

Waste and Recycling Committee

Date: 15 March 2023

Subject: Capital Programme and Asset Management Update – Part A

Report of: Michael Kelly, Head of Engineering and Asset Management,
GMCA Waste and Resources Team

Purpose of Report

Provide members with an update on the implementation of the asset management plan and key engineering projects.

Recommendations:

Members of the Committee are recommended to:

1. Note and comment on matters set out within the report; and
2. Delegate the finalisation of terms in the agreement with Manchester City Council for 2 former landfill sites as set out in section 2.3 to the Executive Director, Waste and Resources in consultation with the Monitoring Officer.

Contact Officers

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Equalities Impact, Carbon and Sustainability Assessment:

There are no equalities impacts arising from the matters set out in this report. A fundamental principle of the WRMS and HWRCMS contracts is the sustainable management of waste 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:

Appendix A – Works Programme 2022-23 Q4 Update

Appendix B - Asset Management Plan – 2022-23 Action List Q4 Update

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

No

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

N/A

Overview and Scrutiny Committee

N/A

1. Introduction

This report provides members with updates relating to the Waste and Resources team asset portfolio. Updates are provided for key projects focusing on progress during quarters 3 and 4 of the current annual period 2022-23. Assets within Waste and Resources are managed by the Engineering team and fall into the following three categories:

(A) - Operational Waste Facilities

- WRMS Contract Facilities – Lot 1
(28) waste processing and reception facilities across 11 locations.
- WRMS Contract – Lot 2
(11) Household Waste Recycling Centres HWRC's

(B) - Buildings and Land

- Comprises of vacant land and building premises separate to operational locations.

(C) - Closed Landfill Sites

- 4 former dilute and disperse landfill sites now closed.

2. 2021-22 Quarters 3 and 4 Update

The following information provides individual updates against selected projects across the Waste and Resources Asset categories.

2.1 Category (A) Updates – Operational Waste Facilities

Reliance Street Household Waste Recycling Centre (HWRC)

Background

A modified HWRC is required at Reliance Street in North Manchester due to the existing facility being beyond its economic life span and the restricted layout which does not encourage high levels of recycling.

A new improved HWRC will provide a larger facility giving more capacity to receive, manage and recycle commodities by providing 16 individual containers to segregate materials like many of our existing HWRC's across the region.

Current Position

Planning permission for the proposed scheme, was granted by Manchester City Council in January 23. Some initial preparation works to clear existing trees, have been undertaken in February ahead of the bird nesting season in preparation for construction.

Our focus for the next 3-4 months will be to prepare the proposed site area by removing all redundant plant and equipment. This will, focus on demolition and dismantling of the former Anaerobic digestion (AD) tanks. We also intend to undertake geotechnical site investigations at the existing HWRC to understand ground conditions before finalising the structural design. Construction is anticipated to commence in Summer – Autumn this year subject to site clearance and enabling works along with the appointment of a construction contractor.

Redundant Assets

Background

Several asset functions are to be reviewed for repurposing, removal and or replacement due to operational changes following delivery of our new and refurbished Mechanical Treatment and Reception (MTR) Facilities. One significant area to review is the redundant AD plants with all 4 plants now off-line and not required for the future operational needs. Reliance Street will be the first AD plant to be addressed as part of the new HWRC scheme, other projects will be implemented over the next 3 years.

Current Position

Our first significant project commenced at the end of August 2022 at Bredbury's Bio-Waste Transfer Loading Station (TLS) to remove the former In-Vessel Composter (IVC) equipment. All plant and equipment is now removed and we are reviewing the existing ground floor slab and potential asset uses with Suez.

A second piece of work at Bredbury is currently underway to remove redundant plant, equipment, conveyors, over band magnets and a redundant dust filter from the MTR. This work will clear up space within the processing hall for a new dust filter.

Further updates will be provided at future committee meetings, please refer to Appendix A for an indication of forecast work programme up to 2025 – 26.

Decarbonisation

Alongside our redundant assets review we are also considering decarbonisation of the waste portfolio. We are looking to undertake an initial review to identify where carbon can be reduced across the sites. The review will initially focus on three key areas to gain an understanding of what is feasible for our buildings and waste processes:

- Review and collate our current carbon emissions data;
- Consider solar Photovoltaic (PV) Opportunities; and
- Consider all other decarbonisation opportunities.

We expect to have concluded the initial review by the end of this year, which we hope will lead to further specific actions in 2023 – 24 and beyond. Further updates on decarbonisation projects will be provided at future Committee meetings.

2.2 Category (B) Updates - Buildings and Land

Salford Road – STOR Power Ltd (SPL)

Background (2016-17)

In 2016 GMWDA were approached by SPL regarding a vacant piece of land at Nash Road, Trafford. SPL wanted to explore the possibility of installing a Short-Term Operating Reserve (STOR) facility to provide backup power for the Trafford Park electricity network. STOR installations provide additional power generation to local networks by gas fired engines at periods of peak energy demands, supplying electricity when the system is in need.

Following an internal review and consideration of Nash Road's long-term future it was decided the site was not suitable as the former GMWDA wanted to retain the strategic location for future operational demands. Following those initial discussions, GMWDA proposed an alternative parcel of unused land at Salford Road which was deemed suitable due to its location and local gas network. The area of land suggested at Salford Road is adjacent to our current HWRC and it has no long-term value to the current operational requirements at Salford Road.

In July 2017, a report was presented to GMWDA setting out a STOR proposal for Salford Road. The GMWDA agreed with the proposed scheme allowing officers to enter discussions with SPL on a long-term lease for the proposed installation. The proposed lease was for a period of 25-years with an annual rental income of £40K per annum.

The proposed development would secure a contract with the National Grid who own and operate the electricity infrastructure in the UK and act as System Operator. Part of this role is to ensure that the demand is balanced with the supply of electricity across the whole of the UK, on a second by second, real time basis. This is intended to allow for sudden dips in renewable energy production that coincide with periods of high demand to be managed by the operator. This assists in reducing the risk that faults could occur on the transmission and distribution networks causing power outages or damage to the network.

To prevent this, National Grid instructs certain generators and consumers to increase electricity generation or reduce demand accordingly. Unlike a traditional power station, the development would be operated as a highly flexible 'peaking plant' meaning it can quickly respond to peaks in energy demand. The gas fired engines will be able to reach full load in less than five minutes from cold and, after only a few hours of operation, these can power down completely.

The proposed development comprises of 4 containerised engine units contained within a 0.31-hectare area of land located between the existing HWRC and Solar Farm with a capacity to generate 20 Mega Watts (MW) of power. The Installation will be delivered and managed by SPL with no risk or liabilities to GMCA, all risks for feasibility, installation and operation would remain with SPL.

Current Position

In September 2017, Bolton Council granted planning permission for the proposed installation and further site investigations were undertaken by SPL to support their design. The initial lease proposal was subsequently agreed November in 2017 but was unable to be actioned until 2021-22 due to funding issues and market conditions. During

this period various deed variations were agreed with SPL to extend the lease and retain the proposed development area.

The lease was formalised by a final deed of variation in October 2022 for the period of 25 years with an annual rental income of £42k per annum. SPL now intend to commence construction and installation of the plant this summer.

No other significant projects are ongoing or planned at category B locations. Please refer to Appendix B – 2022-23 Asset Management Plan update for further information.

2.3 Category (C) Updates - Closed Landfill Sites

GMCA currently manage four closed landfill sites at Bredbury, Waithlands, Barlow Hall and Cringle Road. Two sites at Barlow Hall and Cringle Road are jointly managed with Manchester City Council (MCC) and are due to be fully returned to MCC control by 31st March 23.

Bredbury Landfill - Drainage Works

Background

Bredbury closed landfill is located approximately 1km North of Bredbury Town Centre adjacent to Bredbury Business Park, it comprises of two 4-hectare sites separated by a railway line serving the Mechanical Treatment and Reception (MTR) facility.

Leachate levels within the site are managed by a drainage system designed to capture percolated ground water and transferred to an on-site Methane Stripping Plant (MSP). The MSP treats leachate to reduce Methane concentration prior to disposing of the treated effluent into the local public sewer. Parts of the existing drainage system are damaged and beyond any reasonable condition due to age and deterioration over the systems lifespan. GMCA now intend to undertake upgrades to the system which will provide the following key outputs:

- Replace damaged pipe section (approximately 50m);
- Upgrade existing manholes to improve access and egress;
- Improve maintenance access;

- Ensure continued leachate collection to manage landfill water table; and
- Modernise chambers to comply with the latest health and safety standards.

Current Position

Following a public procurement exercise in July this year a civil engineering contractor was appointed to deliver the proposed upgrades, works commenced in September 2022 as scheduled. Site conditions and poor weather have delayed the intended completion date of December the 23rd until the end of February. Apart from the delays all works have progressed well and as intended against our design.

Barlow Hall and Cringle Road – Landfill Sites

Background

Barlow Hall and Cringle Road closed landfill sites were both part of the former Greater Manchester Waste (GMW) and Greater Manchester Waste Disposal Authority (GMWDA) portfolio from the early 1980's up until 2012 - 13. Both sites were land- filled by Manchester City Council (MCC) in the 1970's and formed part of a wider landfill portfolio inherited by GMW.

In 2012 GMWDA commenced a thorough review of its asset portfolio and landfill sites with a view to reducing risk for the Authority. This included discussions with MCC on returning Barlow Hall and Cringle Road to their ownership. In 2013 GMWDA and MCC formalised a transfer agreement over a 10-year handover period that would see both sites being fully transferred.

The agreement set out mutual obligations for both sides to manage each site and costs were divided on a percentage basis year-on-year where costs would eventually be fully deferred to MCC across the 10-year period.

Current Position - Proposed Extension

The agreement is in its final annual period and both sites are set to be fully returned to MCC at the end of March 2023. In October last year MCC approached GMCA to enquire on the possibility of an extension to the agreement.

GMCA are currently considering the extension on a 12-month basis which would see the current Engineering Team manage and maintain both sites on behalf of MCC. It is intended that all responsibilities, costs, and liabilities would transfer to MCC from April 2023 along with all associated operational costs. GMCA would provide a service to maintain the sites to an agreed standard.

Dialogue with MCC is ongoing and we are hoping to formalise an extension by the end of March 23. This will require finalisation of terms to be delegated to the Executive Director, Waste and Resources in consultation with the Monitoring Officer.

POS Landcare Limited – Landfill Sites

Background

In December 2012, the GMWDA agreed the sale of 18 closed landfill sites to POS Landcare Ltd (POS). The purpose of the sale was to protect interests of the Authority and divest itself of future liabilities while also producing significant operational costs associated with their management. The agreement was based on a 10-year payment profile to ensure the sites and all associated risks were managed to GMWDA's required standards by adhering to an agreed management plan.

Current Position

The 10-year handover period expired on the 17th of December 2022 signifying the end to our agreement maintenance period and GMCA's payment contributions. GMCA are currently addressing legal obligations to release any special conditions associated with the sites and update the land registry titles. This is expected to be concluded by the end of March 2023. GMCA will have no further involvement in the sites their management or maintenance.

3. 2022-23 - Works Programme

Our 2022-23 works programme update and forecast position is provided within Appendix A. This forecast covers key projects across all asset categories in the current annual period along with our predicated workloads up to 2025-26.

4. 2022-23 - Asset Management Plan

Our 2022-23 AMP Action list provides updated positions for Q3-4 within Appendix B.