

## **GMCA Waste and Recycling Committee**

Date: 14<sup>th</sup> October 2020

Subject: Contracts Update – Part A

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

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### **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<sup>st</sup> June 2019.

### **RECOMMENDATIONS:**

Members of the Committee are recommended to:

- i. Note and comment on the contract performance, health and safety, HWRC performance, construction works, and other matters set out in the report; and
- ii. Approve the expenditure set out at paragraph 5.3.1 for the development, implementation and maintenance of a Van Permit Scheme for the Household Waste Recycling Centers.

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Comments and/or recommendation from the relevant Overview & Scrutiny Committee

Risk Management - see paragraph 7.1

Legal Considerations – see paragraph 8.1

Financial Consequences – Revenue - see paragraph 8.1

Financial Consequences – Capital - see paragraph 8.1

**BACKGROUND PAPERS:**

<b>TRACKING/PROCESS</b>	
Does this report relate to a major strategic decision, as set out in the GMCA Constitution (paragraph 14.2) or in the process (paragraph 13.1 AGMA Constitution) agreed by the AGMA Executive Board:	No
<b>EXEMPTION FROM CALL IN</b>	
Are there any aspects in this report which means it should be considered to be exempt from call in by the AGMA Scrutiny Pool on the grounds of urgency?	N/A

## 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.
- 1.2 Performance reporting provided uses verified data to the end of June 2020, which is the Quarter 1 position for financial year 2020/21 (Year 2 of the Suez Contracts).
- 1.3 A progress update on the works at Chichester Street in Rochdale and Reliance Street is provided at section 6. An update on the implementation of the Household Waste Recycling Centre Van Permit Proposal is set out at section 5.

## 2. CONTRACT PERFORMANCE

- 2.1 This report uses verified data, which at the time of writing was available for the period from April to the end of June 2020, as Quarter 1 of year 2 for the Suez Contracts.
- 2.2 Data provided below shows the overall position for Quarter 1, 2020/21, with comparison to the same period of the previous year:

<b>Annual Performance Comparison (Year end – April to June 2020)</b>	<b>2020 / 2021</b>	<b>2019 / 2020</b>
<b>OVERALL performance</b>		
<b>Total arisings (t)</b>	267,834	271,795
<b>Recycling Rate (%)</b>	47.8%	52.9%
<b>Diversion Rate (%)</b>	97.7%	90.7%
<b>HWRC performance</b>		
Recycling Rate (Household Waste) %	34.3%	34.4%
Diversion (Total Arising, inc. rubble) %	98.6%	84.5%
<b>Longley Lane MRF</b>		
Rejection of Kerbside Recycling Collections (t)	2594	126
MRF Contamination Rate (Commingled) %	21.2%	19%

- 2.3 Total waste arisings were approaching 270k tonnes for Quarter 1, which is similar to the same period last year. However, the impact of the COVID-19 restrictions, with lockdown causing a change to household waste stream levels and HWRCs initially closing, followed by a staged reopening, the recycling rate has reduced by 5%.
- 2.4 Overall Diversion figures continue to progress in the right direction, being c.7% higher than in the first quarter of last year. When considered as tonnage levels, this means almost 19kt

less material went to landfill disposal than last year, achieving an overall rate of almost 98% Diversion.

- 2.5 At the HWRCs (across the 2 Contracts = 9 sites in WRMS plus 11 in HWRCMS) the combined recycling rate is now over 34%, which is comparable to quarter 1 of 2019/20, with overall Diversion levels reaching almost 99%, which is over 14% higher than last year's Quarter 1.
- 2.6 In summary, the overall performance for both contracts for Quarter 1 of financial year 2020/21 (April to June 20) gives a diversion rate approaching 98% and recycling rate of almost 48%.
- 2.7 Contamination levels of kerbside collected recyclates, from unacceptable materials extracted by the MRF process, have reached 21% (increased by 2%). The tonnage of collected WCA loads rejected at the reception points, was c.2.6kt, which is a very significant increase. In the March Committee report Members were alerted to the substantial changes for the Mixed Paper and Card material stream, that has caused increasingly stringent quality controls at reprocessor outlets, brought about by dramatically reduced material values and demand in the global market place. This position has continued and has been further exacerbated by the impact of Covid-19 (both impacting the movement and processing of materials, whilst also showing increased levels of contamination in the collected materials).

### **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 Unfortunately, there has been 1 RIDDOR incident in the period from April 2020 to June 2020. In May, an incident occurred which involved a Fork Lift Truck (FLT) driver at Longley Lane who slipped on loose glass fines near the glass containment bays after parking the machine. The driver injured their knee and arm, and subsequently RIDDOR became applicable when the number of days recovery resulted in more than seven days absence.

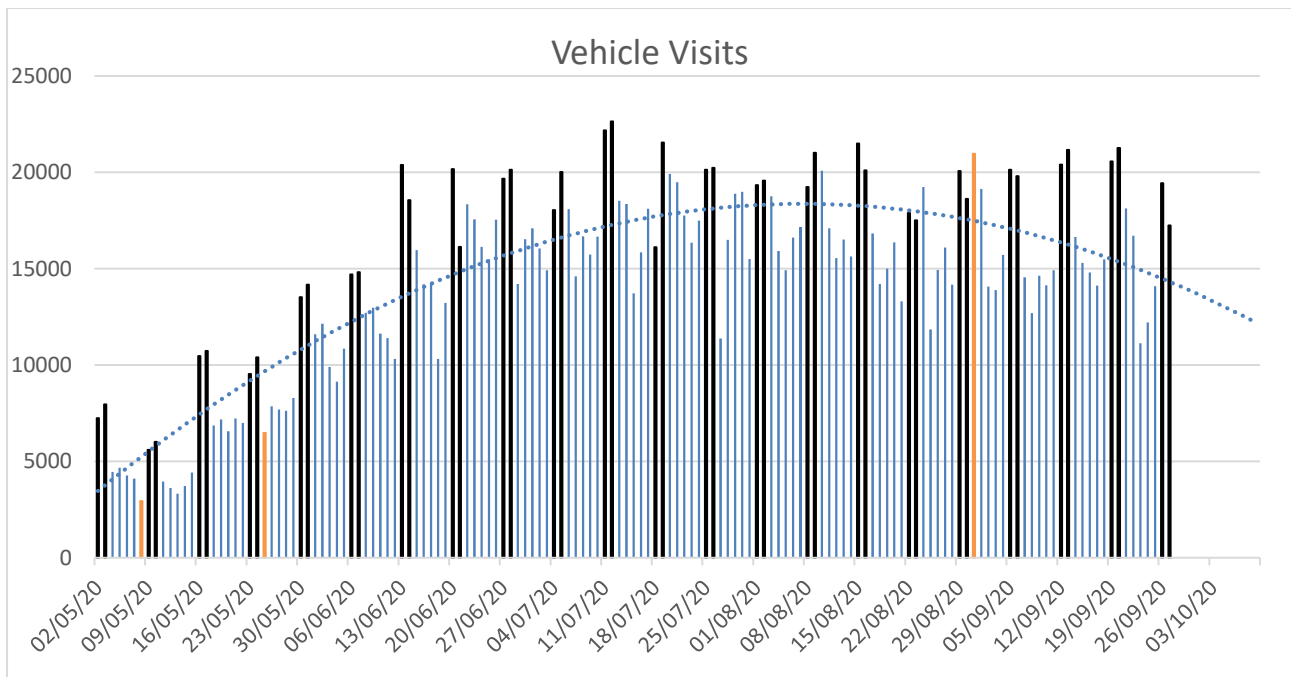
### **4. HWRC CLOSURES / REOPENING OVERVIEW**

- 4.1 All GMCA Household Waste Recycling Centres (HWRCs) closed on 24<sup>th</sup> March in order to comply with Government guidance on essential reasons to leave the house during the initial 3 week lock down period. Sites reopened on a phased basis from 2<sup>nd</sup> May with full service being reintroduced from 30<sup>th</sup> June. The sites are continuing to operate between the hours of 0800 and 1800 and this will continue to provide a 2 hour window between 1800 and 2000 for Suez to clean down and prepare sites for the following day, given the level of use being experienced.

4.2 The number of visits to the HWRCs has increased steadily since reopening, the data set out below is for the months pre COVID 19 for comparison purposes and shows the total number of vehicle visits to the HWRCs per month.

Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Jul 20	Aug 20
525,780	466,248	383,158	357,148	0	207,920	410,022	547,450	535,941

4.3 The daily vehicle visits are set out in the graph below for the period 2<sup>nd</sup> May to 27th September. This shows a steady increase in use as more commodities have been introduced and more sites opened. The trend line for the period indicates that the level of use has plateaued and is starting to slowly reduce which may reflect a return to office working for some residents as schools have reopened.



4.4 The impact on site tonnages resulting from the closure of the HWRCs and then the phased reopening over May and June, is shown in the tables below. The return to full capacity saw subsequent increased tonnages in July and August\* (\*please note recent data is still under verification). The data in the tables compares the tonnages of these materials received at the sites between March and August 20 and compares them to the same months in 2019 for the WRMS and HWRCMS contracts.

<b>WRMS HWRC</b>	<b>Mar-19</b>	<b>Mar-20</b>	<b>Apr-19</b>	<b>Apr-20</b>	<b>May-19</b>	<b>May-20</b>	<b>Jun-19</b>	<b>Jun-20</b>	<b>Jul-19</b>	<b>Jul-20</b>	<b>Aug-19</b>	<b>Aug-20</b>	<b>Total Mar to Aug-19</b>	<b>Total Mar to Aug-20</b>
Overall Tonnage Arisings	8,918	6,532	10,863	94	9,720	2,929	14,220	8,576	15,437	12,648	14,538	13,185	73,697	43,964
<b>HWRCMS</b>	<b>Mar-19</b>	<b>Mar-20</b>	<b>Apr-19</b>	<b>Apr-20</b>	<b>May-19</b>	<b>May-20</b>	<b>Jun-19</b>	<b>Jun-20</b>	<b>Jul-19</b>	<b>Jul-20</b>	<b>Aug-19</b>	<b>Aug-20</b>	<b>Total Mar to Aug-19</b>	<b>Total Mar to Aug-21</b>
Overall Tonnage Arisings	8,013	8,414	10,143	6	9,475	4,487	11,991	13,388	13,545	14,612	13,368	13,501	66,535	54,408

4.5 In both contracts, the data shows a reduction in March reflecting the closure of sites on 24<sup>th</sup> March and negligible tonnages in April when all sites were closed (sites were cleared out over this period, hence the small tonnage shown). Overall, the tonnage throughput from July is showing a return to comparable levels (when combined) but is running lower overall than the previous year. This is likely to be due to be a reaction to Covid-19 control measures and the impact this is having on resident behaviour in general.

## 5. HWRC VAN PERMIT PROPOSAL

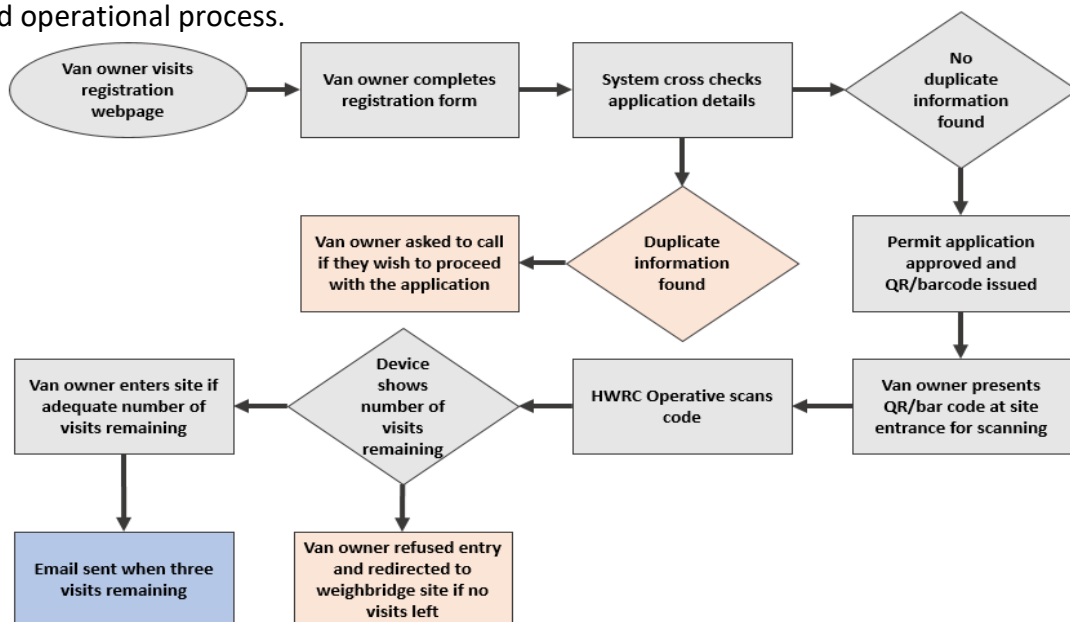
### 5.1 Introduction

5.1.1 At the July 2020 meeting Members considered the HWRC Access Policy and resolved to approve the development of a project plan for a potential van permit scheme. Since that meeting the GMCA has discussed with Suez the brief for the development of a van permit system including a timeline for introduction and indicative cost.

5.1.2 As reported previously, vans comprise a relatively small proportion of total visits to the HWRCs but represent over 150,000 visits annually. It is evident that vans make up a significant proportion of the vehicles that are abusing the sites with trade waste. The restriction on the number of visits vans can make has reduced numbers but the van permit system will provide a greater degree of control over trade waste abuse at the HWRCs.

### 5.2 How The Scheme is Planned to Work

5.2.1 Under the scheme, a householder who owns a van will need to register the vehicle with the GMCA via a dedicated web portal. The figure below summarises the high-level application and operational process.



5.2.2 The design of the system will take account of the following factors:

- The system will be a mobile and web friendly application accessible via phone or desktop;
- Visuals will be used to aid the description of the vehicle during the application process;
- Users will be able to remove and replace vehicles if they are sold;

- QR codes will be sent via email to van owners on registration and accessible via the portal at any time;
- When three visits remain an email will notify the van owner; and
- There will be the ability to manually reset visits or remove a particular visit if necessary.

5.2.3 At the application stage van owners will be asked to supply:

- Their name, address, telephone number and email address so that we can cross check the application and so we can give the van owner their QR/barcode; and
- The make, model, colour and registration of the van owned.

5.2.4 When working through the application, applicants will be asked to make declarations regarding the nature of waste being deposited (declaring it is their household waste only) and that the vans they are registering are insured, taxed and registered. The GMCA will have the capability to access the Driver and Vehicle Standards Agency database to cross check insurance, taxation and registration declarations if necessary.

5.2.5 The GMCA is collating potential frequently asked questions (FAQs) and working with Suez to resolve a number of potential issues or queries that are likely to arise during the operation of the system - for example, how hired vans will be managed.

### 5.3 **Costs And Timeline**

5.3.1 Suez has provided two options for the development and continued support of the system – (1) a build and develop cost and (2) an ongoing subscription service:

- (1) For the build and develop service the one-off costs are estimated to be nearly £45k with £7k annual costs; and
- (2) For the subscription service - estimated £3k for the initial build and £15k per annum to cover 20 HWRCs.

5.3.2 Option 2 for the development and subscription service is recommended. The initial estimate for the go live date is the beginning of February 2021 once development, testing and rollout on sites has been completed.

## 6. **CONSTRUCTION AND WORKS UPDATE**

### 6.1 **General Update (Covering Period July – September 2020)**

6.1.2 Progress at Chichester St and Reliance St has improved since the previous update. Each scheme is currently being delivered with revised working procedures and site rules to manage and mitigate potential risks from Coronavirus.

### 6.2 **Site Updates**

#### 6.2.1 **Chichester Street**

6.2.2 In recent months since the end of lockdown significant progress has been achieved at Chichester Street to reduce any programme delay risk. Main building works are complete with all services and containments installed. Testing of the facility is expected in the coming weeks with completion of the works and operational handover scheduled in October.

### 6.2.3 Recent Progress achieved:

#### External Works

- Preparation of construction soil for landscaping of the wider site areas; and
- Installation of steel Armco barriers.

#### Structural Steelwork

- Cladding to south elevation completed; and
- Internal Greedy boards installation 95% complete.

#### Building Services

- Trace heating installed to fire suppression pipework complete;
- Lagging to commence early September;
- Thermal cameras with UVIR sensors due for installation in September;
- Dust suppression Installed and completed; and
- External CCTV and bulkhead lighting now installed.

### 6.2.4 Focus for September and October:

- Roller shutter doors and pedestrian door installation and testing;
- Commissioning of electrical and building services;
- Completion of landscaping works;
- Completion of works and operational training;
- Schedule 10 testing;
- Completion of Works; and
- Operational Handover.

### 6.2.5 Chichester Street - Site Photographs September 2020

#### 6.2.6 Front Elevation and yard





### 6.2.7 Internal Layout Showing Push Walls and Greedy Boards



### 6.2.8 Vehicle Wheel Wash



## 6.3 Reliance Street

6.3.1 Similar to Chichester Street recent progress has been improved at Reliance Street following initial lockdown impacts. Recently all main structural concrete works have been completed which take the scheme above ground. Initially some minor delays were incurred with ground conditions, resulting in minor delays to piling works and other delays associated with poor weather were also encountered. However good progress has been maintained since the return to site activities in early May.

6.3.2 Along with Site based activities progress has also been ongoing with plant and machinery. The facility will incorporate a similar arrangement to our existing Mechanical Treatment and Reception (MTR) facilities where waste is received, shredded and conveyed to compactors for onward rail transport to Runcorn.

### 6.3.3 Machinery and plant progress (August):

- Compactors – Factory Acceptance Test (FAT) Test completed;
- Magnet Component – FAT Test completed;
- Steel works Design – Metals recovery and Compactors units commenced; and
- Conveyors now manufactured and in storage awaiting site delivery when required.

### 6.3.4 Construction Progress Achievements:

- Drainage works – Excavation and preparation for attenuation tanks is well underway with tank No 2 adjacent to the operational offices fully installed;
- Main structural ground works including ground beams and slab now complete which includes the shredder pit; and
- Above ground - Recycling bunker wall bays now complete.

### 6.3.5 Construction Focus for September and October:

- Continuation of all above ground concrete works (Push Walls);
- Continuation of attenuation tanks;
- Commencements of steel works; and
- Delivery of the new shredder.

### 6.3.6 Reliance Street - Site Photographs September 2020

### 6.3.7 Ground Work Preparation for Attenuation Tank No 2



### 6.3.8 Main MTR Floor Base Showing Push Wall Steelwork and Shredder Pit



### 6.3.9 Main MTR Floor Slab Steel Works and Concrete Pour



## 7. RISK MANAGEMENT

7.1 Risks arising from the WRMS and HWRCMS contracts are reflected in the GMCA Corporate Risk Register.

## 8. FINANCE AND LEGAL CONSIDERATIONS

8.1 Activities described in this report are in line with revenue and capital budgets for 2020/21 and are in accordance with the terms of the WRMS and HWRCMS contracts.