

JOINT SCRUTINY PANEL OF THE SOMERSET WASTE BOARD

Minutes of a Meeting of the Joint Scrutiny Panel of the Somerset Waste Board held via Microsoft Teams on 21 September at 2.00pm

Present: Cllr A Trollope-Bellew (Chair), Cllr Brian Hamilton, Cllr Michael Dunk and Cllr Hilary Bruce

Other Members Present: Cllr Andy Kendell and Cllr Leigh Redman.

1. Apologies for Absence:

No Apologies received. Cllr Adam Boyden

2. Declarations of Interest- Agenda Item 2

3. Minutes from the previous meeting- Agenda Item 3

The Panel agreed the minutes from 22nd June 2022 as an accurate record.

4. Public Question Time- Agenda Item 4

There were no public questions.

5. Energy from Waste: Carbon Capture and Utilisation & Storage- Agenda Item 5

The Chair invited David Oaten Somerset Waste Partnerships Contracts Manager to provide an update on the energy from waste: Carbon capture, utilisation and Storage.

The following was highlighted:

- The report clearly sets out the development works taking place by Viridor, in order to reduce the carbon impact of Energy from Waste operations in the UK, including the part that the Avonmouth EfW plant and Somerset's residual waste plays in that plan.
- The New Waste Treatment Facility Contract (NWTF) for the treatment of Somerset's residual household waste was signed with Viridor Waste Management Ltd in March 2017, commencing in April 2020, for a term of 25 years (extendable by 5 years).

- Somerset's residual household waste totalled 110,900 tonnes during 2021/22, with the remaining 8,200 tonnes (7.4%) having been diverted to landfill, this being the non-viable EfW material such as mattresses or high carbon items such as UPVC window frames, most of which is subject to our Business Plan aspirations (Item 3.2) for increasing recycling.
- The plan is to remove all viable plastic fractions from the mixed household residual waste, that is delivered to Walpole, and to source recycling routes for that extracted material.
- Viridor has partnered with CCUS specialist Aker Carbon Capture for the delivery of the five modular plants. Aker Carbon Capture's plug-and-play CCUS solutions are based on the company's proprietary and carbon capture technology, which it has developed over the past 20 years.
- Developing the modular CCUS plants on the five EfW sites combined with two planned bespoke CCUS plants, would deliver c.1.5 MT CO₂ savings a year, meeting 15% of the Government's 2030 emissions reduction target (removal of 10m tonnes of CO₂ by 2030 from hard to decarbonize industries).
- The recent announcement is the latest phase of Viridor's decarbonization plan. In May 2020 Viridor outlined a five-step action plan to net zero emissions by 2040, and the ambition to be the first net negative emissions waste and recycling company in the UK by 2045.

The Chair introduced Dr Tim Rotheray to provide a presentation on Decarbonising waste.

The following was highlighted:

- Decarbonising the UK waste sector graph showing an assessment of Net Zero and a breakdown of the waste sector emissions.
- Viridor's route to net zero and beyond from reducing the direct emissions from all their operation such as landfill, transport, buildings and infrastructure through to supplying more homes and business with clean heat.
- ERF Fossil Carbon Footprint the energy recovery facilities are the majority of Viridor emissions and the vast majority of those being fossil emissions. The combustion of fossil derived waste that are plastics.
- Improving the collection of polymers, encouraged from government under the consistent collections regulations to bring in as well as collection of plastic rigid plastic also to include flexible plastic.
- Industrial Carbon Capture models, the government has committed to carbon capture and climate change and the government with fund the pipe work to take the CO₂ through a regulated model.

- Viridor identified the net zero emissions and commissioned a report to nomia.
- Fifteen energy recovery facilities, all close to sites which could do shipping. Viridor's shipping of CO2 and calculated that energy recovery facilities have long term contracts. The constant source of CO2 has the opportunity to offer some of the lowest cost of CO2 capture, with a model price of £66 per tonne.
- The timeline for the Runcorn site from government negotiations and construction phase.
- Impact for Avonmouth and Somerset Waste Partnership about operating that first kind of technology on energy recovery. There was no other energy for recovery facility in the UK that's had carbon capture and was the only full scale asset being built in the world.

The panel members asked the following questions: what happens at the Residual waste transfer station and the treatment process; what happens to the CO2; Can oxygen and Carbon be split into its components.

Dr Timothy Rotheray informed the panel that the incinerator has a firing diagram with the plastic effectively reducing the amount of waste by the greater potential of it being recycled, the greater can reduce the carbon footprint. The CO2 is taken to a pipeline, where it is compressed and liquefied and injected into gas wells. The future aim will be to use CO2 as a base for new polymer materials. Energy intensive for splitting oxygen and Carbon.

Somerset Waste Partnership Managing Director Mickey Green informed the panel that a composition and participation analysis looking at details of what and how people are recycling would be given as an update at the next panel and board meetings.

The Joint Waste Scrutiny Panel considered and commented on the following recommendations in this report.

That the Somerset Waste Board:

1. Note the report content and presentations from Viridor.

6. Performance Monitoring Report Q1 April 2022- June 2022- Agenda Item 6

The Chair invited Somerset Waste Partnership Managing Director, Mickey Green, to provide an update on the performance report for quarter 1 for the period of April to June 2022.

The following was highlighted:

- The services currently provided through the Core Services Contract (Recycling Sites, Compost Sites, Walpole Anaerobic Digester & closed landfill management) is still expected to transfer to Biffa.
- SWP recycling rate continues to improve compared to last year (up 2.55% to 59.03% from 56.48%) and continues to show the benefit of Recycle More across Somerset.
- 97.3% of materials stayed in the UK and just over 1,052 tonnes of recycle were reprocessed outside of the UK, with the materials being mixed paper and cardboard sent to Germany, India, Malaysia, Turkey and Vietnam from Recycling Sites and Schools.
- The French utility group Veolia has agreed to sell the UK waste business of Suez to the Australian private equity group Macquarie for €2.4bn (£2bn). This disposal effectively address the main concerns of the UK Competition and Markets Authority (CMA) as previously reported to the board. It remains subject to the CMA's approval and to the right of first refusal granted by Veolia to the new Suez (i.e. the French company left after SUEZ globally has been sold to Veolia).

The Head of Communications and Engagement Mark Ford highlighted the following about the fixy project.

- The project aims to support existing groups, engage new audiences, and help take repair and reuse from 'niche to norm'
- Educating and raising awareness of repair, reuse, and sustainable consumption.
- Amplifying existing repair activities – help groups reach new audiences and add to the fixing capacity.
- Encouraging volunteering in the repair and reuse sector.
- Engaging schools and businesses in reuse and repair.
- Addressing digital poverty – diverting used/unwanted smart tech back into communities.

- At the end of August 2022 the events attended were 24, with over 1000 people either spoken to or sign posted. The technology donated was 173/181kgs (mostly laptop/desk top computers) and with the cost-of-living crisis is likely to make repair and reuse more pertinent for many.

The next steps for fixy will be to focus on engagement with schools and businesses. Finalising a clear 'offer' and encouraging schools and businesses to host a visit. SWP will have to consider the future of the service once the current funding expires at the end of 2022 calendar year, with the option of being extended and expanded if funding is available and the project deemed a success. Grant funders have given permission for the current funding to be 'stretched' into early 2023.

The panel members asked the following questions: over 60% of recycling do others in the country offer the free garden waste; in the end use the last quarter that anything that's reprocessed outside of the UK was staying within Europe. This time it's gone to Malaysia, Turkey and Vietnam is this the normal process; Volume of collections dropping how will this impact on the service.

Somerset Waste Partnership Managing Director Mickey Green informed the panel the different recycling rates at the top 10 start of 59.9% and go up to 64.2%. Most Councils charge for garden waste. In the SWP contract permission is required to send outside of the UK and a number of factors have to be considered. Impact on the cost-of-living had seen a drop in resubscribing on the garden waste collections.

The Joint Waste Scrutiny Panel considered and commented on the following recommendations in this report.

That the Somerset Waste Board notes the performance results in the First Quarter 2022-23 Performance Report

7. Finance Update Q4 2022/2023- Agenda Item 7

The Chair invited Strategic Finance Manager, Christian Evans to provide a presentation and update the panel on the annual budget for the first 4 months of the current financial year.

The following was highlighted:

- The end of July position shows that the Somerset Waste Partnership budget is forecast to be underspent by £2,265,000.

- Recycle More now fully rolled out and savings forecast of £2,440,000 (SCC £1,246,000 and Districts £1,194,000).
- Savings on Covid-19 costs in Districts of £323,000.
- Offset by additional costs of inflation for the County Council Disposal contract, plus additional costs of timber disposal at HWRC sites.
- Additional funding requirements for budgets are expected to be collated by mid-September.
- Savings relating to transformation, fees and charges and additional income are expected to be collated by late September 2022.
- Savings need to be presented to achieve 5%/10% and 20% budget savings.
- SWP have currently estimated this at 11%, resulting in an expected inflation cost of £2.1m for collections contracts and £5.1m based on 18% for disposal contract.
- The budget increase for 23/24 is estimated at 1% as in prior years.
- SWP initial estimates of savings for the 2023/24 budgets are as follows Recycle More savings in the region of £3m, Covid savings on collections contract between £0.3-£0.6m, Material equalisation to be approx. £0.5m and other savings are being considered and will be refined over the coming weeks.

Somerset Waste Partnership Contract Manager Colin Mercer informed the Board there have been several delays on SWP PV panels project and this may need to be revisited in the SWP business case. The remaining works outstanding at Wilton depot are in progress and expected to conclude in advance of vesting day of the new Unitary Council. Some delays have occurred due to finding historic contamination (asbestos) during the groundworks, which will delay the project slightly and result in an increased cost to the Council which is still to be confirmed.

The panel members asked the following questions: why the cost of timber disposal has gone up. Impact of the fuel cost in collecting waste. Did SWP negotiate the wage increase prior to this report.

Strategic Finance Manager Christian Evans informed the panel an email update will be sent out to the panel about the cost of timber. Fuel cost is built into the contract. The negotiation has already taken place about the current years pay settlement.

The Joint Waste Scrutiny Panel considers and comments on the following recommendations in this report.

That the Somerset Waste Board: -

- **Notes the summary financial performance for 2022/2023 to the end of month 4 (April – July) and the potential outturn position for each partner authority.**
- **Considers the draft budget process for 2023/2024 and the key factors that will influence the budget setting process.**

8. Approach to Partial Refleet- Agenda Item 9

The Chair invited Somerset Waste Partnership Managing Director Mickey Green to provide an update on Partial Refleet and the proposed approach to the refleet including decarbonising it and the proposed approach to funding it.

The following was highlighted:

- SWP's collection contract fleet is made up of 108 recycling vehicles (mostly Romaquips, but three are top loaders for communals and eighteen are smaller vehicles used to get to those hard-to-reach properties.
- 23 of SWP fleet date from 2016 and were not replaced at the start of the contract and are not due for replacement until April 2024.
- SWP have already replaced one of the 23 vehicles with the refurbished electric-RCV as previously agreed by the Board. The 22 vehicles which remain to be replaced are: 4x 7.5 tonne refuse vehicle, 4x 16 tonne refuse vehicle, 10x 26 tonne refuse vehicle and 4x 26 tonne Pod vehicle.
- In June when we reported to the Board that the desktop analysis had indicated that 10 refuse vehicles could be electrified, the results of the testing mean that we are not yet confident in purchasing 10 e-RCVs. 6 of those vehicles would have been based in Evercreech and Lufton and we have not yet tested the vehicle on those rounds, and as such are not yet confident that those are suitable for e-RCVs.
- SWP are only confident that 2 of those vehicles can be replaced with electric vehicles (i.e. all rounds over their whole three weekly cycle can be completed adequately)
- The existing 4 x chassis were procured in 2020 and their depreciation is aligned to contract end. In this proposal the compaction unit would be fitted to the chassis and the compaction unit depreciated over 6 years to align to life of the contract.
- SWP and SUEZ have been exploring various options – normal width bodies rather than narrow, Rotopress rather than compaction, slightly different tonnage vehicles. The conclusion from these trials is that Suez have identified

18t vehicles that have a greater payload whilst operating on the same footprint and turning circle as our 16t vehicles.

- Difficulty in obtaining suitable replacement bodies is also a key factor in this decision. Whilst uncertainty remains over the EPR and Consistency legislation, SUEZ are now confident that POD vehicles dedicated to the schools service are the most appropriate vehicle.
- SWP are currently exploring using Hydrogenated Vegetable Oil (HVO) in our frontline vehicles – either across the contract or at one or more depots.
- Our initial review therefore suggests that SWP funding for the total capital expenditure of the re-fleet is currently not in our financial interests, and where SWP can therefore be in a better financial position with lower risk if SUEZ purchase the vehicles and SWP pay the contract rates already agreed.

The panel members asked the following questions: Why there is a bonus with hydrogenated vegetable oil in that the emissions are less.

Somerset Waste Partnership Managing Director Mickey Green informed the panel the CO2 benefits and the reduction in other emissions at the tail pipe and there are ongoing discussions about HVO and if it is sustainable for SWP.

The Joint Waste Scrutiny Panel considers and comments on the following recommendations in this report.

That the Somerset Waste Board:

- **Notes the proposed approach being taken to the partial refleet.**
- **Notes the proposed capital bid being submitted, including the intention to seek funding for 2 electric refuse vehicles.**
- **Notes the progress in exploring Hydrogenated Vegetable Oil as a short term-option to decarbonise our operations**

9. Fees and Charges - Agenda Item 9

The Chair invited Somerset Waste Partnership Contract Manager Colin Mercer to provide an update on and for the panel to comment on the fees and charges.

The following was highlighted:

- This is an annual exercise carried out in the Autumn to enable partners to feed fees and charges into the budgeting process for the following financial year.
- Highlighting the proposed fees and charges in table 1 in the report.
- The other area where we do not currently but can levy charges is for the collection of clinical waste from the household. The specific requirements of this collection service, infrastructure, specialist qualified staff, vehicles etc, make it a costly service to provide.
- Clinical waste from the household including a 11% inflation applied to the current costs would require the customer to pay charges as set out in Table B in the report to remove subsidy from this service.

The panel members asked the following questions: subsidising the increase of garden waste collections are SWP charging the 11% because of inflation will this be reduced if the rate isn't 11%.

Somerset Waste Partnership Contract Manager Colin Mercer informed the panel the 11% garden waste collection is based on inflation most collections across the county apply the charge.

Somerset Waste Partnership Managing Director Mickey Green informed the panel SWP were highlighting the predicted inflation there is a free alternative and both environmentally beneficial. Free alternative is home composting.

The Joint Waste Scrutiny Panel considers and comments on the following recommendations in this report.

That the Somerset Waste Board:

- **Note the approach proposed for Fees and Charges for April 2023 to March 2024.**

10. Recycle More Update- Agenda Item 8

The Chair invited Somerset Waste Partnership Head of Communications and Engagement Mark Ford to provide an update on Recycle More

The following was highlighted:

- SWP won the LGC Awards for Environmental Services and Local Authority Recycling Advisory Committee Communications campaign of the Year Award, which is also really pleasing.
- The final residential rollout was communal properties in Sedgemoor and West Somerset, with around 5000 properties focused mostly on Bridgwater.
- Key dates and encouraging community awareness raising and engagement. Regular updates were also provided for staff and member internal newsletters at all partner authorities.
- Communication were the mailed leaflets, in this phase delivered to more than 70,000 mainline households – a warm-up leaflet at five weeks before launch (a week later than originally planned) and the “Coming soon” leaflet, containing individual collection day calendars and a “what goes where?” guide, arrived 3 weeks before launch).
- Reduction in refuse/rubbish across the whole of the county (approx 450 tonnes per week) and the increase in the recycling (approx 50- 75 tonnes per week) over a 26-month period running mid-April 2020 to June 2022.
- In the first 20 months there was an average decrease of refuse/rubbish of just over 20%, or around 1.6kg each week per household.
- As part of Recycle More, SWP will be improving recycling service for the county’s 273 schools receiving a service from SWP. It will add plastic pots, tubs and trays to collections, adding capacity and improving ‘binrastructure’ with the aim of boosting recycling rates which currently lag behind domestic rates.

The panel members asked the following questions: The issues in Bridgwater with HMO properties as the residents are often not equipped with the space or facilities for recycling resulting in black bags blocking pavements. Can a solution to this be found working with the LA and private landlords; are the issues with HMO properties across Somerset still an issue.

Michael Cowdell informed the panel that SWP have been working with enforcement teams, landlords and residents to understand what the barriers are to access the service and find the solution to resolve.

Somerset Waste Partnership Managing Director Mickey Green informed the panel that HMO is a perennial issue, whether it's recyclable or not. SWP work with the

residents and the landlords, including Interventions in terms of going around to engage with the specific issue at the HMO.

The Joint Waste Scrutiny Panel considers and comments on the following recommendations in this report.

That the Somerset Waste Board notes the progress made in implementing Recycle More and the risks to the programme.

11. Outline of the Business Plan 2023-2028 - Agenda Item 9

The Chair invited Somerset Waste Partnership Managing Director Mickey Green to provide an update on the draft business plan the new Council's strategic plan is not yet in place or the guidance on the approach to service/business planning. However, in line with the approach agreed with the Board, this paper still seeks a steer (as it normally would) on the approach to developing a draft business plan.

The following was highlighted:

- The ongoing impacts of a national driver shortage, embedding recycle more, doing more on reuse, the ongoing pandemic (including how it impacts waste tonnages in the medium term), the pressure this has created on SWP, SUEZ and partner staff, and the move to a unitary authority.
- SWP are still actively seeking to be involved in national pilots of rolling out soft/flexible plastic trials and want to roll out food waste to more communal properties.
- Highlighting the key issues that will inform the 2023-28 business plan as set out in the report.
- Activity in this area will be largely as per the previous business plan, noting that a new council will require SWP to update website content, may require a new CRM system, SWP will have new enforcement powers, and we will continue to focus on using our data more effectively.

The panel members asked the following questions: Was national Driver shortage easing now? The hard-to-treat materials at the recycling sites where do they go or what cost can be avoided.

Michael Cowdell informed the panel the ongoing pressure in the supply chain in agencies for drivers. Bonuses are offered in the short term to get drivers on board. The driver shortage is a pressure across the neighbouring authorities.

David Oaten informed the panel SWP have visited a number of supposed reprocessors that claim that they can recycle everything within a mattress only to find that this was not possible. SWP were looking to start a trial with Biffa at the Taunton and Highbridge sites to deal with UPVC frames and glass and other materials. A Signage review was underway at the sites to ensure customers put items in the right places and looking at reducing the size of items for the bulky items.

The Joint Waste Scrutiny Panel considers and comments on the following recommendations in this report.

That the Somerset Waste Board:

- **Comments on and approves the proposed priority areas for inclusion in the Business Plan 2023-28 as set out in section 2 of the report, noting that the Somerset Council Corporate Plan has not yet been set.**
- **Discuss and provide further ideas for any particular service changes, projects or programmes for potential inclusion in the Draft Plan to be reviewed at the December meeting.**

12. Somerset Waste Board Forward Plan

The Panel agreed the current Somerset Waste Board Forward Work Plan

13. Any other urgent items of Business

(The meeting ended at 16.15pm)

CHAIR