

To: Infrastructure, Land and Environment Policy Board

On: 6 November 2019

Report by: Director of Environment & Infrastructure

Heading: Clyde Valley Waste Management Project, Treatment & Disposal of Residual Waste

1. <u>Summary</u>

- 1.1 Renfrewshire Council came together with Partner Councils to procure a longterm Residual Waste Treatment and Disposal Services.
- 1.2 The main aim was to ensure compliance with the Waste (Scotland) Regulations 2012 which introduced a ban on the landfill of residual waste on 1 January 2021. Residual waste is waste that remains following recycling and composting activities carried out by the Councils.
- 1.3 There are 5 local authorities, including Renfrewshire, that make up the Clyde Valley Waste Management Project as follows:
 - North Lanarkshire Council (lead authority)
 - Renfrewshire Council
 - East Renfrewshire Council
 - East Dunbartonshire Council
 - North Ayrshire Council
- 1.4 At the Council meeting on 24 September 2015, approval was given for North Lanarkshire Council to appoint Viridor to design, build, finance and operate the facilities to treat residual waste through an energy from waste treatment facility to divert from landfill.

- 1.5 The 25-year contract will take 190,000 tonnes of waste per year from the 5 partner Authorities, providing services to a population of more than 845,000 people.
- 1.6 The facilities have been under construction for the last 4 years, with commissioning of the facilities commencing in January 2019 to allow the engineers to test and stress the plant. This ensures the contract will commence on 1 December 2019 as planned.
- 1.7 The contract, in addition to diverting waste from landfill and recovering recyclate, will deliver year on year carbon savings to the Partner Councils as well as a number of local Community Benefits to the Partner Council areas such as apprenticeships, work placements, new jobs and workshops for small businesses.
- 1.8 The project is the largest successful collaboration of Council's in Scotland working towards a joint procurement for waste processing facilities.

2. <u>Recommendations</u>

It is recommended that the Infrastructure, Land and Environment Policy Board:

- 2.1 Notes the Clyde Valley residual waste facilities at Bargeddie and Dunbar are now constructed and operational.
- 2.2 Notes the contract will commence as planned on 1 December 2019 for a 25year period, diverting Renfrewshire's residual waste from landfill to the energy from waste facility.

3. <u>Background</u>

3.1 In early 2009, Renfrewshire Council looked to identify a long-term solution for residual waste treatment. This was necessary due to the pending introduction of the landfill ban which then followed through in legislation in 2012, banning the disposal of municipal waste from January 2021. Consideration was also given to Renfrewshire Council procuring and constructing their own waste treatment facility. Although a standalone solution for Renfrewshire was viable, better value could be achieved by participating in a joint procurement exercise with other authorities.

3.2 The preferred option was a collaborative procurement with a number of other Councils within the Clyde Valley area. Five Clyde Valley Councils agreed formally to participate: North Lanarkshire (as the lead authority), East Renfrewshire Council, East Dunbartonshire Council, North Ayrshire Council and Renfrewshire Council.

4. <u>Governance</u>

- 4.1 North Lanarkshire Council is the Lead Authority for the Clyde Valley Waste Project for the procurement of the residual waste treatment project.
- 4.2 The Project Team, supported by the appointed legal, financial and technical advisers, evaluated the Pre-Qualifying Questionnaire submissions and recommended a top six list of bidders to progress to the outline dialogue stage.
- 4.3 In September 2015, the dialogue process concluded, and approval was given at the Council meeting of 24 September 2015, for the appointment by North Lanarkshire Council of Viridor as Preferred Bidder. Viridor were Appointed as Preferred Bidder in October 2015.

5. <u>The Technical Solution</u>

- 5.1 Viridor have built a new primary treatment facility at Bargeddie in North Lanarkshire. This facility will remove metals and heavy plastics from the waste stream and the residual material. Following extraction of these recycling materials, the residues are then subjected to further treatment rendering it a Refuse Derived Fuel (RDF). The RDF is then taken to the Dunbar Energy Recovery Facility for subsequent conversion to Energy from Waste.
- 5.2 The Council's Middleton Road waste transfer station will be operated by the contractor for the duration of the project and returned to Renfrewshire Council at the end of the service period.

6. <u>Performance Targets and Benefits</u>

- 6.1 There are many positive outcomes to be delivered by the Clyde Valley Waste Project including:
 - Compliance with the Scottish Government Zero Waste Plan and Waste (Scotland) Regulations 2012, in so far as Renfrewshire Council and our Partner Councils will be compliant with the landfill ban, originally effective from January 2021.

- Creating approximately 4% additional recycling on top of Partner Council recycling rates through recyclate recovery.
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- A net saving of 49,934 tonnes of CO2e per annum throughout the contract period compared to the current waste management solutions.
- The contract is focused firmly on landfill diversion, with a maximum restriction on landfill disposal and it is anticipated that only 10% of ash from the process will be landfilled.
- Community benefits is a key component of the contract and accounts for 10% of the project evaluation criteria. These community benefits include 120 jobs being created, focussing on long term unemployed and young people. The contractor will also engage with small and medium sized businesses to develop a Clyde Valley supply chain, working with the Federation of Small Business, Chamber of Commerce, Community Enterprises in Strathclyde and other partners is another key deliverable. The award will also see the development of a flagship Clyde Valley GO4SET (science, engineering and technology) educational partnership in conjunction with the Engineering Development Trust focused on influencing STEM uptake in secondary schools.

7. Carbon Management

- 7.1 The energy generated from the waste plan will firstly be used to go back into power the plant. The plant will be powered by the electricity it generates. The excess electricity will go to the grid, reducing the need to create electrical energy from other fuel sources.
- 7.2 It is estimated that the waste treatment will reduce Partner Councils' combined carbon emissions by approximately 49,934 tonnes of CO₂e per annum during the Contract Period. As a new contract, it will not be possible to set a full baseline for carbon assessment until the contract has been operational for a period of time. Following Contract Commencement an assessment will be carried out to estimate the carbon emissions associated with the contract.

Implications of the Report

1. Financial – None

2. HR & Organisational Development – None

3. Community & Council Planning

Creating a sustainable Renfrewshire for all to enjoy - Reducing carbon emissions due to waste processing and year on year carbon reductions. The proposal will save natural resources through increased recycling and green energy recovery, which represents Best Value to the taxpayer.

- 4. Legal None.
- 5. **Property/Assets** None
- 6. **Information Technology** None.
- 7. Equality & Human Rights The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website
- 8. Health & Safety None.
- 9. **Procurement** None.
- 10. **Risk** None.
- 11. **Privacy Impact** None.
- 12. **CoSLA Policy Position** None.
- 13. **Climate Risk** The performance outlined within the report will continue to contribute to positive climate change and reduce the Council's carbon footprint for disposal of waste.

List of Background Papers: None

Author:	Gordon McNeil, Director of Environment & Infrastructure
e-mail:	Gordon.mcneil@renfrewshire.gov.uk