



South Tyneside Council



**SOUTH TYNE AND WEAR WASTE MANAGEMENT
PARTNERSHIP JOINT EXECUTIVE
COMMITTEE AGENDA**

Friday, 10 March 2023 at 1.30 pm in the Via Teams

From the Chief Executive, Sheena Ramsey

Item Business

1. Apologies for Absence

2. Minutes (Pages 3 - 6)

The Joint Executive Committee is asked to approve the minutes of the meeting held on 9 December 2022 (attached)

3. Declarations of Interest

4. Contracts Update (Pages 7 - 18)

Report attached

5. Waste Policy Update (Pages 19 - 26)

Report attached

6. Waste Sector News Update

Presentation

7. Date and Time of Next Meeting

The next meeting of the Joint Executive Committee will be held on Friday 9 June 2023 at 1.30 pm – venue tbc

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GATESHEAD METROPOLITAN BOROUGH COUNCIL
SOUTH TYNE AND WEAR WASTE MANAGEMENT PARTNERSHIP JOINT
EXECUTIVE COMMITTEE MEETING

Friday, 9 December 2022

PRESENT: Councillor Linda Green (Gateshead Council) (Chair)

Gateshead Council Councillor Angela Douglas

South Tyneside Council Councillor Ernest Gibson

Sunderland Council Councillor Iain Scott

IN ATTENDANCE:

Gateshead Council Colin Huntington, Phil Hindmarch

South Tyneside Council Stuart Wright, John Tindle

Sunderland Council Anthony Alder, Marc Morley

STWWMP Fiona Prentis, Anna Harrison

8 APOLOGIES

Apologies for absence were received from:

Councillor Foreman (South Tyneside)
Councillors Rowntree and Johnston (Sunderland)

9 MINUTES

The minutes of the meeting held on 10 June 2022 were agreed as a correct record.

10 DECLARATIONS OF INTEREST

There were no declarations of interest.

11 CONTRACTS UPDATE

The JEC received a report advising them of the latest position regarding the Residual Waste Treatment Contract, all other ancillary waste joint contracts and activities managed by the South Tyne and Wear Waste Management Partnership (STWWMP).

It was noted that the Competition and Markets Authority (CMA) has now released its final decision regarding Veolia's acquisition of the SUEZ recycling and recovery UK

business. As it did in its initial findings, CMA's position remains that the two companies coming together in the UK would result in a lessening of competition in the UK waste and recycling market and that therefore, the SUEZ UK business should be sold in its entirety.

It was also reported that Veolia progressed the sale process of SUEZ recycling and recovery UK and agreed a deal in principle with Macquarie Group Ltd (Macquarie). However, New SUEZ was offered a Right of First Refusal (ROFR) to buy it back. The JEC also noted that New SUEZ confirmed their intention to purchase SUEZ in September 2022 and the sale is ongoing. The CMA are completing their investigation and New SUEZ are awaiting final approval and confirmation that the sale can be progressed.

The JEC also received an update on the 2022/23 EfW Service which highlighted that the plant continues to operate well. It was also stated that a VoC (Volatile Organic Compound) breach was experienced in August 2022 due to a gas bottle explosion in the furnace. Officers advised that this has been reported to the Environment Agency but a response has not yet been received.

A summary of the planned annual maintenance shutdowns was provided; it was explained that the business continuity plan during the shutdown period was submitted in October prior to the shutdown and SUEZ noted landfill may be possible but the plan is always fluid depending upon waste flows and plant issues experienced. The JEC were advised that the shutdowns are still ongoing but due to lower waste flows to date no material has been redirected to landfill.

From the report, an update on Reconciliation was provided. It was noted that the 2021/22 reconciliation review exercise is still currently in progress to determine the end of year credit/payment. It was reported that due to rises in energy prices the Authorities are due to receive an income share on the electricity generated by the EfW for this period.

The JEC were also advised that the ongoing COVID-19 coronavirus pandemic arrangements have meant that no further Community Liaison Group meetings have been able to be held. It was highlighted that this situation is being reviewed and that the group is promoted throughout the local communities via leaflets. The JEC also received an update on recycling; it was reported that contamination levels have generally remained at consistent levels in each partner authority since quarter one of this financial year.

The JEC congratulated officers on the successes reported; concern was also noted that contamination of recycling waste remains consistent despite increased communication with residents. The JEC also commended Suez for the work done at South Tyneside's waste management site as summarised in the report; it was agreed that pressures at the site had been eased following the introduction of timeslots for residents.

The JEC were advised that whilst recycling performance is currently exceeding annual targets significantly it should be noted that recycling performance is subject to seasonality and reduces during the winter months.

RESOLVED: (i) The JEC noted the report.

12 WASTE SECTOR NEWS UPDATE

The JEC received a presentation providing a waste sector news update.

From the presentation, the JEC noted that Persistent Organic Pollutants (POPs). It was noted that the law requires that POPs in waste are destroyed to prevent lasting environmental harm and impacts on the food chain. It was stated that this means waste containing POPs must be incinerated and not recycled or landfilled.

A summary of changes in legislation was provided, this included:

- Increase in taxation on red diesel
- Expansion of Emissions Trading Scheme
- BREAF
- Electricity Generator Levy

The JEC were advised that more detail is being sought on the above; it was noted that an update report to the JEC would be provided in due course.

From the presentation, the JEC noted the update on the Resource and Waste Strategy; it was reported that the consultation findings for DRS, consistency and collection and year end expectations are still awaited.

The JEC discussed at length the impact and dangers of the incorrect disposal of 'disposable' vapes. It was noted that there is concern across the industry due to the risk of fire. It was highlighted that containers for vapes have been added at HWRC's in an effort to improve the situation.

The JEC were also provided with an update on current commodity prices which illustrated that prices have been decreasing in all areas.

RESOLVED: (i) The JEC noted the update.

13 DATE AND TIME OF NEXT MEETING

The next meeting is scheduled for Friday 10 March 2023 at 1:30pm.

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South Tyneside Council



**REPORT TO THE SOUTH TYNE AND WEAR WASTE MANAGEMENT PARTNERSHIP
JOINT EXECUTIVE COMMITTEE**

10 MARCH 2023

REPORT OF: Colin Huntington, Project Director, South Tyne and Wear Waste Management Partnership

SUBJECT: Contracts Update Report 2022/23

1. PURPOSE OF REPORT

- 1.1. To advise the Joint Executive Committee of the latest position regarding the Residual Waste treatment Contract, all other ancillary waste joint contracts and activities managed by the South Tyne and Wear Waste Management Partnership (STWWMP).

2. BACKGROUND

- 2.1. The Residual Waste Treatment Contract (RWTC) was awarded to a consortium led by SITA UK (through SITA South Tyne and Wear Ltd) on 20 April 2011. The contract comprises the energy-from-waste facility (EfW) at Teesside, fed by waste from three Waste Transfer Stations (WTS) situated for use by each of the partner authorities. The contract commenced service on 22 April 2014.
- 2.2. In March 2015, SITA UK's parent company announced a global rebrand, indicating that all its subsidiary companies would change their names to SUEZ. In December 2015, STWWMP received formal notification that SITA South Tyne and Wear Ltd would now be known as South Tyne and Wear Energy Recovery Ltd (STWERL). STWERL is therefore the Special Purpose Vehicle (SPV) with SUEZ being our Operations and Maintenance (O&M) Contractor.
- 2.3. The latest Materials Recovery Facility (MRF) contract commenced on 1 April 2022. The contracts were awarded as follows:
- Cumbria Waste Group Ltd – Gateshead and South Tyneside
 - J&B Recycling Ltd – Sunderland
- 2.4. The MRF contracts are for a period of 36 months with an option to extend for 2 x 12-month periods. The contracts have been implemented by Gateshead Council as Lead Authority under the Contract for and on behalf of itself and the partner authorities. Gateshead Council have entered into back-to-back contractual arrangements with its partner authorities to pass down the relevant provisions of the Contracts.

- 2.5. Gateshead and South Tyneside Councils' incentive-based joint contract for the management and operation of HWRCs from 1 April 2020 was awarded to SUEZ for a period of 36 months with an option to extend for a further three 12-month periods.
- 2.6. The contract for the management of the new Sunderland HWRC, located at Pallion, was also awarded to SUEZ. The contract commenced on 1 February 2022 when the site opened and is for a period of 14 months with an option to extend for a further three 12-month periods.
- 2.7. The two HWRC contracts for all three authorities are therefore co-terminus with the same potential extension periods in place. With both contracts due to expire at the end of March 2023, all partner authorities have agreed with SUEZ to make use of the full extensions periods available meaning both contracts are now due to expire in March 2026.
- 2.8. The latest Green Waste contracts also commenced on 1 April 2022. These contracts were awarded as follows:
 - Remondis Ltd – Gateshead and Sunderland
 - SUEZ Recycling and Recover UK Ltd – South Tyneside
- 2.9. These are for a period of 48 months (therefore due to expire end of March 2026) with the option to extend for a further 2 x 12-month periods. The partner authority contracts have been implemented by Gateshead Council as Lead Authority in the same way as the MRF contracts.
- 2.10. The joint partnership team continues to undertake several waste management functions on behalf of the partner authorities, including reviewing and verifying monthly contract reports, which detail materials processed and service issues. Once approved, invoices are processed and, where appropriate, apportioned between partner authorities within contractual timescales.
- 2.11. This is enabling, amongst other things, a proactive and timely approach to management of the RWTC which is operated under strict timescales. Similar benefits are also afforded to the procurement and management of other ancillary contracts, such as MRF, HWRC, and green waste composting.

3. RESIDUAL WASTE TREATMENT CONTRACT (RWTC)

Veolia takeover

- 3.1. As previously reported, following Veolia's acquisition of the SUEZ Recycling and Recovery UK business, the Competition and Markets Authority (CMA) concluded that the two companies coming together in the UK would result in a lessening of competition in the UK waste and recycling market. Therefore, the SUEZ UK business should be sold in its entirety.
- 3.2. Veolia agreed a deal in principle with Macquarie Group Ltd (Macquarie). However, SUEZ recycling and recovery UK was offered a Right of First Refusal (ROFR) to buy it back. SUEZ confirmed their intention to do this in September 2022 and the sale back to SUEZ was completed in December 2022. In terms of site Operational and Maintenance, it has been, and will continue to be business as usual.

STWER Commercial Advisor Retirement

3.3. Ian Sexton the STWER Commercial Advisor retired on 30 June 2022 however Ian is working with James Dowell the new Commercial Advisor and Contractors Representative until mid-2023 to finalise some outstanding contract issues. This handover is ongoing.

2022/23 EfW Service Update

3.4. Performance information for the 2022/23 contract year to date can be found at Appendix A.

3.5. The plant continues to operate well. The planned annual maintenance shutdowns took place during Quarter 3 as follows:

- Line 4: 24 October – 20 November 2022
- Line 5: 12 November – 5 December 2022

3.6. Waste flows during the above shutdown periods were managed well with no waste having to be redirected to landfill.

3.7. Other than the planned shutdown periods, Lines 4 and 5 have operated satisfactorily with no significant unplanned losses of availability. Line 4 had a bottom ash drop off chute blockage, losing 32 hours of availability between the 18 and 19 December and was offline for 3 hours on 4 December due to a high boiler drum level initiating a plant trip. Line 5 was unavailable for 3 hours on 18 December due to a bottom ash chute blockage.

3.8. There were no major issues with the Turbine which has generated a total of 139,851 MWh, exporting 122,092 MWh of this so far this contract year (April – December 2022). The Turbine was offline for 10 days in November (12 – 22 November) for planned manual maintenance. No significant issues were identified during the shutdown period.

3.9. Following consultation between SUEZ and the Environment Agency, a Compliance Classification Scheme (CCS) score of 0.1 has been allocated in relation to the Volatile Organic Compound (VoC) breach experienced on Line 4 on 3 August 2022 due to a gas bottle explosion in the furnace. This brings the CCS score for the contract year to date for the EfW plant to 0.2.

3.10. All incinerator bottom ash samples have again returned compliant results.

Waste Transfer Stations (WTS)

3.11. Middlefields WTS was closed for a period of six weeks from 16 September to enable the floor in Shed B to be replaced. Site re-opened on 2 November following completion of the works. During the closure period, vehicles were diverted to contingency sites with all of South Tyneside's material being accepted and processed as normal. North Tyneside Transfer Station was used as an additional contingency site for part of this period. Discussions are ongoing with SUEZ in terms of the tipping away fees in relation to this arrangement.

3.12. Campground and Jack Crawford House WTS's have been fully operational, accepting STWWMP contract waste without significant issues. Recycling activities are ongoing at each site, including the segregation of materials such as street sweepings, wood, and scrap metals.

- 3.13. Other routine maintenance of buildings, plant, and control systems continue to be delivered as planned and no issues have been identified.
- 3.14. No Environment Agency visits have taken place, no environmental breaches were reported, and no CCS scores were applied. All sites remain in Compliance Band A. A report of an odour from Jack Crawford House was received in November from a member of staff from Sunderland City Council. SUEZ investigated and responded promptly confirming the odour suppression system and the automatic fast action doors were all functioning without any issues. Waste levels were normal and there was no significant odour at the time of investigation, but SUEZ confirmed they would continue to monitor for any further signs.
- 3.15. We continue to record any small fires or smouldering loads at any of our facilities or that of our contractors involving our material. Thankfully the number of these incidences are low and have reduced following the sticking of all bins however these have not disappeared completely, and the danger is still there with potential grave consequences.
- 3.16. Following being shortlisted as a finalist in the 'Health and Safety Initiative of the Year' category in the Let's Recycle 'Awards for Excellence', the campaign was also shortlisted in the National Recycling Awards 'Campaign of the Year' category. Winners of this were announced at the Westminster Park Plaza on 6 December 2022 and representatives from SUEZ and South Tyneside Council were in attendance on behalf of the STWWMP. The campaign was not selected as the overall winner.

Joint Insurance Cost Review (JICR)

- 3.17. The third JICR was previously submitted by Willis Towers Watson and has been reviewed by STWWMP with support from colleagues at the Department for Environment, Food and Rural Affairs (Defra). A response from STWER is still awaited.
- 3.18. The fourth JICR was submitted at the end of 2021. This has highlighted a nil sharing due to the impact of the COVID 19 pandemic.
- 3.19. Both reports are now held up due to a lack of response on the third submission.

Reconciliation 2021/22

- 3.20. The 2021/22 reconciliation review exercise has now been completed and as expected the Authorities have all received an income which offset any gate fee charges due to the rise in energy prices and our income sharing agreement on the electricity generated by the EfW for this period.

Targeted Recruitment and Training (TR&T)

- 3.21. The RWTC affords provision for SUEZ to help improve local prosperity across the partnership area by promoting vacant posts within their facilities. Local vacancies are circulated to partner authority economic development services for circulation to their client bases. Vacancies are also highlighted at the Jack Crawford House and Campground Community Liaison Groups to enable opportunities to be circulated across community contacts.

- 3.22. SUEZ have recently recruited Stephen Atkinson a new dedicated Contract Manager to lead on our RWTC and manage the HWRC contracts. In addition, the recruitment process is ongoing for the replacement of Site Manager at Jack Crawford House WTS.

Community Education and Engagement

- 3.23. STWWMP remains committed to an ongoing programme of community education and engagement, managed by Groundwork North East & Cumbria (GNEC) on our behalf at the Waste and Recycling Visitor Education Centre, the Energy-from-Waste facility, and through outreach activities held in local schools and community settings.
- 3.24. As previously reported, Laura Farrell-Pronesti is now the Waste and Recycling Visitor Education Centre Co-ordinator and has been busy contacting schools and community groups promoting the centres work and securing bookings for future engagement sessions. Recent events and activities have included:
- Whole school waste awareness assemblies
 - Attending meetings and hosting site visits for children representing their schools 'eco-councils'
 - Christmas craft workshops
 - Recycled bird feeder workshops supporting the RSPB's Big School Bird Watch and
 - Skills 4 Work workshop – looking at skills needed to undertake jobs in the recycling and waste industry.
- 3.25. More information on all of the above are included in the Waste and Recycling Visitor Education Centre newsletter circulated to many organisations including local community groups, schools, third sector organisations and JEC committee members.
- 3.26. STWWMP and SUEZ are progressing signage for the outside of the Waste and Recycling Visitor Education Centre.

Community Liaison Groups

- 3.27. The Community Liaison Group meetings have not resumed since they were interrupted due to the COVID-19 coronavirus pandemic. This situation is currently being reviewed and the groups promoted throughout the local communities via leaflets to attract new attendees. Dates of meetings will be confirmed with local residents and attendees in the near future when group members are confirmed.

4. MATERIALS RECOVERY FACILITY (MRF) CONTRACTS

- 4.1. Table A at Appendix B provides the April to December 2022/23 blue bin recycling tonnages. Comingled tonnages have remained higher than pre-pandemic levels however they have reduced significantly compared to the same period last year. Separately collected paper tonnages have also declined in all three partner authorities when comparing the same period last year and the tonnage collected is reducing year on year quite significantly.
- 4.2. Appendix B also contains Table B, which highlights MRF recycling and recovery rates (for comingled materials only) since quarter 1 2020/21 up to the latest quarter.

The figure in the recovery column is effectively the level of residual waste or contamination within the recycling which cannot be recycled and has to be sent for energy recovery.

- 4.3. Contamination levels have generally remained at consistent levels in each partner authority since quarter one of this financial year.
- 4.4. The MRF contracts are based on a risk share mechanism, meaning councils share, with the contractor, any income from the sale of the recycled material and pay a pass-through cost on all contamination, as well as fixed costs for the remaining elements of the service (delivery point handling fee, transport and processing of the commingled materials etc).
- 4.5. Each partner authority is now paying for every tonne of contamination in the blue recycling bins. Minimising contamination has therefore been highlighted as a priority and is being approached from three angles:
 - Communications to raise awareness with residents
 - Ensuring collection crews are rejecting any bins that visibly contain contamination and
 - Removing contamination where possible (usually large items and black bags) from the transfer stations by council and contractor operatives during an inspection process which also includes assessing the quality of each load.
- 4.6. The STWWMP has also been carrying out monthly audits on the input sampling at the MRFs to ensure methodologies are robust and recycling is being maximised. The Partnership are satisfied this process is being carried out in line with the MRF code of practice on sampling.
- 4.7. In terms of the communications to residents, the STWWMP have been working with Communications Officers within each partner authority on these to encourage correct use of the blue recycling bins. Photos, taken when auditing the input sampling showing contamination have been used in Facebook posts to portray to residents how putting items such as dirty nappies and food waste in the blue recycling bins can contaminate other recyclable items. We are also looking to refresh our 'What happens to my recycling' videos and push these to reinforce the message and give residents the confidence that they are doing the right thing by using their blue recycling bins.
- 4.8. Communications in Sunderland have latterly been focusing on the introduction of the 'no side waste' policy which is currently being phased in. Reminders on what can and can't go in the blue recycling bin have been included in some of these to make sure residents manage their capacity appropriately. Contamination messages will be included in these as residents adjust to the changes here. A number of Sunderland Councillors visited J&B's MRF in Hartlepool earlier this year. Mark Penny (Commercial Manager) from J&B gave a tour of the facility showing the process from receipt of Sunderland's kerbside recycling materials to the sorted end outputs which are then sold to reprocessors. Feedback from attendees was positive and that they felt the visit was very informative.
- 4.9. The nature of the current risk share contract means the costs to Partner Authorities will vary monthly. The joint partnership team will continue to review and verify the monthly contract reports including the payment mechanisms, amounts payable to

the contractor and service issues. Once approved, invoices are processed and paid by the relevant Authority (based on agreements between the partner authorities). The relevant partner authorities are then recharged for the amounts payable each month under that contract.

- 4.10. Commodity prices for recycled material have been generally very high in the last 12 months or so and therefore the Councils have benefitted financially from this in the first 6 months of these contracts compared to earlier budget forecasts. However, the prices are starting to drop to more normal levels and therefore this is impacting on the costs of this contract although all Councils remain well within current annual budgets.

5. HOUSEHOLD WASTE AND RECYCLING CENTRE CONTRACTS

- 5.1. Table A at Appendix C highlights the Quarter 1 & 2 HWRC recycling performance for 2022/23. The new way of calculating HWRC recycling performance now excludes not only inert materials (such as rubble), but also electrical waste (WEEE), low grade wood, and dry mixed recyclables/textiles etc. This means that the performance of a site appears to be lower than that of previous years. The results highlight the performance of the incentivised recycling contracts for all 3 partner authorities.
- 5.2. The Sunderland contract includes an incentivised contract relating to recycling performance from 2022/23. The performance thresholds and incentive payments or deductions are slightly different on this contract and the partnership team will monitor the performance to benchmark against the Gateshead and South Tyneside contract.
- 5.3. As previously reported, all three partner authorities now have an advanced booking system in place and these systems are working well with positive feedback being received on the standard of service. Nationally, a number of Local Authorities are retaining their booking systems in the long term. The STWMMP partner authorities will also look to maintain these booking systems in the longer term but will regularly review how they are operating, including how effective they are and may make changes accordingly if any improvements can be identified.

6. GREEN WASTE COMPOSTING CONTRACTS

- 6.1. The latest Green Waste contracts commenced on 1 April 2022 with Remondis and SUEZ and are working well.
- 6.2. The green waste is transferred to composting facilities in Hexham and Ellington in Northumberland and Wingate, County Durham where it is turned into soil improver/compost and used on farmland and sold to commercial outlets.
- 6.3. Green waste kerbside collections will resume in the Spring at each Council.

7. WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT (WEEE) CONTRACT

- 7.1. Our WEEE Compliance Scheme Valpak continue to support us in ongoing actions for the collection and processing of all categories of WEEE.

- 7.2. Laura Farrell-Pronesti also led on the applications for external WEEE project funding for the following funding streams:
- Hubbub – An Expression of Interest (EoI) was submitted to progress a WEEE drama related project with schools and local community-based groups and we were invited to submit a full application which has now been completed.
 - Material Focus – An EoI has been submitted for a trial of containers for small WEEE in public buildings, a small WEEE kerbside trial for 3 estates and roadshows/amnesty events for small WEEE (to include vapes but possibly in separate containers) and batteries.

8. RECOMMENDATION

- 8.1. The Joint Executive Committee is requested to note the contents of this report.

Contacts:

Anna Harrison, Contract Manager (Policy), STWWMP Tel: 433 7422

Fiona Prentis, Contract Manager (PFI), STWWMP Tel: 433 7428

Gary Smith, Contract Manager (Recycling), STWWMP Tel: 433 7480

RESIDUAL WASTE TREATMENT CONTRACT

2022/23 – Quarter 1, 2 & 3 performance (April to December)

| | |
|---------------------------------------|--|
| Total contract waste | 145,720 tonnes |
| Contract waste delivered to WTS: | |
| - Campground | Gateshead – 46,761 tonnes Sunderland – 13,293 tonnes South Tyneside – 3,851 tonnes |
| - Middlefields | South Tyneside – 32,608 tonnes (inc 587 tonnes tipped at North Tyneside WTS) |
| - Jack Crawford House | Sunderland – 48,317 tonnes South Tyneside – 889 tonnes |
| Total contract waste delivered to EfW | 141,622 tonnes |
| Line 4 availability | 88.9% |
| Line 5 availability | 89.4% |
| Overall EfW availability | 89.2% |
| Average turbine availability | 95.7% |
| Electricity generated | 139,851 MWh |
| Electricity exported | 122,092 MWh |
| Electricity imported | 0 MWh |
| Recycling performance | Target 2.1% Performance 2.8% |
| Recovery performance | Target 95.4% Performance 97.2% |
| Unprocessed landfill diversion rate | 100% |
| Health and safety: | |
| RIDDOR | 1 |
| Injuries and accidents | 11 |
| Near misses | 88 |
| Property damage | 18 |
| Fires | 5 |

MATERIALS RECOVERY FACILITY CONTRACTS

Table A: 2022/23 latest blue bin tonnage data: April -December 2022

| | Gateshead | South Tyneside | Sunderland |
|--|-----------------------|-----------------------|-----------------------|
| Comingled tonnage | 10,546 | 8,140 | 15,375 |
| Paper tonnage | 792 | 356 | 602 |
| Total tonnage | 11,337 | 8,496 | 15,977 |
| <i>Comparison to April-December - comingled</i> | <i>5.6% decrease</i> | <i>7.3% decrease</i> | <i>5.9% decrease</i> |
| <i>Comparison to April-December - paper</i> | <i>10.8% decrease</i> | <i>17.6% decrease</i> | <i>19.6% decrease</i> |
| <i>Comparison to April-December - all materials</i> | <i>5.9% decrease</i> | <i>7.8% decrease</i> | <i>6.5% decrease</i> |

Table B: MRF recycling and recovery performance

| Period | Gateshead | | South Tyneside | | Sunderland | |
|------------|-----------|----------|----------------|----------|------------|----------|
| | Recycling | Recovery | Recycling | Recovery | Recycling | Recovery |
| Q1 2020/21 | 87.0% | 13.0% | 87.0% | 13.0% | 82.9% | 17.1% |
| Q2 2020/21 | 81.1% | 18.9% | 81.1% | 18.9% | 83.1% | 16.9% |
| Q3 2020/21 | 86.6% | 13.4% | 86.6% | 13.4% | 84.3% | 15.7% |
| Q4 2020/21 | 82.0% | 18.0% | 82.0% | 18.0% | 84.7% | 15.3% |
| Q1 2021/22 | 78.9% | 21.1% | 79.3% | 20.7% | 85.3% | 14.7% |
| Q2 2021/22 | 79.1% | 20.9% | 78.4% | 21.6% | 85.4% | 14.6% |
| Q3 2021/22 | 78.1% | 21.9% | 79.0% | 21.0% | 86.1% | 13.9% |
| Q4 2021/22 | 79.0% | 21.0% | 80.3% | 19.7% | 87.2% | 12.8% |
| Q1 2022/23 | 84.7% | 15.3% | 81.6% | 18.4% | 87.9% | 12.1% |
| Q2 2022/23 | 84.9% | 15.1% | 81.1% | 18.9% | 88.1% | 11.9% |
| Q3 2022/23 | 82.6% | 17.4% | 81.0% | 19.0% | 87.0% | 13.0% |

HOUSEHOLD WASTE AND RECYCLING CENTRE CONTRACTS

Table A: 2022/23 latest recycling performance (excluding inert materials, such as rubble, WEEE, low grade wood and dry mixed recycling/textiles):

| HWRC | Annual Target | Quarter 1 2022/23 | Quarter 2 2022/23 | Quarter 3 2022/23 |
|-------------------------------------|----------------------|--------------------------|--------------------------|--------------------------|
| Campground | 48% | 54.9% | 54.0% | 47.6% |
| Cowen Road | 48% | 57.8% | 53.5% | 43.6% |
| Pallion | 48% | 60.4% | 56.1% | 56.1% |
| Middlefields (Recycling Village) | 50% | 58.9% | 55.2% | 48.2% |

**NB: Results subject to change – currently includes all wood materials collected but verification required regarding treatment routes, i.e. recycling, recovery, or disposal.*

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South Tyneside Council



REPORT TO THE SOUTH TYNE AND WEAR WASTE MANAGEMENT PARTNERSHIP JOINT EXECUTIVE COMMITTEE

10 MARCH 2023

REPORT OF: Colin Huntington, Project Director, South Tyne and Wear Waste Management Partnership

SUBJECT: Waste Policy Update

1. PURPOSE OF REPORT

- 1.1. To advise the Joint Executive Committee on the latest Waste Policy developments, since the passing of the new Environment Act 2021 and in particular following the publication of the Extended Producer Responsibility (EPR) and Deposit Return Scheme (DRS) consultation findings and the publication of the Environmental Improvement Plan 2023.

2. BACKGROUND

- 2.1. In January 2018, Government published its 25 Year Environment Plan (25YEP) 'A Green Future: Our 25 Year Plan to Improve the Environment' setting out a number of goals for improving the environment; one of these being 'Minimising waste'. The overarching aim however was to 'leave the environment in a better state than we found it.' Initiatives as a result of this plan include the banning of plastic straws, stirrers and cotton buds and the plastic carrier bag charges.
- 2.2. Later that year, December 2018, Government published the Resource and Waste Strategy (RaWS) outlining in more detail their plans to help achieve the goal of waste minimisation, increase levels of recycling across England and prevent waste from being disposed of by landfill. Specifically, within this strategy were three key legislative changes which Government sought views on through two rounds of consultations (in 2019 and 2021). These being:
 - Extended Producer Responsibility for Packaging (pEPR)
 - A Deposit Return Scheme (DRS) on single use drinks containers and
 - Consistency in household and business collections
- 2.3. The above are now often referred to as the Collection and Packaging Reforms (CPR). The South Tyne and Wear Waste Management Partnership (STWWMP) submitted a joint response to each of the consultation exercises.
- 2.4. In 2019, the Government set out a new Environmental Bill. The Bill would provide the legislative framework needed to deliver on many of the commitments in the

RaWS, by introducing new powers and amending existing legislation such as the Environment Act 1995 and Environmental Protection Act 1990.

- 2.5. The bill was passed in Parliament in November 2021, creating the Environment Act 2021 giving the Secretary of State the powers to enable these legislative changes set out in the 25YEP and the subsequent RaWS.
- 2.6. A new Office for Environmental Protection (OEP) has been set up which will hold government and public bodies to account on their environmental obligations. This is an independent body, operating since November 2021 and replaces the European Commission and the Court of Justice of the European Union following the UK's exit from the European Union.
- 2.7. One aspect of the Environment Act 2021 is the power to set long-term, legally-binding environmental targets. In this regard, Government published in January 2023, the Environmental Improvement Plan (EIP). The plan represents the first review of the 25YEP. It reinforces the intent of the 25YEP: where the 25YEP set out the framework and vision, the EIP sets out the plan to deliver and in particular details interim targets for 2028, as well as more long-term targets over the next 25 years. Further details on this can be found in Section 6 of this report.
- 2.8. This report sets out in more detail progress on the above.

3. PROGRESS ON pEPR

- 3.1. The Department for Environment, Food & Rural Affairs (Defra) consider pEPR to be a crucial tool in moving waste up the hierarchy by incentivising producers to reduce their packaging overall and to design products that are easier to recycle. Currently, local authorities pick up the cost of managing and disposing of this material so by applying the 'Producer pays Principle' the costs are shifted from taxpayers to the packaging producers.
- 3.2. Having carried out two rounds of consultation on their plans for pEPR, Defra published the findings from the second consultation in March 2022. These confirmed that local authorities would start receiving payments for managing the costs of household packaging waste and packaging in street bins from April 2024. Payments will be made quarterly in arrears, based on data for the same quarter from the previous year. Producers will therefore be required to start reporting their packaging data from 1 April 2023.
- 3.3. Local authorities will however be judged on delivering an efficient and effective service with deductions made to these payments where deemed appropriate. A Scheme Administrator will be appointed to govern this process; no deductions will be made to payments in the first year of pEPR. Income received will also be net of any income received through the sale of material.
- 3.4. Defra are currently working on a model by which local authorities will be measured against in terms of delivering an efficient and effective service and have suggested a draft model will be available to local authorities in the Spring/Summer of 2023. There is also work currently taking place to amend the MRF regulations in terms of sampling of material. This will be a key part of the process in order to determine how much packaging material each local authority is handling.

3.5. Other aspects to pEPR include:

- Funding to local authorities will also include costs to cover communications on littering of packaging material;
- payments to cover commercially collected packaging waste will not be included initially. A cross-sector task force will be established to develop evidence, undertake analysis, and identify options.
- Fibre-based composite cups (disposable coffee cups) – a mandatory takeback scheme will be introduced by 2024 for larger businesses (those who employ 10 or more FTEs) and 2026 for smaller businesses for the collection and recycling of these items.
- Labelling – there will be mandatory labelling of packaging for recyclability, with a single labelling format. All packaging types (except for plastic films and flexibles) will be required to be labelled as ‘recycle’ or ‘do not recycle’ by 31 March 2026. Plastic films and flexibles will need to be labelled as ‘recycle’ or ‘do not recycle’ by 31 March 2027.
- Compostable and biodegradable packaging will be required to have a ‘do not recycle’ label allowing time to build the evidence that it can be safely collected and composted separately.
- Annual targets for recovering packaging waste and sending for recycling will be set to 2030.

4. PROGRESS ON DRS

- 4.1. A DRS is a system where consumers are charged a deposit up-front when they buy a drink in a container that is “in scope” of the scheme. The deposit can be redeemed when the empty container is returned to a designated return point.
- 4.2. Government expects by introducing a DRS for single use drinks containers littering of in-scope containers will substantially decrease which will in turn boost recycling levels, with increased quality of recycling and promote a circular economy.
- 4.3. Within the 25YEP, Defra committed to develop and consult on a DRS for drinks containers. Two consultations were carried out on DRS; in 2019 and 2021; the latter closing on 4 June 2021, receiving 2,590 responses from a broad range of stakeholders. Defra published the findings from the latest consultation exercise in January 2023.
- 4.4. The overall findings were in support of an ‘all-in’ DRS and therefore Defra have now committed to work with industry, Welsh Government, and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland, to now set up the scheme.
- 4.5. The main findings are as follows:
- DRS in England, Wales and Northern Ireland will be rolled out by 1 October 2025 (at the earliest). Plans to roll out at DRS in Scotland in August 2023 are already underway.
 - Materials in-scope will be:
 - Single-use drinks containers from 50ml to 3 litre containers
 - Plastic (PET) bottles, steel cans and aluminium cans in England and NI

- Glass bottles will be included in addition to the above for Wales (as in Scotland)
- 4.6. Retailers selling in scope containers will be obligated to host a return point for consumers to take their drinks containers back to and redeem their deposit. This could be through a reverse vending machine or through a manual takeback service.
- 4.7. A Deposit Management Organisation (DMO) will be appointed to run the DRS. This will be the central body of the scheme whose role is to administer the operation of the DRS. It will be an independent, not for profit, private organisation made up of membership of individual companies or trade associations which represents producers and retailers.
- 4.8. Defra recognise that labelling of the drinks container is important to ensure the DRS operates effectively and improve consumer engagement. Consumers need to know if a drinks container has been subject to a deposit or not and an identification marker such as a barcode on containers would be necessary for return points to read in order to return a deposit to the consumer. The specific details and design of these markings will be for the DMO(s) to decide.
- 4.9. Defra plans to set a collection target of 90% of all in-scope materials sold. This will be phased in over a three-year period; 70% in year one, 80% in year two and 90% in year three and thereafter.
- 4.10. As previously mentioned, STWWMP submitted a joint response to the consultations, including those on DRS. As all three partner authorities offer the facility for residents to recycle all of the in-scope single use drinks containers through their kerbside recycling scheme, we felt an on-the-go DRS model would be preferable. Removing high value materials from the recycling waste stream would reduce the overall basket value of the recycled materials collected from the kerbside. This could in turn impact on current and future contract arrangements the partner authorities may engage into with Material Recovery Facility (MRF) operators.
- 4.11. Government acknowledged in the consultation response a digital DRS could enable the use of existing kerbside recycling schemes through the use of smartphone technology. The carbon saving benefits of this were also recognised compared to solely relying on consumers returning their products directly to the retailer.
- 4.12. However, at this current time, Defra have concerns on how a digital scheme could be introduced and run cost effectively. Namely these were in relation to the increased risk of fraud and the changes which would be required to the labelling of containers to facilitate the implementation of a digital DRS. The Welsh Government is currently funding further research on, and evaluation of, this topic including a town scale pilot in Welshpool this Spring.
- 4.13. The STWWMP looks forward to further updates on this and will be monitoring progress on the Scottish DRS which is planned to go live in August this year.

5. PROGRESS ON CONSISTENT COLLECTIONS

- 5.1. The third and final legislative change Government consulted on in 2019 and 2021 as outlined in the Background of this report was in relation to consistency in household and business collections. Government acknowledge local authorities currently collect different materials for recycling, which leads to incorrect messaging about what can or cannot be recycled.
- 5.2. Included in the consultations were proposals to include a core set of recyclable waste streams to households and businesses, these being;
 - a) Glass
 - b) Metal
 - c) Plastic
 - d) Paper and card
 - e) Food waste and
 - f) Garden waste (households only)
- 5.3. Recyclable household waste within streams (a) to (d) may not be collected together with streams (e) or (f). Indeed, collecting materials (a) to (d) together would be subject to completing a TEEP assessment to determine if it is deemed Technically, Environmentally and Economically practicable to do so. Food Waste collections will be required to be offered on a weekly basis. Recyclable plastic film and flexible packaging will be added to the above list after two years.
- 5.4. None of the partner authorities currently offer a weekly, separate food waste collection service. The introduction of such a service could impact on the current Residual Waste Treatment Contract (where food waste is currently captured) and would also require significant capital outlay and revenue expenditure to deliver. For instance, internal food waste caddies and external food waste bins, specialist collection vehicles, additional staff to crew the service, and the procurement of a new food waste treatment contract with associated gate fees.
- 5.5. Government announced in October 2021, £295 million of capital funding would be made available to local authorities to cover any new net burdens arising from implementing this new service. However, Government haven't yet provided any further detail on how this funding will be allocated, nor have they published their findings from the latest consistency in collections consultation exercise. Therefore, the STWWMP is awaiting further detail from Defra in relation to both of these before being able to make informed decisions on how to best proceed in this area.

6. ENVIRONMENTAL IMPROVEMENT PLAN 2023

- 6.1. Defra proposed within the 25YEP to update it every five years. As previously reported, the EIP, published in January 2023 is the first review of the 25YEP and sets out how the government will continue to improve our environment here in the UK and around the world. It provides a summary of some of the key policies implemented by Government since the 25YEP was introduced in 2018, including the RaWS, Net Zero Strategy, introduction of the Plastic Packaging Tax, and restricting the use of some single use plastics (SUPs).
- 6.2. The specific targets relating to waste and resources within the EIP are summarised as follows:
 - **Long term target:** By 31 December 2042, the total mass of residual waste excluding major mineral wastes in a calendar year does not exceed 287kg

per capita (this is a legally binding target on the government as set out in the Environment Act 2021).

- **Interim target 1:** By 31 January 2028, the total mass of residual waste excluding major mineral wastes in the most recent full calendar year does not exceed 437kg per capita.
- **Interim target 2:** By 31 January 2028, the total mass of residual waste excluding major mineral waste in the most recent full calendar year does not exceed 25.5 million tonnes.
- **Interim target 3:** By 31 January 2028, the total mass of municipal residual waste in a year does not exceed 333kg per capita.
- **Interim targets 4-8:** By 31 January 2028, the total mass of:
 - Residual municipal food waste in the most recent full calendar year does not exceed 64kg per capita. This is equivalent to a 50% reduction from 2019 levels.
 - Residual municipal plastic waste in the most recent full calendar year does not exceed 42kg per capita. This is equivalent to a 45% reduction from 2019 levels.
 - Residual municipal paper and card waste in the most recent full calendar year does not exceed 74kg per capita. This is equivalent to a 26% reduction from 2019 levels.
 - Residual municipal metal waste in the most recent full calendar year does not exceed 10kg per capita. This is equivalent to a 42% reduction from 2019 levels.
 - Residual municipal glass waste in the most recent full calendar year does not exceed 7kg per capita. This is equivalent to a 48% reduction from 2019 levels.

6.3. The EIP also contains a number of other targets and commitments that stem from the ambitions in the government's RaWS and Net Zero Strategy, including:

- to reduce food waste, including achieving the UN Sustainable Development Goal (SDG)12.3 to halve per capita global food waste at the retail and consumer levels by 2030.
- to achieve a municipal recycling rate of at least 65% by 2035.
- to eliminate waste crime and illegal waste sites by 2042, prioritising those of highest risk.
- to deliver a substantial reduction in litter and littering behaviour.

6.4. While these are challenging targets it is worth noting these are national targets for the purpose of measuring the government's progress against its ambitions within the Environment Act 2021 to which the Office for Environmental Protection, as previously mentioned, is responsible for holding it to account.

6.5. In summary, the STWWMP eagerly awaits more detailed information, including that of funding, from Government on the developments of pEPR and DRS and the publication of the consistency in collections consultation response. Following this, the partner authorities can then give full consideration to any potential service changes and work towards helping to achieve the above targets.

7. RECOMMENDATION

7.1. The Joint Executive Committee is requested to note the contents of this report.

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