

BDR WASTE PFI
BDR Manager update report
September 2023

1. Governance

- 1.1. Contract Data - Performance reports are produced by the contractor on the 15th of each month, including information up to the end of the previous month. As this JWB meeting is held on the 4th September 2023, the contractor's data supplied only includes up to 31st July 2023 (August contractual information will not be received until the 15th September 2023). Through monitoring of the contract and communication with the contractor, the BDR team has included additional information on performance up to date, and the team has no concerns with performance and service delivery.
- 1.2. The BDR Team continue to work flexibly from Council offices across the BDR Partnership, the PFI Waste Treatment facility at Bolton Road and from their individual homes utilising MS Teams.
- 1.3. The BDR Team continues to comprise: -
 - 0.6 FTE Waste Manager – Beth Baxter.
 - 0.4 FTE Waste Manager – Paul Hutchinson
 - 0.6 FTE Senior Contract Officer – Paul Hutchinson
 - 0.4 FTE Senior Contract Officer – Vacant
 - 1FTE – Admin / Technical Officer (Career grade) – Rhonda Fletcher

In addition, the creation of a further two, new 2-year posts have been agreed by JWB in July 2022.

- Senior Technical Officer - to assist with anticipated large legislation changes and contract re-negotiation.
- Admin Apprentice post to support the team as it delivers the anticipated workloads.

Unfortunately, recruitment to the Senior Technical Officer post has proven unsuccessful, with the post only attracting candidates who do not meet the shortlisting criteria. A review of the intended team structure, and new strategy to ensure the BDR team is fully resourced will be presented to Steering Committee.

- 1.4. Beth Baxter continues to work two additional days for RMBC on Rotherham only projects, such as improvements to the commercial waste service and Household Waste Recycling Centre (HWRC) procurement / bringing the service in house. These additional two days are being funded directly by RMBC. The increase in employee expenses has been incorporated into the budget forecast.
- 1.5. The BDR Team continues to receive external legal advice and financial advice from specialists who have been advising the BDR Team on PFI matters and partnership working since the conception of the PFI Waste Treatment Facility project. In addition, external Technical advice has been sourced this year to advise on matters arising on site, such as EA Permit Changes, R&W Strategy outcomes and Maintenance Plans. The budget for this is included in the operational management budget.

2. Contract Delivery

2.1. Waste Treatment – Bolton Road Facility

2.1.1. BDR waste received.

Table 1 – Year to date contract tonnes processed.

| Inputs | FY22/23 | Apr-23 | May-23 | Jun-23 | Jul-23 |
|-------------------------------|-----------|----------|----------|----------|----------|
| Contract Waste (Limbs) | | | | | |
| Barnsley | | | | | |
| A (Household) | 53,853.74 | 4,179.50 | 4,656.42 | 4,508.82 | 4,003.12 |
| B (Commercial) | 5,993.16 | 446.10 | 523.18 | 516.80 | 507.86 |
| C (HWRC) | 4,911.44 | 488.28 | 498.28 | 416.00 | 450.76 |
| D (Public Highways etc) | 990.66 | 88.48 | 90.52 | 90.56 | 93.72 |
| E (Grounds Maintenance) | - | - | - | - | - |
| Doncaster | | | | | |
| A (Household) | 69,466.12 | 5,635.42 | 5,939.42 | 5,856.34 | 5,385.64 |
| B (Commercial) | 5,766.54 | 412.72 | 489.12 | 455.80 | 486.58 |
| C (HWRC) | 6,941.54 | 660.60 | 643.12 | 594.46 | 635.58 |
| D (Public Highways etc) | - | - | - | - | - |
| E (Grounds Maintenance) | - | - | - | - | - |
| Rotherham | | | | | |
| A (Household) | 51,043.57 | 4,023.50 | 4,686.26 | 4,261.90 | 4,088.94 |
| B (Commercial) | 3,015.40 | 217.74 | 262.58 | 250.22 | 261.18 |
| C (HWRC) | 5,757.82 | 581.42 | 580.66 | 484.84 | 497.98 |
| D (Public Highways etc) | - | - | - | - | - |
| E (Grounds Maintenance) | - | - | - | - | - |

2.1.2. Third-party waste received.

Table 2 - Year to date Third Party waste tonnes processed.

| 3rd Party | | | | | |
|--------------|-----------|--------|----------|--------|--------|
| Renewi Derby | 11,872.86 | 755.48 | 1,739.92 | 387.44 | 744.16 |

2.1.3. The amount of third-party waste being accepted is monitored and managed by the Contractor against Council delivered tonnage to ensure sufficient capacity to process and prioritise BDR waste. This will also allow for smoother acceptance of the priority waste from the Councils and increased reception pit cleaning as part of Renewi's fly management measures. Increased third-party waste is now being accepted by Renewi due to their continued good management of waste acceptance, pit management and reduced levels of Household Waste collected by the Councils.

2.1.4. Process Outputs

Table 3 - Year to date Bolton Road Process Outputs

| | FY22/23 | Apr-23 | May-23 | Jun-23 | Jul-23 |
|----------------------------|------------|-----------|-----------|-----------|-----------|
| Council Outputs | | | | | |
| Landfill | 2,040.51 | 131.88 | 124.76 | 119.96 | 118.22 |
| Recovery (RDF + Moisture) | 183,172.98 | 14,561.85 | 14,900.94 | 15,630.25 | 15,249.89 |
| Ferrous | 1,386.68 | 115.33 | 87.87 | 138.66 | 129.10 |
| Non-Ferrous | 448.89 | 45.24 | 28.57 | 28.44 | 54.28 |
| Fines | 12,498.06 | 962.71 | 1,058.00 | 1,210.33 | 1,085.74 |
| Glass & Stone | 6,369.75 | 514.24 | 297.38 | 249.11 | 80.78 |
| Plastic | 2,047.60 | 205.23 | 63.84 | 121.27 | 260.85 |
| Direct Delivered | - | - | - | - | - |
| <i>Recycling Sub-Total</i> | 22,750.98 | 1,842.76 | 1,535.65 | 1,747.81 | 1,610.75 |
| Ferrybridge Metals | 2,272.51 | 173.39 | 185.89 | 193.15 | 177.45 |
| AWM-Recycling | - | - | - | - | - |
| Fines CLO Uplift | 2,340.33 | 180.27 | 198.12 | 226.64 | 203.31 |
| <i>Recycling Total</i> | 27,363.82 | 2,196.42 | 1,919.66 | 2,167.61 | 1,991.51 |
| Outbound Total | 207,964.47 | 16,536.49 | 16,561.35 | 17,498.02 | 16,978.85 |

2.1.5. Process Performance

Table 4 - Year to date Bolton Road Process Performance

| | FY22/23 | Apr-23 | May-23 | Jun-23 | Jul-23 |
|--------------------|---------|--------|--------|--------|---------|
| Performance | | | | | |
| Recycling (%) | 14.47% | 14.73% | 11.59% | 13.68% | 13.52% |
| Diversions (%) | 99.13% | 98.03% | 89.48% | 99.67% | 102.74% |
| Moisture Loss (%) | 29.53% | 31.84% | 29.75% | 30.08% | 33.77% |

2.1.6. Landfill diversion is calculated by total waste diverted from landfill divided by the total waste delivered. Some months, diversion is above 100%. This is due to the processing of waste taking 14 days (over a month-end). Therefore, in some months more processed material may leave the site than is received. The landfill diversion target is an annual target.

2.2 Complaints

Table 5 - Complaints received by month.

| 2022/23 | April | May | June | July | Aug | Sep | Oct | Nov | Dec | Jan | Total |
|---------|-------|-------|-------|-------|-----|-----|-----|-----|-----|-----|--------------|
| Flies | 0 (0) | 0 (0) | 3 (0) | 0 (0) | | | | | | | 3 (0) |
| Noise | 0 (0) | 1 (1) | 0 (0) | 1 (0) | | | | | | | 2 (1) |
| Odour | 0 (0) | 0 (0) | 1 (0) | 0 (0) | | | | | | | 1 (0) |

(#*) Classified immediately as unsubstantiated by the EA (Distance from site, wind direction, closeness to other sources, description of complaint levied (burning waste!) or Hygiene / lack of own fly management at complainant's address).

2.3 Acid Scrubber

2.3.1 The acid scrubber dosing system work has been paused due to continued unresolved technical issues. Renewi are now entering into arbitration with the installing contractor JCBE, in respect of the failure to deliver the operational efficiency of the system. Renewi are looking to seek compensation to enable re-design and re-build of the Acid Scrubber system.

2.4 Damaged Pasteurisation Tunnel Walls

2.4.1. Work to repair the AD pasteurisation tunnel after core samples taken for concrete analysis, repair of damaged concrete and restoration of heating pipes has been completed. The site is now pasteurising material on site and the full AD process is being achieved and CLO material is being deployed for Land Remediation. As with the Acid system, Renewi are now entering into arbitration with the installing contractor JCBE, in respect of the failure to deliver the operational efficiency of the system. Renewi are looking to seek compensation to enable re-design and re-build pasteurisation tunnels.

2.5 BAT's - permit emission amendments

2.5.1. Renewi have received a draft revised permit from the EA detailing the new required emissions levels. Renewi have formally written to the Councils to notify them that they believe this is a Qualifying Change of Law and therefore, once the changes in the permit have been analysed, there may be a claim for any additional resource/expenditure to meet the new permit requirements.

2.5.2. The BDR Team has asked for Renewi to provide detailed analysis of the changes and an in-depth explanation as to where (if any) payment is required from the Councils. The BDR team is to undertake due diligence of any claim taking legal, financial, and technical advice from external experts to ascertain if payment is required or the claim is to be rejected.

2.6 Barnsley Transfer Station – Grange Lane

2.6.1. Dilapidation Works - All delaps work has now been completed. BMBC commissioned a survey of a schedule of conditions to record a standard for Renewi to keep the site in a good and tenable condition to the end of the contract, which is currently being reviewed by BMBC. Once the review is completed a variation to the BTS contract will be drawn up to agree the maintenance of the facility and more specifically, how the paintwork on the steel should be managed.

2.7 Health and Safety

2.7.1 Close calls are actively sought to be raised. By reporting issues where improvements can be made, or where expected levels of behaviour/working have not been maintained it will increase learning and improve safety across the whole site.

Table 6 – Year to date Health and Safety

| 2020/21 | Close Call | Accident less than 3 days | Accident more than 3 days | Non RIDDOR dangerous occurrence | RIDDOR dangerous occurrence | RIDDOR more than 7-day injury | Major RIDDOR | Environmental |
|------------------|------------|---------------------------|---------------------------|---------------------------------|-----------------------------|-------------------------------|--------------|---------------|
| April | 90 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| May | 80 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| June | 79 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| July | 48 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| August | | | | | | | | |
| September | | | | | | | | |
| October | | | | | | | | |
| November | | | | | | | | |
| December | | | | | | | | |
| January | | | | | | | | |
| February | | | | | | | | |
| March | | | | | | | | |
| YTD Total | 297 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |

3 Legal

3.1.1 The BDR Team and their external legal and financial advisers continue to work on major and minor variations to the contract to improve the overall service delivery, processes, performance, and contractual interaction between BDR and the contractor.

3.2 Joint Insurance Cost Report

3.2.1 Following receipt of the 4th JICR in February 2023, the BDR Team has again formally rejected the amended JICR and issued a letter outlining where we still disagree with some of the calculation used in formulating the JICR. We wait to see if Renewi will formally reply to our rejection, but it is not anticipated (through dialogue with Renewi) that they will pursue their position at this time.

3.2.2 It should be noted that the BDR position on JICR is not unique and many PFI's JICR are not yet agreed. Further guidance from the Infrastructure Projects Authority (IPA) on the application of the contract in relation to JICR is expected although there is, as yet no indication of when this will be available. The BDR Manager has raised that IPA should ensure that MBTs should not be adversely impacted by the guidance.

4 Financial

4.1 The 23/24 budget was approved at the Joint Waste Board (26th June 2023), at £340,000.

Table 7 - Operational Management Budget 2023/24

| 23/24 Budget approved by JWB | | | |
|-------------------------------------|-----------------|-----------------|-----------------|
| | Budget | Forecast | Variance |
| Management | £175,000 | £140,026 | -£34,974 |
| Administration | £25,000 | £20,861 | -£4,139 |
| Call off Legal | £0 | £120,438 | -£19,562 |
| External Finance | £40,000 | | |
| External Legal | £65,000 | | |
| External Technical | £30,000 | | |
| Insurance Advisors | £10,000 | | |
| Call off Finance | £0 | | |
| Call off Technical | £0 | | |
| HWRC Project | £0 | | |
| Total | £340,000 | £281,325 | -£58,675 |

| 2023/24 BDR Recharge split | |
|--|-----------------|
| BMBC | £94,010 |
| DMBC | £94,010 |
| RMBC | £102,505 |
| Total | £290,526 |
| Small discrepancy in total v forecast due to year end accrual recharge | |

- 4.1.1 Expenditure has been profiled and re-calculated to ensure the team meets all the anticipated workloads due in the 23/24 financial year.
- 4.1.2 Technical, Legal and Financial advice expenditure will be utilised to deliver the outcomes of the consultations on the Resource and Waste strategy for England. The BDR Team anticipates the potential need to commence negotiations on the impacts of the R&WS on the PFI contract, cover costs for ongoing work to implement operational changes and potential variations to the PFI contract. The team will also use these resources to support BDR Councils for partnership working, including the HWRC re-tendering and supporting Councils as their waste management teams work towards any individual or joint impacts emerging from the Resource and Waste Strategy.
- 4.1.3 Government recently announced the postponing of the introduction of Deposit Return Scheme, Extender Producer Responsibility and Waste Collection Consistency coming from the Waste and Resource strategy by around a year (now anticipated in 2025), therefore, this may see savings on budget spend for Technical, Legal and Financial advice.
- 4.1.4 Increased provision in the budget has been made to recruit a new Senior Technical Officer (as outlined earlier in this report). But, with the government delay in introducing the Waste and Resource strategy, lack of suitable candidates applying, and the BDR Team reviewing the recruitment strategy there will be a planned delay in appointing to this post. This should see further savings within the budget.
- 4.1.5 The BDR team will look to be prudent with any expenditure and will seek to make savings on the budget where possible.

5 Communications

5.1 Press Releases –

- International Compost Awareness Week
- Renewi BDR Corporate Social Responsibility Fund

5.2 Community Education Liaison Officer (CELO)

5.2.1 Social media: The following campaigns have been undertaken in the last quarter.

- LFHW money and energy saving tips.
- International Compost Awareness Week
- Home composting tips
- Gas cannisters and helium tanks in residual waste
- Proper disposal of disposable BBQs.
- Better using your fridge blog

5.2.2 Food waste project

In July, possible households for interview were contacted and offered a series of interview slots. Of the 18 households contacted 10 have responded and interviews are scheduled to take place in August.

5.2.3 Recycling contamination communications campaign.

In June, a plan for a joint recycling contamination communication campaign was prepared and shared with the Councils. Barnsley and Rotherham Councils said they would prefer to run individual campaigns and Doncaster's preference was for a joint campaign. As there was no unanimous decision the campaign has been cancelled and the budget allocated for the campaign will be available for the Councils to use in individual campaigns.

5.2.4 Recycle Week 2023.

In July, WRAP publicised the date of Recycle Week 2023 as 16th – 22nd October, this year will be the 20th Recycle Week and the theme is to be 'Join the big Recycling Hunt'.

5.2.5 Renewi BDR Corporate Social Responsibility Fund

Due to the poor quality of applications received in recent years, a decision was made that a change of approach was required. For 2023 groups will be invited to submit a 200-word expression of interest that will be used to determine which groups to contact for further details.

6 Resources

6.1 The BDR team has been assisting Barnsley, Doncaster and Rotherham Councils with projects as identified in section 7.0. There is additional support as required, from a legal locum, internal and external technical advisors, and financial advisors, for more complex matters. It should be noted that the increase in consultation activity from central Government departments is putting pressure on resources. Once the outcome of the consultations is known it is likely that more resources will be required to implement changes to contracts and services.

7 Joint working and BDR support

7.1 Listed below are the current projects and areas where the BDR team is helping to support the individual Councils or co-ordinate joint work:

BMBC

- Additional support of Paper and Card contract due to legal negotiations with current supplier.
- Facilitating completion of delays work at BTS.
- Working with BMBC on tipping protocols for Fires in Vehicles.
- Facilitating numerous non-contractual and contractual additional /new waste stream disposals.
- Facilitating sampling of non-contract waste streams.

DMBC

- Assistance with the development of the Doncaster Environmental Strategy

RMBC

- The BDR Manager is a Climate Change Champion for RMBC
- Assistance on Service and Team Plans for waste teams
- Assistance with Commercial Waste recycling - scoping and service engineering
- Assistance with HWRC re-tendering

B.D.R

- Co-ordination, collation, and submission to numerous Government/Defra consultations for and around the waste sector.
- Solutions and progression of HWRC contract variation requirements
- Leading on procurement of new HWRC provision and solution post 2023 – new contract
- Lobbying Government on the delays on the R&WS outcomes
- Changes required due to Resource and Waste Strategy
- Pre-work on Strategic Review of SYMWS as requested at JWB
- Making application for transitional arrangement for Separate Food waste collection

8. Glossary of Terms

| Term | Definition |
|---|--|
| A2A (formerly Ecodeco) | Italian company who research, design, construct, and manage plant and equipment for the disposal of waste. |
| Anaerobic Digestion (AD) | A series of biological processes in which micro-organisms break down biodegradable material in the absence of oxygen. One of the end products is biogas, which is combusted to generate electricity and heat. |
| Compliance Assessment Report (CAR) form | A CAR form is used by Environment Agency officers when assessing compliance with Environmental Permits. |
| Compliance Classification Scheme (CCS) | Compliance Classification Scheme (CCS) score and what action EA are considering. A CCS score is recorded where non-compliance with a permit condition(s) has been identified |
| Compositional Analysis | Waste Composition Analysis is a study that provides essential information about the weight and type of each component waste material that is in any given waste stream. It firstly involves obtaining representative samples of these waste streams, then manually hand sorting into various pre-defined sort categories using the correct methodology, which are then weighed in each individual fractions in align with Waste Data Flow (WDF) municipal reporting each waste stream has its own European Waste Code (EWC). |
| Compost Like Output (CLO) | The processing of a waste stream by mechanical sorting and separation of waste into distinct fractions of biodegradable and non-biodegradable materials. |
| Department for Environment, Food and Rural Affairs (DEFRA) | The UK government department responsible for policy and regulations on environmental, food and rural issues. |
| Duty of Care | A legal responsibility to ensure that you produce, store, transport and dispose of your business waste without harming the environment. |
| Environment Agency (EA) | An executive non-departmental public Body responsible to the Secretary of State for Environment, Food and Rural Affairs for issues affecting the environment. |
| FCC Environment | One of the UK's leading waste and resource management companies. |
| Facebook | Facebook, Inc. is an American online social media and social networking service company. |
| Ferrybridge Multifuel 1/Multifuel 2 (FM1/FM2) | Multifuel Energy Ltd. (MEL) operates a new £300 million multifuel plant on land owned by SSE at Ferrybridge 'C' Power Station near Knottingley in West Yorkshire. This project is called Ferrybridge Multifuel 1/2 (FM1/FM2) |
| Household Waste Recycling Centre (HWRC) | A civic amenity site (CA site) or household waste recycling centre (HWRC) is a facility where the public can dispose of household waste and also often containing recycling points. |
| Joint Insurance Cost Report (JICR) | Set out the mechanism for the insurance review procedure and sharing of insurance. |
| Joint Waste Board (JWB) | The Statutory Committee comprising Portfolio Holders and Senior Officers with responsibility for waste. |
| Mechanical Biological Treatment (MBT) | A type of waste processing facility that combines a sorting facility with a form of biological treatment such as composting or anaerobic digestion. MBT plants are designed to process mixed household waste as well as commercial and industrial wastes. |
| Persistent Organic Pollutant (POP's) | Are chemical substances that do not break down in the environment. They are a danger to human health and the environment |
| Private Finance Initiative (PFI) | Mechanism for creating "public-private partnerships" (PPPs) by funding public infrastructure projects with private capital. |
| Renewi BDR Ltd | Following SSE's exit from Ferrybridge, Renewi now control 100% of the SPV. The new name of this business entity is Renewi BDR Limited |
| Resource and Waste Strategy (R&WS) | A strategy which sets out how we will preserve our stock of material resources by minimising waste, promoting resource efficiency, and moving towards a circular economy. |
| Solid Recovered Fuel (SRF) | A fuel produced by shredding and dehydrating solid waste (MSW) with a waste converter technology. |
| Waste Infrastructure Credits | Awarded by DEFRA to incentivise local authorities to develop infrastructure to treat waste as an alternate to landfill. |
| Waste Transfer Station (BTS) | Facilities where municipal solid waste is unloaded from collection vehicles and briefly held while it is reloaded onto larger long-distance transport vehicles for shipment to landfills or other treatment or disposal facilities. |
| Waste and Resources Action Programme (WRAP) | WRAP works with governments, businesses and communities to deliver practical solutions to improve resource efficiency. |

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