

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

21 September 2018

REPORT OF: Tony Alder, Project Director, South Tyne and Wear Waste Management Partnership

SUBJECT: Contracts Update

1. PURPOSE OF REPORT

- 1.1 To advise the Joint Executive Committee of the latest position regarding the Residual Waste Treatment Contract and 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 had also changed its name and would now be known as South Tyne and Wear Energy Recovery Ltd (STWER).
- 2.3 Gateshead and South Tyneside Councils' 48-month Materials Recovery Facility (MRF) contract for dry recyclables commenced service with Palm Recycling Ltd on 1 April 2014. A contract extension period was activated in 2018, which is scheduled to end on 31 March 2021.
- 2.4 Sunderland Council awarded a separate MRF contract to J&B Recycling, which commenced service on 1 April 2015 for a period of 36 months. A contract extension period was activated in 2018, which is also scheduled to end on 31 March 2021.

- 2.5 Gateshead and Sunderland councils jointly procured separate contracts with SUEZ for the management of Household Waste and Recycling Centres (HWRC). Both incentive-based contracts were two years and seven months in length and commenced service at the beginning of September 2014. 36-month contract extension periods were activated from 1 April 2017.
- 2.6 From 1 December 2017, South Tyneside Council entered into a 30-month HWRC management with Remondis JBT.
- 2.7 The end dates for all three HWRC management contracts are co-terminus. This will enable a joint approach between all three partner authorities to be considered for a new contract commencing on 1 April 2020.
- 2.8 A joint procurement exercise awarded three separate green waste composting contracts for each partner authority. Although contracts were awarded to three different providers, the timing of the contract lengths has been structured to enable a joint partnership contract to be considered at the end of the current arrangements. The current contract providers are:
- Gateshead: A.Willey for 36 months from 01 April 2016
 - South Tyneside: SUEZ for 36 months from 01 April 2016
 - Sunderland: JBT (now delivered by Remondis following take-over of JBT) for 31 months from 01 September 2016
- 2.9 The joint partnership team continues to undertake strategic waste management functions on behalf of the partner authorities. 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**

- 3.1 The joint partnership team continues to review and verify monthly reports received from SUEZ, which detail materials processed and service issues. Once approved, invoices are processed and apportioned to the partner authorities within contractual timescales.

Service Update

- 3.2 Incinerator Bottom Ash (IBA) sampling results in May identified several potential exceedances during the previous 24-week reporting period, which required the segregation of IBA due to its possible hazardous nature (predominantly copper and lead). Although a number of the reported exceedances were subsequently discounted, a stronger emphasis has been placed on accurate IBA sampling, with improvements in the protocol identified, staff re-trained, and audits planned.
- 3.3 In February 2018 a volatile organic compound (VOC) breach on Line 4 was reported. No compliance classification scheme (CCS) scores could be issued until a meeting with the Environment Agency (EA) was held, which took place in July. Subsequently, an overall CCS score of 4.1 was allocated, with the root

cause determined as procedural, as the breaches occurred during plant trips due to online boiler cleaning. As a result, staff training has been reviewed, and procedures updated.

3.4 The meeting with the EA also considered the VOC and carbon monoxide (CO) breaches on Line 4 in April, which resulted in a CCS score of 0.1. These breaches were thought to be caused by a gas bottle explosion within the furnace. Fairly rigorous checks for gas bottles and non-conforming items are already in place at the waste transfer stations and, if possible, the EfW. The procedure regarding notifiable items that may cause problems for the EfW have been re-circulated to collection crews.

3.5 The CCS scoring highlighted above reflects the EA's satisfaction with the actions taken.

3.6 Other service issues experienced at the EfW in recent months include:

Line 4

- 1 hour of availability was lost on 24 May due to a blockage in the APCR (Air Pollution Control Residue) pneumatic transport system.
- 0.5 hours lost on 12 June to replace the hydraulic hose on the waste feed hopper door.
- 29 hours on 26-28 July when an 1100-litre wheeled bin caused a significant bottom ash chute blockage.
- A further 47.7 hours were lost over 27-30 July due to a power blackout caused by heavy thunderstorms and a lightning strike. Across the facility, no damage was incurred.

Line 5

- 2.5 hours of availability lost on 24 May as a consequence of a bottom ash chute blockage, which was able to be cleared non-intrusively.
- 32.5 hours on 30/31 May due to another blockage in the bottom ash drop off chute.
- 3.5 hours on 7 June for a repair to a leaking inspection hatch on the flue gas treatment residue recirculation channel.
- The power blackout on 27-30 July also lost 65.5 hours of Line 5 availability.

3.7 Following the Line 4 1100-litre wheeled bin blockage, additional 'toolbox talks' have been delivered to raise awareness with collection crews regarding reporting to the weighbridge on arrival at waste transfer stations any bulky items that may have been collected during service operations. In doing so, this provides an opportunity for waste to be isolated and examined once tipped and, potentially, enable bulky items to be identified and removed prior to transportation to the EfW.

3.8 The turbine generator unit was offline for 3 hours on 30 May due to a trip which was initiated by a loss of vacuum. Investigations are ongoing to determine the root cause. The power blackout highlighted above also resulted in the generator being offline for 48 hours.

Joint Insurance Cost Review (JICR)

- 3.9 Further discussions with representatives from the Department for Environment Food and Rural Affairs (Defra), STWER, and Willis Towers Watson insurers involving the joint insurance cost report associated with the RWTC are ongoing.

Waste Transfer Stations (WTS)

- 3.10 All three of the WTS have remained available throughout the current contract year, with all sites continuing to accept STWWMP contract waste without significant issues. Recycling activities are ongoing at each site, which includes the segregation of materials, such as street sweepings, wood, and scrap metals.
- 3.11 Routine maintenance of buildings, plant, and control systems continues to be delivered as planned and no significant issues have been identified.
- 3.12 The Jack Crawford House WTS opening hours were extended in July to enable the efficient clearance of waste arising from the Tall Ships event (18.45 hours) and Sunderland Airshow (7 hours).

Targeted Recruitment and Training (TR&T)

- 3.13 The RWTC affords provision for SUEZ to help to improve local prosperity across the partnership area by promoting vacant posts within their facilities. The Economic Development Service at Gateshead Council continues to receive information on local vacancies, which are then cascaded to partner authorities for circulation to their client base. Local vacancies are also raised with the Jack Crawford House Community Liaison Group, with the group's Chair circulating opportunities to community contacts across Sunderland.
- 3.14 Recent recruitment exercises have appointed a South Tyneside resident as a replacement site operative at Middlefields WTS, and an external candidate into a shift operations technician post at the EfW.

Community Education and Engagement

- 3.15 STWWMP remains committed to an ongoing programme of community education and engagement, managed by Groundwork North East & Cumbria (GNEC) at the visitor and education centre, the energy-from-waste facility, and through outreach activities held in local schools and community settings.
- 3.16 Since April 2018, over 2,100 local residents, children and young people, and community group members are confirmed to have taken part in waste awareness events, activities, and site visits. Recently, this has included:
- Tours of the EfW for Year 5 pupils from St. Paul's Primary School and Gillas Lane Primary School, and Year 7 pupils from Portland Academy, all Sunderland.
 - Visitor and education centre garden sessions with Keelman's Way School, South Tyneside.
 - Whole school waste awareness assemblies with: Wessington Primary School, Hetton Primary School, and Easington Lane Primary School (Sunderland).
 - Post-graduate waste awareness sessions with Sunderland university students.

- Ongoing projects, including: reclaimed wood bird boxes (The Cedars Academy, Gateshead); enterprise programme upcycling (Portland Academy, Sunderland); and bottle top art project with Fell Dyke Primary School's Eco Club (Gateshead).
- 3.17 A separate events programme for the dedicated Waste Electrical and Electronic Equipment (WEEE) continues to be delivered with local schools and community groups.
- 3.18 Plans are progressing with intu Metrocentre regarding STWWMP participation in on-mall recycling events during the national Recycle Week, which, this year, takes place between 24-30 September. GNEC will be present in the centre for two full days (9am-9pm) during the week, therefore, providing an opportunity for the partnership to engage with high levels of public footfall. A roadshow approach will be utilised to present different elements of the STWWMP community education and engagement programme, such information about household recycling services in Gateshead, South Tyneside, and Sunderland; the WEEE reduce, reuse and recycle project; and how to recycle household batteries, which will include the placement of battery recycling tubes at each of the centre's four customer service points.
- 3.19 It is also anticipated that, during recycle Week, GNEC will trial facilitating some STWWMP schools to undertake visits to see at first hand intu's own recycling facilities, including how food waste from the centre's restaurants is recycled.

Community Liaison Groups

- 3.20 The Jack Crawford House Community Liaison Group met on Thursday 5 July 2018. The group noted that the site is operating well, managing contract waste in line with expectations, and no significant accidents or injuries had occurred since the last meeting. The request for extended opening hours (see paragraph 3.12) were also highlighted.
- 3.21 Although no further issues were raised in respect of the Jack Crawford House WTS operations, the group received an update from Sunderland City Council regarding the ongoing discussions to redevelop the HWRC service.
- 3.22 The next meeting has been scheduled for Thursday 15 November 2018.
- 3.23 The Campground Community Liaison Group met on Tuesday 24 July and were updated that the site is operating well, with 15 loads of waste leaving the site Monday-Friday. One complaint had been received from a resident regarding the odour suppression system and although the weather data highlighted that the wind was not blowing in the direction of the resident's property, a replacement, alternative solution was agreed and installed.
- 3.24 The Environment Agency reported the results of the WTS and HWRC inspection that was undertaken in June, which found the site to be compliant with no further issues foreseen.
- 3.25 Following a query regarding advertising SUEZ vacancies, the process was confirmed (see paragraph 3.13) and it was agreed that future vacancies will also be circulated to the Campground Community Liaison Group.

4. MATERIALS RECOVERY FACILITY (MRF) CONTRACTS

- 4.1 The MRF contracts continue to be monitored closely by the joint partnership team. This includes processing payments, holding regular contract meetings and performance reviews, and Health & Safety site inspections at the various contractor facilities to ensure that recycling performance is maximised.
- 4.2 Table A at Appendix B highlights the total amount of materials collected by each authority between April and July 2018, broken down to demonstrate the paper collected separately in the inner box and the comingled materials collected in the main section of the blue bin. The overall recycling tonnages in each partner authority continue to fluctuate, but paper tonnages collected separately in the inner caddy have fallen again compared to the same period last year.
- 4.3 Appendix B also contains Table B, which highlights MRF recycling and recovery rates (for comingled materials only) since Quarter 1 2017/18. Recycling performance has generally remained at similar levels in each partner authority. Sunderland City Council continue to identify actions to help increase their recycling rates.
- 4.4 A recycling trial will take place in early 2019 in Gateshead and South Tyneside which will involve the collection of paper and card together in an additional wheeled bin, which will replace the inner caddy at the households in the trial area. Discussions are ongoing with the contractor (Palm Recycling) to finalise the details of the trial, and although it will be physically taking place in Gateshead and South Tyneside, the results will benefit all three partner authorities and will be used when evaluating future service delivery models.
- 4.5 The joint partnership team has begun initial investigations to support the partner authorities in considering the future delivery of the MRF contracts post-2021.

5. HOUSEHOLD WASTE AND RECYCLING CENTRE CONTRACTS

- 5.1 Table A, Appendix C, shows the 2018/19 April to July performance information.
- 5.2 Recycling performance at the sites remains at a similar level to the previous year. HWRC contractors continue to explore whether additional materials disposed at sites can be recycled and further improve recycling performance. However, the current uncertainty in the markets due to restrictions in China and fluctuating material prices are making it difficult to identify viable options.

6. GREEN WASTE COMPOSTING CONTRACTS

- 6.1 All three partner authorities recommenced garden waste kerbside collection services in March/April 2018. Contract management meetings have been held with service providers at the various facilities, which also include Health & Safety site inspections.
- 6.2 The current contract periods are scheduled to end in March 2019. However, contracts can be extended for periods of up to 36 months, and the partner authorities are currently considering the options available.

7. RECOMMENDATION

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

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RESIDUAL WASTE TREATMENT CONTRACT

2018/19 latest performance: April-July 2018

Total contract waste	66,488.31 tonnes
Contract waste delivered to WTS: - Campground - Middlefields - Jack Crawford House	Gateshead 20,637.79 tonnes Sunderland 6,191.17 tonnes South Tyneside 17,333.24 tonnes Sunderland 22,326.11 tonnes
Total contract waste delivered to EfW	65,011.21 tonnes
Line 4 availability Line 5 availability Overall EfW availability	97.30% 95.34% 96.50%
Average turbine availability	97.38%
Electricity generated Electricity exported Electricity imported	67,137 MWh 59,657 MWh 6,326 MWh
Recycling performance	Target 2.1% Performance 3.5%
Recovery performance	Target 95.5% Performance 96.5%
Unprocessed landfill diversion rate	100%
Health and safety: - RIDDOR - Injuries and accidents - Near misses - Property damage - Fires	1 3 27 11 0

MATERIALS RECOVERY FACILITY CONTRACTS

Table A: 2018/19 latest blue bin tonnage data: April-July 2018

	Gateshead	South Tyneside	Sunderland
Comingled tonnage	4,397	3,184	6,231
Paper tonnage	751	517	632
Total tonnage	5,148	3,699	6,845
<i>Comparison to April-July 2017 - comingled</i>	<i>6.1% increase</i>	<i>0.1% decrease</i>	<i>5.7% increase</i>
<i>Comparison to April-July 2017 - paper</i>	<i>12.4% decrease</i>	<i>5.5% decrease</i>	<i>18.6% decrease</i>
<i>Comparison to April-July 2017 - all materials</i>	<i>2.9% increase</i>	<i>0.1% decrease</i>	<i>2.9% increase</i>

Table B MRF recycling and recovery performance

Period	Gateshead		South Tyneside		Sunderland	
	Recycling	Recovery	Recycling	Recovery	Recycling	Recovery
Q1 2017/18	89.8%	10.2%	84.9%	15.1%	73.4%	26.6%
Q2 2017/18	88.1%	11.9%	84.2%	15.8%	75.6%	24.4%
Q3 2017/18	88.6%	11.4%	85.7%	14.3%	76.4%	23.6%
Q4 2018/17	88.0%	12.0%	82.3%	17.7%	75.3%	24.7%
Q1 2018/19	88.3%	11.7%	84.6%	15.4%	75.5%	24.5%

HOUSEHOLD WASTE AND RECYCLING CENTRE CONTRACTS

Table A: 2018/19 latest recycling performance (excluding inert materials, such as rubble):

HWRC	April-July
Campground	65.7%
Cowen Road	64.1%
Beach Street	61.1%
Middlefields (Recycling Village)	60.2%