
Annual Treasury Outturn Report	Resources PAG /Cabinet/Council	Annually by 30 September after the end of the year
Monitoring Reports	Resources PAG /Cabinet/Council	Quarterly
Treasury Management Practices	Resources PAG /Cabinet/Council	Annually
Investment Portfolio Detail	Resources Portfolio Holder	Monthly
Scrutiny of treasury management strategies & performance	Resources PAG	Ongoing but with particular focus when considering annual Strategy

SECTION 2**SOUTH BUCKS DISTRICT COUNCIL****TREASURY MANAGEMENT POLICY & PROCEDURES - IN-HOUSE FUNDS****1. Introduction**

The Council has adopted CIPFA's "Code of Practice on Treasury Management in the Public Services". One of the requirements of this code is that Treasury Systems should be fully documented so that all who are involved are clear on the procedures and on any limits that apply to their activities.

The Council is debt free and therefore is in the position that it is unlikely to have to borrow money in the short term. This Treasury Management Policy and Procedures Document is therefore restricted to lending surplus funds not borrowing.

This document, except where stated, relates to the placing of surplus cash by officers of the Council.

2. Delegation

- 2.1 All investment and borrowing matters are delegated to the Resources Portfolio Holder.
- 2.2 The Director of Resources has delegated authority to deal with the investment of surplus cash in hand.
- 2.3 The Director of Resources delegates the regular monitoring of investments to the Principal Accountant.
- 2.4 The day-to-day transactions are carried out by the Finance Officer within the terms of reference set by the Council.
- 2.5 The Finance Officer will establish the balances held in the Council's bank account each morning via an electronic link to the bank and ascertain what money is available for investment.
- 2.6 When considering the period for investment the following points shall be taken into consideration:

- Future movements in cash flow
- Precept Dates
- Rates of interest being offered
- Anticipated future trends in interest rates

Where a significant investment decision has been made written justification of the rationale behind the decision will be kept.

- 2.7 In order to meet any unexpected requirements for cash, part of the Council's funds must be kept on call. Generally any deposits made for a fixed period must be repayable by the next precept date. Placing of sums in excess of this period must be approved by the Principal Accountant.
- 2.8 In the absence of the Finance Officer the Principal Accountant is responsible for day-to-day decisions, in the absence of either of the Principal Accountants decisions fall to the Head of Finance

3. Dealing Procedures

- 3.1 All staff involved in Treasury management must be aware of the principles set down in “Non investment product code” (NIPS code) which has replaced the London Code of Practice. To avoid over-reliance on a single broker and enhance objectivity in dealings it is good practice to spread deals amongst a range of brokers and equivalent.
- 3.2 The principle behind the management of the Council's cash balances is to meet all liabilities without resort to unnecessary borrowing. This means having regard to payment dates, particularly precept dates, when placing monies longer term.
- 3.3 The aim in managing the Council's cash balances is to ensure the availability of sufficient funds to meet the liquidity requirements of the Council. This is achieved by placing surplus cash at call or for longer periods. These decisions are made having regard to expected cash flows and the due dates of large payments e.g. precept payments.
- 3.4 For fixed and callable investments the approval of the Director of Resources must be obtained in writing before the investment is made. Decisions on investing in callable and fixed deposits are taken by Officers in the light of advice from the Council's treasury consultants and brokers acting in the local authority money market, combined with general intelligence available from market briefings made available to the authority.

4. Documentation

- 4.1 All deals must be documented at the time of dealing, within the money diary, within 24 hours of the deal being made.
- 4.2 In addition a spreadsheet must be maintained to show the amount, period, counterparty and interest rate. When any written confirmation is received it is essential that this is checked against the spreadsheet immediately with any discrepancies investigated without delay.
- 4.3 The spreadsheet should be tied up and balanced with the interest received shown in the general ledger on a monthly basis. A monthly summarised statement of reconciliation should be produced by the Principal Accountant.
- 4.4 Where significant Money Market investments are made, evidence will be kept to demonstrate that the best rate has been obtained for the Council. This could take the form of quotes from two different brokers or notes of external investment advice giving details of the current market rates and products. This evidence will also form the written justification of why the investment decision was made.

5. Transmission Procedures

Where funds need to be transferred to the counterparty the following procedure will need to be undertaken:

- i. Where payments made to counterparties can be transmitted using electronic banking the Principal Accountant or another authorised officer must approve and release the transaction.
- ii. In cases where CHAPS payments are made via the bank a letter of confirmation signed in accordance with mandate instructions must be faxed to the bank by no later than 2.00 p.m. on the day of transfer.

- iii. Deposits made with the Council's bank through the special interest bearing account will be made via an electronic transfer between the Council's bank accounts.

6. Limits on Decision Making

The following limits must be strictly adhered to and under no circumstances may they be exceeded:

Director of Resources	All matters delegated by the Council.
Head of Finance Principal Accountant	All matters delegated by the Director of Resources as set out in these procedure notes
Principal Accountant Finance Officer	Investment of all surplus balances within limits applicable to counter-parties, subject to the limitations set out in these procedure notes

7. Limits Applicable to Counterparties

- 7.1 Investment of Council funds has one overriding principle - SECURITY. With this in mind the Council have adopted the following matrix for funds may only be placed with the following institutions:

	Duration	Maximum Amount	Fitch Rating	Comment
UK Institutions	Up to 5 years	£5m	A- or better	
	Up to 3 years	£5m	BBB+ or better	
Non UK Institution	Up to 3 years	£2m	A- or better	Sovereignty rating AA or better
Corporate Bonds/Bond Funds	Up to 5 years	£5m	A- or better	

The maximum limits for institutions do not apply to the investment of short term cash.

All fixed investment decisions will require final authorisation by the Director of Resources. Investment in corporate bonds requires the authorisation of the Director of Resources in consultation with the Resources Portfolio Holder.

Deals out of a forward date are permitted provided that they are agreed by the Director of Resources.

8. Reporting Lines and Frequency

- 8.1 On a monthly basis a summary statement of reconciliation will be produced by the Principal Accountant.

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- 8.2 The Principal Accountant should produce on a monthly basis a statement comparing interest returns with the budget and a forecast for the year based upon the latest information available.
- 8.3 Each month the Principal Accountant will produce a spreadsheet detailing the Council's investment portfolio, including market value and credit ratings, and email it to the Resources Portfolio Holder and the Director of Resources.
- 8.4 On a quarterly basis the Principal Accountant will produce a report on Investment Performance for the Director of Resources to present to the Resources Portfolio Holder and his Policy Advisory Group (Pag).
- 8.5 An annual Treasury Management Strategy Report is to be presented by the Director of Resources to the Resources Portfolio Holder when the annual budget for the following year is considered.
- 8.6 An annual Investment Strategy for the year ahead is to be presented to the Resources Portfolio Holder prior to the commencement of that year.
- 8.7 Annually after the closure of the financial year the Director of Resources is to report to the Resources Portfolio Holder on matters regarding the previous year's activities.

9. Cash Flow

- 9.1 A detailed estimated and actual cash flow spreadsheet should be maintained which updates the estimated cash flow for the year to take account of actual cash movements as the year progresses. A copy of the spreadsheet should be available for audit purposes.

10. Review of Treasury Systems Document

- 10.1 While it is not expected that the actual procedures in this document will need to be revised very often, such aspects as limits, risk spreading and possibly data recording may require amendment. The Director of Resources is authorised to approve such amendments.
- 10.2 In some instances, such as where limits for counterparties need to be changed during the year, periodic supplements to this document may have to be issued. However, there should be a full review by the Director of Resources of the contents of the document annually and any amendments reported to the Resources Portfolio Holder.

SECTION 3**SOUTH BUCKS DISTRICT COUNCIL****INVESTMENT POLICY & PROCEDURES - TMP 9 MONEY LAUNDERING****9.1 PROCEDURES FOR ESTABLISHING IDENTITY/AUTHENTICITY OF LENDERS.**

The Council does not accept loans from individuals.

The Council is debt free but may from time to time borrow for short terms cash flow purposes. Any short term borrowing will be restricted to authorised institutions under the Banking Act 1987. The names of these institutions appear on a register maintained by the Financial Services Authority (FSA) and can be accessed on their website on www.fsa.gov.uk. Short-term borrowing is restricted to those institutions appearing on the Council's list of counterparties.

9.2 METHODOLOGIES FOR IDENTIFYING DEPOSIT TAKERS.

In the course of its Treasury activities the Council will only lend monies to or invest with those counterparties that are on its approved lending list. These will include authorised deposit takers under the Banking Act 1987: (the names of these institutions appeared on the Bank of England quarterly list of authorised institutions until 1.12.2001 when the Financial Services Authority (FSA) took over the responsibility for maintaining a register of authorised institutions. This register can be accessed through their website on www.fsa.gov.uk)

- When a new investment is made with an authorised deposit taker or other institution appearing on the Council's approved counterparty list the bank details (sort code, account number, name etc) are checked with the APACS book and added as a template to the Council's electronic payments system (Nat West Bankline - Payments Manager).
- If the dealer finds that the information received from a broker or institution differs when checking with the APACS book he will contact the broker or institution and resolve the query.
- The authorised signatory electronically approving the payment on Payments Manager will check the bank details on the template with the information received from the broker/institution as part of the authorisation process before they release the payment into the banking system. Any discrepancy will be queried with the dealer.
- Any queries on the name of an institution will be checked to the APACS book and to the Council's source of credit ratings Fitch IBCA supplied by Sector Treasury Services.
- All transactions will be carried out electronically via Nat West Bankline Payments Manager.

9.3 PROCEEDS OF CRIME ACT 2003 (POCA)

The current responsibilities of local authorities in respect of the POCA are detailed below:

The proceeds of Crime Act 2003 imposes an obligation on any person or other body that undertakes a regulated activity as defined by the Act to report any incident that leads them to suspect that an individual or other body is making transactions with the proceeds of any criminal

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activity. This is an extension of the obligations previously imposed principally on financial services organisations and employees under money laundering legislation. The money laundering legislation, as reinforced by the FSA guidance, made it clear that an organisation had to nominate a money laundering reporting officer, MLRO, through whom suspicious transactions had to be reported to the National Criminal Investigation Service (NCIS), being the police body charged with dealing with these matters.

The question therefore arises as to whether organisations now caught under the provisions of the POCA have to also nominate a MLRO. There is nothing that states that an MLRO has to be nominated and indeed, a number of organisations that are caught by POCA would not have a direct regulator to notify. However, it is equally clear that such organisations must have a process in place whereby employees can alert management of activities that may fall under POCA and that process must make it clear to whom an internal report has to be made. Therefore, whether called an MLRO or not, under their internal processes organisations need to appoint a senior officer (Finance Director, Treasurer, Head of Legal) to whom suspicions must be reported and who is responsible for deciding whether to pass the report to NCIS at the address given below:

NCIS,
PO BOX 8000,
LONDON.
SE11 5EN.

www.ncis.co.uk

The Council has appointed Jim Burness, Director of Resources, to be the responsible officer to whom any suspicions that transactions involving the Council may include a party who is involved in criminal activity. Suspicious transactions will be investigated as far as the Council is in a position to do so or it is appropriate for the Council to do so, if any doubts remain, these transactions will be reported to the National Criminal Investigation Service.

The Director of Resources is conversant with the requirements of the POCA 2003 and will ensure that Business Unit Heads will pick up any training requirements for relevant staff through the appraisal process.

PART I

SUBJECT:	Future Waste and Recycling Services Report
REPORT OF:	Officer Management Team - Director of Services Prepared by - Head of Environment

Purpose of Report

- 1.1 To update Members on the progress of the project to introduce new waste and recycling collection services from February 2014 and seek Cabinet and Council approval for certain aspects.

Links to Council Policy Objectives

- 2.1 This matter is related to the following local and national policy objectives:
- South Bucks Sustainable Community Strategy and Corporate Plan Key Theme - Sustainable Environment - protecting our heritage, protecting our future.
 - Council priority to continue to improve the street scene and cleanliness of the district as a key public services coordinator
 - The current Joint Waste Management Strategy for Bucks policies, including “to secure a long-term strategy for the management of wastes for which the member authorities are collectively responsible”.
 - The Council’s recycling/composting target of 60% by 2025 as part of the Joint Waste Management Strategy for Bucks. The national target of 45% by 2015 and 50% by 2020. There are no longer District specific targets.

Background

- 3.1 On 13th March 2013 this PAG considered a comprehensive report presenting the background, estimated costs and operational implications of changing refuse and recycling services in the District. This PAG recommended that that a new service should be introduced prior to subsequent Cabinet sign off. In summary this service comprises:
- Fortnightly refuse collection from a wheelie bin
 - Fortnightly recycling collections using wheelie bins and existing paper boxes
 - Weekly food waste collections from a 25l container
 - Chargeable garden waste collection service
 - A start date between February and June 2014
- 3.2 Certain details relating to the service still needed to be confirmed at the time the last report was presented, and the decision on these was delegated to the most relevant Director in consultation with the Portfolio Holder for the Environment and/or Resources as appropriate. The progress of these delegations is mentioned in the relevant sections of this report.

Discussion

Agenda Item 7

- 4.1 The project is being managed in line with the Council's Project Management Guidance and is underpinned on a day to day basis by a detailed project plan. Project Board Meetings take place every fortnight, with alternate meetings attended by senior Officers and Member representatives (Cllr Naylor and Cllr Clark). A risk register is attached as Appendix A. A Waste Project Officer has been appointed to assist the Contracts Manager.
- 4.2 Vehicles have been ordered via a letter of intent to Biffa.

Capital Requirements for this Project

- 4.3 The capital requirement for this project presented in March has been amended to take into account the addition of a garden waste (see para 5.1 below) collection vehicle, a shovel loader for management of the recycling bays at Dropmore Rd depot and updated vehicle costs at the point of order.
- 4.4 Certain items, namely roll-out publicity and staffing costs, were allocated to capital costs and should have been allocated to revenue costs; these have been removed. Conversely, certain extra costs such as wheelie bins for garden waste collections, ICT costs and glass recycling bin replacements have been added. The revised capital requirements are shown in the table in Part II of this report.
- 4.5 Although the capital costs were presented in the March report, no specific request was made at the time for monies to be allocated to the capital budget. Members are therefore asked to agree that the necessary capital monies are allocated to the Environment Unit's capital budget in the relevant financial years.
- 4.6 Members are asked to note that the £1.7m capital monies already allocated in the Council's capital programme for vehicle replacements in 2014/15 will be reduced as described in Part II of this report as it will only be required for the purchase of new street cleansing vehicles. The decision as to whether the Council should purchase these vehicles directly from the capital budget next year or ask Biffa to purchase them and spread the cost over subsequent years will be made by the Heads of Finance and Environment in consultation with the Resources and Environment Portfolio Holders in due course.

Revenue Requirements for this project

- 4.7 The revenue cost of the new service was reported in the Part II report in March 2013 is outlined in Part II of this report.
- 4.8 The following factors have affected the revenue budget since these figures were last presented:
 - ❖ The advice from the Head of Finance that the publicity and staffing costs associated with the roll out of the new service cannot be paid for from capital monies. These are therefore now included as 2013/14 revenue costs;
 - ❖ The inclusion of the costs and income associated with undertaking garden waste collections ourselves rather than via Biffa's Green Waste Club.
 - ❖ The inclusion of the loss on capital incurred in 2013/14 to subsequent years, as this was omitted previously.
- 4.9 Revised revenue costs are presented in Part II of this report.

Members are asked to note that the following factors will affect the revenue calculations.

- ❖ The number of properties that sign up to garden waste collections could be higher or lower than the predicted number and our income will be affected accordingly;
 - ❖ The Avoided Disposal Savings income outlined in Part II is dependent on the IAA being signed and on a predicted and achievable level of recycling. A letter of intent has been received;
 - ❖ If more or less paper is collected than forecast, our income will be affected accordingly;
- 4.10 Following advice from the Head of Legal and Director of Resources, Officers recommend that wheelie bins and other ancillary products be purchased using an established Framework Contract. Such contracts have been specifically designed to negate the need for Local Authorities to undertake costly individual procurement exercises and this route will therefore provide best value for the Council.
- 4.11 The posts of admin staff and roll-out assistants to assist with calls and site visits have been advertised and most interviews conducted.
- 4.12 Most of the new admin staff are due to start as the first piece of publicity, a letter delivered by Royal Mail, is delivered to residents w/c 23rd September. This will be followed a couple of weeks later by further information (leaflet, FAQ leaflet and calendar) which will be delivered by Biffa over a period of 3 weeks. No delivery method is 100% accurate, but it is hoped that by sending publicity via two different routes that 100% coverage will be achieved. Additional admin staff will start in early January when the bins start to be delivered as this is likely to generate further customer contact. Use of the Council's website to access information will be encouraged.
- 4.13 A publicity plan was approved by the Environment PAG on 12th June. A public consultation exercise was undertaken and this helped to inform certain aspects of the service, such as the colour of the bins. The first round of publicity will, at the time this report is presented, be being printed and a series of dates for roadshows in October and November will be available. Member attendance and assistance at these events is requested.
- 4.14 A policy document outlining how properties will be assessed to see if they can or cannot accommodate wheelie bins has been approved by the Portfolio Holder and circulated to the Environment PAG.
- 4.15 Instead of properties that cannot accommodate a recycling wheelie bin continuing with all existing recycling boxes (black and green), it has since been decided by the Director of Services in consultation with the Environment Portfolio Holder that coloured sacks will be supplied instead as it has been confirmed that the recycling facility can accept these.
- 4.16 Two interim 18 month contracts for processing food waste and garden waste have been awarded by Bucks CC. These contracts give SBDC the security that we have locations where this waste can be taken. This, along with not knowing where our tipping points would be, was highlighted as a risk in the March report. Food waste will either be tipped at the London Rd depot or at the High Heavens facility in Wycombe. We will continue to work with Bucks CC to secure longer term treatment capacity.
- 4.17 One matter not mentioned in the March report was that in addition to the increased list of recyclable items we will be collecting from households from February 2014, we will also be collecting small quantities of textiles. Residents will be limited to presenting no more than two supermarket-sized bags of textiles per collection due to the limited storage space on the vehicles, but the textile banks at recycling centres are likely to

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remain in place for larger quantities. We will be working in partnership with the Salvation Army for the initial 6 months of this service after which this will be reviewed.

- 4.18 Other aspects of the project, such as IT requirements, bring site reorganisation and contractual and operational matters relating to the end destination of the items we will be recycling are also underway and the project is currently on target.

Paper recycling contract with UPM

- 4.19 Members may recall that at the time of the previous report, the decision whether to continue collecting paper and card in the black recycling boxes or to ask residents to put card in the recycling wheelie bin (with paper only in the box) had not yet been made. This decision was delegated the Director of Services in consultation with the Environment Portfolio Holder and the latter option (paper only in the boxes) was made on financial grounds.
- 4.20 An interim variation to our joint contract with UPM is currently being finalised and a new variation, or separate SBDC only contract will be arranged prior to the service change in 2014. The effect on our income of this change is outlined in Part II of this report.

Dropmore Road Depot

- 4.21 Waste, recycling and street cleaning services operated from the site between 1st March and 26th July 2013. Biffa have since move to the Council's depot on Bath Road in Taplow whilst demolition and construction works are undertaken at the Dropmore Road site.
- 4.22 Biffa are due to move back into the Dropmore Road site by mid-December when the works are completed and the Bath Road depot will be used as an operational base for the delivery of wheelie bins to properties for circa 6 months prior to being redeveloped also. The future of Bath Road depot is considered elsewhere on the Resources PAG agenda.
- 4.23 The final design of the Dropmore Road depot was amended following planning decision on March 27th. In addition the drainage plan has been amended so that the storage bay can be used as a dewatering bay for street cleansing waste in the future if we wish. All pre-commencement conditions were cleared on time and the application for an Environment Agency permit has been submitted.
- 4.24 The bulking of recyclable materials will continue at London Rd until we can move back into Dropmore Rd and a gate fee for this is being charged by CDC/WDC's waste contractor Serco. The agreed cost of per tonne mentioned in Part II of this report is in line with budget provision.

Garden Waste Collection Service

- 5.1 At the time of the report on this matter in March, it was undecided as to how this optional service would be managed. The options were to:
- ❖ undertake this service ourselves through our existing Biffa contract and using SBDC admin staff to take bookings.
 - ❖ Ask Biffa to entirely manage the service through their separately managed "Green Waste Club"

- 5.2 At the time of the last report the latter option was preferred and this is what was taken into account when calculating the capital and revenue implications of the new waste and recycling service change as a whole. The final decision was delegated to the Director of Services in consultation with the Environment Portfolio Holder and the decision has been made to take the former option because it is more financially advantageous - i.e. that the service will be run by SBDC in partnership with Biffa and not by a separately managed part of Biffa at our request. In light of the impact of this decision on capital and revenue budgets, this decision will also need to be approved by the Head of Finance in consultation with the Resources Portfolio Holder.
- 5.3 The annual subscription cost for this service in Year 1 has been confirmed as £45 per bin reduced to £35 for orders received before 31st January 2014. It is not possible for the option of paying by direct debit for this service to be ready for the roll out although it is hoped that this will be in place for year 2. Residents will be able to pay by credit or debit card and online ordering will be encouraged.
- 5.4 The revised capital and revenue implications following the inclusion of this service are presented in the **Part II** section of this report.
- 5.5 The alternative option for properties that cannot have wheelie bins is due to be paper garden waste sacks due to the manual handling dangers of using reusable hessian/polypropylene sacks. This alternative service will only be available to properties that cannot accommodate a wheelie bin and will not be available to residents who do not want a bin or would prefer a more ad-hoc service. Residents on this alternative service will not have the same annual capacity for their garden waste as those with wheelie bins due to the cost of the sacks.

IAA

- 5.6 A letter of intent has been received which outlines the avoided disposal income we would expect to receive from Bucks CC once this service is introduced. There are many factors that will affect the actual precise sum we will receive and the figure presented in the table in the Part II section of this report should be seen as indicative. An interim IAA is currently in place along with the assurance that it will be formally agreed and in place for 2014/15.
- 5.7 In addition to the initial distribution of publicity in September/October, the procurement of bins, vehicles and other equipment and staff recruitment discussed in this report, recruitment for the Contracts Manager's maternity cover will also commence shortly.
- 5.8 The next big challenge is the series of roadshows that will be held around the district in October/November. Residents who cannot have wheelie bins will be contacted in November/December and the bins will start to be delivered in January for a service start date of 24th February 2014.

Conclusion

- 5.9 Members are asked to note that the project is currently on schedule but that certain vehicles are expected to be delivered up to 4 weeks late so additional vehicles will be hired to ensure that the service can be introduced as planned. Almost all outstanding details have been agreed but certain aspects of the project do still carry some risks, which are discussed at Project Board meetings.

Resource and Wider Policy Implications

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- 6.1 Every effort has been made to calculate accurate resource implications based on budget forecasts and the previous experience Officers have of rolling out new services such as these; but they may vary by an estimated 5% either way.

Summary

7.1 Cabinet is requested to recommend to Council that:

1. The capital and revenue budget changes as outlined in Part II of this report are made.
2. A Framework Contract is for the purchase of wheelie bins and ancillary equipment, such as food waste caddies.

In addition, Members are asked to note that a delegation has previously been approved for the final decision on capital spend prior to placing new vehicle orders is approved by the Director of Resources in consultation with the Resources Portfolio Holder and the Head of Finance. Members are asked to extend this delegation to cover the purchase of wheelie bins and ancillary equipment.

Officer Contact:	Elizabeth Cullen, Contracts Manager, 01895 837330 elizabeth.cullen@southbucks.gov.uk
Background Papers:	Previous reports on this matter.

Risks register for roll out of new refuse and recycling collection services
V4 13/08/13

On a 4 x 4 risk table as per Covalent System: 1 to 3 = green; 4 to 8 = amber; 9 to 16 = red

Roll Out Risks

Risk	Current situation	Likelihood x Impact	Mitigation	Revised Likelihood x Impact
Public Consultation results are inconclusive or weak.	Advice from Kamla Joshi and Rachel Prance has been taken and results are showing a fairly clear steer	2 x 2 = 4	If so elected Members can make decisions.	2 x 1 = 2
Public Consultation is not thorough enough and open to criticism.	As above. Also, service chosen by Members elected to represent residents. Consultation method commensurate with impact of outcome.	2 x 2 = 4	Can extend consultation period or organise further focus groups if necessary.	1 x 1 = 1
Aspects of proposed policies are not liked by Members and take longer to agree.	Policy development on track.	2 x 2 = 4	Early and regular consultation with Cllr Naylor and DoS.	1 x 2 = 2
Unexpected costs that have not been budgeted for pre roll out.	Experience gained through prior roll out but under different contract so is a real risk. Also may have limitations put upon us by BCC procurement.	3 x 3 = 9	Thorough project plan and regular meetings with Biffa and BCC to try and pre-empt these.	2 x 3 = 6
Procurement cost estimates are lower than actual costs.	Wheelee bin prices are linked to oil prices so is a risk.	3 x 3 = 6	Monitoring of costs published in framework contracts puts us currently within budget so risk currently low. Some options to save money, e.g. provide fewer caddy liners.	2 x 3 = 6
Facility to undertake direct debit payments not ready on time.	Facility needed for CDC well before SBDC but their project is being prioritised so is a risk. Will incur extra admin costs if residents who don't order online have to pay for the 1 st year by card or cheque	4 x 3 = 8	Have set December 2014 as new target date for DD. May have to take on extra staff 1 year later to deal with chasing payments but this is a risk anyway.	4 x 3 = 9

	over phone - also potential additional costs chasing payments after 1 st year.				
Finance resources not enough to approve final costs and capital vehicle purchase costs on time.	Engaging with finance dept early and plan meetings as early as possible. Invite to at least 1 project board meeting.	2 x 2 = 4			1 x 2 = 2
Failure to charge VAT on garden waste collections if meant to do so.	Finance have confirmed that probably not required but digging out guidance to double check	1 x 2 = 2			1 x 2 = 2
Agreement of which procurement method to follow takes longer than planned and purchasing is delayed.	Delay in agreement to use a framework has delayed this part of the project.	2 x 3 = 6			1 x 3 = 3
Procurement of equipment and/or textiles licence takes longer than anticipated.	Early stage so is a risk. In regular contact with Legal	1 x 1 = 1			1 x 1 = 1
Signing of new contract with UPM and closing of agreements with CDC/WDC do not go smoothly.	UPM have indicated that a new contract is fine with them but not guaranteed. Interim joint variation being signed.	2 x 3 = 6			2 x 3 = 6
IAA with BCC does not come to fruition and costs of new service much higher than anticipated.	Members made aware of risk. Interim arrangement in place and due to be signed for 2014/15.	2 x 3 = 6			2 x 3 = 6
Interim food and garden waste treatment procurement exercise is delayed or challenged.	Tender recently closed and outcome announced at end of June. Will affect CDC and WDC first so unlikely not to be sorted out by the time we need them.	2 x 4 = 8			1 x 2 = 2
Tipping points for food and garden waste require further travelling time than anticipated.	Bucks CC aware of impact of this to us. Extra mileage to be offset by a "tipping away" payment as per IAA but likely to cause operational difficulties.	2 x 3 = 6			1 x 2 = 2
EfW construction delayed so that our vehicles don't last the extra time needed due to earlier procurement.	Facility due Spring 2016. Potential financial and reputational risk to SBDC.	3 x 3 = 6			3 x 2 = 6

Integrating Biffanet with Uniform cannot be done at all or within resources available.	Have met with IT for discussions and attendance at Project Board meetings to discuss further prior to reassessing risk. Biffa representative has also met with us.	3 x 2 = 6	Have met with IT and formulating plan. Still not sure that Biffanet is a suitable replacement for Uniform so may continue with both for a while at least.	2 x 2 = 4
IT unable to supply extra resources for new staff members.	Discussions to date have indicated that we will have equipment on time for the staged introduction of new staff.	2 x 3 = 6	Have met with IT and no major concerns at present.	1 x 2 = 2
Office move cannot be completed on time.	Met with Andy Crow and no immediate concerns but will be tight as he will soon be on A/L	2 x 3 = 6	Project ongoing	2 x 2 = 4
A judicial review is launched and construction of Dropmore Depot is delayed. Likelihood of JR relatively low, but impact on project severe.	It is important to have stability prior to the roll out. If we won't have access to Bath Rd to take delivery of wheelie bins etc because we have not moved back into Dropmore Rd, then the roll out is likely to be delayed.	2 x 4 = 8	No challenge made	0 x 4 = 0
Construction is delayed due to unforeseen circumstances.	As above.	2 x 4 = 8	Construction began on 05/08/13 and due for completion by mid-December. A delay would have a negative effect on the project as Bath Rd needed for bin delivery operations.	1 x 4 = 4
Planning Permission or the Operator's licence for the temporary use of Bath Rd depot is refused.	Operator's Licence granted and pp due on 26 th June. No reason to suspect any issues.	2 x 3 = 6	Have both been granted.	0 x 3 = 0
The EA licence for Dropmore Rd is refused or delayed.	Application underway and experienced person at Biffa preparing it can see no reason why this would be the case. Can continue to use London Road for longer if necessary but not ideal.	2 x 2 = 4	Will have to continue tipping at London Rd until sorted out. Relatively low cost but not ideal operationally but would hopefully only be short term.	1 x 2 = 2
Extra storage space for equipment whilst we're in Bath Rd can't be found.	Kingsmill site identified as suitable location. Also running stocks down.	2 x 2 = 4	Are using Kingsmill.	2 x 2 = 4
Planning permission to build units at Bath Rd (1 unit needed by SBDC for storage) refused.	We can still use it for the historical use of outside storage - we rolled out the last service from there.	3 x 3 = 9	Permission granted but may need to find temporary storage space when construction underway if	1 x 2 = 2

					Kingsmill no longer available.
Low level of buy - in and support from Members.	Members aware of future service changes but only Env PAG have been asked to assist yet	1 x 3 = 3	Involvement and information sharing at an early stage. Two Member training events and also Parish Council events.	1 x 2 = 2	
Leaflets are not delivered properly or are lost or not understood by residents	Will ensure sufficient resources and real time delivery monitoring (not after deliveries have finished as usual). Will involve Comms Team to ensure that they are in plain English	2 x 3 = 6	Will use different delivery methods and several publicity methods to get the message across.	1 x 3 = 3	
Bad publicity in the media.	Involve media at early stage and keep informed to build good relationship.	2 x 3 = 6	Have reactions to bad publicity already at draft stage so that we can react quickly.	2 x 3 = 6	
That it is non-service change issues, such as date changes, which provokes the most response.	Need to identify all possible issues - however unlikely by speaking to other authorities, Members and Parishes.	2 x 2 = 4	Ensure information accurate.	1 x 2 = 2	
Not enough extra staff are recruited to deal with extra calls, e-mails and required site visits.	Have past experience and can learn from AVDC/CDC/WDC experience. Will use their data to plan accordingly.	2 x 3 = 6	Developed contingency plan with Nicola Ellis. Identify pre-trained SBDC staff that can be drafted in on a short term basis to assist if necessary. Can also use temps.	1 x 2 = 2	
Waste Efficiency Officer does not return from Maternity Leave	Unlikely as already in contact about this. However has requested a 4 day week.	1 x 2 = 2	Would have to advertise for permanent post. Would know 2 months in advance.	1 x 1 = 1	
Waste Efficiency Officer Maternity Cover leaves or suffers prolonged illness prior to return of WEO.	Any staff member leaving or being ill is a risk. Possible secondment from other authorities or elsewhere in SBDC. Alternatively may have to use consultant or specialist agency. Easier post to fill than Contracts Manager.	1 x 2 = 2	On 2 months notice so time to recruit if necessary.	1 x 1 = 1	
Contracts Manager suffers prolonged illness or leaves authority.	Any staff member leaving or being ill is a risk. Contracts Manager to go on Maternity leave during project.	4 x 2 = 8	Possible secondment from other authorities or elsewhere in SBDC. Alternatively may have to use consultant or specialist agency - not budgeted for and post	2 x 2 = 4	

				possibly harder to fill than WEO.	
SBDC Contracts Team resources insufficient.	The two PT Enforcement Officers may be able to work extra hours. May keep WEO maternity cover on for longer than required. BCC waste reduction staff on hand to help with roadshows.	3 x 3 = 9		Identify pre-trained SBDC staff that can be drafted in on a short term basis to assist if necessary.	2 x 2 = 4
Biffa office staff resources insufficient for round reorganisation and procurement work.	Biffa Foreman Barry Jones has been made up to Supervisor level for 3 months to assist Darren Judd with project.	2 x 3 = 6		Thorough project plan and regular meetings with Biffa to try and pre-empt this.	2 x 2 = 4
Biffa operational staff resources insufficient to remove/deliver bins and other equipment as quickly as required.	Much bigger scale and more complicated than last roll out so is a risk. Have struggled with recycling box orders in the past so extra resources will be required.	2 x 3 = 6		Thorough roll out project plan and regular meetings with Biffa to try and pre-empt this.	2 x 2 = 4
Garden waste collection service is less popular than expected.	Would be at risk of making a loss at 4,000 customers or below. Based on take up at CDC and consultation responses this is unlikely.	2 x 2 = 4			2 x 1 = 2
Garden waste collection service is more popular than expected.	Could take on at least 1,500 more customers than the 7,000 modelled.	2 x 2 = 4		Need to identify overflow resources - e.g. caged vans for out of the way customers that reduce round efficiency.	2 x 1 = 2
Vehicles and equipment do not arrive on time or are faulty.	Procure in time with penalties for late or faulty delivery for wheeled bins. Vehicle manufacturer delayed, hire vehicles now needed.	2 x 4 = 8		Ordered on time but some vehicles will be up to 4 weeks late. Have hire vehicle quotes ready and Biffa producing a mobilisation plan.	2 x 2 = 4
The delivery of wheelie bins is delayed due to inclement weather.	A long delivery period has been allocated.	2 x 4 = 8		Will ask Biffa to factor in starting early if inclement weather predicted or condensing the delivery schedule.	2 x 3 = 6
Risk of roll out in flats being less successful. Experience of rolling out new service in flats limited as these were avoided where possible last time.	This will require significant resources as very bespoke and currently split between domestic rounds and bulk round. Some specialist publicity required. Not all flats will be suitable.	2 x 3 = 6		Have decided to allow more time for this aspect of the project. Flats being audited so that the right bin configuration is installed and will work with L&Q and Agents. Some flats to start in Feb	2 x 2 = 4

				and to be completed by Autumn 2014.	
Legislation changes can have an impact on our services.	Keep abreast of consultation documents and industry/think-tank/quango recommendations and remain as flexible as possible. Waste review now clear.	1 x 2 = 2	Discuss with new Waste Partnership Officer so he can keep an eye out for anything that could affect us.	1 x 1 = 1	

Ongoing / Post Roll Out Risks

Unexpected capital costs that have not been budgeted post roll out.	This is a risk for example if vehicle capacity has been underestimated or the split between wheelie bin sizes required not estimated correctly which leads to over-ordering one size and having to place a new order for a different size. Need to keep in mind where savings can be made - e.g. by keeping on low wear and tear vehicles such as our grab vehicle rather than replacing it in November 2014.	3 x 2 = 6	Regarding vehicles we are thought to be over-capacity as we have factored in upcoming housing development. We can estimate quantities of the 3 different bin sizes based on previous experience and demographic data, but this will never be 100% accurate - a large family may want a small bin and vice versa. Members made aware of risks in March report and with this document. Keep Finance and Members updated.	2 x 2 = 4	
The aim to be revenue cost neutral by 2015/16 does not happen.	This is a risk as there are so many operational changes ahead, including the change from managing a depot to managing a recycling transfer station. Also have had to use paper tonnage estimates which could be lower (or higher) than forecast. Plus IAA risk below.	3 x 3 = 9	Again, keeping in mind where savings can be made; working with internal colleagues and Biffa to anticipate costs. Members made aware in March PAG reports that a 5% error margin on costs should be taken into account.	2 x 3 = 6	
IAA with BCC does not come to fruition	Members made aware of risk. Interim arrangement in place and due to be signed for 2014/15.	2 x 3 = 6	Negotiations on going - linked to ADS discussions.	2 x 3 = 6	
Facility to undertake direct debit payments not ready by	Facility due in CDC in May 2014 so should know in good time if this is going to be	3 x 2 = 6		2 x 2 = 4	

December 2014.	delayed. Will incur extra admin costs if residents who don't order online have to pay for the 1st year by card or cheque over phone - also additional costs chasing payments after 1st year.				
Unable to link direct debit payments of garden waste collections to Uniform.	Still unsure whether this is technically possible or whether we will use Uniform in the long term	3 x 2 = 6	Need to establish this but not as urgent as not doing DD until Dec 14.		3 x 2 = 6
Tipping points for food and garden waste require further travelling time than anticipated.	Bucks CC aware of impact of this to us. Extra mileage to be offset by a "tipping away" payment as per IAA but may cause operational difficulties especially if more journeys than anticipated are required.	2 x 3 = 6	Tipping points confirmed. May be long term risk as this is only an interim contract but tipping points unlikely to change and may even improve to one closer.		1 x 2 = 2
The long term procurement of garden and food waste treatment (following current 18m contract) leads to different tipping points	Could be better or worse than at present and we have time to seek alternatives so difficult to assess risk.	1 x 3 = 3	Meeting with BCC every 4 weeks at present and involved in the procurement process as appropriate		1 x 2 = 2
EfW construction delayed so that our vehicles don't last the extra time needed due to earlier procurement.	Facility due Spring 2016. Potential financial and reputational risk to SBDC.	3 x 3 = 6	Any reduction in the length of time we have to use landfill will be a bonus, but the more the better. BCC to keep us posted.		3 x 2 = 6
A breach in our Operator's licence at Dropmore Rd results in it being revoked.	This would be very difficult to work around but is almost unheard of so a very low likelihood.	1 x 4 = 4	Biffa do not appear to have a bad track record on this and have always managed sites and drivers well.		1 x 3 = 3
A breach in our Planning Permission results in it being revoked.	This would be a worst case scenario after prolonged enforcement action - so time would be given to rectify any issues.	1 x 4 = 4	Biffa have had no such issues to date so risk very low.		1 x 3 = 3
A breach of our EA licence for Dropmore Rd results in it being revoked.	As above - easier to find contingency sites than above.	1 x 3 = 4	As above		1 x 2 = 2
Bad publicity in the media.	Involve media at early stage and keep informed to build good relationship.	2 x 4 = 8	Have reactions to bad publicity already at draft stage so that we can react quickly.		2 x 4 = 8

Properties at the boundary with other districts may have different services to their near neighbours.	Services are fairly similar and generally no better or worse than each other, however free garden waste and weekly recycling collections in Hiltingdon may generate enquiries.	1 x 1 = 1	Services were also different before the service change but Officers will need to be prepared for enquiries from such properties	1 x 1 = 1
Staff turnover in 2014/15, either natural or due to the service review unsettling to team and service.	Staff turnover will happen anyway.	2 x 2 = 4	Managers can communicate with staff to reduce this risk. Have agency and other contacts ready.	2 x 1 = 2
The level of ongoing calls regarding the service and garden waste subscriptions is underestimated	Have past experience and can learn from AVDC/CDC/WDC experience. Will use their data to plan accordingly.	2 x 3 = 6	Developed contingency plan with Nicola Ellis. Identify pre-trained SBDC staff that can be drafted in on a short term basis to assist if necessary. Can also use temps.	1 x 2 = 2
Biffa office staff resources insufficient for operation of our depot as a transfer station	Extra admin resources and a shovel loader driver will be required as a bare minimum	2 x 3 = 6	Thorough project plan and regular meetings with Biffa to try and pre-empt this.	2 x 2 = 4
Biffa Materials Recovery Facility unable to collect our material for recycling due to fire, market crash or other reason.	We already have 3 year's experience of using this MRF with no issues. Will discuss contingency arrangements with Biffa.	2 x 3 = 6	May be able to divert material via Serco or another facility. To be updated following discussions.	2 x 3 = 6
Garden waste collection service is less popular than expected.	Would be at risk of making a loss at 4,000 customers or below. Based on take up at CDC and consultation responses this is unlikely.	2 x 2 = 4	Need to monitor numbers and reduce resources accordingly if they are not needed due to low numbers	2 x 1 = 2
Garden waste collection service is more popular than expected.	Could take on at least 1,500 more customers than the 7,000 modelled.	2 x 2 = 4	Need to identify overflow resources - e.g. caged vans for out of the way customers that reduce round efficiency.	2 x 1 = 2
Round reorganisation needs tweaking after roll out and further date changes required.	Work on round reorganisation has started in good and time will be taken to get this right.	2 x 2 = 4	Have met with Planning to discuss future development so will be taken into account. Any tweaks should be minor.	2 x 1 = 2
Capacity of refuse and recycling vehicles underestimated.	Experience in the SBDC trial are CDC/WDC and on other Biffa contracts will give a good idea of likely tonnages.	1 x 3 = 3	Keeping on or hiring old/additional vehicle for first few weeks in case residents stockpile recycling prior to the roll out. Additional vehicle(s) may need to	1 x 1 = 1

				park at Kingsmill depot.	
Legislation changes can have an impact on our services.	Keep abreast of consultation documents and industry/think-tank/quango recommendations and remain as flexible as possible. Waste review now clear.	1 x 2 = 2	Waste Partnership Officer keeping an eye out for anything that could affect us.	1 x 1 = 1	

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