

Waste and Recycling Committee

Date: 13 July 2021

Subject: Contracts Update – Part A

Report of: Justin Lomax, Head of Contract Services,
Waste and Resources Team

PURPOSE OF REPORT

To update the Committee on performance of the Waste and Resource Management Services and Household Waste Recycling Centre Management Services Contracts that commenced on 1 June 2019.

RECOMMENDATIONS:

Members of the Committee are recommended to:

1. Note and comment on the matters set out in the report.

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Equalities Implications:

There are no equalities impacts arising from the matters set out in this report.

Climate Change Impact Assessment and Mitigation Measures

A fundamental principle of the WRMS and HWRCMS contracts is the sustainable management of waste in order to reduce carbon emissions from landfill disposal. The carbon impacts of the contracts are monitored and provided annually by the contractor.

Risk Management:

Performance of the contracts and associated risks are captured in the GMCA corporate risk register.

Legal Considerations:

Activities set out in this report are in accordance with the terms of the WRMS and HWRCMS contracts.

Financial Consequences – Revenue:

Activities set out in this report are in accordance with the Waste revenue budget.

Financial Consequences – Capital:

Activities set out in this report are in accordance with the Waste capital budget.

Number of attachments to the report: N/A

Comments/recommendations from Overview & Scrutiny Committee

N/A

BACKGROUND PAPERS:

N/A

TRACKING/PROCESS		
Does this report relate to a major strategic decision, as set out in the GMCA Constitution?		Yes
EXEMPTION FROM CALL IN		
Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?		N/A
GM Transport Committee	Overview & Scrutiny Committee	
N/A	19/1/2019 Waste Procurement, Corporate Issues and Reform Committee	

1. INTRODUCTION

- 1.1 This report provides the Waste and Recycling Committee with an overview of performance of the Waste and Resources Management Services (WRMS) and the Household Waste Recycling Centre Management Services (HWRCMS) Contracts, with updates on key issues currently affecting the waste management services during this period.

2. CONTRACT PERFORMANCE

- 2.1 This report uses data which, at the time of writing, was undergoing final verification for the annual outturn for the financial year April 2020 to March 2021, which is up to the end of Quarter 4 of year 2, for the two Contracts held by Suez.
- 2.2 Data is also provided for comparison with the same period of the previous year, 2019/20:

Year End Performance – Qtr 1 to 4 - Cumulative (April 20 to March 21)	2020 / 2021	2019 / 2020
OVERALL performance		
Total arisings (t)	1,129,122	1,091,055
Recycling Rate (%)	45.79%	45.47%
Diversion Rate (%)	98.50%	93.45%
HWRC performance		
Recycling Rate (Household Waste) %	46.42%	41.15%
Diversion (Household Waste) %	97.36%	92.21%
Longley Lane MRF		
Rejection of Kerbside Recycling Collections (t)	7,412	2,064
MRF Contamination Rate (Commingled) %	17.7%	18.5%

- 2.3 Total waste arisings for the year 2020/21 were over 1.1m tonnes (t), which is 38kt higher than for the previous financial year. Covid-19 restrictions have had impacts on waste flows, with a change to household waste stream levels and HWRC closures over Quarter 1, along with changes to seasonal peaks where relaxation and imposition of lockdown rules have been applied. Whilst the overall level of waste arisings has increased by c.3.5%, recycling rates have managed to be maintained and increased slightly on last year, reaching a year end recycling rate of nearly 46%.
- 2.4 Overall, landfill diversion figures continue to progress in the right direction, at 5% higher than last year, with a total rate of 98.5% of material diverted away from landfill disposal. When considered as a tonnage, this means almost 55kt less material went to landfill disposal than last year, with only c.17kt being sent to this route.

- 2.5 At the HWRCs (combined for both Contracts = 20 sites - 9 sites in WRMS plus 11 in HWRCMS) the combined recycling rate is now above 46%, which is over 5% higher than for the same period of 2019/20. For both contracts combined, the overall diversion levels reached almost 98.5%, which is 5% higher than the previous year's level.
- 2.6 In summary, during the 12 month period from April 2020 to March 2021 (Quarters 1 to 4 of 2020/21, inclusive) the overall performance across both contracts achieved a recycling rate of almost 46%, resulting in a diversion from landfill rate over 98%.
- 2.7 Contamination levels of kerbside collected recyclate, from unacceptable materials extracted by the MRF process, remain c.18% (although slightly lower than last year's level). The tonnage of collected WCA loads rejected at the reception points remains very high, reaching over 7.4kt, with the majority of this tonnage deriving from the Mixed Paper and Card (MPC) collection stream. Previous Committee reports have made Members' aware of the impact Covid-19 has had on waste flows and contamination of the recyclable material streams. Increased levels of collected MPC material have been negated by the increase in contamination. Communications and collection scheme measures continue to target the issues causing contamination.

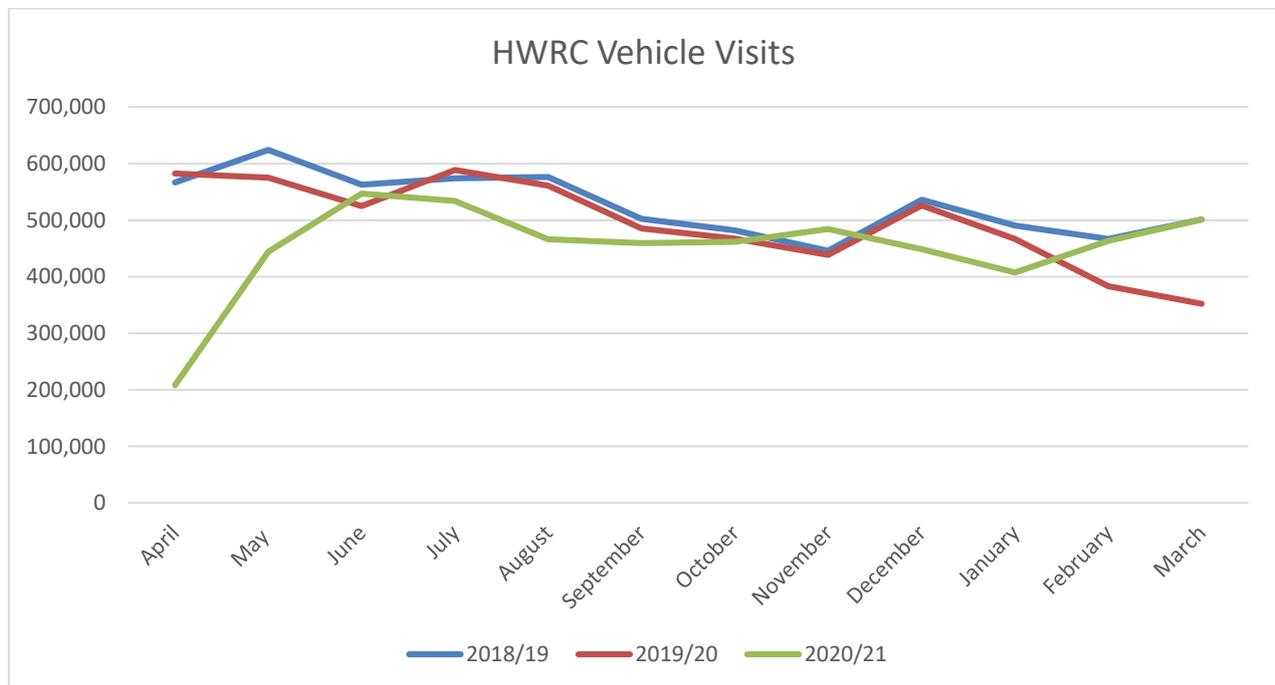
3. HEALTH AND SAFETY

- 3.1 Health and Safety statistics are provided monthly in the Contractor Monthly Services Reports for each Contract and are considered at the monthly Suez Contract Management meeting.
- 3.2 Health and Safety data is reported in key categories, separating incidents involving the Contractor staff and operations, from those involving members of the public (MoP), plus a Near Miss category. Near miss, Incident and Notifiable Incident data is collected centrally and analysed to feed into local, regional and national lessons learned across the Contractor organisation and communicated to all staff.
- 3.3 Since the last Committee report, there has been 1 more RIDDOR incident, for the period up to 31 March 21, bringing the total for the year to 5. The last incident, in January, was a Dangerous Occurrence reported to the HSE as a result of a high-pressure steam leak at the Bolton Thermal Recovery Facility (TRF). This was detected following the restart of the turbine bypass station, during a routine inspection of the turbine hall. The steam supply was isolated from the affected section of the system, then the source of the leak was identified. A repair was carried out, along with an upgrade to the control system, and a reviewed inspection and replacement plan.

4. HWRC CLOSURES / REOPENING OVERVIEW

- 4.1 As previously reported to this Committee, all GMCA Household Waste Recycling Centres (HWRCs) closed on 24 March 21 to comply with Government guidance during the initial Covid-19 lockdown period. Sites reopened on a phased basis from 2 May 21 with full service being reintroduced from 30 June 21.

- 4.2 The graph above shows monthly HWRC visit levels over the 12 months of financial year 2020/21 (green line) compared to the two previous years. For 20/21, following the reopening of the sites, visitor numbers increased sharply and peaked in June 20 at 547k. Visitor numbers then declined (whilst remaining below those of the previous 2 years') until November, when visits increased to the highest since June, at c.485k, which is against the usual seasonal trends, as at this time numbers would normally be at the lowest point in the year. This coincided with increased Covid restrictions on non-essential activities, whilst allowing continued use of HWRCs.
- 4.3 Following the peak over November to early December the visits then reduced, against the usual seasonal trend, which would normally climb after November and peak through December. Throughout February, site visits began to climb and came to a peak in March – reaching higher levels than those experienced over December. This can be associated with the relaxation of Covid 19 lockdown measures in early March.
- 4.4 The increases in visitor numbers in February and March 21 also coincided with periods of warmer weather (whereas the decline in numbers in 2019/20 for these 2 months reflects the introduction of the HWRC Access Policy with vehicle thresholds and limits on annual numbers of visits).
- 4.5 Overall, the data shows that throughout the period of the pandemic, total annual HWRC visitor numbers have stayed below levels seen in the previous 2 years. With the 20/21 total at 5.4m visits, there were 500k less visits than in the previous year.

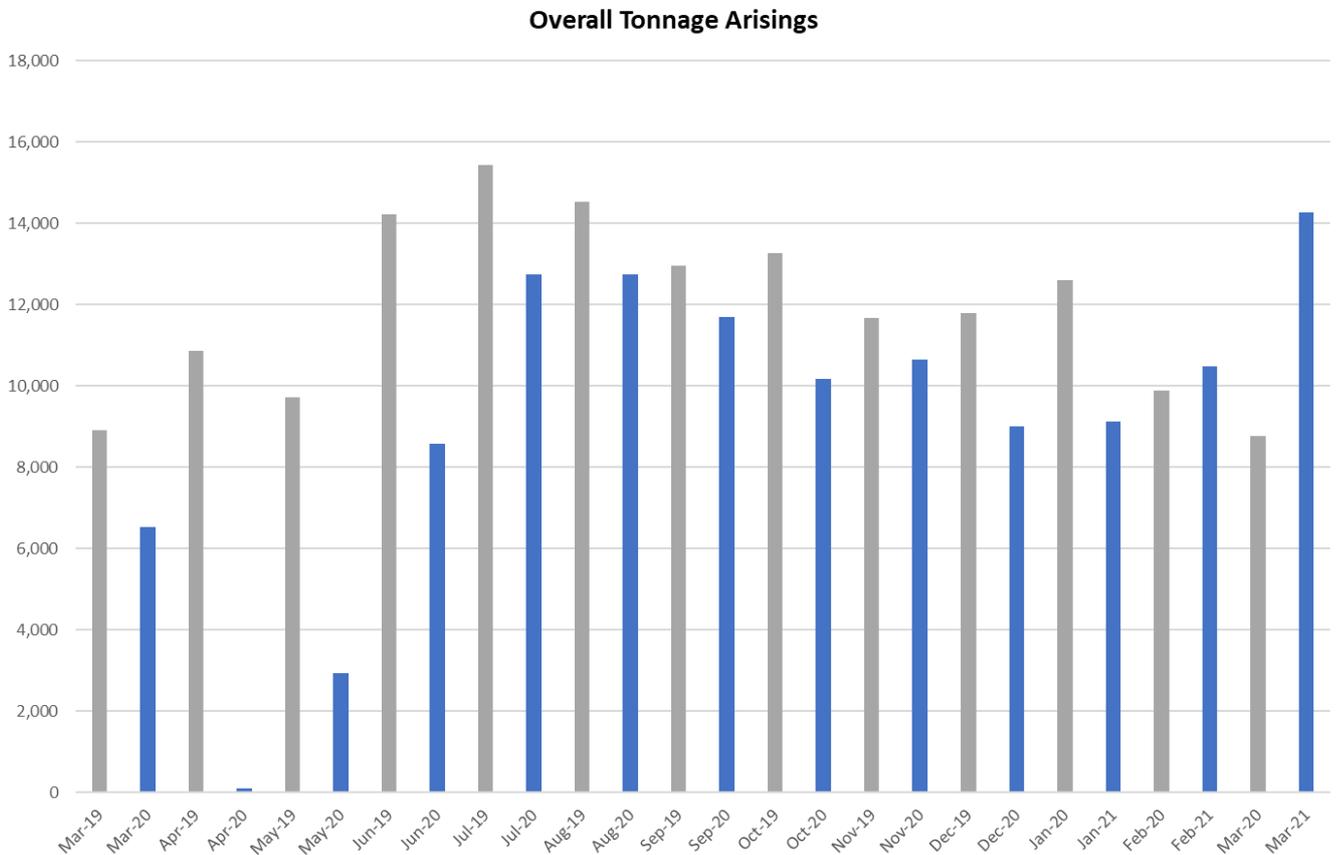


- 4.6 To update on this position, the site visit figures for April 21 continued to increase in line with usual seasonal levels (incorporating the seasonal Easter Bank Holiday increased activity). However, in May 21 visits then dropped significantly, reducing to much lower than usual seasonal numbers (even lower than last May when sites were still on gradual reopening). This suggests the easing of Covid restrictions in May caused a change in activity that led to reduced attendance at the HWRCs.

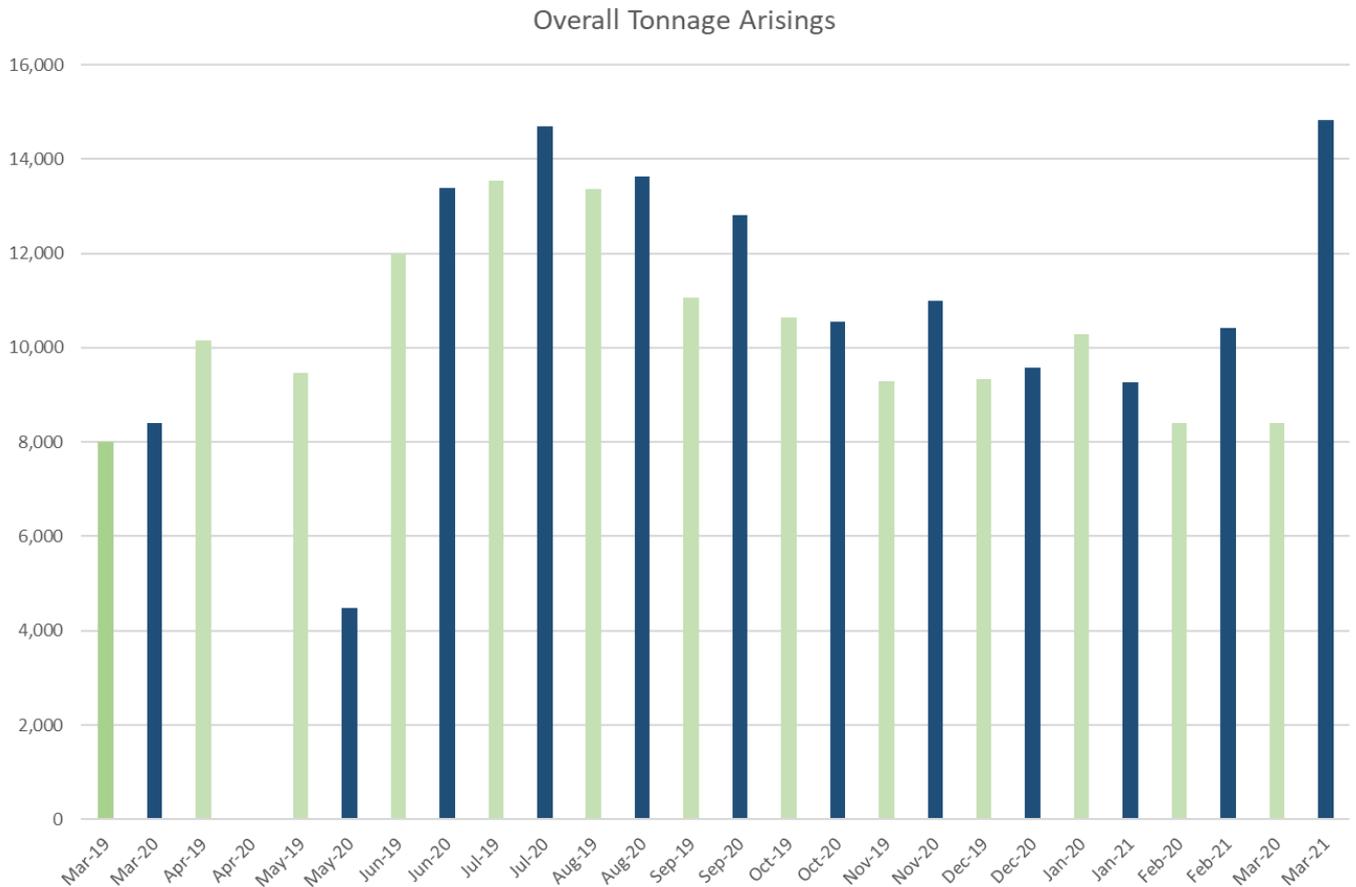
4.7 The overall tonnages received at the 20 HWRCs have also remained lower than in previous years. Final annual data is currently being verified but indicates that there was approaching 20% less material going through these sites than for last year (equating to over 50kt).

4.8 The data in the tables below shows the overall tonnages received at the 20 HWRCs between March 19 and March 21, for a month-on-month comparison. The impact on site tonnages resulting from the March to April 20 closure of the HWRCs and then the phased reopening over May and June 20, can be tracked in the graphs below. Correlating with visit levels for 20/21, tonnages followed similar trend lines and the overall total waste received remained lower than in previous years.

4.9 WRMS Overall Waste Arisings (t)



4.10 HWRCMS Overall Waste Arisings (t)



5. HWRC VAN PERMIT PROPOSAL UPDATE

5.1 Development Update

The next step in the implementation of the GMCA's HWRC Access Policy, SUEZ is continuing to develop the system to administer and manage the usage of HWRC network by householders owning vans. The functionality of the system (both at the application front end and administrative back end), at the time of writing, was approaching its testing phase. The testing will ensure the process for the applicant is as straightforward as possible and that administration is streamlined and compliant with GDPR legislation.

5.2 System Launch

Due to other GMCA communications activities in the early Summer it is anticipated that there will be a 'soft launch' on sites during August 2021 with the 'hard launch' commencing in September 2021. Although August is a holiday month it is anticipated that during that period we should pick up a good number of van users before the hard launch.

5.3 Launch Communications

During the soft launch period a number of communications activities will take place including:

- Distributing leaflets to van drivers visiting HWRCs and using meet and greet staff to answer queries;
- Contact van hire companies to explain the system and how van hirers access HWRCs; and
- Social media.

An update on applications, feedback and the system will be provided at the next Committee meeting.

6. BIOWASTE TREATMENT CAPACITY PROCUREMENT

- 6.1 Members will recall the GMCA sought approval to secure biowaste treatment capacity to 2026 whilst we understand the implications of the Government's Resources and Waste Strategy and develop our plans for the material in the future. As we have an existing biowaste treatment framework in place the procurement of a number of smaller treatment packages (totaling around 120,000 tonnes) is relatively straightforward.
- 6.2 At the time writing the procurement was about to 'go live' so was not possible to provide feedback on the outcome. A verbal update will be provided at the meeting.

7. CHANGE TO RULES ON CARPET RECYCLING

- 7.1 Members will recall the update provided at the last meeting regarding the recycling of waste carpets. Briefly, as part of its plans to increase recycling across Greater Manchester's HWRC network, SUEZ introduced the segregation of carpets for recycling. It had sourced outlets whereby the material could be shredded and used for, for example, surfaces for equestrian training areas. In resource management terms carpet recycling was managed under a 'low risk waste position' meaning that regulatory controls were lighter touch so long as certain operational conditions were met.
- 7.2 At the end of 2020 the Environment Agency (EA) announced the withdrawal of the Low Risk Waste Position (LRWP) imposing stricter control measures reflecting concerns over the risk of the release of plastics and persistent organic pollutants (POPs) into the environment. This was due to come into force in mid-June and would have resulted in significant difficulties in locating compliant outlets for our carpets (perhaps even seeing carpets landfilled once more).
- 7.3 The trade body Carpet Recycling UK and others are lobbying the EA for a 12-24 month delay whilst evidence is gathered on potential plastics and POPs releases. It

was unclear at the time of writing how this will impact carpet recycling – a verbal update will be provided.

8. PLASTERBOARD RECYCLING

- 8.1 As part of discussions with SUEZ the GMCA has agreed to the addition of plasterboard collection points at all suitable HWRCs. This provides both an improved offering to householders and contributes to an increase in the recycling performance of both the WRMS and HWRCMS Contracts (although the material cannot be included in the recycling performance reported to DEFRA).
- 8.2 At the time of writing the following sites had been identified for accommodating plasterboard skips - Arkwright St, Bayley St, Chichester St, Springvale, Hurstwood Court, Salford Road, Bredbury, Adswood, Boysnope Wharf, Lumns Lane and Longley Lane.
- 8.3 Aside from an increase in the Contracts' recycling performance, there are two other clear benefits arising from this:
- Dedicated skips will reduce plasterboard contamination in rubble stream; and
 - Householders will no longer be required to obtain and wear PPE when using HWRCs.

Once details have been finalised some Contract wording will need to be amended and information provided on material end destinations. There is no additional cost resulting from this addition.

9. CONSTRUCTION AND WORKS UPDATE

9.1 Reliance Street MTR – Construction Update (April – June 2021)

- 9.1.1 Significant progress has been achieved to meet the construction programme between April and June to prepare the new plant for cold and warm commissioning. Cold commissioning of the main plant and all its individual components was achieved in this period allowing the plant to satisfy its contractual requirements and achieve a readiness certificate.
- 9.1.2 Achieving readiness now allows testing to focus on warm commissioning where the plant can be observed and tested with waste to achieve the desired performance targets. The facility will be capable of processing 130,000 tonnes of Municipal Solid Waste (MSW) which equates to an approximate hourly throughput of 50 tonnes per/hour.

9.1.3 Recent Achievements:

- Full plant installation for all main components includes shredder, conveyors, compactors, and odour control system (OCS) along all building service infrastructure;
- Installation of new staff welfare building onto the site existing staff car park;
- Completion of the lower-level rail yard concrete works and general external works;
- Upper-level external works now almost complete, apart from finishing and minor snagging items;
- Completion of the new retaining walls to the East and West area of the new building; and
- OCS installation now tested in readiness for automatic mode once the plant achieves its commissioning targets.

9.1.4 Key Activities July to September:

- Achieve warming commissioning of the plant installation;
- Achieve overall completion of the project against Schedule 10;
- Operational handover (scheduled for mid – late August); and
- Contactor demobilization and final handover.

9.1.5 A presentation on this project will be provided at the committee meeting, this will cover the facility requirements, construction history and provide the latest updated position on testing.

9.2 Raikes Lane Turbine (Update)

9.2.1 Thermal Recovery Facility (TRF) at Raikes Lane was extensively damaged in September 2017 by a fire within the turbine hall building. Since the fire extensive refurbishments, repairs and the installation of the new turbine engine have been undertaken by Suez.

9.2.2 The works involved two key phases:

Phase 1 –Turbine Hall Building Repairs and Reinstatement.

Initial phase undertaken in 2018 concentrated on replacing fire damaged building and services to allow the incinerator to come back online which would negate and minimize diversion costs to the Authority. This included replacing building steelwork, cladding to walls and roof, new overhead crane, new control panels, cables, pipework, SCADA System, plinths, access platforms/staircases and roller shutter doors for a cost in the region of £2m.

The incinerator was operational in July 2018, however no electrical off-take would be generated until the completion of Phase 2 and the installation of a new turbine engine.

Phase 2 – Replacement Turbine.

Focusses on installation of a new turbine which will bring the facility back to full operation and enable the exportation of generated electricity to the main grid. A new turbine, generator and gear box were installed works were completed in March followed by cold and hot commissioning in April, culminating in a trail grid connection on the 28th of April.

- 9.2.3 Initial electricity generation in May is encouraging with 4788 MWh being produced and outputs appear to be steadily increasing. Costs for this phase will be in the region of £5m.
- 9.2.4 A brief presentation of the works and plant performance we will be presented at the committee meeting.