

TO: JOINT WASTE DISPOSAL BOARD
18th March 2009

JOINT WASTE DISPOSAL BOARD - PROJECT UPDATE
(Report by the Project Director)

1. INTRODUCTION

- 1.1 The purpose of this report is to inform the Joint Waste Disposal Board of progress since the last meeting of the Board on 17th December 2008.

2. RECOMMENDATIONS

- 2.1 **To note progress made since the last meeting on 17th December 2008.**

3. SUPPORTING INFORMATION

Operations

- 3.1 Since the last JWDB meeting in December, the Smallmead MRF has been certified as complete and has opened. The three councils have been delivering material, directly and indirectly to the MRF.
- 3.2 The sharp fall in demand for recycled materials, which we discussed at the last meeting, was most pronounced immediately after Christmas. In the last month it appears to have abated somewhat and WRG have been able to continue to market material delivered by the councils throughout the period.

Finance and Performance

- 3.3 The PFI is currently projecting an under spend of £490,000 against budget. (See Finance Appendix 1). The projected under spend is primarily due to contract tonnage being significantly lower than forecast.
- 3.4 Annual contract waste for 2008/09 is now expected to reach approximately 205,000 tonnes, compared with the annual forecast of 215,000 tonnes.
- 3.5 Landfill tonnage from Council collections and the Household Waste Recycling Centres (HWRCs) is down by over 6,000 tonnes compared to forecast in the period April 2008 to January 2009.
- 3.6 Recyclate tonnage from Council deliveries and the HWRCs is also down by 3,700 tonnes compared to forecast in the same period.
- 3.7 Green waste tonnage from Council deliveries and the HWRCs is actually up by 500 tonnes compared to forecast in the period.
- 3.8 WRG continued to incur significant performance deductions throughout Quarter 3 due to ongoing issues with one of their bring bank contractors. However, WRG have recently replaced the problematic contractor, which has resolved the issue.

- 3.9 The PFI Management Budget is currently projecting an under spend of £10,600. See Finance Appendix 1.
- 3.10 The £30,000 provision for additional legal fees that had previously been set aside has not been required due to the resolution of the Lakeside EfW issue (see paragraph 3.18).
- 3.11 Current recycling rates are; Bracknell 41.1%, Reading 35.3% and Wokingham 37.3%.

Risk Register

- 3.12 The councils Management Team have developed a Risk Register to identify and plan the management of areas of risk associated with the PFI contract.
- 3.13 The Risk Register is appended to this report for information.
- 3.14 Fire detection – The O&M (Operating and Maintenance) manuals relating to the fire detection system have been found to be inconsistent between Phase 1 (HWRC and Transfer Station) and Phase 2 (MRF and offices). These inconsistencies have meant that WRG can not be confident that the system would be attended immediately (by the installers or a retained maintenance contractor) in the event of a default being identified. As a result, WRG have commissioned an independent report with the intention of clarifying matters and ensuring that we are confident going forward. We are currently awaiting the results of the report. The re3 Project Director has written to WRG to raise our concerns and seek resolution.
- 3.15 Landfill Gas - WRG and the EPC Contractor have taken steps to address the implications of the detection of a build-up of gas in the HWRC prior to Christmas. The temporary ducting (used during construction) has now been sealed, to reduce pathways into the facility. Monitoring by WRG continues and as no further incidents have been reported. WRG continue to report progress to both the councils and the Environment Agency.

Lakeside

- 3.16 Members will be aware that, following consultation with officers from the re3 councils, WRG had negotiated an extension to the Longstop Date for the commissioning of Lakeside.
- 3.17 Consequently they drafted a letter, confirming the terms of the extension, and were awaiting its signature and return.
- 3.18 The letter has now been returned with signatures from both parties (WRG and Lakeside) and the councils have written to WRG confirming our approval of their acceptance of the terms of the extension.
- 3.19 As a result, the Longstop Date has been extended until December 31st 2009.

Food Waste Processing

- 3.20 At the last meeting of the Joint Waste Disposal Board, Members asked that a report be commissioned to investigate the viability of food waste collections for the

partnership and, subsequently, that a business case for such a development be created.

- 3.21 Officers have successfully applied to WRAP (The Waste and Resources Action Plan) for a free consultancy.
- 3.22 WRAP are an arm of DEFRA and carry out a wide range of in-depth work in support of local authorities and the development of waste management.
- 3.23 The first stage of the work has begun and involves the councils providing some detailed information about existing collections in order that the implications to existing services, and the potential local level of food waste, can be ascertained. Accurate and comprehensive responses will be needed to ensure a reliable result.

BACKGROUND PAPERS

Reports to Joint Waste Disposal Board, December 2008

CONTACTS FOR FURTHER INFORMATION

Mark Moon, Project Director
0118 974 6308
Mark.moon@wokingham.gov.uk

Oliver Burt, Project Manager
0118 939 9990
oliver.burt@reading.gov.uk

