



# LOCAL PARTNERSHIPS

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HM Treasury

## TEES VALLEY OBC UPDATE FOR DARLINGTON SCRUTINY

25<sup>TH</sup> OCTOBER 2018  
JIM BUSBY





# AGENDA

1. Local Partnerships
2. Waste Management in the Tees Valley
3. OBC Summary and Content
4. Development of the Waste Management Strategy
  - Policy Review
  - Collections
  - Waste Flows
  - Options Appraisal
  - SEA
5. Summary of JWMS
6. Preferred Option



# LOCAL PARTNERSHIPS

- 50:50 joint venture between Local Government Association and HM Treasury
- Our role is to help the public sector to:
  - deliver infrastructure projects more effectively
  - obtain commercial advantage and value for money
- Unique position and ownership, we provide a bridge between central government policy and local government delivery.
- Only work for the public sector, so our clients can be assured that we are not commercially conflicted in the advice we give.
- Employ senior professionals with both private and public experience

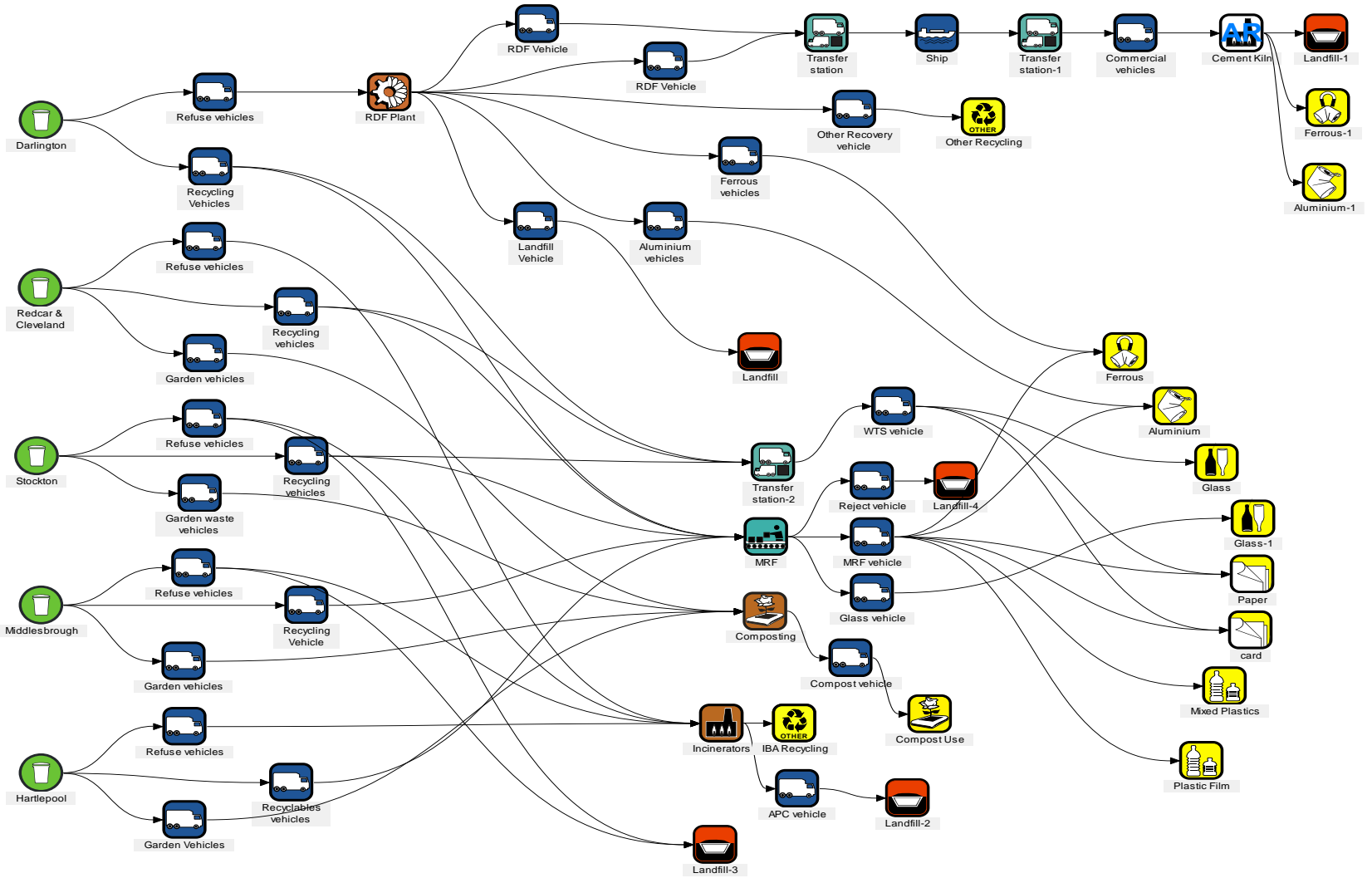


## WASTE MANAGEMENT IN THE TEES VALLEY

- Recycling and residual waste is collected by the 5 Tees Valley councils using a range of different frequencies and systems
- Overall 34% of waste is recycled whilst the remaining residual waste is sent to an energy from waste facility for treatment (Darlington 40%)
- The treatment contract has been extended until 2025 by which time an alternative residual waste solution will need to be operational
- This is the subject of the OBC

# WASTE FLOWS

Tees Valley  
Scenario 1a (Baseline)



Date 15/06/2018  
Software Version 4.0.1.0  
Database Version 4.0.1.0



# BACKGROUND TO OBC

- Structure of the OBC
  - Based on Treasury 5-case model adapted for waste management projects
- Supporting work:
  - Member and officer workshop
  - Revised Joint Waste Management Strategy for Tees Valley
  - Strategic Environment Assessment
  - Collection scenarios modelling feeds into waste flow modelling
  - Waste flow modelling of future waste tonnages
  - Sites selection
  - Soft market testing/market interest day



# OBC CONTENT

1. Executive Summary
2. Background
3. Strategic Waste Management Objectives
4. Procurement Strategy and Reference Project
5. Risk Management, Risk Allocation and Contractual Structures
6. Project Team and Governance
7. Sites, Planning and Design
8. Costs, Budget and Finance
9. Stakeholder Communications
10. Timetable

# DEVELOPMENT OF THE JWMS

## Joint Waste Management Strategy:

- Waste Hierarchy
- Policy Review – future targets and objective:
- Collections – improving recycling and reuse
- Waste Flows – waste growth and changes in material flows
- Options Appraisal – 20 different scenarios modelled
- SEA – environmental impacts







# COLLECTION OPTIONS MODELLING

Industry standard Kerbside Analysis Tool (KAT)

- Modelling of current collection “baseline” for each Council and comparison with six alternative “future” scenarios
- Scenarios provide information on recycling levels, waste tonnages, costs and vehicle numbers
- Have to reflect what might be occurring post 2025 for up to 25 years

Scenarios:

Business as usual (BAU) + weekly food waste

BAU + charged garden waste service

BAU + 3 weekly residual

BAU + 2 weekly (120/l container)



Restricting residual

Combined option A: charged garden + restricted fortnightly residual

Combined option B: charged garden, weekly food, 3 weekly residual, 2 stream fortnightly dry



# RESIDUAL WASTE OPTIONS APPRAISAL

The options considered were:

- Do nothing
- Residual waste solutions
  - Further contract extension
  - New Build Energy Recovery Facility (ERF)
  - New Build Refuse Derived Fuel Facility (RDF)
  - Utilising 3<sup>rd</sup> Party ERF Capacity
- Collection solutions
  - High Efficiency
  - High Recycling Performance
- Prevention, reuse and recycling initiatives
- Combination of options



# STRATEGIC ENVIRONMENTAL ASSESSMENT (SEA)

- Identified the key sustainability issues for the Tees Valley
- Developed a set of sustainability criteria (the measures by which JWMS will be assessed in the SEA)
- Key sustainability issues for the Tees Valley were identified and were circulated in the draft SEA scoping report,
- Suggested sustainability criteria for discussion / approval.



# PREFERRED OPTION

The preferred option was:

- the adoption of prevention, reuse and recycling initiatives;
- the introduction of high recycling performance collections including separate food waste collections; and
- a new energy recovery facility with the ability to utilise the heat produced, through the development of Combined Heat and Power (CHP) facility.



# SITE IDENTIFICATION AND SELECTION

Systematic approach to identify site(s) for future strategic waste infrastructure:

- Review of existing planning policy, identify potential sites
- Assess potential sites against agreed criteria
- Combined heat and power
- Identify step of securing preferred site
- Short list – site visits
- Reference site for OBC – create competition



# SUMMARY OF JWMS AIMS AND OBJECTIVES

To deliver a high quality, accessible and affordable waste management service that:

- delivers customer satisfaction;
- reduces the amount of waste generated by householder and the Councils;
- increases reuse and recycling;
- maximizes recovery of waste;
- works towards zero waste to landfill;

and by doing so contributes to:

- economic regeneration, including employment and a more circular economy;
- the protection of the environment and natural resources and
- reducing the carbon impact of waste management.

Consistent with 2008 Strategy



## NEXT STEPS

JWMS approved to go to Consultation

Consultation commenced 5<sup>th</sup> October 2018

Consultation to be via Council Websites for 8 weeks

Financial modelling

Stakeholder engagement

Delivery of draft OBC in March 2018

**THANK YOU**



**LOCAL  
PARTNERSHIPS**