

**MINUTES OF A MEETING OF THE SUSTAINABLE GROWTH AND ENVIRONMENT
CAPITAL SCRUTINY COMMITTEE
HELD IN THE BOUGES/VIERSEN ROOMS, TOWN HALL
ON 12 JUNE 2013**

Present: Councillors N Arculus (Vice Chairman), J Peach, L Serluca, JA Fox,
N Thulbourn

Also Present: Jasmine Weedon, Youth Council
Ellie Jaggard, Youth Council
Councillor Eley, Cabinet Member for Culture, Recreation & Waste
Management
Richard Oldfield, Enterprise Partnership Director

Officers Present: Simon Machen, Head of Planning, Transport and Engineering
Services
Dominic Hudson, Strategic partnerships Manager
James Collingridge, Enterprise Partnership Manager
John Harrison, Executive Director of Resources
Steven Pilsworth, Head of Corporate Services
Kim Sawyer, Head of Legal Services
Paulina Ford, Senior Governance Officer

1. Apologies for Absence

Apologies were received from Councillor Allen and Councillor Maqbool. Councillor Serluca was in attendance as substitute for Councillor Allen.

2. Declarations of Interest and Whipping Declarations

There were no declarations of interest or whipping declarations.

3. Minutes of Meetings held on:

- 18 March, 2013
- 20 March, 2013

The minutes of the meetings held on 18 March and 20 March were approved as an accurate record.

4. Call in of any Cabinet, Cabinet Member or Key Officer Decisions

There were no requests for call-in to consider.

5. Exclusion of the Press and Public

The Chair asked the Committee to discuss whether to exclude the press and public from the meeting when the exempt appendices were to be discussed at item 7 Energy Performance Contract (EnPC) or whether the public interest in disclosing this information outweighed the public interest in maintaining the exemption.

After a short discussion the Committee voted unanimously in favour of going into exempt session to consider the exempt papers.

At this point the Chair announced that the Committee had received a request to change the order of the agenda and that item number 7 Energy Performance Contract (EnPC) would be presented first followed by item number 6 on the agenda, Enterprise Peterborough Partnership Performance Progress Report. After a short discussion the Committee unanimously agreed to change the order of the agenda.

6. Energy Performance Contract (EnPC)

The report presented by the Executive Director of Operations provided the Committee with an update on energy efficiency (EnPC) on council owned buildings. The report also sought views from the Committee on the draft CMDN which related to the contract award. Members were reminded of the Council's objective to be the Environment Capital of the UK. Most of the work completed so far had been around renewable energy generation but the report was about energy efficiency and the efficiency of the council's portfolio including schools otherwise known as Energy Performance Contracts. These types of contract were well established in America and Europe but not so much in the Public Sector. Members were informed that the council had entered into a strategic partnership with British Gas which was focused around getting energy efficiency into people's homes.

Energy efficiency played a vital part in the nation's energy strategy. The government and Europe would be legislating to increase responsibilities in this area. In 2015 there would be a requirement to conduct energy efficiency audits. The contract award placed Peterborough at the forefront of leading change in advance of the national agenda. The advantage of the contract would be that it would look across the whole of the council's portfolio. Currently the Council was marginally above the rate for being excluded from carbon taxes in the UK it would only need a series of interventions to take the council out of that carbon tax liability in the future. The contract had also been advertised to be open to any local authority in England. The council would get an access fee for other authorities participating. The contract was about improving energy efficiency across the council buildings and the assets within it and providing something that can be used across the whole of England and make the council money.

Questions and observations were made around the following areas:

- Members were concerned that the assessment of buildings may turn out to provide a reason to dispose of some of the council buildings. *Members were advised that there was no reason why the council would seek to dispose of its assets solely because it could not make it more energy efficient. The contract would contribute to helping to keep the buildings going and provide a reason to invest to get the buildings more energy efficient.*
- Members sought clarification on the meaning of 'call-off contracts'. *Members were informed that the purpose of the CMDN was to award the top level contract to Honeywell for a period of eight years. The contract had a nil value unless any individual contracts were called-off within it. The Council would for example look at the contracts that Honeywell had already started and look at the outline business case. Honeywell would be requested to complete a detailed audit and to present a financial proposal. The financial proposal would state the cost of intervention. They would have to provide a private sector funded solution. Once the business case and financial proposal was agreed then the contract would go through the normal council decision making process. Each individual call-off contract would require an individual business case supporting it and would be subject to the Councils decision making process.*

- What is the likely typical value of each individual call-off contract? *Members were informed that most of the individual contracts on the individual properties would be below £500,000.*
- What would be the likely total value of all of the call-off contracts over the period of eight to fifteen years? *Members were informed that it was difficult to confirm without completing a full feasibility study. During the tendering process the contractor had assessed a portfolio of 20 buildings and had estimated that interventions for that portfolio would cost £2M which was an average of £100K per property. Some properties like the Regional Pool or Town Hall would cost more and others would cost less.*
- Would there be a requirement to go through an OJEU Procurement process for each contract. *Members were informed that there would be no further requirement to go through the OJEU Procurement process as this had been completed through the award of the contract at the high level to Honeywell.*
- Members commented that this would be an opportunity to create a centre of excellence and up skill local employees. Would Honeywell sub contract out the work. *Members were advised that Honeywell were the main contractor but had the ability to sub contract out. Whilst Honeywell have specialist roles they would also look at employing locally where appropriate for the skills required.*
- Would Honeywell be based in Peterborough? *Members were informed that the proposal did not indicate that Honeywell would relocate its base to Peterborough.*
- Members noted that the report had stated that “the initial investment could be through one of the following three sources:
 - *The Council funds directly (including through using the Invest to Save capital funding)*
 - *Blue Sky Peterborough invest directly (in turn drawing loan finance from the council)*
 - *Honeywell invest and take a share of future savings”*

When would the decision be made on the source of investment. Members were informed that it would be part of the business case. The default position might be that for the first time the council would invest commercially in the Energy Services Company. Three different methods of funding had been mentioned to create a contract that was future proof.

At this point the Chair moved the meeting into Exempt session and requested that the Press, Public and members of the Youth Council leave the room while the Committee considered the Exempt papers.

After a period of discussion in Exempt Session the Chair invited the Press, Public and members of the Youth Council back to the meeting.

The Chairman thanked the Executive Director of Resources for his presentation.

ACTIONS AGREED

The Committee noted the report.

7. Enterprise Peterborough Partnership Performance Progress Report

The Cabinet Member for Culture, Recreation and Waste Management introduced the report which provided the Committee with an update on the performance of the Enterprise Peterborough Partnership since it last reported to the Committee on 18 March 2013. Members were informed that the partnership had entered into the third year of a twenty three year relationship with the council. The report covered the following areas:

- Update on the roll out of the Street Care Service
- Progress on Recycling and Food Waste

- Green Open Space Implementation Plan
- Key Performance Indicators (KPI's) / Customer Satisfaction

Members were informed that the food waste collection service had achieved target and saved the Council money by reducing landfill costs. Enterprise had been put forward as finalists in the National Recycling Awards and had been approached by a number of other councils who wanted to replicate the service. Over the past two years Enterprise had made some major changes and investments and it was now time to refine the services provided.

The Enterprise Partnership Director presented the Committee with a progress update on the street care model. A series of maps were shown to Members which identified detailed GIS data for the city, relating to the streets that were cleaned and the grass that was cut. Members were informed that detailed service delivery plans were now in place using this data along with the service standards set by the council. The city had been split into three operating areas with work gangs that operated in each of the three areas. Additional supervisors had been put in place who conducted five quality checks each day to ensure the work had been completed to the required standard. An EPA grading system which was a visual standards model was now being used to grade the street cleansing.

Questions and observations were made around the following areas:

- Members commented that they had requested at the previous meeting in March a list of new revised Key Performance Indicators and Service Level Agreements (SLA's) that Enterprise were working to. *The Strategic Partnerships Manager informed Members that the Client Team were responsible for producing the KPI's. There were currently 106 KPI's in place and these were currently being rationalised and there was still more work to be done before these could be finalised and presented to the Committee.*
- Members commented that fly tipping at Norward Lane and in Gunthorpe Road was still a serious issue and wanted to know how this was being dealt with under the street cleansing model. *Members were informed that Norwood Lane had not been included in the street cleansing model and was being treated as an exceptional area. This area was cleaned by agreement with the council which was originally four times a year but had been cleaned more frequently recently. Security and monitoring had been put in place but as soon as this stopped more fly tipping occurred.*
- Members commented that waste bins were not being emptied regularly and were often seen overflowing and some areas of the city were not being cleansed of litter regularly. What could be done to address this? *Members were advised that the reality was that budgets had been cut over the past few years. Enterprise had been tasked with the KPI's that the council had given them and were performing over and above those targets. Some wards had specific issues e.g. a high volume of fast food take aways which produced more litter. Resources and money were no longer available to provide the type of service that had been on offer previously through City Services.*
- Members sought clarification as to how much money had been taken out of the budget over the past three years for Enterprise. *Members were informed that when the contract was let the agreement was that Enterprise would provide a year on year saving of £2M and in total Enterprise had saved the council £6.25M so far. Grass cutting and litter picking were reduced as part of the savings.*
- Members wanted to know if Enterprise were introducing manned skips to be strategically placed in certain areas of the city to stop people fly tipping. *Members were advised that this was being considered as part of a range of options. If this was considered to be a viable project then it would hopefully be piloted during the autumn.*
- A Member of the Committee asked the Cabinet Member for Culture, Recreation & Waste Management if there was an opportunity to renegotiate the contract with Enterprise or terminate it. *The Cabinet Member informed Members that the contract would not be terminated unless there was reason to believe that the contract was not being fulfilled. The KPI's were currently being reviewed to make them more stringent to make Enterprise more accountable.*

- Did the 'Can-do' area have black, green and brown bin collections on a weekly basis? *Members were advised that this area had fortnightly collections but larger bins had been issued.*
- Members noted the Longthorpe area of Peterborough had the highest recycling rate in the city which was 47% and sought clarification on what this covered. *Members were advised that the 47% referred to the contents of the green bin.*
- Members wanted to know why shredded paper had to go in to the black bin and therefore end up in land fill. *Members were informed that the challenge was that the shredded paper caused problems with the recycling machinery and therefore had to go into the black bin.*
- Members were very supportive of the food waste collection service.
- Members requested that each councillor received a copy of the maps showing ward by ward recycling rates.
- Members wanted to know when the food waste collection service would be rolled out to apartments. *Members were informed that apartments required new waste collection receptacles to be able to accommodate food waste collection. The new receptacles were expensive and in some cases some building works would need to be undertaken to accommodate them. Enterprise had been in discussions with Housing Associations and some Housing Associations had committed to undertake work to address the changes this year.*
- Members wanted to know if all plastics could be recycled. *Members were advised that not all plastics could be recycled.*

ACTIONS AGREED

1. The Committee requested that the Client Partnership Team present the revised Key Performance Indicators to the Committee at the next meeting in July.
2. All Members to receive a copy of the maps presented at the meeting.

8. Establishment of Task and Finish Group to investigate the benefits of extending 20MPH Speed Limits

The report informed the Committee that at the Council meeting held on 17 April 2013 there had been a request for this Committee to set up a Task and Finish Group to investigate the benefits of extending 20mph speed limits across residential areas of Peterborough. The purpose of the report was for the Committee to consider and agree the Terms of Reference and Membership of the Task and Finish Group which had been formed

Questions and observations were made around the following areas:

- Members wanted to ensure that the Police were involved in discussions with the Task and Finish Group to ensure that enforcement was taken into consideration.

ACTIONS AGREED

The Committee approved the Terms of Reference and Membership of the Task and Finish Group.

9. Review of 2012/2013 and Work Programme for 2013/2014

The Senior Governance Officer introduced the report which provided the Committee with:

- a review of work undertaken during 2012/13 and recommendations made
- the terms of reference for the Committee and
- a draft work programme for 2013/2014 for consideration

The Committee considered the report and decided that there were no recommendations from last year that required further monitoring.

Members requested the following item be added to the work programme:

- Energy from Waste progress report

10. Notice of Intention to Take Key Decisions

The Committee received the latest version of the Council's Notice of Intention to take key Decisions, containing key decisions that the Leader of the Council anticipated the Cabinet or individual Cabinet Members would make during the course of the following month. Members were invited to comment and, where appropriate, identify any relevant areas for inclusion in the Committee's work programme.

ACTION AGREED

The Committee noted the latest version of the Council's Notice of Intention to take key Decisions.

11. Date of Next Meeting

The meeting began at 7.00pm and ended at 09.15pm

CHAIRMAN