

Greater Manchester Combined Authority

Waste and Recycling Committee

Date: 16 October 2024

Subject: Biowaste Management Strategy Update

Report of: Paul Morgan, Head of Commercial Services, Waste and Resources Team

Purpose of Report

To provide an update on the progress in the implementation of the previously agreed Biowaste Management Strategy.

Recommendations:

The Committee is requested to:

1. Note the update provided.

Contact Officers

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Waste and Resources

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Equalities Impact, Carbon and Sustainability Assessment:

Recommendation - Key points for decision-makers		
Insert text		
Impacts Questionnaire		
Impact Indicator	Result	Justification/Mitigation
Equality and Inclusion		
Health		
Resilience and Adaptation	G	
Housing		
Economy	G	If future facilities are developed, or use businesses within GM boundaries then the economy will benefit. As above As above Perhaps
Mobility and Connectivity		
Carbon, Nature and Environment	G	Improvement of soil by the use of outputs to soils.
Consumption and Production	G	
Contribution to achieving the GM Carbon Neutral 2038 target		If GMCA secures a technology that generates green gas then CO2 emissions will reduce directly and/or through displacing fossil fuels elsewhere.
Further Assessment(s):	Carbon Assessment	
G Positive impacts overall, whether long or short term.	A Mix of positive and negative impacts. Trade-offs to consider.	R Mostly negative, with at least one positive aspect. Trade-offs to consider.
		RR Negative impacts overall.

Risk Management

There are no risk implications associated with this report.

Legal Considerations

There are no legal implications associated with this report.

Financial Consequences – Revenue

The next steps associated with this report can be accommodated within existing budgets.

Financial Consequences – Capital

There are no capital implications associated with this report.

Number of attachments to the report: None.

Comments/recommendations from Overview & Scrutiny Committee

N/A

Background Papers

- [\(Public Pack\)Agenda Document for Greater Manchester Waste & Recycling Committee, 17/01/2024 10:00 \(greatermanchester-ca.gov.uk\)](#) – Biowaste Management Strategy

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?

None.

GM Transport Committee

N/A

Overview and Scrutiny Committee

N/A

1. Introduction

Mixed biowaste (garden and food waste) collections form an important part of the recycling services provided by the authorities across Greater Manchester. The material collected is delivered to GMCA facilities for bulking up before being treated at contracted merchant facilities.

The National Resources and Waste Strategy requires local authorities to collect food waste on a weekly basis from all households (subject to any exceptions as a result of the transitional arrangement that applies to six of the nine GM authorities). It is hoped that an exemption will continue to allow the GM authorities to collect mixed food and garden waste and we will need to ensure there is sufficient capacity to accept this waste in the longer term. To that end a strategy to manage Biowaste was developed.

2. The Biowaste Management Strategy

In January of this year the proposed Strategy was presented and agreed by this Committee. In brief the Strategy is:

- From 2024 – commence a procurement for a biowaste treatment framework running from 2026 to 2029 with the ability to award call off contracts through to 2034 to permitted offtake for mixed garden and food waste for in vessel composting (IVC) treatment for c. 200k tonnes per annum (ktpa). Call off contracts to be awarded for up to c.135ktpa for the period 2026 to 2029 and Suez will continue to manage the remainder of the tonnage through the WRMS contract in this period;
- In 2024 – run a market testing exercise for expressions of interest in a design, build, finance, operate arrangement for 2 x 100ktpa treatment facilities with technology to be dry AD or IVC with the bidder to provide sites (either their own or 3rd party, ideally located in the North West) with facilities to be available for operations by 2029; and
- Following the market testing exercise and there are positive, financially viable responses, the GMCA to consider running a procurement process for the development of the 2 facilities with the aim of starting to deliver 200ktpa of Biowaste to newbuild facilities if the subsequent procurement has been successful, or, continue with the framework and call off contracts for merchant IVC treatment from 2029 to 2034.

3. Progress to Date

A market engagement event was held during August. Representatives from twelve organisations attended including technology providers and facility operators. Following presentations that set the scene we hosted one-to-one conversations with those who wanted to explore matters further. Attendees were then requested to complete a questionnaire to enable GMCA to devise the next strategic steps. These questionnaires sought an indication of how the respondent might devise a solution that fits GMCA's requirements or to challenge the approach identified.

4. Initial Findings

At the time of writing twelve questionnaires had been received but the content was being analysed. A more comprehensive analysis of the contents will be provided verbally. A couple of points did become clear:

- the lack of the availability of sites may become a challenge to deliverability; and
- uncertainty over the future of the government's Green Gas Support Scheme throws doubt over the financial model of delivery.

The Green Gas Support Scheme (GGSS) was established to incentivise the production of biomethane through anaerobic digestion. The initiative aims to provide financial support to producers of green gas creating economic stability and encourage investment in green gas projects. The current scheme ends in March 2028 and to be eligible for support the facility must be putting gas into the grid and currently no successor scheme has yet been announced. The financial incentive the scheme provides is crucial to the business case underpinning the GMCA's Biowaste Management Strategy.

5. Next Steps

The questionnaire responses will be summarised and discussed by the Waste and Resources Team and its advisers. This will then lead to refining the Strategy outlined in section 2 above in terms of deliverability, adjusting timescales and exploring further any opportunities arising.

One action that is clear is lobbying the Department of Energy Security and Net Zero (DESNZ) on the successor scheme to the GGSS. An early announcement from DESNZ on

a successor scheme would reduce the financial risk to any future procurement and development.