

## ENVIRONMENT SCRUTINY PANEL

**Venue:** Council Chamber, Town Hall, Moorgate Street, Rotherham  
**Date:** Tuesday, 15 February 2005  
**Time:** 2.00 p.m.

### A G E N D A

1. To determine any item which the Chairman is of the opinion should be considered as a matter of urgency.
2. To determine if the following matters are to be considered under the categories suggested in accordance with the Local Government Act 1972.
3. Questions from members of the public and the press.
4. Declarations of Interest.

### FOR MONITORING

5. Municipal Waste Management Strategy 2005-2020 (Pages 1 - 9)  
- report by Adrian Gabriel, Waste Strategy Manager

**Date of Next Meeting:-  
Thursday, 24 February 2005**

### **Membership:-**

Chairman – Councillor Atkin

Vice-Chairman – Councillor Hall

Councillors:-Burke, Clarke, Hodgkiss, Jackson, McNeely, Nightingale, Rushforth, P. A. Russell, Vines,  
The Mayor (Councillor F. Wright), Mr. D. Alderson, Mr. D. Willoughby, Mr. J. Carr, J. Lewis, Sgt. B.  
Bell and Mr. S. Hawkins

<b>ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS</b>
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<b>1.</b>	<b>Meeting:</b>	<b>Scrutiny Panel Members for Housing and Environmental Services/Regeneration</b>
<b>2.</b>	<b>Date:</b>	<b>15<sup>TH</sup> February 2005</b>
<b>3.</b>	<b>Title:</b>	<b>Municipal Waste Management Strategy 2005 - 2020</b>
<b>4.</b>	<b>Programme Area:</b>	<b>Neighbourhoods</b>

### **5. Summary**

The Municipal Waste Management Strategy 2005 -2020 was presented to the Cabinet Member for Housing and Environmental Services on Monday 14<sup>th</sup> February 2005 to seek approval on the recommendations outlined below. This strategy has been subject to extensive public consultation and has undergone a best practical environmental option appraisal (BPEO) required in accordance with Department of Environment, Food and Rural Affairs (DEFRA) guidelines.

### **6. Recommendations**

#### **MEMBERS OF THE PANEL ARE REQUESTED TO SUPPORT:**

- 1. THE APPROVAL OF THE MUNICIPAL WASTE MANAGEMENT STRATEGY 2005 – 2020.**
- 2. THE APPROVAL OF THE DEVELOPMENT OF A PROCUREMENT PLAN FOR WASTE MANAGEMENT SERVICES 2008-2020 BASED ON THE APPROVED STRATEGY.**
- 3. THE APPROVAL TO DEVELOP SERVICES IN LINE WITH THE WASTE MANAGEMENT STRATEGY.**
- 4. THE APPROVAL TO SUBMIT THE MUNICIPAL WASTE MANAGEMENT STRATEGY FOR ROTHERHAM TO GOVERNMENT OFFICE.**

## 7. Proposals and Details

During the last twelve months the Waste Management Unit has been working with our appointed consultants, ENVIROS to develop a long term strategic approach to Waste Management. In June 2004 a Draft Municipal Waste Management Strategy and Initial Options Appraisal was presented to the Cabinet Member for Housing and Environmental Services for approval with the preferred options being those containing high recycling rates. Following extensive consultation with members of the public and stakeholders and the strategy being subject to:

- A Best Practical Environmental Option Assessment (BPEO)
- A Rapid Health Impact Assessment

the Municipal Waste Management Strategy is now presented for final approval.

There are a number of issues to note out of the final document. These include:

- Around 11,500 householders replied to the consultation, which is approximately a 10% response rate. This is considered unusually high for an exercise of this nature as a response rate of 3-5% is often received.
- 88% of respondents to the Strategy would support more ambitious recycling rates up to 45%.
- The public / stakeholder consultation and BPEO technical assessment show a consistent desire for the Council to develop Mechanical Biological Treatment as the waste processing option for Rotherham.
- There needs to be a commitment to maximise the potential of existing recycling schemes and support this with the development of further recycling options in the future to meet targets. E.g. kitchen waste and plastic's recycling.
- The strategy, recognises the need to further develop a kerbside green waste collection service, however this needs to include for the provision of an alternate week collection service to stem the growth in waste.
- The Municipal Waste Management Strategy has been developed using the latest growth data within Rotherham. Trend forecasts have been developed based on waste arising's of 1.27% per annum, based against the national trend of a 2% - 3% growth in waste. It will be necessary to employ a dedicated team to develop educational and waste reduction programmes to support the strategy.
- There will be a requirement for waste processing facilities to be in place between 2009 – 2012 dependant upon the success of maximising recycling and the availability of other sub regional capacity to treat waste and thus achieve landfill diversion targets. A Procurement Plan will be developed by December 2005 to commence contract development with effect from the early part of 2006.
- In August 2008 all the current waste contracts expire, therefore decisions will have to be made in the near future about the future procurement of waste services.

## 8. Finance

The implementation of the Municipal Waste Management Strategy will require significant long term investment. This will include for the acquisition of land and the construction of a Waste Processing Facility, the development of a Waste Minimisation Team, Industry specialists to assist in the procurement process and future service developments.

Some of these issues have been recognised within the development of the Medium Term Financial Plan. It is recognised that following development of a Procurement Plan it will be necessary to employ technical experts to assist the Council in the contracting process for waste processing facilities. An initial requirement for consultancy has been included within the Medium Term Financial Plan 2005/06, it is envisaged that consultancy requirements for the period of procurement (2005/07) to commissioning could be in the order of £400,000 to £500,000, based on current costs. Further requests will be made to the Medium Term Financial Plan Process to accommodate further procurement requirements.

The acquisition of a Mechanical Biological Treatment Processing Plant (2 modular facility) for the period of this Strategy will require capital investment of approximately £17 million. This level of capital can only be attracted through entering into long term contractual arrangements through partnerships with private sector organisations and potentially the Private Finance Initiative.

The Strategy recognises the need to develop a dedicated team to deliver waste minimisation whilst maximising recycling. A bid of £140,000 has been included within the Medium Term Financial Plan to develop this team.

In order for the Council to meet targets for the diversion of waste from landfill, there is a need to secure markets for the increasing amounts of recycled and compostable waste we continue to collect. There will be a growing pressure on securing markets for this waste as all Council's in the UK seek to divert waste away from landfill into sustainable sources.

The Landfill Directive, Article 5 (2) sets out targets aimed at reducing the amount of biodegradable municipal waste disposed to landfill in the United Kingdom. The Government has passed on these reduction targets to each Waste Disposal Authority through a system of tradable landfill allowances. A failure to comply with the statutory targets that have been finalised by DEFRA will result in financial penalties and fines in excess of the costs of compliance. e.g. Trading Years - £150 per tonne above annual allowance, Target Years – Share of fine if the UK fails to achieve set diversion targets in 2009/10, 2012/13, 2019/20 – The fine is set at £500,000 per day in the target years and the Government has indicated that all or part of this fine will be passed on to failing Waste Disposal Authorities. Therefore not taking action now will inevitably lead to the Council incurring significant fines and possible future Government intervention.

(SEE APPENDICES 1 and 2 ATTACHED)

## 9. Risks and Uncertainties

The implementation of the Municipal Waste Management Strategy will deliver a sustainable waste management service for the Council. There are however still a number of risks involved that can affect the final strategy timescales. The development of waste treatment facilities are long term investments with planning and build set against known and unknown legislative drivers and a fluctuation in the composition of municipal waste. The failure to deliver sustained education and waste minimisation campaigns and maximising recycling on current schemes may not stem the growth in waste and thus deliver a requirement to bring facilities on line earlier.

There is a need to look at the regional aspect of waste management to seek opportunities to work with neighbouring Council's to deliver a regional approach to processing waste. If such opportunities fail to materialise any opportunities for economies of scale may be lost.

Mechanical Biological Treatment is still considered to be an unproven technology at the present time. The procurement of the facility towards 2012 would allow further time to assess this technology process.

We need to commence the procurement and planning process at the earliest opportunity as the building of waste processing facilities will require comprehensive public consultation.

A "do nothing" scenario is not an option as legal and financial pressures would be placed upon the Council.

## 10. Policy and Performance Agenda Implications

The development of a Municipal Waste Management Strategy is crucial to the Council meeting its future obligations on sustainable waste management over the long term.

The Municipal Waste Management Strategy presented currently contributes to the Corporate Plan priorities of "A Place to Live", "A Place with Active and Involved Communities" and "To be a Progressive, Responsive, Accessible and Quality Service Provider".

Due to the Council currently reviewing the Corporate Plan, the Municipal Waste Management Strategy document will be revised when the new Corporate Plan is approved by Council. It is considered the Strategy will be aligned to the Council priority themes of "**Rotherham Safe**" and "**Rotherham Proud**"

The adoption of the Municipal Waste Management Strategy will promote sustainable development by ensuring our actions do not impair the quality of life for those who will live learn and work in Rotherham.

Failure to adopt a Municipal Waste Management Strategy may affect the delivery of key performance indicators and fail to stem the growth in waste. This could lead to Government intervention and the levy of penalties on the Council.

- BV 82a - % of waste recycled – 13.2%
- BV 82b - % of waste composted – 8.3%
- BV 82c - % of waste used for heat and power – 0%
- BV 82d - % of waste landfilled – 78.5%
- BV 84 – Kg's of waste collected per head – 507kgs
- BV 86 – Cost of Waste Collection Per Household - £45:94
- BV 87 – Cost of Waste Disposal Per Tonne - £28:09
- BV 91 - % of Population served by a Kerbside Collection of Recyclables – 96.4%

### **11. Background Papers and Consultation**

- Draft Municipal Waste Management Strategy and Options Appraisal 2004-20
- Guidance on Municipal Waste Management Strategies, DETR, March 2001
- Municipal Waste Management Strategy 2005-20
- Draft Municipal Waste Management Strategy and Initial options Appraisal, Cabinet Member for Housing and Environmental Services, 28<sup>th</sup> June 2004.
- Waste Strategy Consultation, Cabinet Member for Housing and Environmental Services, 6<sup>th</sup> December 2004
- Rapid Health Impact Assessment – December 2004
- Municipal Waste Management Strategy 2005-2020

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APPENDIX 1

FINANCIAL YEAR	OUTPUT	MEASURE	RESOURCES
2005/2006	<p>Municipal Waste Management Strategy Agreed by Council</p> <p>Develop Procurement Plan</p> <ul style="list-style-type: none"> <li>• Agree Scope of Contract</li> <li>• Include MBT</li> </ul> <p>Develop Waste Minimisation Plan</p> <ul style="list-style-type: none"> <li>• Develop Waste Minimisation Team</li> <li>• Produce Action Plan</li> </ul> <p>Develop Services</p> <ul style="list-style-type: none"> <li>• Expand Green Waste Collection</li> <li>• Introduce Alternate Week Collection</li> <li>• Increase Participation in existing schemes</li> <li>• Develop Markets</li> </ul>	<p>Municipal Waste Management Strategy Agreed by Government Office</p> <p>Plan Approved by Delegated Powers December 2005</p> <p>Plan Approved by Delegated Powers October 2005</p> <p>Introduced Summer 2005</p> <p>Introduced Summer 2005</p> <p>On-going</p> <p>On-going</p>	<p>Contained Within Budget</p> <p>£150,000 (Medium Term Financial Plan)</p> <p>£140,000 (medium Term Financial Plan)</p> <p>Cost Neutral</p>

FINANCIAL YEAR	OUTPUT	MEASURE	RESOURCES
2005/2006	Explore Thermal Capacity in Sub Region	Delegated Powers Report Summer 2005	Gate Fee Possibly Higher than Current Landfill Cost
2006/07	Develop Services <ul style="list-style-type: none"> <li>• Continue Expansion of Green Waste Collection</li> <li>• Expand Alternate Week Collection</li> </ul> Implement Procurement Plan <ul style="list-style-type: none"> <li>• Develop Contract</li> <li>• Service Inclusion</li> <li>• Planning Issues / Land</li> <li>• MBT</li> </ul>	Spring 2006  Quarterly Report to Delegated Powers Meeting	Cost Neutral  £300,000 approx. in Consultant Expertise (Medium Term Financial Plan)
2007/08	Review Municipal Waste Management Strategy  Develop Services <ul style="list-style-type: none"> <li>• Develop Markets</li> </ul>		Within Revenue Budget  Cost Neutral
2008/09	Commence New Contract for Waste Management including MBT option		Subject to Tender Process
2009/10	MBT Operational – 1 <sup>st</sup> Module		

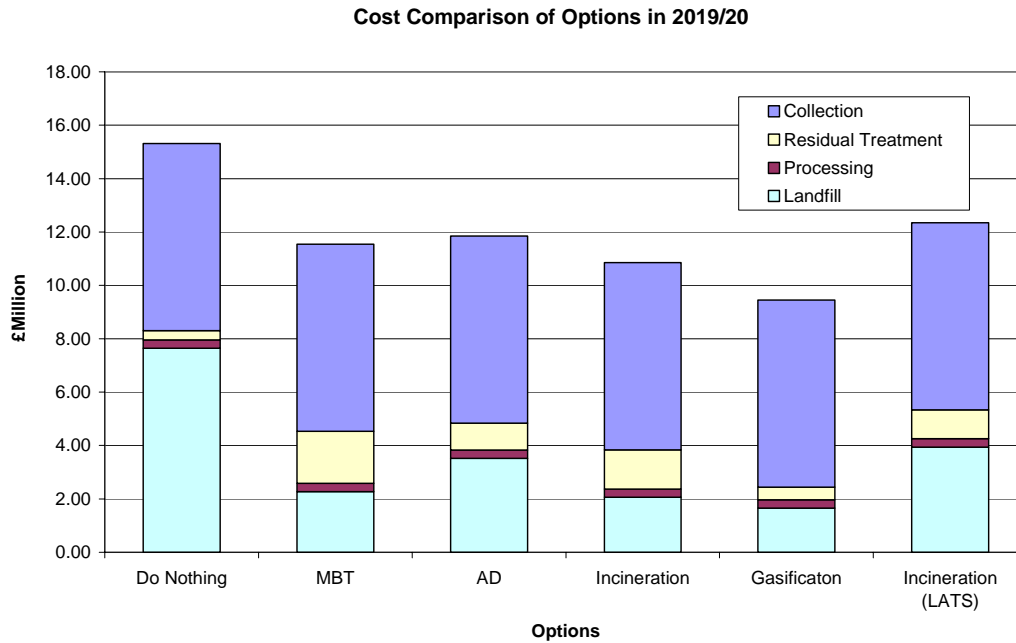


<b>FINANCIAL YEAR</b>	<b>OUTPUT</b>	<b>MEASURE</b>	<b>RESOURCES</b>
2009/10	WET Bill Target Year	Permits for 58,036 tonnes of BMW to Landfill Based on current assessment 715 tonnes above permit limit will require diversion.	UK Fine for failure to Meet target
2010/11			
2011/12			
2012/13	MBT Operational – 2 <sup>nd</sup> Module WET Bill Target Year	Permits for 38,656 tonnes of BMW to Landfill	UK Fine for failure to Meet target
2014/15			
2015/16	Review Municipal Waste Management Strategy Develop and Agree New Waste Management Strategy		
2016/20	Wet Bill Target Year 2019/20	Permits for 27,049 tonnes of BMW to Landfill	UK Fine for failure to Meet target

**Appendix 2 to Waste Strategy Report 2005-2020**

**Comparative Costs of Options**

The graph below summarises the results of the initial cost assessment for the draft options appraisal (as it includes the do nothing option) in 2019/20.



The collection cost element will be as already budgeted as we have assumed that the collection systems will expand as planned.

The additional costs are those incurred by the residual treatment and landfill elements.