



Barry Davies LL.B (Hons)
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 Pennaeth Gwasanaethau Cyfreithiol a
 Democraidaidd

To: Councillors: Nancy Matthews, Patrick Heesom, Graham Rees,
 Michael Priestly, Eryl Williams, Julian Thompson-Hill,
 Arwell Pierce, W. G. Roberts, R. G. Parry and Thomas H. Jones

CS/NG

25 June 2009

Nicola Gittins

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Dear Sir / Madam

A meeting of the **NORTH WALES RESIDUAL WASTE JOINT COMMITTEE** will be held at **VENUE CYMRU, CONWY** on **FRIDAY, 3 JULY 2009** at **2.00pm** to consider the following items.

Yours faithfully

Assistant Director (Democratic Services)

AGENDA

1. **APOLOGIES**
2. **APPROVAL OF PREVIOUS MINUTES (11 MARCH 2009)**
3. **MATTERS ARISING FROM PREVIOUS MEETING**
4. **COMMUNICATIONS STRATEGY (CE)**
5. **PROJECT TEAM APPOINTMENTS (CE)**

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 Mae'r Cyngor yn croesawau gohebiaeth yn y Cymraeg neu'r Saesneg

6. **CONSULTANCY PROCUREMENT – PROGRESS REPORT**
 - (a) TECHNICAL & FINANCIAL (SP REPORT)
 - (b) LEGAL ADVISORS (BD REPORT)
7. **OUTLINE BUSINESS CASE (ER REPORT)**
8. **REVIEW OF PROJECT TIMETABLE (ER REPORT)**
9. **RIR RISK STATUS UPDATE (SP TO REVIEW DOCUMENT AND REPORT)**
10. **PROGRESS UPDATE – WELSH ASSEMBLY GOVERNMENT – TOWARDS ZERO WASTE – A CONSULTATION ON A NEW WASTE STRATEGY FOR WALES (DISCUSSION AND TO NOTE AS AN AWARENESS RAISING PAPER)**
11. **FINANCE UPDATE (REPORT KF)**
12. **WAO – WASTE MANAGEMENT STUDY (CE)**
13. **FUTURE MEETING DATES (SCHEDULE)**
14. **ANY OTHER BUSINESS**

NORTH WALES RESIDUAL WASTE JOINT COMMITTEE

Minutes of the meeting held on 11 March, 2009

PRESENT: Councillor Eryl Williams (Chair) - Denbighshire County Council
Councillor Graham Rees (Vice-Chair) - Conwy County Borough Council

Councillor G.O. Parry MBE - Isle of Anglesey County Council
Councillor Julian Thompson-Hill - Denbighshire County Council
Councillor Patrick Heeson - Flintshire County Council
Councillor Nancy Matthews - Flintshire County Council
Councillor Arwel Pierce - Gwynedd Council
Councillor Mike Priestley - Conwy County Borough Council

IN ATTENDANCE: Conwy County Borough Council

Mr. Andrew Kirkham
Ms. Enid Roberts

Denbighshire County Council

Mr. Iwan Prys Jones

Flintshire County Council

Mr. Barry Davies
Mr. Colin Everett
Ms. Kerry Feather
Mr. Carl Longland
Ms. Louise Pedreschi
Mr. Nigel Truman

Gwynedd Council

Mr. Peter Evans

Isle of Anglesey County Council

Mr. Arthur Owen
Mr. Robert Burnell
Mr. Meirion Edwards
Mr. Terry Jones

WAG/PUK

Ms. Hazel Nickless

APOLOGIES: Councillor Gareth Roberts - Gwynedd Council
Councillor Bob Parry OBE - Isle of Anglesey County Council

1(a) APOLOGIES

Apologies as noted above.

1(b) DECLARATION OF INTEREST

No declaration of interest was received by any Member or Officer in respect of any item of business.

2. APPROVAL OF PREVIOUS MINUTES

The minutes of the meeting held at Bodlondeb, Conwy on 10 December, 2008 were approved as a correct record.

- 3. PROJECT TEAM RECRUITMENT AND INTERIM PROJECT SUPPORT ARRANGEMENTS**
Mr. Colin Everett reported that problems have been encountered regarding the recruitment of a Project Director. He noted that two candidates had been short-listed for the post, but prior to interview, one applicant withdrew his application.

It was reported that a number of employment agencies, with possible suitable persons who have experience in waste procurement, had been contacted. A shortlist of possible candidates for the post of Project Director will be identified from these sources. It was noted that the post of Project Manager is yet to be advertised and it was anticipated that the post would be a 3rd/4th Tier Officer. It is intended to advertise the post as a secondment opportunity across the 5 local authorities.

Mr. Everett requested that each local authority should nominate an elected member to officiate on the Appointment Panel.

It was AGREED to appoint the following Members on the Appointment Panel:-

Chairman and Vice-Chairman of this Committee
Councillor Bob Parry OBE – Isle of Anglesey County Council
Councillor Arwel Pierce – Gwynedd Council
Councillor Mike Priestley – Conwy County Borough Council

Deputies will be allowed if a Member of the Panel is unable to attend the Appointment Panel.

- 4. PROGRESS UPDATE**
Submitted - a report by Nigel Truman, Flintshire County Council on the progress on the North Wales Residual Waste Treatment Partnership.

The project summary was to procure a sustainable waste management solution for the 5 local authorities in North Wales that will assist with the reduction in greenhouse gas emissions from landfill. This will also minimise the tonnage of residual waste sent to landfill, thus ensuring that the authorities avoid Landfill Allowance Scheme (LAS) infraction penalties.

Progress to date:-

- Joint Committee now fully constituted
- Project Initiation Document (PID) approved by WAG Procurement Office
- Outline Business Case (OBC) commenced by Officers
- Draft external consultants brief prepared by Partnerships UK (PUK)

It was AGREED to accept the report.

- 5. MEMORANDUM OF UNDERSTANDING (MOU) – TRANSACTOR SUPPORT**
Mr. Nigel Truman, Flintshire County Council, noted that the MOU for Transactor support from PUK has been signed by the lead authority (FCC), on behalf of the Partnership, in January 2009.

It was noted that Ms. Hazel Nickless has been assigned to act as Transactor support to the North Wales Residual Waste Treatment Partnership. Ms. Nickless provided a background to her work and invited any member of this Committee to contact her with any issues associated with the Waste Treatment Partnership.

It was AGREED to note the report.

6. PROJECT INITIATION DOCUMENT – WAG PO FEEDBACK

Mr. Nigel Truman, Flintshire County Council, noted that the Project Initiation Document has been approved by the Welsh Assembly Government in January 2009.

It was AGREED to note the report.

7. OUTLINE BUSINESS CASE

Mr. Nigel Truman, Flintshire County Council, confirmed that officers of Flintshire County Council have commenced preparatory work on the Outline Business Case.

It was AGREED to note the report.

**8. RECRUITMENT OF EXTERNAL CONSULTANTS
9. INTER AUTHORITY AGREEMENT**

(Items 8 and 9 were discussed as a single item)

Mr. Barry Davies, Flintshire County Council, noted that the purpose of the report was to consider the appointment of legal consultants separately from other specialist consultants for the procurement project.

At the meeting of the Shadow Joint Committee at Bodlondeb on 10 December, 2008, consideration was given to the various options for the appointment of consultants to advise on the residual waste project. A general view was that all advisors should be procured jointly as a consortia with joint and separate liability. The lawyers representing each of the five authorities on the Joint Committee have subsequently met to consider how best to develop an Inter Authority Agreement (IAA) which will be formally adopted following acceptance of the Outline Business Case. The consensus of the meeting, which was advised by Ms. Hazel Nickless of Partnerships UK, was that it would be preferable for the IAA to be developed by a firm of external Solicitors with significant expertise in major residual waste treatment contracts.

Advice was also given that, for the sake of consistency and continuity, the same Solicitors who advise on the development of an IAA should also be the main legal advisor for the procurement exercise.

Information has been sought in relation to the appointment of legal advisors for project work involving five local authorities in South Wales. They have recently undertaken a procurement exercise for external legal advice through the OGC 'Catalist' route. Their external legal advisors are now in the process of preparing two IAAs. The first IAA will be effective from the publication of the OJEU Notice for the project and last until the engagement of the successful contractor. The second IAA will encompass the period of the contract with the successful tenderer. However, it was recognised that it might well be the case that no contractor would be appointed following the procurement exercise.

If the Joint Committee agreed, then a procurement exercise could be undertaken through the OGC 'Catalist' route, seeking tenders from those firms on the list, who are able to demonstrate significant experience in public law procurement, the competitive dialogue process and major residual waste management contracts. Firms could be asked to price for advice during the whole process but the appointment could be in stages so that there would be an opportunity to terminate in certain eventualities e.g. if the Joint Committee were to be unhappy with the advice provided as part of the Outline Business Case.

Mr Colin Everett referred to the need for additional capacity to procure external consultants and invited each local authority to confirm whether or not they were able to assist with the process.

Mr. Arthur Owen, confirmed that the Isle of Anglesey County Council could assist with the procurement of technical consultants.

It was AGREED :-

- that legal advisors be appointed through the OGC Catalist route for the development of an Inter-Authority Agreement and to advise throughout the procurement process.
- that the Project Board be given delegated authority to make all necessary arrangements for the recruitment process, including the appointment of legal advisors.
- that the costs arising from the appointment be paid from the funds set aside for external advisors.
- that the Joint Committee indicate that it is content that the procurement process for legal advisors for the Residual Waste Project be combined with the procurement process for legal advisors for the Food Waste Project.
- that the Lawyers Group established to progress the appointment of legal advisors be requested to develop the tendering templates supplied by Hazel Nickless and set the evaluation criteria.
- that the Joint Committee recognise there is a need for in-house capacity for legal advice and that Flintshire County Council's offer to make available an in-house lawyer for 2 days per week on average be agreed and that the costs involved be shared between the five Authorities and allocated from the Welsh Assembly Government grant available.
- it was also recognised that in-house capacity was required for the appointment of financial and technical advisors on the project and it was agreed that these would need to be procured in accordance with the previous decision of the Shadow Joint Committee. It was agreed that the Isle of Anglesey County Council would provide capacity for the technical procurement and that further discussions between the Authorities would determine which Authority would provide in-house capacity in relation to the procurement of financial advisors. The costs involved would be shared between the five Authorities and allocated from the Welsh Assembly Government grant available for consultants.
- the appointment of advisors be made by the Project Board.

10. FINANCE UPDATE

Submitted – and noted the update report by Mr. Nigel Truman in respect of the financial details to the Joint Committee to date.

11. NATIONAL UPDATE – REVISED RECYCLING TARGETS AND FINANCIAL SUPPORT (FUTURE DIRECTIONS)

Submitted – report by Mr. Nigel Truman on the revised Future Directions 2 paper and to provide context in relation to the impact on the North Wales Residual Waste Treatment Partnership.

Mr. Truman reported that the Welsh Assembly on 18th October, 2007 released the 'Future Directions' paper for consultation with both local and national government. The paper contained targets which outlined preferred targets for the management of municipal waste.

The initial consultation process has now concluded and this has resulted in a number of changes to the previously proposed municipal waste targets. On 20th January, 2009 the revised 'Future Directions 2' paper was issued to local and national government organisations for further consultation prior to a full public consultation later this year.

The targets are as follows :-

Targets for each Local Authority	Targets for each target Year				
	2009/10	2012/13	2015/16	2019/20	2024/25
Dry Recycling	25%	52%	58%	64%	70%
Composting	15%				
Food & Kitchen Waste (Min %) as part of target above	-	(15%)	(15%)	(15%)	(15%)
EfW (Maximum %) Net (Gross)	-	12%	14%	16%	18%
Maximum amount of residual waste per inhabitant per annum	-	-	42%	36%	30%
Maximum Level of Landfill	-	(-)	(-)	(-)	
		295kg	258kg	210kg	150kg
	-	-	-	10%	5%
(A minimum efficiency target of between 60%-65% for EfW facilities)					
(A potential ban on land-spreading non-source separated treated municipal waste from 1 st April, 2016.)					

It should be noted that the dry recycling and composting targets for the 2012/13 target year show no increase from the current 2009/10 target.

The minimum efficiency target for EfW type facilities effectively means the commissioning of Combined Heat Power (CHP) facilities in order to ensure the utilisation of the heat generated. CHP facilities need to be located within a maximum 2 mile radius of high pressure industry users and 7 miles from domestic properties. This places a further limitation on the suitability of sites.

The principal alterations are :-

- A decrease in the percentage of food and kitchen waste collected from 15% to 12% (2012/13) and 15% to 14% (2015/16). Collection targets have increased to 16% (2019/20) and 18% (2024/25).
- From 1st April, 2012 onwards, it is proposed that incinerator/EfW bottom ash and beach cleansing wastes will be added as recyclates and will therefore have a positive impact on authorities' ability to attain recycling targets.
- The Energy from Waste (EfW) target has been modified on three counts :-
 - the 'sharing' amongst the partnership of the percentage of waste permitted to be sent for treatment at EfW facilities.
 - the tapering of targets, and
 - the incorporation of 'bottom ash' as a recyclate enabling the percentage of waste to be sent for treatment to be increased, therefore reducing kerbside performance by the same percentage.
- The waste minimisation target (maximum amount of residual waste per inhabitant) has been expanded to include targets for 2012/13, 2015,16 and 2019/20. The target of 295kg per inhabitant per annum represents a reduction based upon 2006/07 population statistics of over 45%.

- WAG has identified additional revenue funding from 2014/15 onwards which is specific to the contribution towards gate fee payment for EfW type facilities.

WAG informed authorities that consideration is being given to the re-profiling of LAS allowances for all 22 authorities from 2010/11 onwards. The revised LAS targets had an overall benefit to the NWRWP though these targets are local and Conwy were adversely affected.

The Eumonia report which informed the original Future Directions paper, identified that the proposed targets were only achievable with a number of economic and legislative powers in place. These included : statutory Pay as You Throw (PAYT) or Direct and Variable Chargeable (DVC), Producer responsibility and landfill charges in line with the Flanders region of Europe (approximately £130 per/tonne). These legislative powers have yet to be attained and the landfill tax escalator is not due to be reviewed until 2011. In the event that this supporting legislation is not obtained the recycling targets will require further consultation and may cause delays in the procurement program as further modelling is undertaken.

Ms. Hazel Nickless reported that the most significant change was the reduction in the food waste target, from 18% to 15%. However this will be subject to Ms. Jane Davidson AM, Minister for Environment, Sustainability and Housing's final approval.

It was AGREED :-

- **to approve the commissioning of localised waste composition analyses to inform WAG policy targets.**
- **to continue to seek clarification on the Future Direction targets specifically in relation to food waste collection and re-base lining of local LAS targets**
- **to continue political dialogue with the Welsh Assembly in respect of issues associated with the introduction of mandatory PAYT, producer responsibility and landfill tax escalator and the impact on national targets in their absence.**
- **to seek clarification on SWMG revenue allocations for none EfW solutions and opportunities in relation to support where existing EfW facilities may be available to consortia prior to 2015/15.**

12. RIR – RISK STATUS

Submitted and noted, for information – report by Mr Nigel Truman in relation to the above.

13. FUTURE MEETING DATES

It was AGREED to the following dates to convene future meetings of this Committee:-

(a) Venue : Denbighshire County Council

Project Board	-	17 June, 2009 at 2.00 p.m.
Joint Committee	-	3 July, 2009 at 2.00 p.m.

(b) Venue : Gwynedd Council

Project Board	-	3 September, 2009 at 2.00 p.m.
Joint Committee	-	17 September, 2009 at 2.00 p.m.

(c) Venue : Flintshire County Council

Project Board	-	27 November, 2009 at 2.00 p.m.
Joint Committee	-	9 December, 2009 at 2.00 p.m.

14. ANY OTHER BUSINESS

Community Engagement

Submitted - a report by Flintshire County Council in relation to the above.

It was reported that historically the development of new waste treatment facilities has been a contentious subject with local residents and other stakeholder groups. With the added pressure of limited time and mounting costs, local authorities cannot afford to go through lengthy planning appeals and must get the public engaged and involved as soon as possible. In the waste management industry, public engagement is now becoming standard practice and service delivery is more focused on the public as 'customers'.

In order to overcome potential confrontation and develop productive dialogue and co-operation there is a need to ensure that the community has access to up to date, accurate information. The Community Engagement tool-kit was produced for WAW in 2007. The tool-kit provides full factual guidance on how and when to consult with key stakeholders in the planning and delivery of new waste management facilities. This guidance was produced as a result of a partnership between the Welsh Local Government Association (WLGA), WAG, Environment Agency Wales and Waste Awareness Wales (WAW). Training on the tool-kit and the best ways to approach difficult and controversial service changes and planning applications will assist LA's, WAG and others through the difficult and challenging procurement and planning processes. The training on best practice will also reassure communities that LA's are aware of their responsibilities on consultation and will engage appropriately and take account of local views and needs through the process.

In addition to the Community Engagement training, it is proposed that the NWRWP invites the Project Manager, and other key individuals, of the consortia in the South East ('Prosiect Gwyrdd') to present a briefing session of their experience and lessons learnt to date. 'Prosiect Gwyrdd' is a similar project to the NWRWP, based on a partnership of Caerphilly, Cardiff, Monmouthshire, Newport and Vale of Glamorgan. This project is currently finalising their Outline Business Case (OBC). Creating an Outline Business Case is one of the next important steps of the NWRWP project.

Work is required to arrange this briefing session including selecting a date, booking a venue, preparing an agenda and identifying the attendance list.

It was AGREED :-

- **that the stakeholders attend the Community Engagement training when it becomes available;**
- **that a briefing session by the 'Prosiect Gwyrdd' Project Manager is arranged, aimed for Members and Officers involved in the NWRWP, and other identified key stakeholders.**
- **to support attendance at future training and briefing events that are relevant and appropriate to the NWRWP project.**

**COUNCILLOR ERYL WILLIAMS
CHAIRMAN**

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **NORTH WALES RESIDUAL WASTE JOINT COMMITTEE**

DATE: **3 JULY 2009**

REPORT BY: **PROJECT DIRECTOR**

SUBJECT: **UPDATE ON APPOINTMENT OF ADVISORS**

1. PURPOSE OF REPORT

- 1.1. The members of the North Wales Residual waste Joint Committee have agreed the procurement of legal, financial and technical advisors for the project.
- 1.2. This report is to update the Joint Committee regarding the appointment of the technical and financial advisors. Members are also pointed to the enclosed Project Board report relating to the appointment of legal advisors for the Residual Waste and AD waste Projects.

2. BACKGROUND

- 2.1. The Project Team are managing the procurement of technical and legal advisors, the Isle of Anglesey leading the procurement of the Technical Advisors and Conwy leading the procurement of the financial advisors.

3. CONSIDERATIONS

- 3.1. The technical advisors are being procured via the OJEU route. As several experienced Technical advisors were not listed on the OGC framework and it was felt by the project team that using the OJEU route would allow more suitably experienced technical advisors to tender.
- 3.2. The financial advisors are being secured via the OGC under the Multi Disciplinary Consultancy Framework Agreement, Framework code FM353 as a number of suitably experienced financial advisors are on the OGC framework.
- 3.3. The Procurement timetable for the technical and financial advisors is shown in the following table.

	Technical Advisors	Financial Advisors
Stage	Date	Date
OJEU Notice issued	08 May 2009	N/A
Return of Tenders	23 June 2009	16th June 2009
Tender Evaluation	1 July 2009	22 June 2009
Interviews	7 July 2009	2 July 2009
Notification of intent to	27 July 2009	9 July 2009

Award		
Contract Start	29 July 2009	20 July 2009

3.4. The proposed programme for the appointment of advisors will allow commencement of the Residual Waste Project Outline Business Case (OBC) to commence in August 2009

4. RECOMMENDATIONS

4.1. That the Joint Committee notes the programme for appointment of the technical and financial advisors.

5. FINANCIAL IMPLICATIONS

5.1. Not applicable

6. ANTI-POVERTY IMPACT

6.1. None

7. ENVIRONMENTAL IMPACT

7.1. Not applicable

8. EQUALITIES IMPACT

8.1. Not applicable

9. PERSONNEL IMPLICATIONS

9.1. Not applicable

10. CONSULTATION REQUIRED

10.1. Not applicable

11. CONSULTATION UNDERTAKEN

11.1. Not applicable

LOCAL GOVERNMENT ACCESS TO INFORMATION ACT 1985

Background Documents:

None

Contact Officer: Stephen Penny NWRWTP

FLINTSHIRE COUNTY COUNCIL

AGENDA ITEM NUMBER: 6(b)

REPORT TO: **NORTH WALES REGIONAL WASTE PROJECT BOARD**
DATE : **17 JUNE 2009**
REPORT BY: **HEAD OF LEGAL AND DEMOCRATIC SERVICES**
SUBJECT : **APPOINTMENT OF LEGAL CONSULTANTS FOR RESIDUAL
WASTE & AD WASTE PROJECTS**

1.00 PURPOSE OF REPORT

1.01 To formally record the outcome of the procurement exercise for legal consultants to the Residual Waste and AD Projects.

2.00 BACKGROUND

2.01 At its last meeting the North Wales Residual Waste Joint Committee delegated the power to make an appointment of legal consultants to the Residual Waste Treatment Project and it was agreed that to maximise economies of scale, if possible and appropriate, the same consultants should be appointed to advise on the AD Waste Treatment Project which Denbighshire County Council were the lead Authority.

2.02 The procurement exercise was conducted through the OGC framework and eight firms of solicitors responded indicating their interest in submitting a bid. Two submissions were subsequently received and both were of a sufficiently high quality to be shortlisted for interview.

2.03 Interviews took place at the Joint Meeting of the two Project Boards held on Friday, 15 May when both bidders made presentations and responded to ten prepared questions.

2.04 The consensus was that both firms were capable of undertaking the work specified to a high standard and this was borne out by references received in support of their submissions. The first tenderer, Bevan Brittan, intended to sub-contract the AD Project to another firm, not on the OGC framework (ClarksLegal) and representatives of both firms attended for interview. Pinsent Masons, the other firm submitting a bid, intended to undertake the work specified for both projects themselves and had established a team of officers responsible for each project with a capacity to draw down on special advice from a generic team.

3.00 CONSIDERATIONS

3.01 Whilst the consensus was that both firms would be able to undertake the work to a high standard, it was considered that the submission made by Pinsent Masons was more focused with greater clarity, both in the way they

intended to marshal their resources and also in the communication of advice and information.

- 3.02 The Joint Project Boards went on to finalise the evaluation, copies of which are set out at Appendix A, from which it will be noted that the final scores were as follows:

Residual Waste Project

Pinsent Masons score 1000
Bevan Brittan score 918

AD Waste Project

Pinsent Masons score 1000
Bevan Brittan score 941

- 3.03 The method of evaluation is set out at Appendix B, for information purposes.
- 3.04 Following the award of the contract, arrangements have been put in place for Pinsent Masons to hold a workshop involving key Officers and Members from each of the five Authorities involved in the residual contract to develop an inter-authorities agreement to cover future stages of the project.

4.00 RECOMMENDATIONS

- 4.01 That the decision made to appoint Pinsent Masons to advise on both projects be noted.

5.00 FINANCIAL IMPLICATIONS

- 5.01 The initial commitment of the Partner Authorities is in relation to Stage I only of the project for which Pinsent Masons submitted a fixed price of £12,500 for the residual contract and £13,500 for the AD contract. These costs will be met from Welsh Assembly Government grants.

6.00 ANTI POVERTY IMPACT

- 6.01 Not applicable

7.00 ENVIRONMENTAL IMPACT

- 7.01 Not applicable

8.00 EQUALITIES IMPACT

- 8.01 Not applicable

9.00 PERSONNEL IMPLICATIONS

9.01 Not applicable

10.00 CONSULTATION REQUIRED

10.01 Project Board and Joint Waste Committee

11.00 CONSULTATION UNDERTAKEN

11.01 Project Board and Joint Waste Committee

12.00 APPENDICES

12.01 Appendix A - Evaluation Scores

Appendix B - Method of Evaluation

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985
BACKGROUND DOCUMENTS

As referred to in the report.

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APPENDIX A

Bevan Brittan – Residual

		Clarity		Innovation		Feasibility		%		Points Available		Score
1.	Successful	30	+	35	+	35	=	100	x	140	=	140
2.	Development	20	+	20	+	20	=	60	x	48	=	29
3.	Welsh Context	30	+	20	+	50	=	100	x	78	=	78
4.	Overall Strategy	25	+	15	+	40	=	80	x	138	=	110
5.	Collaborative	30	+	25	+	30	=	85	x	108	=	92
6.	Cross Disciplinary	30	+	25	+	30	=	85	x	48	=	41
7.	Resourcing	30	+	25	+	30	=	85	x	63	=	54
8.	Timescales	35	+	25	+	40	=	100	x	48	=	48
9.	Clarity of presentation of ideas	25	+	10	+	35	=	70	x	48	=	34
10.	Ability to listen and respond and interpersonal skills	25	+	10	+	35	=	70	x	48	=	34
11.	Additional value	50	+	20	+	30	=	100	x	33	=	33
											<u>Total</u>	693

Bevan Brittan – AD

		Clarity		Innovation		Feasibility		%		Points Available		Score
1.	Successful	30	+	35	+	35	=	100	x	140	=	140
2.	Development	20	+	20	+	20	=	60	x	48	=	29
3.	Welsh Context	30	+	20	+	50	=	100	x	78	=	78
4.	Overall Strategy	25	+	15	+	40	=	80	x	138	=	110
5.	Collaborative	32	+	27	+	32	=	91	x	108	=	98
6.	Cross Disciplinary	30	+	25	+	30	=	85	x	48	=	41
7.	Resourcing	30	+	25	+	30	=	85	x	63	=	54
8.	Timescales	35	+	25	+	40	=	100	x	48	=	48
9.	Clarity of presentation of ideas	35	+	15	+	35	=	85	x	48	=	41
10.	Ability to listen and respond and interpersonal skills	35	+	15	+	35	=	85	x	48	=	41
11.	Additional value	50	+	20	+	30	=	100	x	33	=	33
										<u>Total</u>		<u>713</u>

Pinsent Masons – AD

		Clarity		Innovation		Feasibility		%		Points Available		Score
1.	Successful	30	+	35	+	35	=	100	x	140	=	140
2.	Development	25	+	30	+	30	=	85	x	48	=	41
3.	Welsh Context	30	+	20	+	50	=	100	x	78	=	78
4.	Overall Strategy	25	+	15	+	40	=	80	x	138	=	110
5.	Collaborative	35	+	30	+	35	=	100	x	108	=	108
6.	Cross Disciplinary Arrangements	30	+	25	+	30	=	85	x	48	=	41
7.	Resourcing	35	+	30	+	35	=	100	x	63	=	63
8.	Timescales	35	+	25	+	40	=	100	x	48	=	48
9.	Clarity of presentation of ideas	35	+	10	+	35	=	80	x	48	=	38
10.	Ability to listen and respond and interpersonal skills	30	+	10	+	35	=	75	x	48	=	36
11.	Additional value	50	+	20	+	30	=	100	x	33	=	33
											<u>Total</u>	<u>736</u>

FINAL SCORES FROM EVALUATION

RESIDUAL

Bevan Brittan	693)	5.8%
Pinsent Masons	736)	difference

Pinsent therefore secure maximum 800 points for quality

Bevan have 5.8% discount (46 points) applied to the 800 points and so receive 754 points for quality

Add the Price Scores from document 8

Pinsent Masons score $800 + 200 = \mathbf{1000}$

Bevan Brittan $754 + 164 = \mathbf{918}$

FINAL SCORES FROM EVALUATION

AD

Bevan Brittan	713)	3.1%
Pinsent Masons	736)	difference

Pinsent therefore secure maximum 800 points for quality

Bevan have 3.1% difference (25 points) applied to the 800 points and so receive 775 points for quality

Add the Price Scores from document 8

Pinsent Masons score $800 + 200 = \underline{1000}$

Bevan Brittan score $775 + 166 = \underline{941}$

APPENDIX B

1. A D Method of Evaluation

- 1.1 All submitted Tenders will be evaluated independently of each other and each of the pricing stages (Stage 1 and Stage 2 & 3) will also be evaluated independently. In cases where a Tenderer has submitted prices for all of the stages, an evaluation will also be made of the combined bid.
- 1.2 The threshold for shortlisting for interview will be a 100% pass rate in terms of factor 8, namely on ability to meet all of the required timeframes and deadlines.
- 1.3 Subject to 1.2 above, the first part of the process will be an evaluation of quality and it will use an 800 points scoring system, with points being awarded for content, based upon an assessment of clarity, innovation and feasibility of what has been promised, according to the table below. It should be noted that factors 9 and 10 are of particular relevance to any interview to be conducted.

	Factor	Points Available (overall weighting)		Assessment Weighting Factors		
				Clarity	Innovation	Feasibility
1	Successful and relevant involvement in current and recent major waste projects	140	17.5%	30	35	35
2	Involvement in development of waste related guidance and/or statute	48	6%	25	40	35
3	Demonstrable understanding of Welsh context	78	9.75%	30	20	50
4	Overall strategy to include correct work streams/tasks reflecting understanding of requirements	138	17.25%	30	20	50
5	Demonstrable experience of collaborative working within Local Government context	108	13.5%	35	30	35
6	Cross disciplinary liaison	48	6%	35	30	35
7	Resourcing to include availability of key staff	63	7.9%	35	30	35
8	Ability to meet timescales and/or deadlines	48	6%	35	25	40
9	Clarity of presentation of ideas	48	6%	40	20	40
10	Ability to listen and respond and interpersonal skills	48	6%	40	20	40
11	Additional value	33	4.1%	50	20	30
	Total	800	100%			

- 1.4 The assessment of 'feasibility' will be affected by the ability of the contractor to demonstrate the practical achievement of similar levels of performance elsewhere. Similarly, the experience and track record of the staff who would be managing and supervising service delivery will also be important.
- 1.5 At the end of the first part of the process, the Tender with the highest quality score will then be awarded the full 800 point score. The quality of the other Tenders will be converted to a percentage of the best quality Tender in proportion to the relative scores.
- 1.6 The second part of the process will then be an evaluation of cost, with the lowest Tender combination under each Tender Option receiving the maximum possible score, ie. 200 points. The cost scores allocated to the other Tender combinations will be inversely proportional to the lowest Tender score. For example; a Tender combination that was 10% more expensive than the cheapest tender would score 180 points in the cost evaluation model.
- 1.7 The cost evaluation and quality evaluation scores will then be aggregated to determine the overall highest score and ranking, with the highest scoring tender representing the Most Economically Advantageous Tender. For ease of reference, the maximum possible score will be set at 1,000 points. Where there are two or more equal scoring options, then the tender or combination of tenders with the lowest cost will go forward for final Award Determination.

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **NORTH WALES RESIDUAL WASTE JOINT COMMITTEE**

DATE: **3 JULY 2009**

REPORT BY: **PROJECT MANAGEMENT LEAD**

SUBJECT: **THE OUTLINE BUSINESS CASE**

1. PURPOSE OF REPORT

- 1.1. Too often, too many strategies, programmes and projects in the public sector fail to achieve their objectives and deliver anticipated benefits because the key phases of the investment have been inadequately scoped and planned and the associated risks have not been taken into account.
- 1.2. This is why producing the Outline Business Case (OBC) is so important. The OBC is the planning and management tool that will enable the Project Board, Joint Committee, the 5 authorities forming the partnership, and the WAG to ascertain that the proposal:
 - is supported by a robust case for change that provides strategic synergy – the **Strategic Case**
 - optimises value for Money – the **Economic Case**
 - is commercially viable – the **Commercial Case**
 - is financially affordable – the **Financial Case**
 - can be delivered successfully – the **Management Case**
- 1.3. One of the key outputs of the next stage of the NWRWT project is the Outline Business Case (OBC). The document will be based on the '5 Case Model' OBC template and guidance provided by the Welsh Assembly Government (WAG).
- 1.4. This report will outline the key sections of the OBC and demonstrate that the OBC is a vehicle suitable for gaining approval for progressing to the procurement stage of the project and ensures the above components are satisfied.

2. BACKGROUND

- 2.1. The purpose of requiring the NWRWTP to submit an OBC to WAG is to:
 - Ensure that anticipated works and services for residual waste treatment form part of an overall strategy to meet local authorities' statutory requirements

- To ensure that such works and services are aligned with the emerging waste strategy for Wales
 - To ensure that there is at least one deliverable and affordable solution for local authorities' treatment needs for residual waste
 - To provide a means by which local authority consortia can apply to WAG for financial support to contribute to the cost of the actual works and services to be procured
- 2.2. WAG considers that the development of a robust OBC will support the successful development, planning, procurement and implementation of this complex project and mitigate the risk of potential delays and affordability issues in the later stages of procurement.
- 2.3. The OBC template has been developed taking into consideration the requirements of the '5 Case Model' which is endorsed by the Department of Finance in WAG and HM Treasury. The template takes the key requirements of the '5 Case Model' and reflects how they relate to the project of residual waste infrastructure. The OBC will have seven sections:
- 2.3.1. Executive Summary** – a summary of the key points set out in the other six sections.
- 2.3.2. Project Background** – a comprehensive description of the background to the project.
- 2.3.3. The Strategic Case** – sets out the rationale for the project and makes the case for change at a strategic level. This section should demonstrate that the proposed project is consistent with the Minister for the Environment's Future Directions Paper and the emerging modifications to the National Waste Strategy.
- 2.3.4. The Economic Case** – the essential core of the business case. This section assesses the economic cost and benefits of the project to society as a whole, and spans the entire period covered by the proposal. It will include a cost benefit analysis in which the economic costs and benefits are calculated for each year covered by the proposal. It will also include an Options Analysis that includes a sufficiently wide consideration of alternative options for achieving the desired outcome. WAG (DESH) has produced a National Evaluation Framework that must be utilised in assessing options within the OBC. The Options Analysis will start with a long list of all reasonable alternatives including a 'do nothing' or a 'do minimum' option. The initial long list will be reduced to a short list of options which are then considered in more detail. This options appraisal will identify the Reference solution. The Reference Solution will identify a specific technical solution and site(s) that will meet the project objectives. However, the subsequent procurement process will encourage participants (bidders) to bring forward a range of potential solutions. Thus the reference case may not be the final solution that will be developed for the partnership.

- 2.3.5. The Commercial Case** – concerned with issues of commercial feasibility. This section sets out to answer the question ‘Can the proposed solution be effectively delivered through a workable commercial deal or deals?’ The procurement strategy will be clearly set out together with the ownership of any assets, key contractual issues, risks, key contractual milestones, agreed accounting treatment, and the Reference solution.
- 2.3.6. The Financial Case** – deals with issues of affordability and sources of budget funding. This section will demonstrate that the partnership has a good understanding of the procurement exercise and has secured Member approval to the affordability implications.
- 2.3.7. The Management Case** – concerned with the deliverability of the proposal. It will clearly set out management responsibilities, governance, and reporting arrangements. The Senior Responsible Owner will be identified and a delivery plan with clear milestones detailed.

3. CONSIDERATIONS

- 3.1. Significant Officer and Advisor resources will be required to produce an OBC that is suitably detailed and accurate. These resources will include Finance, Legal, Waste, and other officers as appropriate from all five Authorities. Although the workload will be scheduled to predict demand, this work will be in addition to officers’ usual workloads and will create capacity issues that need to be managed carefully. This effort will be well spent if the document transparently:
 - 3.1.1. identifies a preferred option which demonstrably optimises Value for Money
 - 3.1.2. sets out the likely Deal
 - 3.1.3. demonstrates its affordability
 - 3.1.4. details the supporting Procurement strategy
 - 3.1.5. details the management arrangements for the successful delivery of the residual waste treatment facility
- 3.2. WAG has confirmed that the OBC must be accompanied by a completed planning health check. This assessment is intended to help ensure that planning permissions are likely to be forthcoming for municipal waste treatment facilities in respect of which WAG approval for procurement support and project funding is sought by the Local Authority. The assessment firstly sets out the criteria WAG will assess OBC proposals against and secondly sets out a series of questions that procuring authorities can ask themselves to assess the planning and sites issues associated with their project in relation to the OBC evaluation criteria. A workstream will be required within the project to assess what additional work will be required in relation to sites and planning in order to ensure a successful project outcome and acceptance of the OBC and Planning Health Check by WAG.

4. RECOMMENDATIONS

- 4.1. That the Joint Committee and Project Board recognise the importance of having a detailed and accurate OBC document and supports the Project Team in the creation of the OBC.
- 4.2. That, once the timetable for completing the OBC is known, each Authority is to undertake a Capacity Audit to ensure that resources are available to support the creation of the OBC. The Project Director must be notified as soon as possible of all predicted officer resource capacity issues.
- 4.3. That the Joint Committee and Project Board authorise the Project Director to develop a planning and sites project workstream and report back to the next meeting of the Joint Committee and Project Board.

5. FINANCIAL IMPLICATIONS

- 5.1. The existing Project Budget has provision for the production of an OBC.

6. ANTI-POVERTY IMPACT

- 6.1. None

7. ENVIRONMENTAL IMPACT

- 7.1. The OBC will include options appraisal that will seek to identify a deliverable and sustainable residual waste treatment solution.

8. EQUALITIES IMPACT

- 8.1. Not applicable

9. PERSONNEL IMPLICATIONS

- 9.1. Not applicable

10. CONSULTATION REQUIRED

- 10.1. Not applicable

11. CONSULTATION UNDERTAKEN

- 11.1. Stephen Penny (Interim NWRWP Project Director)

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Background Documents:

Department for Environment, Sustainability and Housing, Waste Procurement Programme:

National Evaluation Framework, Food and Residual Waste Treatment Projects
Version 5.0 – 25/11/08, FINAL DRAFT

PLANNING FRAMEWORK - WASTE PROCUREMENT PROJECTS IN WALES
(WAG)

Department for Environment, Sustainability and Housing Waste Procurement Programme,

Outline Business Case Template for Residual Waste Treatment Facilities

Contact Officer:

Enid Roberts (CONWY County Borough Council)

FLINTSHIRE COUNTY COUNCIL

REPORT TO: NORTH WALES RESIDUAL WASTE JOINT COMMITTEE

DATE: 3RD JULY 2009

REPORT BY: PROJECT MANAGEMENT LEAD

SUBJECT: REVIEW OF PROJECT TIMETABLE

1. PURPOSE OF REPORT

- 1.1. A complex project such as the NWRWTP has many concurrent and consecutive activities that are interdependent on, and influenced by, events internal and external to the project. It is therefore very difficult to predict when the solution that will be purchased will begin to accept our residual waste.
- 1.2. This report will highlight some of the variables and interdependencies that will impact the project timescale. It will then outline, at a high level, the main activities to be undertaken and how long they may take.
- 1.3. It concludes that a likely date for the solution to start accepting our residual waste might be August 2016.

2. BACKGROUND

- 2.1. There are many drivers influencing the reasons for predicting when this project will deliver capacity to treat our residual waste. Three of these are:
 - Ensuring that our authorities meet challenging European waste targets thus avoid LAS fines
 - Ensuring that our authorities have a solution for treating our residual waste once our landfill capacity is exhausted.
 - To predict the budget profile for the project, and for related waste treatment costs.
- 2.2. Two important dates need to be calculated:
 - The date this project is likely to deliver a solution: **Date A**
 - The earliest date any of the five authorities predicts it will either face LAS fines, or run out of landfill capacity: **Date B**
- 2.3. The best tool for illustrating the time taken for a project to be completed is a Gant chart. This chart lists the main activities of the project with each activity having a bar on a calendar that illustrates when that activity will be taking place. By analysing which activities are dependent on the completion of other activities it is possible to prioritise and schedule all the activities to work out the longest overall duration of the project. This

determines the shortest time possible to complete the project, which is called the Critical Path, and gives the prediction for **Date A**.

- 2.4. Waste officers in each authority regularly monitor the tonnage of waste collected and engage specialist consultants to project the data into the future in order to predict when authorities are likely to be liable for fines. Once again, these predictions are not easy and are influenced by variables such as changes in demography and affluence, and the success of other waste recycling and treatment projects. Waste officers also monitor landfill capacity and usage. These predictions will provide **Date B**.
- 2.5. In an ideal world, the project should be scheduled so that **Date A** is earlier than **Date B**. However currently, **Date B** is predicted to be earlier than **Date A**. This indicates that the Partnership will need to carry out an options appraisal to decide on a course of action designed to provide an interim solution for dealing with its residual waste.

3. CONSIDERATIONS

- 3.1. An indicative Gantt chart for the project has been developed using previous experience and best guess method to determine the duration of some of the activities. The following is a list of some of the variables that could impact the project schedule:

Variable	Consequence
When the Outline Business Case (OBC) is published, one or more partners decide that the Reference Solution is not affordable	Some, or all, Partners may walk away from the project. That Partner will have to start again, and, if a critical partner withdraws the project might be drawn to a premature end requiring ALL partners to find another solution.
The various approvals required, from each authority, the WAG, Joint Committee etc, are not forthcoming or take longer than expected	All future actions are delayed until the approval issue is resolved
The final design of the Competitive Dialogue procurement procedure: number of stages; number of bidders taken forward to each stage; how different bids are from one another	May cause delay in the Competitive Dialogue phase of the project
Planning consent and permitting	It is unknown how long it may take to obtain Planning and permitting consent and to go through possible legal challenges to that consent. Planning or permitting may be refused on the preferred bidder's site

Funding	How long will it take the successful bidder to raise finance for the construction if market conditions deteriorate
Construction issues: Will all the key components of the solution be available when required? Will there be a construction stage? What problems will arise on the site during construction? Is there capacity in the construction industry?	More delay – unless the solution is to deliver the residual waste to an existing plant.
Changing priorities, policies, technology and/or waste stream composition	May render the project obsolete

- 3.2. The Project Director and Manager will be planning ahead to reduce the impact of these variables and mitigate any risks that are identified that may impact the project. However, it is very difficult to predict what the future holds.
- 3.3. Having taken all these variables into consideration, the current best prediction for some of the key project phases are as follows:

Completion of the OBC	November 2009
OJEU (procurement notice) published	March 2010
Close of Competitive Dialogue	May 2011
Contract sign-off	November 2011
Plant becomes operational	August 2016

- 3.4. Please note that these dates are indicative and will be corrected as more information becomes available to the Project Team.

4. RECOMMENDATIONS

- 4.1. That the Joint Committee and Project Board delegates authority to the project team to continue to monitor the Project timescale and to plan activities so that the critical path of the project is kept to a minimum.
- 4.2. That the Project timescale is reported to the Joint Committee and Project Board at their regular meetings.
- 4.3. That the Joint Committee and Project Board authorise the Project Director to develop an Interim Solution project workstream and report back to the next meeting of the Joint Committee and Project Board.

5. FINANCIAL IMPLICATIONS

- 5.1. Not applicable

6. ANTI-POVERTY IMPACT

6.1. None

7. ENVIRONMENTAL IMPACT

7.1. Not applicable

8. EQUALITIES IMPACT

8.1. Not applicable

9. PERSONNEL IMPLICATIONS

9.1. Not applicable

10. CONSULTATION REQUIRED

10.1. Not applicable

11. CONSULTATION UNDERTAKEN

11.1. Not applicable

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Background Documents:

None

Contact Officer: Enid Roberts, Conwy

ID	Task Name	Duration	Start	Finish	1H08	2H08	1H09	2H09	1H10	2H10	1H11	2H11	1H12	2H12	1H13	2H13	1H14	2H14	1H15	2H15	1H16	2H16	1H17
1	Ex-ante	260 days?	Mon 01/12/08	Fri 27/11/09																			
2	PID approval	41 days?	Mon 01/12/08	Mon 26/01/09																			
3	Appointment of Advisors	130 days?	Mon 02/02/09	Fri 31/07/09																			
4	Appointment of project team	130 days?	Mon 01/12/08	Fri 29/05/09																			
5	OBC first draft	65 days?	Mon 03/08/09	Fri 30/10/09																			
6	Outline business Case approval	20 days?	Mon 02/11/09	Fri 27/11/09																			
7	Inter Authority agreement	120 days?	Mon 18/05/09	Fri 30/10/09																			
8	Pre OJEU Notice	20 days?	Mon 03/08/09	Fri 28/08/09																			
9	Design the process for dialogue	20 days?	Mon 03/08/09	Fri 28/08/09																			
10	OJEU Contract Notice	95 days?	Mon 02/11/09	Fri 12/03/10																			
11	Prepare notice and evaluation criteria	65 days?	Mon 02/11/09	Fri 29/01/10																			
12	OJEU published	30 days	Mon 01/02/10	Fri 12/03/10																			
13	PQQ/Selecting participants	130 days	Mon 02/11/09	Fri 30/04/10																			
14	Descriptive document and pre-qualification questionnaire issued	65 days	Mon 02/11/09	Fri 29/01/10																			
15	Pre-qualification	35 days	Mon 15/03/10	Fri 30/04/10																			
16	Competitive Dialogue Phase	270 days?	Mon 03/05/10	Fri 13/05/11																			
17	Start of competitive dialogue	1 day?	Mon 03/05/10	Mon 03/05/10																			
18	Invitation to submit outline solutions	1 day?	Mon 03/05/10	Mon 03/05/10																			
19	Prepare Outline Solutions (Bidders)	60 days	Mon 03/05/10	Fri 23/07/10																			
20	Evaluation of outline solutions	30 days	Mon 26/07/10	Fri 03/09/10																			
21	Invitation to submit detailed solutions	1 day?	Mon 06/09/10	Mon 06/09/10																			
22	Prepare detailed solutions (Bidders)	85 days	Mon 06/09/10	Fri 31/12/10																			
23	Evaluation of detailed bids	30 days	Mon 03/01/11	Fri 11/02/11																			
24	Clarification and dialogue on detailed bids	40 days	Mon 14/02/11	Fri 08/04/11																			
25	Invitation to submit refined solutions	0 days	Fri 08/04/11	Fri 08/04/11																			
26	Evaluate refined solutions	0 days	Fri 08/04/11	Fri 08/04/11																			
27	Assess readiness to close competitive dialogue	25 days	Mon 11/04/11	Fri 13/05/11																			
28	Close competitive dialogue	1 day?	Fri 13/05/11	Fri 13/05/11																			
29	Final Tender Process	70 days?	Mon 16/05/11	Fri 19/08/11																			
30	Invitation to submit final tenders	1 day?	Mon 16/05/11	Mon 16/05/11																			
31	Prepare final tenders (Bidders)	40 days	Mon 16/05/11	Fri 08/07/11																			
32	Evaluation clarification and selection of preferred bidder	30 days	Mon 11/07/11	Fri 19/08/11																			
33	Post Tender Discussions	20 days	Mon 22/08/11	Fri 16/09/11																			
34	Clarify specify and fine tune	20 days	Mon 22/08/11	Fri 16/09/11																			
35	Preferred Bidder	50 days?	Mon 19/09/11	Fri 25/11/11																			
36	Preferred bidder selected	1 day?	Mon 19/09/11	Mon 19/09/11																			
37	Notification of PB (standstill)	10 days	Mon 19/09/11	Fri 30/09/11																			
38	Clarify and confirm commitments	20 days	Mon 03/10/11	Fri 28/10/11																			
39	Final Business Case approval	20 days	Mon 31/10/11	Fri 25/11/11																			
40	Contract signature	437 days	Mon 28/11/11	Tue 30/07/13																			
41	Award contract	1 day	Mon 28/11/11	Mon 28/11/11																			
42	Contract award notice	48 days	Mon 28/11/11	Wed 01/02/12																			
43	Intermediate treatment on stream (not on critical path)	390 days	Wed 01/02/12	Tue 30/07/13																			
44	Build phase	1235 days	Mon 28/11/11	Fri 19/08/16																			
45	Planning permission	265 days	Mon 28/11/11	Fri 30/11/12																			
46	Permitting	125 days	Mon 03/12/12	Fri 24/05/13																			
47	Construction	650 days	Mon 27/05/13	Fri 20/11/15																			
48	Commissioning	195 days	Mon 23/11/15	Fri 19/08/16																			

Project: Residual waste project timesc
Date: Thu 21/05/09

Task Progress Summary External Tasks Deadline

Split Milestone Project Summary External Milestone

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **NORTH WALES RESIDUAL WASTE JOINT COMMITTEE**

DATE: **3 JULY 2009**

REPORT BY: **PROJECT DIRECTOR**

SUBJECT: **RISK REGISTER REPORT**

1. PURPOSE OF REPORT

- 1.1. The members of the North Wales Residual waste Joint Committee have requested that they are provided with an update of the risk register at each meeting of the Joint Committee.
- 1.2. This report will highlight some of the amendments to the risk register that have been made to reflect the current understanding of risks and mitigation measures that are in place.

2. BACKGROUND

- 2.1. The Risk Register as considered by the previous members of this committee will require continued update throughout the project lifespan.
- 2.2. The recently appointed Project Director has carried out an initial review of the risk register and has updated it as appropriate.

3. CONSIDERATIONS

The risk register has been updated as shown in the accompanying appendix.

Existing risk	Amendment	Reason for amendment
Risk T2 Planning permission not granted at identified sites	The development of a sites/ planning Workstream within the project to ensure these risk are adequately managed	Increased prospect of a successful planning outcome.
Risk T4 (Procurement delays lead to increased procurement costs)	Risk has been split into T4a procurement delays lead to increased procurement costs (due to extended procurement process) and T4b Procurement delays lead to increased procurement costs (due to extended Approvals processes)	To better reflect the source of risks and encourage specific controls.

P1 One of partner LAS withdraws during PQQ	The requirement for a partnership agreement to be available for agreement by each LA prior to publication of the OJEU notice.	Ensure implications of withdrawing from procurement post OJEU are understood by all partner authorities.
P13 Technological solutions are not commissionable within LAS infraction timescales	Interim solution workstream to be initiated if the OBC reference case modelling indicates interim solution required.	LAS infraction risk appropriately managed for all partner LAs.

3.1. Please note that the project team together with the legal, technical and financial advisors will carry out a fundamental review of risks and the risk register when all advisors have been appointed. The fully updated register will be brought to the next meeting of this committee.

4. RECOMMENDATIONS

4.1. That the Joint Committee note the updated risk register for the project.

5. FINANCIAL IMPLICATIONS

5.1. Not applicable

6. ANTI-POVERTY IMPACT

6.1. None

7. ENVIRONMENTAL IMPACT

7.1. Not applicable

8. EQUALITIES IMPACT

8.1. Not applicable

9. PERSONNEL IMPLICATIONS

9.1. Not applicable

10. CONSULTATION REQUIRED

10.1. Not applicable

11. CONSULTATION UNDERTAKEN

11.1. Not applicable

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Background Documents:

None

Contact Officer: Stephen Penny NWRWTP

A list of the threats to the success of the project :

This doc

Revisions etc.,

Revision Date	Version
17.02.09	V2.0
20.05.09	V3.0

Approvals

This document require

Name	Signature

Distribution

This document has be

Name	Title

Author:

Version:

Revision No.

Status

Environmental Services: NWRWTP

Risk and Issues Register

and the action being taken to address these.

Document is only valid on the day it was produced and dated

Summary of Changes	Distributed
	Y/ N
All risks scored. Removed (R5, P4) Revised (T2, T3)	
T4 Split into two risks (A and B). Proposed actions updated by SP. Some implimenation dates and allocation of responsibilites completed. S5 WRAP Composition survey noted by NC	

as the following approvals.

Title	Date of Issue	Version

When distributed to:

Date of Issue	Version

S. Penny
N Cockerton
 3

0

Draft

IDENTIFYING THE RISK or ISSUE						MANAGING THE RISK or ISSUE						
ID	Risk / Issue (i.e.: Threat to the Project)	Consequence	Current Assessment			How the risk will be managed and controlled				Impln Date	Review Date	Closure Date
			Impact	L'hood	Overall	Already in Place	Who is Managing	Not in Place (Proposed)	Who will Manage			
Resourcing - Staff / Advisors / Funding												
R1	Outstanding Team appointments	Project team under resourced leading to project slippage	3	2	6	Proposed team requirements specified. Interim Project Director now in role. Project Manager interviews arranged following advertisement for internal secondee.		Authorities to nominate appropriate individuals and to backfill their posts				
R2	Unclear definition of responsibilities of the project team	Tasks not completed. Risks and issues not escalated.	3	1	3	Job Descriptions for key roles		Project structure with outline Job Descriptions included in PID				
R3	Lack of Budget profile leads to unexpected surplus	Surplus is absorbed and re-application required	3	2	6	PUK/WLGA investigating spend by discipline. Finance Officer was appointed to the team		Payments based on milestones.				
R4	Funding not Provided from Treasury	Project Delayed whilst costs are reduced or Project suspended	4	1	4	OBC planned programme that is designed to meet WAG requirements		FBC (Final Business Case) required when Procurement completed . Need to ensure procured solution is consistent with the objectives of the original OBC.	SP	Ongoing		
R6	Consultants not appointed using correct procedures	Project delays whilst appointments challenged	4	1	4	Project Consultants Technical at ITT and Legal appointments about to be appointed. Financial outstanding but being progressed.		Take advice from Procurement specialists and PUK		Aug-09		
Timescales												
T1	Multi-Authority Approach leads to protracted discussions to resolve issues	Consultancy costs increase. End date not met. LAS penalty risk increased.	3	3	9	Project Plan detailing timescales		Cabinet meeting dates to be obtained from participating Authorities for inclusion into the project plan to assess impact. documentation distribution to be widened at discretion.				
T2	Planning Permission not granted at identified Sites	Project delayed whilst suitable sites are secured	5	3	15			Alternative Site(s) to be identified and prioritised in order of suitability. Planning Officer appointed to project team and Planning/ sites workstream to be set up.	SP	Aug /2009 (commence)		

T3	Partner LA doesn't sign Inter Authority Agreement (IAA)	Project delayed whilst revisions are made to IAA document	3	2	6			Newly appointed legal advisors to commence work on Partnership Agreement with Partner Authority legal leads	BD	Commence July 2009, Complete Nov 2009.		
T4a	Procurement delays lead to increased procurement costs (due to extended procurement process)	LA's seek additional funding or withdraw	3	3	9	Cabinet reports sought to extend finance as required beyond budget		Manage procurement delays by appropriate design of procurement process.	SP	Jan-10		
T4b	Procurement delays lead to increased procurement costs (due to extended Approvals processes)	LA's seek additional funding or withdraw	3	3	9	PID identifies projected timeline and key decision points.		WAG PO / PUK Transactor feedback on streamlining approvals process to be considered. Project Director (with support from the Waste Board) to seek to ensure approvals processes are identified early and streamlined.	SP	Nov-09		
T5	Key Activities not identified in Project Plan	Potential for project to be delayed due to lack of resource or dependability issues	3	1	3	WAO and PUK experts to scrutinise Project documentation		Technical, Legal and finance advisors feedback on project plan to be sought and any required amendments incorporated	SP	Aug-09		
T6	WAG Policy changes affecting project (emissions/landfill diversion)	Project delayed whilst impact of change and mitigation measures determined	4	4	16			Keep in close contact with WAG to ensure potential policy changes that may impact on the project are identified early.	SP	Ongoing		
T7	Environmental Activists seek to delay construction	Project/build potentially disrupted	3	3	9	Pro-Active Communication Plan & involvement of EA and HIA		Appointment of PR Consultants				
Procurement Process - Decision Making / Competition/Method Policy - National / Local Finance - Affordability/Budget												
P1	One of the Partner LA's withdraw during PQQ	New OJEU notice has to be placed	5	2	10	Procurement Agreement to be drafted to tie Authorities in to the PQQ procurement phase.		Comprehensive PID endorsed by all participating partners. Partnership Agreement will be signed by all Partner Authorities before OJEU Notice published	BD			
P2	Existing contracts and facilities prevent all participating authorities to utilise all elements of the proposed final solution	Payment made by authorities in duplication	2	2	4	Facilities paid for on a gate fee by use, not availability						

P3	LAS Risk for the contractor deters potential bidders	insufficient competition for contract	4	2	8			Authorities sign agreement guaranteeing landfill diversion targets, accepting penalty for failure to manage to targets. A risk allocation workshop to be programmed by the Project Director with input from Advisors to ensure appropriate risk allocations are made for the procurement and that the Partnership adopt a commercially deliverable and sustainable position.	SP	Nov-09		
P5	Potential bidders do not bid due to the costs associated with Competitive Dialogue process	Reduced Competition on bid process	4	2	8			To ensure a suitably streamlined, timely and well delivered procurement process adopted. Appropriate use and instruction of advisors. Input from WAG PO and PUK.	SP	Ongoing		
P6	Potential bidders do not bid due to the Risks being passed to the Contractor	Reduced Competition on bid process	4	2	8			A risk allocation workshop to be programmed by the Project Director with input from Advisors to ensure appropriate risk allocations are made for the procurement and that the Partnership adopt a commercially deliverable and sustainable position.	SP	Nov-09		
P7	Potential bidders do not bid due to lack of cohesiveness of the Partnership	Reduced Competition on bid process	4	2	8	Partnership Agreement & Governance Arrangements drafted		All related documentation signed prior to PIN & OJEU				
P8	Potential bidders do not bid due to the prescriptive requirements	Reduced Competition on bid process	4	2	8	Procurement is 'Open' Technology		Ensure appropriate design of procurement process.	SP	Nov-09		

P9	Cost of Contract too High	Project Re-tendered	4	4	16		Allow variants within the bid to remove elements to bring costs down. Use of competitive Dialogue will allow some iteration and amendment to risk allocation and specifications if required	SP	Ongoing		
P10	Variant bid and resultant funding arrangements are present in PQQ	PQQ evaluation period extended to accommodate variations and risks regarding funding methodologies	2	2	4	Financial assessment to be undertaken by consultancy	Review of this position to be undertaken in conjunction with advisors as part of procurement design process	SP	Nov-09		
P11	Decision of Contractor selection is not left solely with Lead Authority	Selection of Contractor is delayed due to multi-Authority Involvement (Cabinet Process)	4	3	12		Project Champions from participating Authorities shall evaluate the bid without disclosure to members/senior staff (GMWDA Model)				
P12	Solution offered is not technically viable	landfill diversion not obtained, LA's incur infraction penalties	5	2	10	LAS infraction fine passed to contractor. Technical viability scored within procurement documentation	Appropriate evaluation framework (based on WAG Framework) to be developed and utilised for the project.				
P13	Technological solutions offered are not commissionable within LAS infraction timescales	LA' s face infraction fines for additional landfill above allowance	4	4	16		Identification of intermediate solutions. Workstream to be initiated If OBC reference case modelling indicates interim solution required.	SP	Nov-09		
P14	Bids scored by inexperienced internal team	Solution selected is not the most advantageous tender and is open to challenge by unsuccessful bidders	4	3	12		Bid team selected by Project Director and PUK				
P15	Bids scored by external consultants	Solution selected does not meet local requirements and is not accepted by LAs	4	2	8		Bid team selected by Project Director and PUK including mix of appropriate skills (including advisors)				
P16	Officer(s) are perceived to have preconceived ideas of the 'best' solution	Lack of trust of bidder selection and solution selected	4	2	8		Agreed scoring criteria and evaluation Framework (Based on WAG Framework) Moderation of scores to ensure consistency of evaluation approach.	SP	Jan-10		

Specification - Ambiguity/Scope Creep Planning - Sites/Availability Communication Approvals												
S1	Mis-information to Members caused by differences in reports and documentation	Authorities working to different agendas/outcomes leading to a breakdown in the consortia	3	2	6			Communication protocol established to ensure consistency of message	PMO			
S2	RDF produced Cannot be sold	RDF is landfilled	4	2	8			Total solution to be added as a variant bid to ensure market. Consideration to producing PIN and OJEU notice for the procurement of RDF from FCC. Review of this position to be undertaken in conjunction with advisors as part of procurement design process	SP	Nov-09		
S3	RDF quality not consistent due to inflow of residual	Purchaser of RDF rejects loads	4	2	8			Contractor to guarantee calorific value within tolerance limits. Scoring off PQQ to favour total solution. A risk allocation workshop to be programmed by the Project Director with input from Advisors to ensure appropriate risk allocations are made for the procurement and that the Partnership adopt a commercially deliverable and sustainable position.	SP	Nov-09		

S4	LA fails to supply required volumes of waste for treatment	Contractor invokes penalty clause to meet targets	4	3	12			Waste volumes set at minimum levels and monthly monitoring of waste arisings until contract sign to provide clarity. A risk allocation workshop to be programmed by the Project Director with input from Advisors to ensure appropriate risk allocations are made for the procurement and that the Partnership adopt a commercially deliverable and sustainable position.	SP	Nov-09		
S5	Waste composition analysis not as Eunomia / AEA	Contractor unable to determine appropriate technology for treatment / EfW	2	3	6			Waste composition to be monitored during procurement and data shared at Competitive Dialogue to inform solution. All Wales Waste composition analysis being delivered by WAG through WRAP. Initial work commencing in June 09.				
S6	LA collection methodology leads to peaks and troughs of supply	treatment plant unable to cope with wide variance in volumes / composition	3	3	9			LA's sign LAA to ensure even flow of material to facilities as determined by the contract. A risk allocation workshop to be programmed by the Project Director with input from Advisors to ensure appropriate risk allocations are made for the procurement and that the Partnership adopt a commercially deliverable and sustainable position.				
S7	Potential bidders do not bid as volumes of waste are too small	Reduced Competition on bid process	4	2	8			Consider adding Commercial and Industrial waste to scope of project. Consider allowing bidders to be open to other contracts Review of this position to be undertaken in conjunction with advisors as part of procurement design process	SP	Nov-09		

S8	WAG waste management targets change	Local Authorities will incur penalties regardless of this project	4	4	16			Project Director to keep in close contact with WAG to ensure potential policy changes that may impact on the project are identified early. (See risk T6)	SP	Ongoing		
S9	Regional Waste Plan is in conflict with potential solutions	Reduced Competition on bid process	4	2	8			Planning and Site Workstream to be set up to assist in reducing site and planning uncertainty and improve prospects for a positive planning outcome for the project.	TBC	Aug-09		

Definition of Risk

Likelihood	High	5 (W)	10 (W)	15 (M)	20 (M)	25 (M)	<div style="display: flex; flex-direction: column; align-items: center; gap: 10px;"> <div style="display: flex; align-items: center; gap: 5px;">M Mitigate</div> <div style="display: flex; align-items: center; gap: 5px;">W Watch</div> <div style="display: flex; align-items: center; gap: 5px;">A Accept</div> </div>
	Medium / High	4 (W)	8 (W)	12 (M)	16 (M)	20 (M)	
	Medium	3 (A)	6 (W)	9 (W)	12 (M)	15 (M)	
	Low / Medium	2 (A)	4 (A)	6 (W)	8 (W)	10 (M)	
	Low	1 (A)	2 (A)	3 (A)	4 (W)	5 (W)	
		Low	Low / Medium	Medium	Medium / High	High	
		Impact					

Likelihood (probability of occurrence)

5	High	75% to 100%
4	Medium / High	50% to 75%
3	Medium	26% to 49%
2	Low / Medium	11% to 25%
1	Low	< 10%

Impact (affect on outcome)

5	High	Catastrophic
4	Medium / High	Critical
3	Medium	Concerning
2	Low / Medium	Marginal
1	Low	Negligible



Consultation

The purpose of this consultation is to seek the views of interested parties on the draft Wales Waste Strategy 2009-2050. This is a complete revision of *Wise About Waste*, *The National Waste Strategy for Wales 2002*.

The proposals for a new strategy contained in this document seek to deliver the Assembly Government's commitments (including targets) set under relevant EU Directives in a way that meet and deliver key overarching policies and strategies on sustainable development and climate change and other Assembly Government functions. This has been integrated and tested under the Assembly Government's policy gateway process. The outcome of the policy gateway session is available as part of the consultation documentation at www.wales.gov.uk/consultations / www.cymru.gov.uk/ymgyngoriadau (under Environment and Countryside).

The Welsh Assembly Government must produce a waste strategy in accordance with the requirements of the revised EU Waste Framework¹, and consultation with the public and key stakeholders is paramount.

Released for consultation in association with this draft strategy are the sustainability appraisal (including strategic environmental assessment), a health impact assessment (HIA) and a habitats regulations assessment (HRA).

Your views on this consultation will be used to develop the new strategy. Following this consultation the Assembly Government will consider fully the responses it has received and will take them into account before publishing the final version of the strategy, which will replace *Wise About Waste*.

If you would like to get involved in providing feedback, there are a variety of ways doing this, which are set out on our website: www.wales.gov.uk/consultations / www.cymru.gov.uk/ymgyngoriadau (under Environment and Countryside).

Consultation opens: 29th April 2009
Responses to be submitted by: 22nd July 2009

The following consultation document sets out the Welsh Assembly Government's proposed approach. This consultation exercise will clarify whether our proposed approach is reasonable and acceptable.

This consultation document should be read in conjunction with the sustainability appraisal which has been developed alongside the draft strategy and considers the options in more detail. Other documents relevant to this consultation, and should be considered, include the HIA, HRA and the evidence base.

The Welsh Assembly Government would like to encourage you to give us your views on our proposals. The draft strategy is the Welsh Assembly Government's proposed approach for meeting the challenges we face today and delivering targets and actions set in EU Directives on waste. In addition to the specific questions asked below you are welcome to comment on all aspects covered by the proposed strategy.

Commitment to goals

- Q1. Do you support the strategy's 'zero waste' approach with a long-term aim of zero waste and 'one Wales: one planet' by 2050 and a medium-term aim of 70% recycling across all sectors by 2025?
- Q2. Do you support the development of sector plans? Are there other sectors that need to be covered? Sector plans will be the main delivery documents for implementing this high level strategy, and will be subject to a separate consultation exercise. If you would like to be consulted on any sector plans please supply us with your contact details.
- Q3. Do you support the aim of maximising the social, economic and environmental outcomes (sustainable development) through delivery of the strategy? Are you happy with the headline indicators?

Waste reduction

- Q4. Massive levels of waste reduction are needed to achieve zero waste and 'one Wales: one planet' levels by 2050. What can the Assembly do to help your sector achieve the waste reduction targets set?
- Q5. Commercial and industrial: Your views are sought on which option to use as a basis for waste reduction targets and why.
- Q6. Municipal: Your views are sought on which option to use as a basis for waste reduction targets and why.
- Q7. Reuse target: This reuse target will be predominantly achieved through the reuse of furniture. Your views are sought on whether this target should be higher. If so what other materials could be reused to achieve the higher target?
- Q8. Construction and demolition. Your views are sought on which option to use as a basis for waste reduction targets and why.

¹ Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on Waste and Repealing Certain Directives



Towards Zero Waste

A consultation on a new Waste Strategy for Wales



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

Recycling

Q9. Commercial and industrial: Which recycling rate is feasible (70% or 77%) and why?

Q10. Municipal: Are the targets set for municipal waste recycling and landfill diversion correct?

Q11. Construction and demolition: Is a 90% target for recycling, recovery and reuse of non-hazardous waste achievable?

Waste infrastructure

Q12. Does the strategy provide the clarity needed (particularly by industry and the public sector) to allow investment in the relevant waste infrastructure?

Q13. Would you like additional waste facilities/ services in your area/ sector to provide opportunities for local jobs and support the Welsh economy? What facilities/ services would you like to see?

Roles & responsibilities

Q14. What role can you/ your organisation play in helping deliver this strategy? What more can the Assembly do?

Q15. Given the scale of the challenge, what practical ideas/solutions can you suggest that would help achieve zero waste and 'one Wales: one planet' levels by 2050?

How to respond

Please reply online www.wales.gov.uk/consultations / www.cymru.gov.uk/ymgynghoriadau (under Environment and Countryside).

Responses can also be submitted by letter, fax or e-mail to:

Waste Strategy Branch
Department for Environment, Sustainability and Housing
Welsh Assembly Government
Ty-Cambria
29 Newport Road
Cardiff
CF24 0TP
Email: wastestrategy@wales.gsi.gov.uk
Fax: 029 2046 6413
Tel: 029 2046 6151

If you are responding in writing, please state whether you are responding as an individual or representing the views of an organisation. If responding on behalf of an organisation, please make it clear whom the organisation represents and, where applicable, how the view of members were assembled.

The Welsh Assembly Government intends to publish a summary of the responses to this document. Normally, the name and address (or part of the address) of its author are published along with the response, as this gives credibility to the consultation exercise. If you do not wish to be identified as the author of your response, please state this expressly in writing to us.



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Ministerial Foreword

How we deal with waste in Wales can have huge benefits for not only the environment, but also our economy and well-being. There are tremendous opportunities to reduce waste, save money and create valuable high quality industry in Wales by using the valuable material resources contained in waste. To achieve this we will all need to rethink the way we live our lives to reduce the burden that each one of us places on our planet. This means changes at home, at work and at leisure. Some will be simple changes, others more fundamental. We owe it to our own communities, other less well off communities around the world, and to our children and grandchildren to live within our environmental means using only our fair share of the world's resources. This will lead to a fairer, and more just society, which is one of the main aims of our new Sustainable Development Scheme, *One Wales: One Planet*.

Waste makes up a big part of our ecological footprint, and to meet our aspirations for 'one Wales: one planet' we must focus on eliminating waste, and waste that we can't eliminate must be recycled in closed loop systems that achieve the best reduction in ecological and carbon footprints. This is what we mean by a zero waste society.

Moving from where we are now – with waste being buried in landfill sites – to a 'zero waste' approach will require behaviour change at all levels of society. To do this, we propose two key milestones:

By 2025: A high recycling society of a least 70% recycling across all sectors, and diverting waste from landfill sites.

By 2050: Zero waste, so products and services are designed with waste prevention in mind. This will help the economy and create jobs.

Behaviour change is the key. Research shows that recycling is often the thing that people most recognise as being their primary contribution towards improving the environment. We need a truly comprehensive recycling society, where everyone can recycle where ever they are – at home, at leisure or at work.

But we now need people to rethink why they are producing so much waste in the first place. We will need the co-operation of companies who provide goods and the packaging that protect them. A good example of this is the excellent progress that has been made in cutting the use of single trip plastic carrier bags. It is heart-warming to see how many people have taken this on board voluntarily. But more needs to be done, as it is such a visible example of unnecessary waste.



Towards Zero Waste

A consultation on a new Waste Strategy for Wales



We will support Welsh businesses to take up the significant opportunities to save money by reducing waste. We will encourage them to eco-design their products and packaging. This should help to create the competitive edge in an ever demanding market place where green purchasing and supply chain improvements are now an important business imperative.

This will all contribute to our new Green Jobs Strategy which aims to green existing jobs and creating new green jobs in the environmental industry sector.

This new waste strategy is bold and ambitious. It sets out our goals for 2050, and outlines how we propose to achieve them. We want Wales to lead by example. Together with the detailed actions of the new sector plans, the new strategy will build on the foundations set by *Wise About Waste*, and will take us towards a truly sustainable approach to managing our waste. Please let us know what you think about our plans and how you can help us achieve it.

Jane Davidson AM
Minister for Environment, Sustainability and Housing

PART 1: SETTING THE SCENE

The purpose of the strategy

This draft strategy sets out how the Assembly Government proposes to build on the successes of *Wise About Waste – The National Waste Strategy for Wales* by setting out a long term framework for waste management and resource efficiency – from now until 2050.

It shows our role in the Assembly Government's commitment to reduce Wales' ecological footprint to 'one Wales: one planet' levels within a generation, and how we propose to reduce our impact on climate change. It also shows how we propose to make the most of the many opportunities there are in waste management and resource efficiency to contribute towards a sustainable future for Wales.

Our aim is to take a 'zero waste' approach, which means we aim to produce no waste in the long term, by designing products and services that reduce or reuse waste as far as possible, and developing a local and highly skilled economy for waste management and resource efficiency. We will explain all of these in more detail in this section.

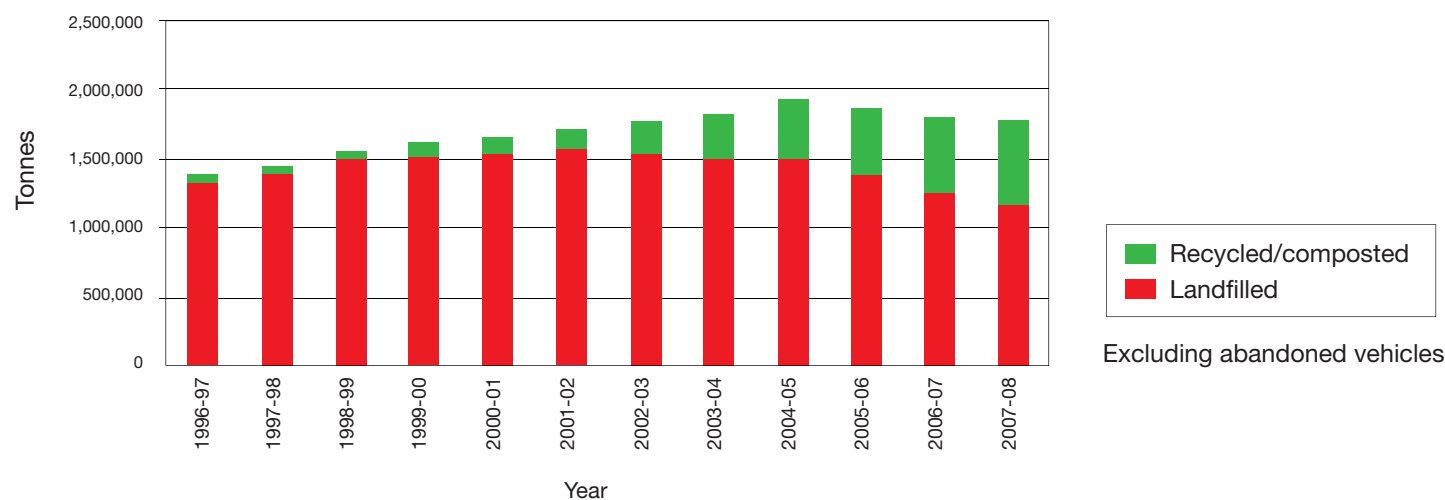
What has already been achieved?

We have come a long way since *Wise About Waste – The National Waste Strategy for Wales*, was published in 2002. *Wise About Waste* set a progressive and challenging programme for managing our waste, and we have achieved a great deal:

- Meeting two years early our target to landfill less than 0.675 million tonnes of biodegradable municipal waste by 2010.
- A substantial increase in the amount of municipal waste being recycled and composted (Figure 1). We have met the municipal waste recycling/ composting targets for 2003/4 (15%) and 2006/07 (25%), and are on course to reach the 2009/10 of 40%.
- A substantial reduction in the volume of commercial and industrial waste - to 64% of the level produced in 1998/99.
- Reducing the amount of industrial and commercial, municipal and hazardous waste going to landfill.
- We are on course to reach our reusing or recycling target for construction and demolition waste of at least 85% by 2010.



Figure 1 –The Amount of Municipal Waste Recycled and Composted in Wales 1996/7-2007/8



The challenges we are facing

However, we are facing many new challenges, and we need to revise our approach in addressing them. The challenges we are facing are described below.

Sustainability

The goal of sustainable development is to “enable all people throughout the world to satisfy their basic needs and enjoy a better quality of life without compromising the quality of life of future generations”². In Wales, sustainable development means supporting the economic, social and environmental wellbeing of people and communities and achieving a better quality of life for our own and future generations.

We want to make sure that Wales leads the way in sustainable waste management and that our plans are every bit as challenging and progressive as those in *Wise About Waste*.

A detailed sustainability appraisal (SA) has been carried out alongside the strategy and has been used to inform the strategy. The SA accompanies the consultation of this draft strategy and includes the statutory strategic environmental assessment (SEA). The consultation responses received will help inform the SEA/SA process and the strategy itself. Following the 12 week consultation process, a post adoption statement will be included in the strategy to highlight how the SEA/SA has influenced and informed the drafting of the strategy and maximised the sustainability benefits that can be derived from it³.

Sustainable Development Scheme

Welsh Ministers have a duty under section 79 of the Government of Wales Act 2006 to have a scheme that explains how they intend to promote sustainable development. The scheme aims to show ways to improve the well-being of the people of Wales and move us to using only our fair share of the earth’s resources.

*Through our One Wales Programme for Government we are committed to developing a strong and confident nation: **living communities** that fully reflect our **rich and diverse culture**, creating a **fair and just society** within a **sustainable environment** - generating a **healthy future for all**, ensuring opportunities for **learning for life**, and underpinned by the creation of a **prosperous society**.*

Wales’ waste strategy supports this scheme by managing our waste sustainably.

Ecological footprint and *One Wales: One Planet*

Ecological footprinting measures the impacts of how we consume things and compares it to what the planet can cope with. It calculates how much land is needed to feed, produce energy and absorb the pollution and waste generated by our supply chains. Sustainability requires us to live within the planets ecological limits.

The Welsh Assembly Government is using ecological footprinting as a way to measure if it is meeting its sustainable development commitments.

The Assembly Government proposes that

‘Within the lifetime of a generation we want to see Wales using only its fair share of the earth’s resources, and where our ecological footprint is reduced to the global average availability of resources – 1.88 global hectares per person’. To achieve this goal over a generation, we will need to reduce by two thirds the total resources we currently use to sustain our lifestyles⁴.

This is summarized as ‘one Wales: one planet’ as we are currently using three planets worth of resources, instead of the one available to us.

Recent research has estimated that waste generation from consumption based activities contributes 15% to Wales’ ecological footprint⁵. The ecological footprint of waste shows

² One Wales: One Planet: A new sustainable development scheme for Wales

³ Sustainability Appraisal www.wales.gov.uk/consultations www.cymru.gov.uk/ymgynghoriadau (Environment & Countryside)

⁴ One Wales: One Planet: A new sustainable development scheme for Wales

⁵ REAP Ecological Footprint Reduction from Waste Management and Reduction’ ARUP Report



the environmental consequences of what people in Wales buy, use and then throw away. It takes into account the impact of products produced in other countries but consumed in Wales. The ecological footprint of waste will also include what is achieved through recovering materials and recycling them into new products as well as any energy recovered from the waste stream.

The Wales Spatial Plan 2008 Update included a map of Wales showing the ecological footprint of Welsh local authorities. The update also breaks Wales' ecological footprint down to spatial plan area levels. This approach could serve as a useful methodology for highlighting where we need to pay special attention to the impact of certain sectors, as well as monitoring our success in meeting some of the targets included in this strategy.

Environment Strategy

Published in March 2006, the Environment Strategy for Wales sets out the Assembly Government's long term vision for the environment in Wales. It included an aspiration that there would be "no additional landfill for municipal waste in Wales by 2026." The strategy lists four waste related outcomes:

- The use of alternative materials, secondary and recycled aggregates is maximised where possible in the construction industry.
- Businesses produce well designed products that require less resources in their production, use and end of life, that create minimal waste and are easily reused or recycled.
- Appropriate waste management facilities are in place to minimise the amount of waste going to landfill.
- Reduce, reuse and recycle is universally accepted in government, business, industry and home life.

Tackling climate change

We will also reduce the greenhouse gas emissions produced through managing waste. There are two types of emissions:

- **'direct'** emissions which come mainly from emissions of landfill gas from landfill sites, and transport associated with waste management. This is how we will measure our commitments in One Wales below.
- **'indirect'** emissions (which are associated with the emissions from the manufacturing processes and associated transport, and are sometimes also referred to as 'embedded' emissions).

We take into account both types of emissions when we look at the ecological footprint of waste management. It is estimated that just over half of the ecological footprint relates to carbon emissions⁶.

How we manage our waste can help reduce both of these.

Greenhouse gas reductions

The Intergovernmental Panel on Climate Change (IPCC) published its Fourth Assessment Synthesis Report in November 2007, which highlighted the risks we face from climate change and the need for urgent action.

- *The Welsh Assembly Government's One Wales commitment*
We have made a commitment to make greenhouse gas emission reductions each year from 2011 in One Wales, the manifesto for government. It says:

"We will aim to achieve annual carbon reduction-equivalent emission reductions of 3% per year by 2011 in areas of devolved competence. We will set out specific sectoral targets in relation to residential, public and transport areas. We will work with the heavy industry/power generation industries to reduce emissions in those sectors".

The target will include all 'direct' greenhouse gas emissions in Wales except those that are already covered by the EU Emissions Trading Scheme (EU ETS).

This means that the direct emissions from transport, housing, the public sector, waste, agriculture and land use change will be included, along with all business emissions that are not subject to this Trading Scheme.

- *UK carbon budgets*
At the centre of the UK Climate Change Act 2008 is a requirement for the UK Government to reduce net UK greenhouse gas emissions by 80% by 2050 – and carbon dioxide emissions by at least 26% by 2020 – against a 1990 baseline. The Climate Change Act requires the UK Government to set five year climate change budgets to meet statutory greenhouse gas emission reduction targets for 2025 and 2050. The UK Government has to say how it will meet the budgets and to report on how they are doing. The Assembly Government and the other devolved administrations have to contribute to these reports because the budgets and targets are set for the whole of the UK.

- *Stern Review*
The 2006 Stern Review on the economics of climate change stated that waste is currently responsible for emitting 1.4 billion tonnes of carbon dioxide-equivalent climate change-causing emissions, half of which comes from landfill sites. The waste industry is responsible for 3% of the UK's emissions of gases that cause global warming.

The report said half of these emissions could be cut by 2020 at relatively low cost. Three-quarters of these emission cuts could be achieved at negative cost, with the remaining quarter at a cost of £5 per tonne of CO₂-equivalent emissions.

The review concluded that "Reusing and recycling lead to less resources being required to produce new goods and a reduction in associated emissions. Technologies such as energy-recovering incinerators also help to reduce emissions."

⁶ REAP software tool (2008), SEI



Important legislation and Assembly Government strategies

We have to comply with legislation, especially in relation to meeting EU Directive targets, and we talk about how we propose to do it throughout this document. Revisions to the Waste Framework Directive were adopted in December 2008 and will need to be implemented by December 2010. When the Directive is transposed into the UK, we will consider and take into account any implications for this strategy and supporting plans. We also intend to consult soon on a UK Packaging Strategy that is being developed by Defra in association with the Assembly Government and other devolved administrations.

Assembly Government strategies and action plans that this strategy must comply, and link, with include:

- One Wales, a progressive agenda for the government of Wales, June 2007.
- One Wales, One Planet – consultation on a new Sustainable Development Scheme for Wales, November 2008
- Environment Strategy for Wales, 2006
- Climate Change Strategy – high level policy statement consultation, January 2009
- Green Jobs for Wales, a consultation, November 2008
- One Wales: Connecting the Nation - The Wales Transport Strategy, 2008
- Wales Freight Strategy Consultation Draft (2007)
- Welsh Assembly Government Integration Tool, 2002
- People, Places, Futures - The Wales Spatial Plan Update 2008
- Planning Policy Wales, 2002
- Creating Sustainable Places, 2005
- Making the Connections: Delivering better services in Wales, 2004 and Delivering the Connections: From vision to action, 2005
- A shared Responsibility – Local Government's contribution to improving people's lives – A Policy Statement from the Welsh Assembly Government, 2007
- Social Enterprise Strategy for Wales June 2005
- The Third Dimension: A strategic action plan for the voluntary sector scheme, 2008
- The Social Enterprise Action Plan for Wales 2009
- The Learning Country 2: Delivering the Promise, 2006
- Race Equality Scheme 2005-2008
- Iaith Pawb: A National Action Plan for a Bilingual Wales, 2003
- The Strategy for Older People in Wales, 2003
- Mineral Planning Policy Wales, 2000
- Better Health, Better Wales 1998
- Quality of Food Strategy, Task and Finish Group Report, December 2007
- Bioenergy Action Plan for Wales (February 2009)

A more complete list of relevant strategies and plans is provided in the strategic environment assessment that forms part of the sustainability appraisal accompanying this draft strategy.

Some important principles are:

- **Protecting the environment and human health** – all necessary measures must be taken to protect human health and the environment against harmful effects caused by waste management.
- **Proximity principle and self sufficiency** – waste should be recovered or disposed of as close as possible to where it has been produced and as far as possible there should be sufficient capacity to manage wastes produced in any given area.
- **Polluter pays principle** – those causing the pollution should pay for the cost of clearing up the damage caused.
- **Source separation** – the separation of materials into types at their point of origin.
- **Waste hierarchy** – the revised EU Waste Framework Directive lays down a hierarchy for techniques for the management of waste that shall apply as a priority order in waste management legislation and policy. The Directive allows Member States to encourage options that deliver the best overall environmental outcome which could mean that in some cases specific waste streams may depart from the hierarchy where this is justified by life-cycle thinking (see also figure 3 – page17).

Our approach in responding to the challenges

To meet all of these commitments we will be ambitious in reducing the amount of waste we produce by taking a 'zero waste' approach, and be bold in how we do it. This means our aim is to produce no waste in the long term, by designing products and services that reduce or reuse waste as far as possible, and developing a local and highly skilled economy for waste management and resource efficiency.

We propose to work towards this long-term aim by:

- Strongly promoting waste reduction, using targets to set goals and encourage action, with support provided where appropriate and needed, and with a strong focus on eco-design.
- Encouraging everyone to reduce, reuse and recycle, and use waste management treatment and disposal facilities that contribute to tackling climate change and reducing Wales' ecological footprint. To achieve a high level of recycling, we need to make sure that all our recyclates are separated at source so that they are clean and of high value. In particular, we aim to develop an efficient and effective collection system to separate mixed commercial and industrial waste.
- Prioritising what waste materials we deal with first - these waste materials will be those which, if managed in the best way, will give us the greatest environmental benefits.
- Seeking to make producers more responsible for the waste that they produce, or cause others to produce.
- Generating renewable energy from biowastes.
- Phasing out landfill sites and developing high efficiency energy from waste plants for residual waste.



At the same we intend to achieve EU Directive targets for waste and, where appropriate, exceed them in order to meet other policy requirements, especially those relating to sustainable development and climate change.

Part 2 shows how we propose to do this in more detail. It describes our long-term policy objectives and targets that show what we want to achieve to improve our environment.

As important as ‘what we do’ is the ‘way we do it’. There are lots of opportunities in waste management to build a sustainable future – by helping our society and economy as well as the environment. By designing products differently – so they are more easily recyclable and reusable and use more sustainable and lesser quantities of materials and cleaner production methods – we can create higher value jobs, and marketable products. If businesses become more efficient with their resources, they can become more competitive and profitable. There are also lots of possibilities for innovation in new, greener, technologies. By recycling more, we create more jobs, and if we engage our communities more in these activities we can increase employment, skill levels and people’s well-being even further.

Building a sustainable future will be fundamental to our approach, and drive everything we do.

What it means for you

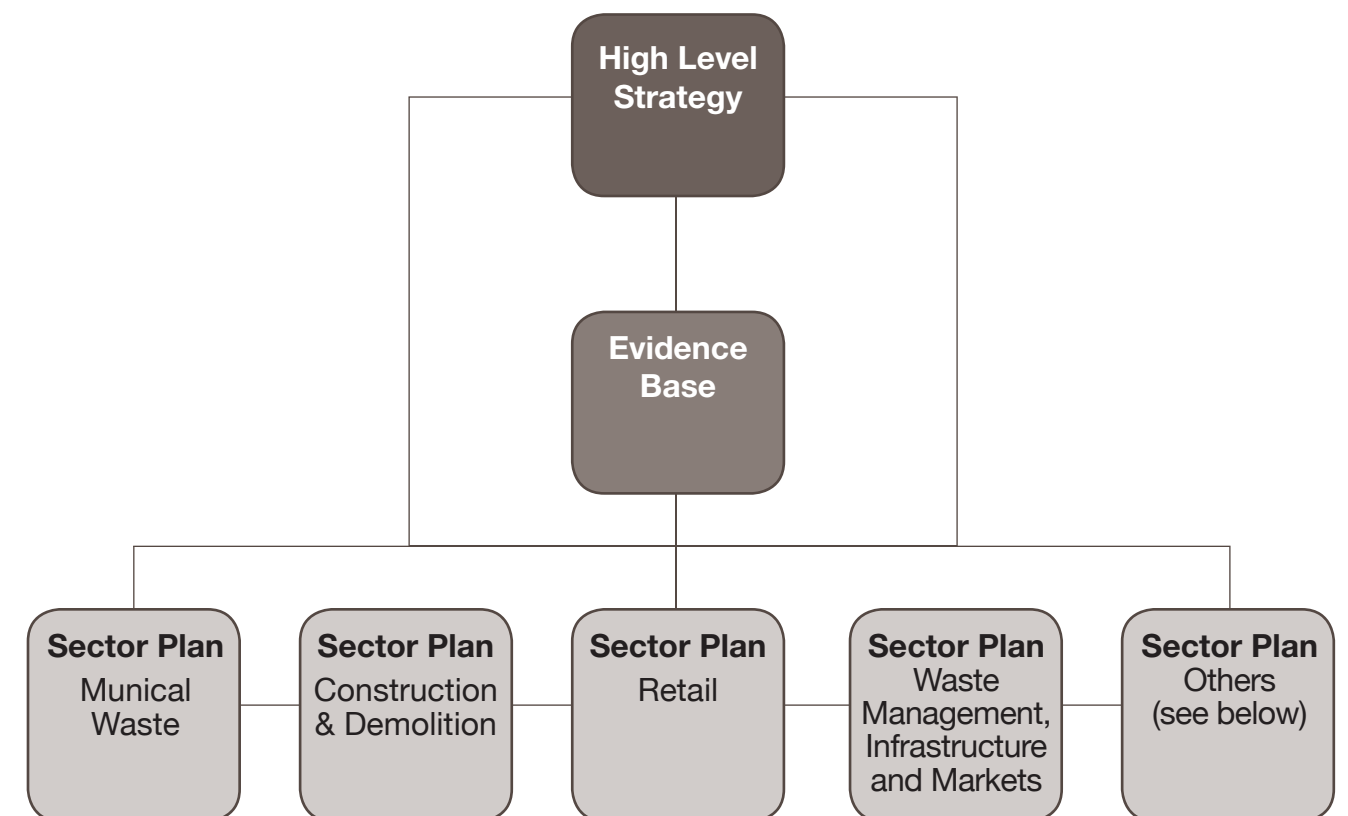
Our ambitious approach is challenging and involves every section of society. It is important we all play our part.

- We propose that **businesses** will need to reduce or eliminate waste through product and packaging design, and take responsibility for the impact of their supply chains. They need to source separate their recyclable wastes and regard it as a quality resource. Producers need to share responsibility for waste and recycling. Markets need to be developed so that recyclates become economic opportunities. Reprocessors also have a key role to play.
- We propose that **communities** (whether urban, rural or valley) will need to reduce waste as far as possible, deliver clean, separated recyclates, start thinking of waste as resources and so help with creating local jobs.
- **Government** needs to consider how businesses that preserve resources, rather than waste them can be rewarded. Local governments need to support the most beneficial alternatives to landfills and encourage systems that treat waste as a resource.
- The **public sector** has an important part to play, recognising the significant proportion of the Welsh population that works in the sector and the influence that its procurement activity can have on supply chains. People need to be able to recycle wherever they work and they should use sustainable products in their work. The public sector is key in setting an example.

What this means in practice

This draft strategy is a long term framework which describes what we need to achieve, and our proposed policies and principles. It is supported by an evidence base⁷, and we propose that it is implemented through sector plans and by working within Government. Figure 2 below describes this approach in more detail.

Figure 2 - Strategy Framework Structure



⁷ Evidence Base - www.wales.gov.uk/consultations/ (Environment & Countryside)



Sector Plans

We propose to detail the actions for businesses, communities and the public sector to deliver the policies and principles in this document in individual sector plans. These plans will be customer facing delivery plan documents, which describe the role of the sector in delivering the strategy, lay out specific targets and policies, set out who will do what (by the sector, by others and by the Assembly Government) and be developed with sector representatives to make sure it can be achieved.

The plans will be web based 'living documents' and there will be linkages between them, where the actions of one sector will affect those of another. They will be evidence based and link to best practice case studies.

We propose to develop a rolling programme of sector plans on a priority basis and the following sector plans are being developed first:

- Municipal waste
- Waste industry, infrastructure and markets
- Construction and demolition
- Retail

Subsequent sector plans may include the food and drink sector and the public sector.

The proposed sector plans will be subject to sustainability appraisal/ strategic environmental assessment in the same way that this strategy is. They will be subject to separate consultation.

Working with others

Delivery of other policies and principles in this strategy will require close collaboration with other departments within the Assembly Government and the UK and European Governments to make sure our interests are represented. See part 3 for more detail.

PART 2: HOW WE PROPOSE TO ACHIEVE ZERO WASTE

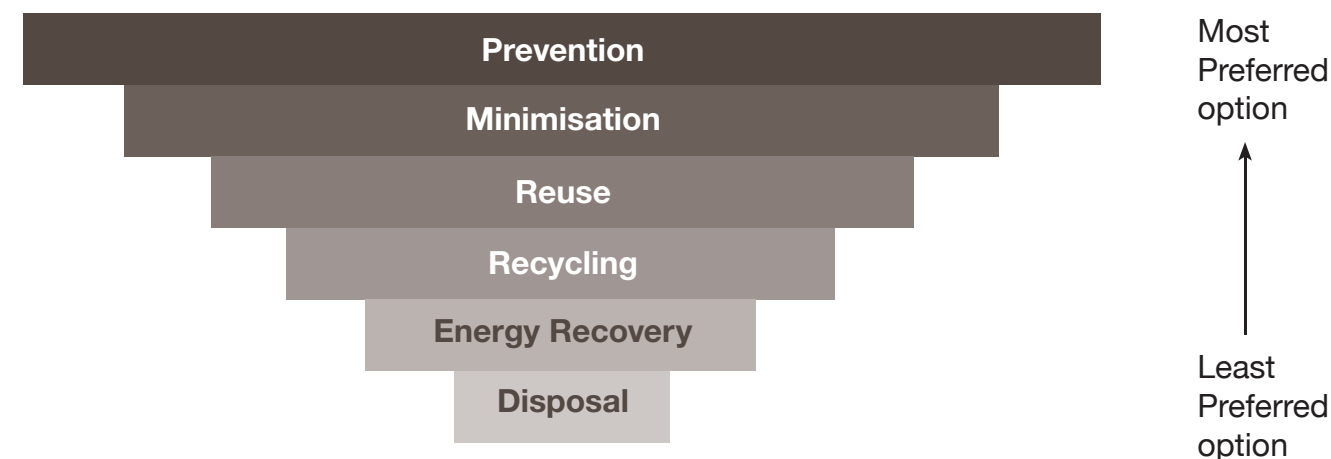
Our approach

At the moment, too much waste management is at the bottom of the waste hierarchy (see Figure 3 below). Much of our waste is still sent to landfill with an increasing amount being recycled and recovered. Moving to the top of the hierarchy – by minimising and preventing waste – will not be easy. It will take time and require changes from all of us. We propose to take a two-staged approach.

- **A long-term aim of zero waste by 2050. We propose to start working towards this now.** This means that we aim to reduce our share of Wales' ecological footprint to 'one Wales: one planet' levels by 2050. We aim to produce no waste in the long term, by designing products and services with waste prevention in mind. We need to develop a local, highly skilled economy in resource efficiency. To achieve 'one Wales: one planet', it is very important to reduce waste as much as possible, and to start doing that now. We need to consume and produce in the most sustainable way.
- **A medium term aim of achieving a high recycling society by 2025. This proposal will be a step on the way to achieving zero waste.** To achieve this, we are aiming for a recycling rate of at least 70% across all sectors by 2025, where all our recyclates are separated at source so they are clean and of high value. This will meet and exceed in most cases EU Directive targets for waste. Where recyclates are produced in Wales we aim to develop, as far as possible 'closed loop recycling' systems where they will be used directly in Welsh manufacturing processes. It also means that any residual waste will be phased out of landfill towards high efficiency energy from waste plants.

It is important to know that recycling alone will not get us to where we need to be at 2025 to reach 'one Wales: one planet' by 2050. We need to also start reducing our waste a lot more than we are currently doing.

Figure 3: The Waste Hierarchy





Sustainability

To achieve sustainability, the key driver of this strategy, we propose to engrain the principles of sustainability through delivery of the strategy and our sector plans.

To measure our progress we propose to use the following indicators

Environmental indicators	<ul style="list-style-type: none"> • Waste contribution to ecological footprint*[▼] • Greenhouse gas emissions*[▼] • Waste arisings, disposal and across all sectors
Economic indicators	<ul style="list-style-type: none"> • Progress on green jobs, skills and training through the Green Jobs Strategy • Resource use – Wales’ domestic material consumption’ * • Electricity from renewable sources - percentage of electricity produced in Wales generated from renewable sources* • Employment - percentage of people of working age in work* • Resource efficiency – the ratio of carbon dioxide emissions to GVA at current prices*
Social indicators	<ul style="list-style-type: none"> • Outcomes generated by relevant third sector organisations. • Active community participation - percentage of people volunteering on a formal and informal basis*^{▼(environmental)} • Benefit dependency - the percentage of people of working age on key benefits*

*Sustainable development indicators
▼Environment strategy indicators

The materials we propose to focus on

To help us achieve zero waste and high levels of recycling, we propose to concentrate on some priority materials. These are the materials that that, if managed in the best way, help the environment the most.

They are

- Food
- Paper and card
- Wood
- Metals
- Plastic

Where we are now and where we need to be

Achieving Zero Waste by 2050

Ecological footprint: waste reduction and recycling

In 2007 waste management in Wales generated an impact of approximately 4,180,000 global hectares (gha). Global hectares is the way that our ecological footprint is measured.

- Commercial and industrial waste has had the greatest impact (around 50% of the total waste ecological footprint).
- Municipal waste accounts for around 35% of the total waste ecological footprint.
- Construction and demolition waste accounts for around 15% of the total waste ecological footprint

To reduce Wales’ ecological footprint from waste to ‘one Wales: one planet’ we need to focus on waste reduction, and more sustainable ways of consuming and producing. Although a high recycling rate of at least 70% across all sectors by 2025 will reduce our ecological footprint, a much larger reduction is needed.

- A 70% recycling target for the commercial and industrial sector will achieve a 6% reduction in ecological footprint by 2025. The sector’s ecological footprint needs to be reduced by around a further 26% to be on the right course to achieve ‘one Wales: one planet’.
- A 70% recycling target for municipal waste will achieve a 10% reduction in ecological footprint by 2025. The sector’s ecological footprint needs to be reduced by around a further 28% to be on the right course to achieve ‘one Wales: one planet’.
- A 70% recycling target for construction and demolition waste will achieve a 16% reduction in ecological footprint by 2025. The sector’s ecological footprint needs to be reduced by around a further 18% to be on the right course to achieve ‘one Wales: one planet’⁸.

Approaches to waste reduction and reuse

Wherever waste is produced, there are ways to reduce it by using sustainable consumption and production (SCP). SCP is finding the best way to consume and produce things so that resources are not wasted or cause air or water pollution and the degradation of land. Ways that reduce consumption or make production less wasteful help reduce Wales’ ecological footprint the most. Where waste cannot be avoided, the next best option is to reuse.

DID YOU KNOW THAT...?

Addressing SCP and reducing the ecological footprint has financial benefits. In ‘Securing the Future’ the UK Government indicates that wasted natural resources within the manufacturing sector could cost manufacturers 7% of their profits and energy efficiency measures could also save £12 billion per year across the UK. (Source: Securing the Future).

⁸ REAP Ecological Footprint Reduction from Waste Management and Reduction’ ARUP Report



What we consume (the amount and type of products we buy and services we use, along with their supply chains) has an impact on the environment - from the amount of energy used to the pollution created. When a product is thrown away as waste, the amount of raw material and energy it takes to make and transport the product is also thrown away.

DID YOU KNOW THAT...?

90% of all products are waste within six months of purchase. (Source: Agency MEP report)

There needs to be a significant behavioural change in respect of waste production, and this means us all being challenged and accepting that challenge, including accepting the need for changes. For example, this may include the fortnightly collection of residual refuse, and the consideration of whether it is fair that people can throw away as much waste as they want without paying extra for its disposal. Educating and awareness raising will be critical.

Addressing the way that products are designed can reduce Wales' ecological footprint. Eco-design is a concept used to minimise the impact of a product or service over its life cycle.

Ways you can approach it:

- **Design to reduce materials in products** - Designing products so that they consume fewer resources when they are manufactured also reduces the amount of waste that has to be treated or disposed of.
- **Improve the longevity of products** - Many products are designed for a short life span and are meant to be thrown away. Electronic equipment, particularly computers and mobile phones, are designed with 'inbuilt obsolescence' and are difficult or impossible to repair or upgrade with new parts. By changing the way that these types of products are designed it will be possible to increase the lifespan so that they can be used and upgraded in the future. Increased product leasing may also help this.
- **Design for reuse** - Many products are currently designed so that they are used once and then disposed of. However some types of materials or products could be designed so that they can be reused a number of times. For example, many retailers use reusable packaging e.g. crates and cages to transport produce from their distribution centres to the shop floor. Reuse is better than disposal because it avoids the using new virgin materials to replace the product. It is better than recycling because it avoids using energy to clean and re-manufacture the original product.
- **Design for waste separation and recycling** - Eventually all products reach a point where they cannot continue to be used, even if they can be repaired or updated. If products are not designed so that they can be easily dismantled and the different materials separated, it may not be possible to reuse or recycle the various parts. However if we think about the whole lifecycle when the product is being designed, it is possible to design with reuse and recycling in mind.

This links to the Green Jobs Strategy action on products fit for the future – eco-design, lean manufacture and life cycle assessment

DID YOU KNOW THAT...?

European eco-industry employs 3.4 million people (1.7% of paid employment) - more than the car manufacturing (2.7m), chemical (2.4m), basic metal (1.4m), or textile (1.3m) industries. Its annual turnover is over €227 billion, or 2.2% of GDP (Source: Agency MEP report)

Evaluating production processes to make them more resource efficient will also reduce Wales' ecological footprint.

Waste reuse happens when items or materials can be used again without changing their nature. This includes refurbishment and repair. Reuse is important, and is the part of the waste hierarchy most often overlooked. Not only does it move material use up the waste hierarchy, but it also provides social and economic benefits to Welsh communities, such as opportunities for jobs and increasing skills.

DID YOU KNOW THAT....?

In 2007-08, 10,554 tonnes were reused via Third Sector organisations in Wales – this included 9,602 tonnes of furniture. (Source: Cylch Let's Prove It Report 2008)

A high recycling society by 2025

After waste reduction and reuse, the best way to reduce our ecological footprint of waste is by recycling. Recycling some materials – especially paper and metals - have much greater benefits than others:

- Recycling paper and card will significantly reduce our footprint by between 82% and 94% per tonne (depending on the type of recycling).
- Recycling non ferrous metal will significantly reduce our footprint by between 79% and 85% (depending on the type of recycling).
- Recycling ferrous metals will significantly reduce our footprint by between 36% and 52% (depending on the type of recycling).

The type of recycling used will also affect how much we can reduce our ecological footprint. Closed loop recycling is much better for the environment than open loop recycling. In some cases – for glass and plastic - open loop recycling can be more damaging to the environment:



Towards Zero Waste

A consultation on a new Waste Strategy for Wales



- Closed loop recycling of dense plastics will reduce the footprint by 60%. Open loop recycling will increase the footprint by 28%.
- Closed loop recycling of plastic film will reduce the footprint by 47%. Open loop recycling will increase the footprint by 27%.
- Glass has one of the lowest ecological footprints per tonne. Open loop recycling will increase the footprint⁹.

To achieve a high recycling society we need to make sure enough supplies of our priority materials are separated out and that they are of a high quality. This is achieved most sustainably by ‘source separation’ – where each material is collected separately – so that they are not contaminated. The revised Waste Framework Directive requires us to take measures to promote high quality recycling and to set up separate collections of waste where technically, environmentally, and economically practical and appropriate to meet the necessary quality standards for the relevant recycling sectors.

We also need enough material to drive the market. To do this, we propose to set high recycling targets (at least 70%) across all sectors. We also want an effective collection system for source separation across all sectors. In particular, we propose to look at the mixed element of commercial and industrial waste that is currently sent to landfill. In doing this we will ensure that the needs of spatial areas are taken into account and that an efficient and effective collection service can cover all parts of Wales, including rural, valleys and urban areas. ‘Mixed’ waste in this context is the waste that is not segregated and which contains a mixture of wastes very similar in composition to household wastes. The vast majority of this ‘mixed’ waste could and should be recycled, but is currently landfilled – see box below.

A big change in recycling is needed across all sectors to achieve a recycling rate of 70% or higher by 2025.

In a recent study of landfilled mixed commercial and industrial waste commissioned by Environment Agency Wales, it was estimated that Welsh businesses threw away rubbish worth £30 million pounds in 2005 - around half a million tonnes of potentially recyclable material went to landfill.

If this mixed waste had been separated at source, up to 77 per cent could have been reused, recycled or composted.

Cardboard boxes and containers are the largest component of the business waste making up 15 per cent - or 100,000 tonnes of the total. Kitchen waste made up 13 per cent - or 90,000 tonnes.

(Source ‘Determination of Biodegradability of Mixed Commercial and Industrial Waste Landfilled in Wales ‘SLR’)

‘Joined up’ recycling infrastructure

We want recycling facilities that accept recyclates depending on the material they are rather than the sector they come from. By treating the same type of material in the same type of facility, we can achieve economies of scale at a local level, reducing waste management costs for both businesses and local authorities. However, the right level of infrastructure has to be in place and we propose that this will be addressed in the sector plan for the waste industry, infrastructure and markets.

Opportunities for social enterprise

We suggest that the third sector will have a big role to play in the sustainable management of waste reduction, reuse and recycling and the creation of more long term skilled jobs, community ‘buy-in’ and the retention of capital within the Welsh economy.

Market development for recyclates

We will work closely with businesses in Wales to make sure the right market is created and this will be addressed in the sector plan for the waste industry, infrastructure and markets.

Greenhouse gas emissions and diversion from landfill

To reduce Wales’ greenhouse gas emissions we need to divert waste from landfill, and manage the emissions from existing landfill sites. The best way to treat waste diverted from landfill is for it to be recycled. In particular, diverting food waste to anaerobic digestion (AD) plants, and waste paper, card and metals from landfill sites to recycling will have the greatest benefits

The Committee on Climate Change 2008 stated that ‘anaerobic digestion has significant potential to reduce greenhouse gas emissions....’ and ‘The use of AD is strongly recommended for source segregated food waste – the technology produces both biogas and digestate’.

Residual and hazardous waste

We propose that residual waste will be phased out of landfill towards other forms of residual waste treatment. The Assembly Government’s modelling focuses on high efficiency energy from waste treatments. The landfilling of hazardous waste will be phased out in the medium term. We propose that in developing a pathway to zero hazardous waste will be a key part of our sector plans.

Managing existing landfill sites

Landfill sites contribute to a large amount of greenhouse gas emissions. We propose to investigate further the emissions from operational and closed sites and work with our partners to find out whether emissions can be reduced even more.

⁹ REAP Ecological Footprint Reduction from Waste Management & Reduction (ARUP Report)



What this means for you

The following diagrams show a summary of our long term policy scenario, targets and environmental outcomes to 2050 for each sector – commercial and industrial, municipal and construction and demolition. They aim to provide clarity to all our stakeholders – in particular to provide certainty for industry and the public sector when investing in infrastructure. This is followed by the detail of the targets proposed, and important materials for action, and an outline of the policies and actions proposed.

Figure 4: The Big Picture: Commercial and Industrial Waste

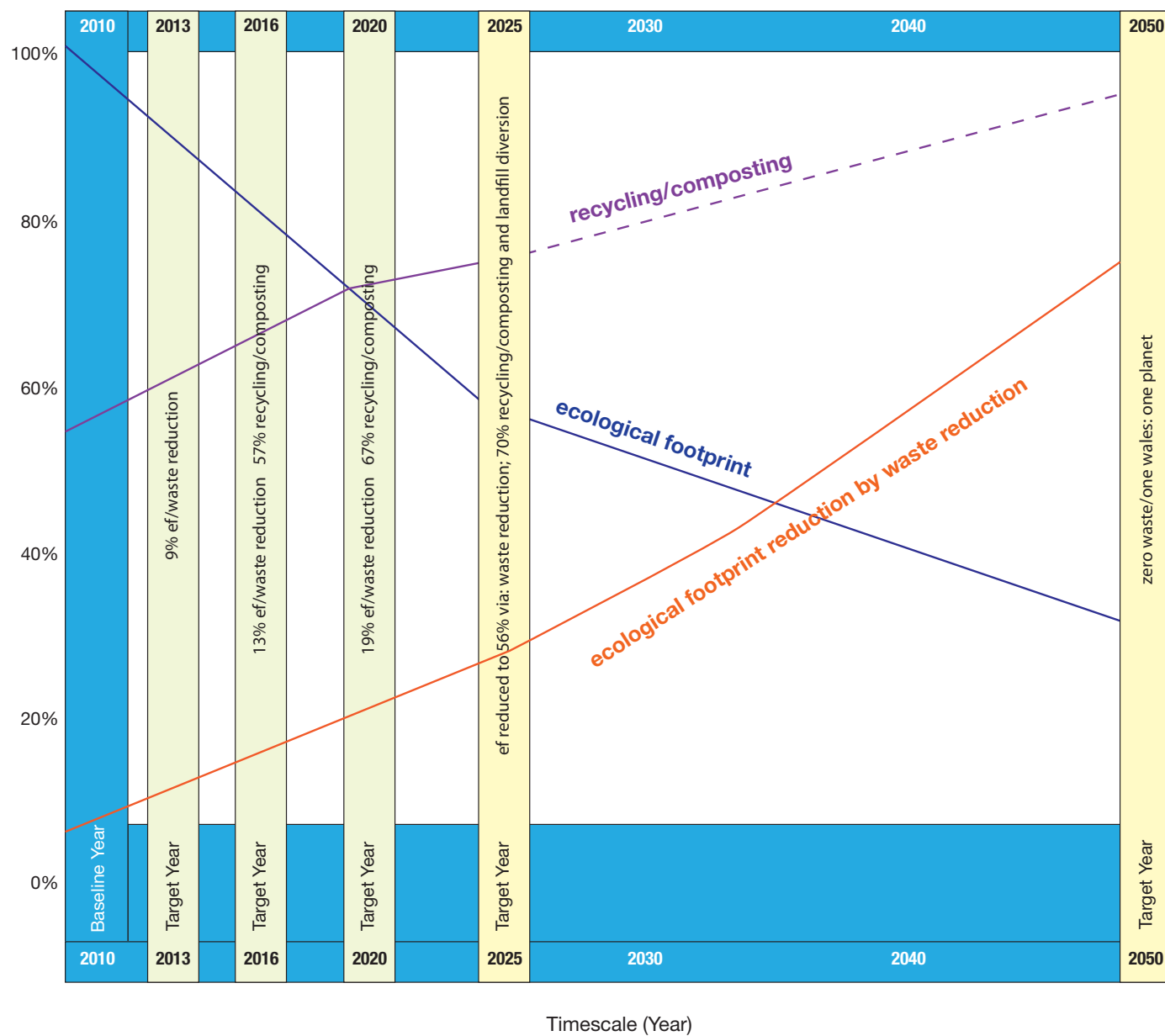


Figure 5: The Big Picture: Municipal Solid Waste

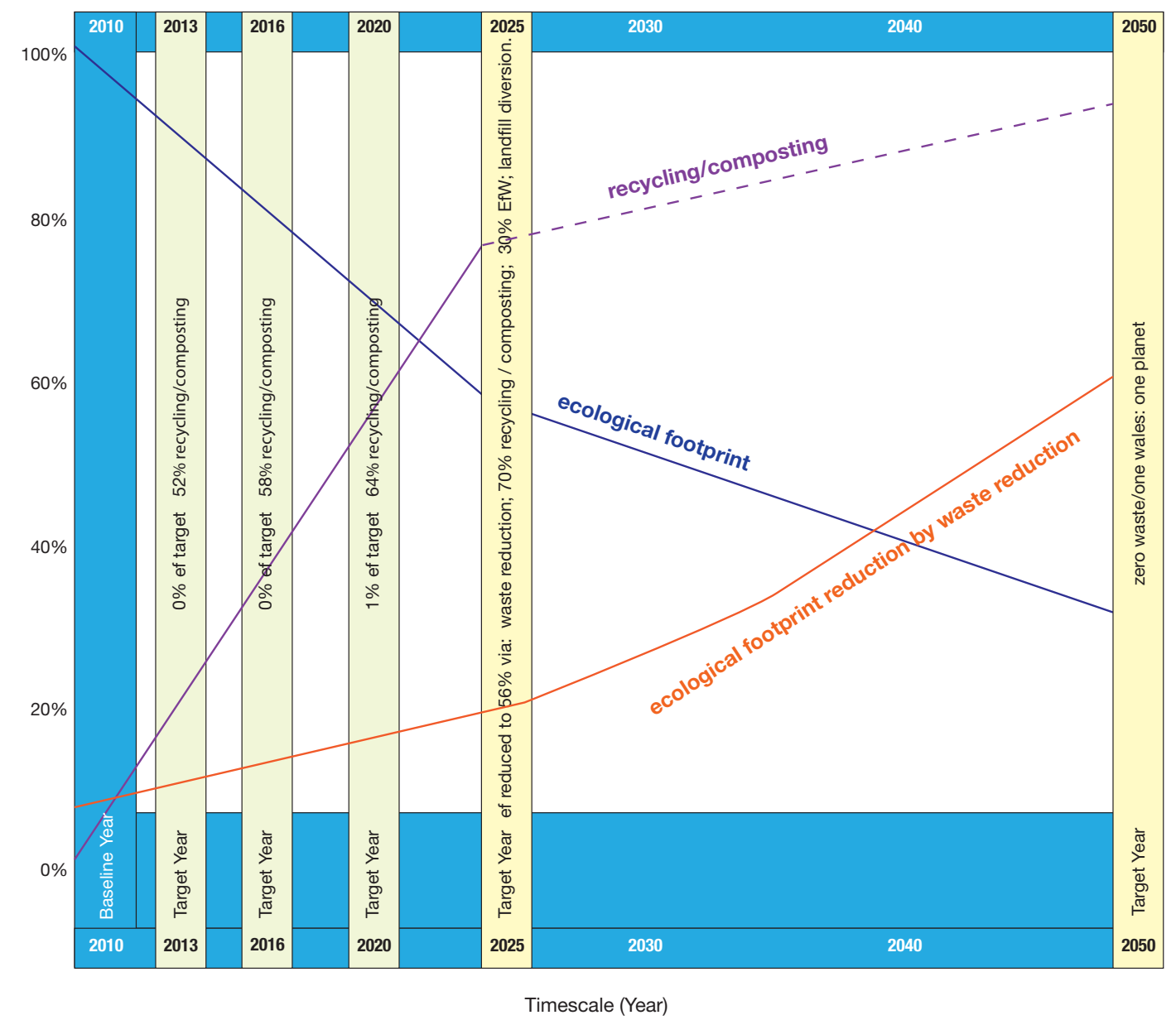
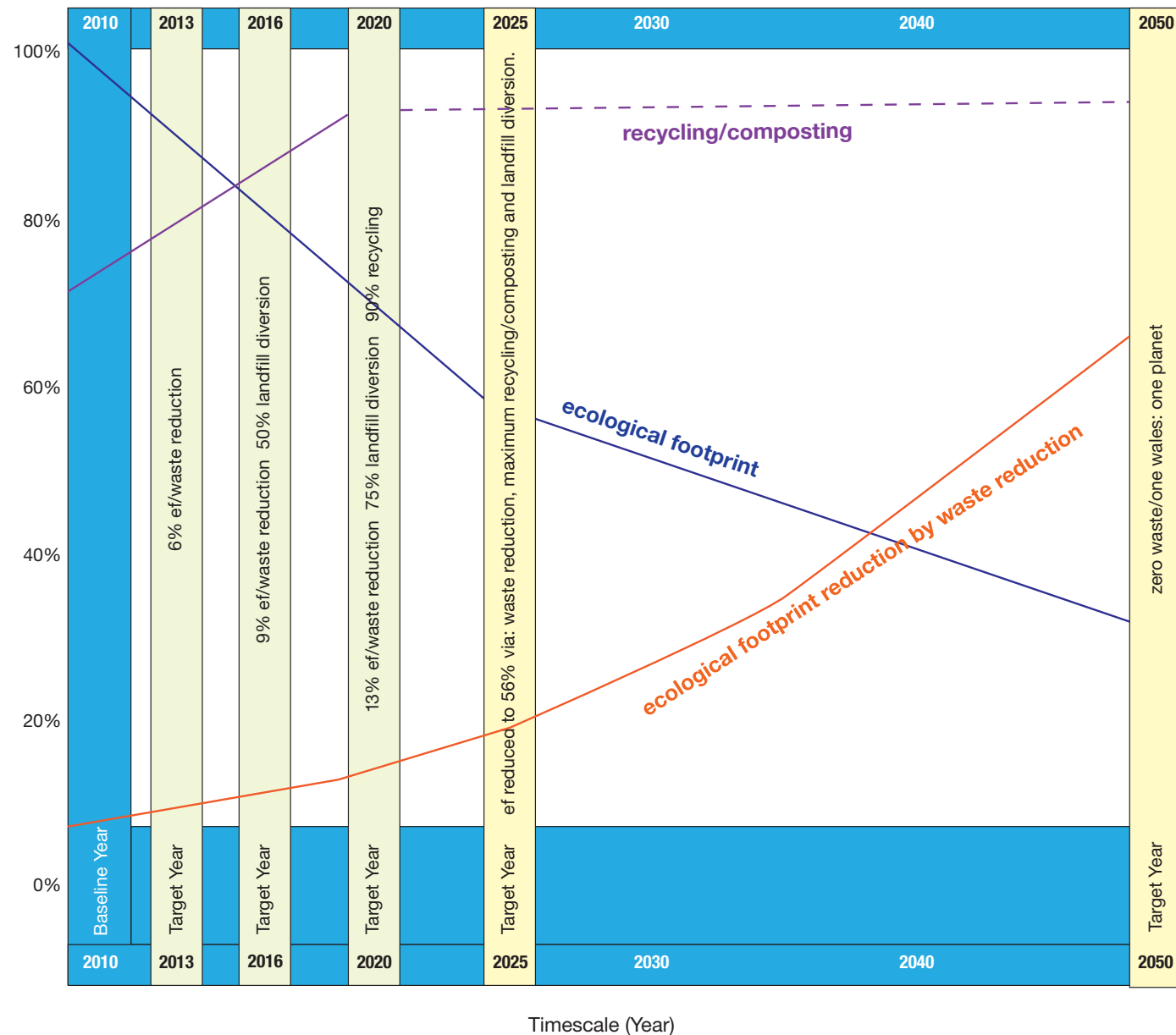




Figure 6: The Big Picture: Construction and Demolition Waste



Proposed targets and important areas for action

We are proposing ecological footprint reduction targets and recycling targets. We also highlight important areas for action. As part of the sector plans we will work with partners to develop action plans for how these targets can be achieved.

The ecological footprint reduction targets have been set to reduce the ecological footprint to ‘one Wales: one planet’ assuming that a 70% recycling target by 2025 is met. It is important to know that they are not necessarily waste tonnage reduction targets – they are the reduction in ecological footprint needed through waste reduction activities. This is because some waste materials have a higher ecological footprint than others – for example, kitchen waste has a much higher impact per tonne (1.24 gha/tonne) than ferrous metals (0.43 gha/tonne). By concentrating waste reduction activities on the materials with a higher impact, we will reduce the ecological footprint of waste more quickly. However, as a rule, if our overall waste arisings are reduced by 50% then the corresponding ecological footprint would also be reduced by 50%. In sector plans we will translate these targets to waste tonnage reductions for our important materials.

We are proposing two different targets for ecological footprint reduction – option 1 based on an absolute reduction of 1.8% a year or option 2 based on 3.2% reduction based on the previous year’s waste total. Both achieve the same final level of reduction compared to the baseline, but the linear reduction leads to a constant decrease each year whereas the exponential reduction has an accelerated reduction in the early years that tapers off to a progressively lesser reduction each year as time progresses.

Commercial and industrial waste

Proposed percentage targets to reduce the ecological footprint of waste.

Year	2013	2016	2020	2025	2050
Option 1	9%	13%	19%	26%	70%
Option 1: Indicative amount of waste avoidance needed (in tonnes) to achieve the target ¹⁰ see footnote	350 000	500 000	740 000	1 014 000	2 730 000
Option 2: Indicative amount of waste avoidance needed (in tonnes) to achieve the target ¹⁰ see footnote	16%	23%	30%	39%	70%
	625 000	897 000	1 170 000	1 521 000	2 730 000

¹⁰This is based on a waste arising figure in the commercial and industrial sector of around 3.9 million tonnes in 2007, a 0% growth rate, and assumes that waste is being managed proportionally to that in 2007. Amount of waste avoided figures are provided as indicative figures only. The actual reduction in ecological footprint will depend on the type of waste avoided and its overall management.



We propose to consider reuse targets in individual sector plans.

We plan to have separate recycling targets for commercial and industrial waste. This is because recycling rates are currently higher in the industrial sector, and the issues for the two are different.

We are consulting on two different recycling rates for **commercial** waste

- Highest feasible recycling rate of 77%. We would like your views on whether you think this is achievable

Commercial	2015/16	2019/20	2024/25
Recycling Rate for commercial waste	60%	71%	77%

- Or a 70% recycling rate

Commercial	2015/16	2019/20	2024/25
70% recycling rate for commercial waste	57%	67%	70%

We also plan to have separate recycling targets for our priority materials in commercial waste. We propose that these will be in our sector plans.

The proposed targets for **industrial** waste are

Industrial	2015/16	2019/20	2024/25
Recycling rate	63%	67%	70%

We also plan to have separate recycling targets for our priority materials for industrial waste. We propose that these will be in our sector plans.

Important areas for action: commercial and industrial waste

Although waste reduction is important for all waste materials in the commercial and industrial waste stream, there are a number of priority areas. They are the largest proportion of the total waste impact and so we need to focus on them. The three priority areas for waste reduction are:

- Working with the **food sector** - food waste generates over 30% of the total ecological footprint impact of commercial and industrial waste in Wales. Working with food producers, food retailers (such as supermarkets and restaurants) and food industries such as hospital catering facilities to reduce food waste will result in the largest reduction in ecological footprint from this sector.
- **Paper and card** - paper and card also has a large ecological footprint impact in terms of commercial and industrial waste (15% of the total).
- **Chemicals** from commercial and industrial sector - chemical waste represents 12% of the total ecological footprint impact but only 4% of the total tonnage of waste.

Where waste is produced, we propose to concentrate on the following areas for action for recycling:

- Diverting food waste from landfill to anaerobic digestion plants
- Recycling paper and card rather than landfilling it
- Recycling metals

We also propose to ensure that our sector plans take account of the varying needs of different areas of Wales, especially in relation to rural, urban and valley areas. Particular attention will be paid to the needs of small businesses.

Municipal waste

The ecological footprint reduction targets below would be in addition to a 70% recycling target and a residual waste target of 150kg per person by 2025.

Percentage targets to reduce the ecological footprint of waste:

Year	2013	2016	2020	2025	2050
Option 1	0%	0%	1%	9%	52%
Option 1: Indicative amount of waste avoidance needed (in tonnes) to achieve the target ¹¹ see footnote	Waste growth needs to be stabilised	Waste growth needs to be stabilised	20,934	198,021	1,467, 259

¹¹This is based on a waste arising figure in the commercial and industrial sector of around 3.9 million tonnes in 2007, a 0% growth rate, and assumes that waste is being managed proportionally to that in 2007. Amount of waste avoided figures are provided as indicative figures only. The actual reduction in ecological footprint will depend on the type of waste avoided and its overall management.



Option 2	5%	6%	13%	21%	52%
Option 2: Indicative amount of waste avoidance needed (in tonnes) to achieve the target ¹¹ see footnote	97 630	120 706	272 148	462 049	1,467, 259

The following reuse target is proposed:

Year	09/10	12/13	15/16	19/20	24/25
Minimum levels of reuse (excluding WEEE)	-	0.4%	0.6%	0.8%	1.0%

We are proposing a 70% overall recycling target for municipal waste by 2025. This has interim targets as set out below.

Recycling and other waste management targets:

TARGET FOR:	TARGETS FOR EACH TARGET YEAR				
	09/10	12/13	15/16	19/20	24/25
Minimum levels of reuse and recycling / composting (or AD)	40%	52%	58%	64%	70%
Minimum proportion of reuse/recycling/composting that must come from source separation (kerbside, bring and/or civic amenity (CA) site)	80%	80%	80%	80%	80%
Minimum levels of composting (or AD) of source separated food waste from kitchens as part of the combined recycling/composting target above	-	12%	14%	16%	16%
Maximum level of residual household waste per inhabitant per annum	-	295kg	258kg	210kg	150kg
Maximum level of landfill	-	-	-	10%	5%
Maximum level of energy from waste.	-	-	42%	36%	30%

¹¹ This is based on a waste arising figure in the commercial and industrial sector of around 3.9 million tonnes in 2007, a 0% growth rate, and assumes that waste is being managed proportionally to that in 2007. Amount of waste avoided figures are provided as indicative figures only. The actual reduction in ecological footprint will depend on the type of waste avoided and its overall management.

Important areas for action for municipal waste

There are 3 key areas to focus action for municipal solid waste reduction

- Food waste
- Plastic
- Paper

We propose to target reducing waste at these materials.

WEEE (waste electronic and electrical equipment), batteries, oil, clinical waste, hazardous items, textiles, shoes, wood, nappies, carpet, furniture also have a combined high impact on our ecological footprint.

Where waste is produced, we propose to concentrate on the following areas for action:

- Diverting food waste from landfill to anaerobic digestion plants
- Diverting paper and card from landfill to recycling
- Diverting metals from landfill to recycling

We will ensure via the municipal waste sector plan that the varying needs of different communities are taken into account and that service provision is tailored for those with special needs, as is already custom and practice in most local authorities.

Construction and demolition waste

We propose the following percentage targets to reduce the ecological footprint of waste

Year	2013	2016	2020	2025	2050
Option 1	6%	9%	13%	18%	61%
Option 1: Indicative amount of waste avoidance needed (in tonnes) to achieve the target ¹² see footnote	360 000	540 000	780 000	1 080 000	3 660 000
Option 2	13%	19%	25%	31%	61%
Option 2: Indicative amount of waste avoidance needed (in tonnes) to achieve the target ¹² see footnote	780 000	1 140 000	1 500 000	1 860 000	3 660 000

Higher recycling targets are proposed for construction and demolition waste as the

¹² This is based on a figure in the construction and demolition sector of around 6 million tonnes in 2007, and assumes a 0% growth rate and that waste is being managed proportionally to that in 2007. The figure of 6 million tonnes is the proportion of the total waste arisings for which waste reduction will be targeted. Amount of waste avoided figures are provided as indicative figures only. The actual reduction in ecological footprint will depend on the type of waste avoided and its overall management.



recycling rates in this area are already very high.

Construction & Demolition	2015/16	2019/20
Recycling, recovery and reuse rate for non hazardous (and inert) waste	-	90%
Landfill diversion from 2007	50%	75%

We plan to have separate recycling targets for our priority materials. We propose that these will be in the sector plan.

Important areas for action for construction and demolition waste

The following materials are priorities for waste minimisation in the construction and demolition sector.

- Wood
- Plastics
- Metals
- Insulation and gypsum
- Hazardous waste

Policies and actions

We propose that the policies and actions to tackle our important materials and achieve the ecological footprint reduction targets will be delivered through our sector plans, working with other Assembly Government departments and working closely with the UK and EU Governments.

We propose that the municipal waste sector plan will develop both a general and targeted waste minimisation campaign. It will put in place schemes to encourage behaviour change with the public. There will be links between the municipal waste and retail sector plans, as the type of municipal waste generated is particularly dependent on the retail sector. The sector plans will be constantly reviewed.

We propose that sector plans for key commercial, industrial, construction and demolition sectors will include voluntary agreements with sectors on greening supply chains, bench marking best practice and voluntary waste reduction targets. We will continue work with our specialist service providers to further develop together a programme of advice and support for waste reduction. We will monitor the outcomes to make sure that voluntary action delivers the outcomes in the strategy.

We propose to work closely within the Assembly Government to drive change through more sustainable public sector procurement and working with the Green Jobs Strategy to increase innovation in waste management towards more sustainable options, increase the number of jobs and develop higher skills levels.

Many of the tools needed to achieve waste minimisation to the levels required are not currently within the scope of the Assembly Government. We will work closely with the UK and EU Governments on ways to ensure producers take more responsibility for their products and their product design.

We also want Wales to take a lead on the world stage to promote sustainable consumption and production and ‘one Wales: one planet’. We propose to hold an international conference on waste reduction in Wales.

We propose that existing, enhanced and new, policies and actions to divert waste from landfill to recycling can be delivered through our waste management and infrastructure, municipal and construction and demolition sector plans. We will work closely with local authorities, the waste management industry and social enterprises to develop the type and capacity of infrastructure needed. We will take account of the different spatial needs in accordance with the Wales Spatial Plan Area Strategies, and the needs for waste infrastructure identified in the three Regional Waste Plans. Our specialist business support programme (Flexible Support for Business (FS4B)) will give advice and support to businesses on recycling. We also propose to run capital grant schemes to assist and support industry in developing the new infrastructure needed to meet the recycling and diversion targets.

In particular, we will work out the best way to make sure we have an effective collection system for source segregation of the mixed element of commercial and industrial waste, taking account of differing needs in urban, rural and valley areas.



PART 3: OUR APPROACH TO DELIVERY

We will need to work closely with our stakeholders. Further detail will be developed in each of the relevant sector plans.

- Within the **Welsh Assembly Government** - we will work jointly across departments to deliver the policies, and principles.
- **Industry and commerce** – the proposed sector plans will show how industry and commerce can help with delivery.
- **The public sector** – the public sector employs a large proportion of the Welsh workforce and has considerable influence via its procurement supply chain (e.g. it can help create markets for recycle and compost).
- **The public** - we need to get the public involved and change behaviour to make sure we meet our targets.
- The **waste management sector** will help make sure the infrastructure and facilities are in place.
- **Local authorities** have a major role to play in respect of the collection and management of municipal waste and in respect of the engagement of their citizens and communities.
- The **third sector** make a contribution to many areas and our proposed sector plans will show how the community sector can help with delivery in each sector.
- **Other Governments** - where the Assembly Government does not have devolved powers, we will work closely with the UK and European Governments to make sure our interests are represented and to encourage the adoption of policies and actions that will help us deliver the targets and outcomes proposed in this draft strategy

Within the Welsh Assembly Government

Green Jobs Strategy

The Green Jobs Strategy is concerned with ‘greening’ existing jobs (and creating new green jobs).

Its aim is to increase the number of new jobs created in Wales that will be ‘green’. It will also identify how skills will be provided for the development, maintenance, installation and manufacture of sustainable technologies. Jobs are likely to be created in all areas and at all levels, including collection, reprocessing, design, management and energy experts.

This strategy will align closely with the Green Jobs Strategy to make sure that innovation, jobs and up-skilling within sustainable consumption, production and waste management are captured.

Skills, training and qualifications

We will also work closely with DCELLS, the EU Skills Council and others to ensure skills gaps in waste management and resource efficiency are identified and the specific qualifications/ skills needed by the industry are given full support in each of our sector plans.

Flexible Support for Businesses

We have recently reviewed our approach to the way we provide support to businesses within Wales, through the ‘Flexible Support for Businesses’ (FS4B) Scheme. It includes providing specialist support in waste and resource management through Envirowise, the Waste & Resources Action Programme (WRAP) and Constructing Excellence in Wales. This will help us raise awareness and develop sustainable consumption and production and waste management. This programme will also look at sustainability and the role of the third sector in delivering our outcomes.

The specialist programme links with a more generic programme of environmental support for businesses under FS4B. This includes the provision of basic advice on how to improve environmental performance (including the better management of waste), and a more detailed level of environmental advice that will be provided by a network of Environmental Information Officers and/or Business Environment Co-ordinators.

Procurement

One of our main aims is to encourage change in greening supply chains through a change in public sector procurement. We propose to work closely with the Assembly Government’s Value Wales division to develop a Public Sector Plan, to encourage waste reduction, high quality recycling, product leasing and reuse as a condition of public sector grants.

Grant support

Grants provided to businesses and other organisations need to include sustainable waste management conditions.

Spatial Plan

The Welsh Assembly Government spatial plan team has commissioned the Sustainable Development Commission in Wales to define the practical application and definition of a low carbon region. Initial research will focus on four sectors including waste. Evidence from the waste strategy will help to inform this work.

The Wales Spatial Plan 2008 Update also includes data on the ecological footprint of each of the spatial plan areas. This will be recalculated every four years, which will assist us with assessing the impact of our actions on a regular basis.



Litter

The Assembly Government's Local Environment Quality Team (LEQ) are preparing an LEQ Action Plan and Mission Statement to outline the issues and targets in this area, as well as highlighting the roles and responsibilities of all those involved. It is intended that this will be available for consultation in 2009.

Leadership by the Assembly

It is important that the Assembly Government shows how to lead the way, and we will support waste reduction and recycling at all Assembly Government events, and Assembly Government sponsored events.

Actions identified in the Sustainable Development Scheme for Wales

Local Food. Through the Food and Drink from Wales Strategy the overall ecological footprint of food will be reduced by a number of measures that include minimising the creation of food waste and maximising compositing. The strategy will also aims to educate consumers to only buy the food they require and reduce the amount of food waste from homes, retailers and food outlets.

Green Jobs Strategy. With the Green Jobs Strategy the Welsh Assembly Government will encourage the adoption of resource efficiency in the production of goods and services. In particular the Welsh Assembly Government wishes to see businesses in Wales that are low-waste and encourages links with Welsh universities to promote low-carbon and resource efficient design of goods and services.

Public procurement. The Welsh Assembly Government will use Value Wales to ensure that procurement for the public sector in Wales contributes towards waste minimisation.

Greening operations. Within its estate the Welsh Assembly Government will minimise the ecological footprint by developing working parties to reduce consumption and waste.

Masterplanning. The concept of zero waste is to be integrated into the masterplanning for development and regeneration in Wales along with net zero carbon and other issues.

Engagement. The Welsh Assembly Government wants all groups in society to be engaged with and understand the concept of a low waste society and will be supported by the relevant public facilities and services.

Waste. In terms of municipal waste the overall target for the Welsh Assembly Government is to recycle 70% of household waste by 2025 and begin moving towards a zero waste society. Likewise, the commercial sectors will receive more support for reducing, reusing and recycling the waste that they produce.

Industry and commerce

Our proposed sector plans will show how we will deliver the outcomes in this strategy. We will talk to the industry about these plans and constantly review them. The proposed plans will cover the following:

Green procurement and analysing supply chains

Moving to more sustainable procurement activities will reduce how much waste is generated and also the ecological footprint of consumption. Large businesses can use their purchasing power to have a powerful influence over their suppliers. Also by using environmental demands, institutions can shift markets and influence design and durability. This is green procurement.

By understanding where an organisation has the most environmental impact they can they can use green procurement to make the most significant reduction in their environmental impact. This is particularly relevant to retailers and manufacturers. By looking at their supply chains they can identify where they can reduce the impact of their production. This will then reduce the impact per tonne of waste they generate. Tools are available for analysing these impacts.

Actions already undertaken:

Assembly Government funding support for the Eco-design Centre for Wales.

Provision of advice and support

Businesses need advice and guidance in order to make the necessary changes. This will be provided under the new FS4B initiative.

Action already undertaken:

- The Assembly Government funded Materials Action Programme providing specialist advice on waste minimisation to businesses, delivered by Envirowise and co-ordinated under FS4B.
- Provision of generic advice on waste minimisation by FS4B
- Environment Agency Wales ensuring via its regulatory and advisory roles under the Environmental Permitting Regulations (formerly PPC Regulations), Packaging Regulations and Hazardous Waste Regulations that regulated companies achieve a real reduction in the amount of waste they produce. From 2008/09 this effort is being targeted at the food and drink sector over an 18-24 month period with other sectors in following years.



Voluntary agreements and targets

Voluntary agreements and targets with industry sectors are important to achieve our outcomes. Industrial and commercial waste trends are closely aligned with economic trends. Through our proposed sector plans we will work to set targets to reduce growth in waste streams in line with business as usual trends. There are also opportunities to promote zero waste strategies and develop sector specific reuse targets.

Action already undertaken:

The 'Courtauld commitment' agreement between government and the major grocery retailers (brokered by WRAP) has focussed on the reduction of packaging and food waste. In July 2008 the major grocery retailers announced that they had halted the year on year growth in packaging. Most of the major grocery retailers individually have set themselves very significant packaging reduction targets.

Legacy wastes and hazardous waste

We will work with industry to deal with the issue of legacy wastes, such as asbestos, and to make sure that hazardous waste is designed out of products and processes as far as possible.

Through our proposed sector plans we will consider opportunities for sustainability and the role of the third sector. An example of this approach is the Fareshare Cymru scheme which ensures that unwanted food from the retail sector and its supply chain is provided to support those in need.

Construction and demolition sector

We propose that a sector plan will be developed for the construction and demolition sector.

To minimise waste in the construction and demolition sector we need the involvement of individuals and organisations along the entire supply chain. Three stages of a construction project to help with waste minimisation activities include:

Planning stage - Waste reduction and use of recycled material should be incorporated as early as possible in to the project during the planning stage. At this stage effort should be made to determine the availability of readily available recycled content that may be generated by other construction and demolition projects.

Contract stage - At the contract stage there is the opportunity to put in place obligations for waste minimisation for all project partners through the planning policy. Voluntary targets could be set for reducing waste and including recycled content on Assembly Government funded projects. Clients will have to do site waste management plans. There could be opportunities to reduce impacts with the demolition protocol on all new developments.

Design stage - At the design stage in a construction project there are opportunities for waste minimisation activities - architects and designers play a fundamental role to prevent waste from arising in the first place and be part of site waste management plans.

Construction stage - Waste reduction can be achieved on site with site specific waste management guidelines and plans. The Assembly Government is planning to consult in 2009 on legislation to introduce a mandatory requirement for the production of such plans.

Waste separation also helps in the management of onsite waste. The proposed sector plan will look at ways of encouraging source separation and sustainable construction practices to prevent, minimise and manage waste responsibly including the use of secondary recycled aggregates in construction.

Actions already undertaken:

- Assembly Government funded Materials Action Programme providing specialist advice on waste minimisation to construction businesses. This is delivered by Constructing Excellence in Wales and Waste & Resources Action Programme Wales (WRAP Cymru).
- An Environment Agency Wales survey of construction and demolition (C&D) waste arisings in Wales.
- Developing Site Waste Management Plans regulations in Wales as a tool to help companies to think and plan to prevent waste arising in the first place.
- Assembly Government grant support (via Objective One and Two, RSA, AIG and latterly the new Single Investment Fund) for a range of recycling and waste treatment plants covering C&D / inert waste.
- The Waste Protocols project (a partnership initiative by the Environment Agency and WRAP) has produced a number of protocols involving C&D waste, with the WRAP Aggregate Quality Protocol, the first of the protocols to be developed.
- The Sustainable Buildings in Wales Action Plan published in February 2007 requires that all new buildings funded by the Assembly Government use materials derived from recycled and reused content (at least 10% of the total value of materials used).

Legacy wastes and hazardous waste

We will work with the construction and demolition industry to deal with the issue of legacy wastes such as asbestos.



The public

The support of the general public is vital to the success of the strategy, and we propose to develop a municipal waste sector plan that will give more information about how we intend to do engage with them. The proposed plan will consider the following:

Changing lifestyles and behaviour for waste reduction

Education and awareness raising plays a large role in encouraging people to buy better quality, durable and serviceable goods, as well as buying second hand or fewer products in general. The proposed municipal waste sector plan will consider the role of:

- General awareness raising campaigns on the importance of reducing waste by people in Wales. Campaigns led by Waste Awareness Wales will focus on information about choosing durable, reused, reusable, repairable, upgradeable, less-packaged, and fewer goods as well as discouraging disposal of reusable items and introducing waste prevention into school curricula.
- Targeted waste reduction campaigns specific to materials with the greatest impact on Wales' ecological footprint. There will be a focus on food waste, paper, plastics, combustibles and other miscellaneous waste as these are the priority materials identified as having the greatest impact.
- Empowering communities to develop their own local solutions to reduce waste, raise awareness and facilitate behaviour change.

Actions already undertaken:

- Reducing food waste has been the subject of the major 'Love Food, Hate Waste' media campaign, devised by WRAP and implemented in Wales by Waste Awareness Wales.
- Waste Awareness Wales and individual local authorities have been funded by the Welsh Assembly Government to promote waste minimisation and re-use to householders, and campaigns have been run, or are planned, for 'junk mail', reusable nappies, reuse of other household items.
- Funding support from the Assembly Government, local authorities and other sources (e.g. the Lottery) has been provided to support community enterprise re-use initiatives that help reduce waste.

Reuse

The proposed municipal waste sector plan will show how we will encourage reuse through:

- Promoting via national and local awareness campaigns of the benefits of reuse in terms of saving money, helping charities, and benefiting the environment – ensuring people value all household items, in the same way that antiques are valued.
- Using reuse services such as donating unwanted items to charity shops.
- Developing Freecycle and other similar groups and local exchanges.
- Supporting schemes that involve 're-usable' products instead of disposable products.
- Improving reuse facilities at recycling centres.
- By increasing the skills needed for refurbishment within the jobs market, the reuse and refurbishment of products can grow.
- Improving the collection methods and services for large, re-usable items.
- Local authority departments (in particular social services and housing) purchasing reused furniture for their clients.

Actions already undertaken:

There are already 21 reuse schemes in Wales (Source: *Cylch Let's Prove It Report 2008*)

Enhancing recycling services and the level of usage

We propose that the municipal waste sector plan will focus on:

- Methods of service delivery to achieve 70% recycling, including the materials that need to be targeted.
- Far greater consistency in the types and range of recyclable materials collected by local authorities across Wales in order to result in a greater degree of understanding of what can be recycled and less confusion amongst householders.
- More efficient and effective services, focussing on value for money and potential efficiency savings through improved collection systems, joint procurement of equipment, and joint procurement of contracts for the management of recyclate.
- Enhancing the Waste Awareness Wales campaign to encourage and better explain to householders the importance and benefits of waste minimisation, reuse and recycling, and working with individual local authorities to help improve communication to householders on what they need to do.

Only two of the twenty-two local authorities in Wales contract out all or most of their environmental services. Although this is not necessarily an issue in itself from either a performance or an affordability perspective, it does contrast with the situation in England, where around 65% of waste collection services are now outsourced to contractors. Given that local authorities in Wales have been subject to broadly the same legislative drivers that led to considerable outsourcing in England, these statistics at least indicate the possibility of failure(s) in the Welsh waste collection market. At the very least this has potentially stifled the development of local waste collection businesses or community enterprises.



The Assembly Government proposes to discuss with local authorities and the Welsh Local Government Association (WLGA), as the municipal waste sector plan is developed, issues around demonstrating value for money as well as best practice in service delivery, and will consider options. This may include benchmarking with the private and third sectors.

The Environment Strategy identifies a commitment to scope possible charging for residual municipal waste as a means of ensuring householders are more accountable for the amount of waste they produce that they do not separate out for recycling. This work has been completed and options will be discussed during development of the municipal waste sector plan. Following this, a public consultation will be held.

Infrastructure and capacities

Work is already taking place to evaluate infrastructure and capacity in the municipal sector for the recycling and landfill diversion targets we are proposing. A major programme of support for local authorities for the procurement and delivery costs of anaerobic digestion of source separated food waste and the treatment of residual municipal waste is being provided by the Welsh Assembly Government.

Actions already undertaken

- The Assembly Government has since 2000/01 provided to local authorities more than £200 million of additional funding in the form of the Sustainable Waste Management Grant (SWMG) to support municipal waste recycling. An additional £90million is being provided to local authorities over three years to increase recycling and introduce the collection of food waste from households. The SWMG to local authorities has increased by £15m this year (2008/09) to £50m, and will increase by a further £9 million in 2009/10 to £59 million.
- Announced in October 2007 was a two-year package of additional Assembly Government grants under the Regional Capital Access Fund worth £14 million to start new recycling and food waste treatment schemes, including setting up the first plastic bottle waste sorting unit in Wales.
- Assembly Government support for the Waste Awareness Wales campaign run by the WLGA that provides national media campaigns promoting recycling, and support to local authorities for local campaigns. This has included a programme of national media advertising on television, radio and other national media.
- The implementation of the Producer Responsibility Regulations for packaging, end of life vehicle and electrical and electronic equipment wastes that require targets to be met for recycling/treatment by the producers and/or retailers of the products and/or materials covered by the regulations.
- Setting up of the Packaging Recycling Advisory Group, a joint initiative between retailers, local and national government, reprocessors, the packaging industry and others to improve the level, and consistency of, the recycling of packaging in the UK.

The public sector

- The public sector in Wales is a major instrument for change. We will work across the Assembly Government to ensure that all public sector bodies and services funded by the Assembly Government adopt sustainable waste management practices, including sustainable procurement which should help create a better market for recycled materials in Wales. We propose to build on the current public sector waste minimisation campaign to ensure that the tools and support provided are taken up by all public sectors. The Sustainable Buildings in Wales Action Plan published in February 2007 requires that all new buildings funded by the Assembly Government use materials derived from recycled and reused content (at least 10% of the total value of materials used).

Actions already undertaken

- The Assembly Government has funded a Public Sector Waste Minimisation Campaign since 2002.
- The Sustainable Buildings in Wales Action Plan published in February 2007 requires that all new buildings funded by the Assembly Government use materials derived from recycled and reused content (at least 10% of the total value of materials used).

The Waste Management and Reprocessing Sector for infrastructure and capacity of facilities and markets

The strategy is proposing large-scale changes in the infrastructure of waste management facilities in Wales – from landfill to a recycling and high efficiency energy from waste scenario. We also need adequate markets for recycle.

We propose to work closely with the reprocessors, the waste industry, local authorities, the community sector and others to develop the infrastructure and capacity needed and evaluate the most effective collection systems. We will ensure that steps are taken to link markets back to collection systems, ensuring that closed loop systems and quality are paramount.

We propose that the waste industry, infrastructure and market sector plan will build on the regional waste plans and will integrate with the delivery of the Wales spatial plan area strategies. Attention will be paid to spatial differences in the distribution of key business sectors and their potential differing needs for waste infrastructure. Account will be taken of the need to adapt to climate change, including the location of waste facilities (a key utility service that needs to operate continually) and the potential for waste composition to change as the climate gets warmer.



Skills, training and qualifications in waste management and resource efficiency

We will work closely with relevant education, skills and training organisations to ensure that a full range of qualifications and courses are available to ensure that all those working in the waste management industry, and those working in businesses that produce waste, all have the necessary awareness and skills to help them implement this strategy and the relevant sector plans. This will link closely with the new Green Jobs Strategy.

Around 10,000 people are employed in the waste management industry in Wales. The workforce is spread across large public sector, private sector, small and medium sized enterprises (SMEs) and social enterprises. The recycling workforce has increased very substantially over the past two decades, and employment in waste collection, treatment and disposal has increased too. It is estimated that employment within the waste management industry in the UK will increase by around 5,000 between 2006 and 2014. Skilled trade occupations will account for the majority of this increase (+53% on 2006 levels) while drivers and plant operatives will increase by around 30%¹³.

By working towards zero waste and 'one Wales: one planet' by 2050, there is an enormous opportunity to develop more skills and increase employment further within Wales. We suggest that skills will be needed in areas that include the design, development, installation, operation and maintenance of process plant. Also, to achieve the significant levels of waste reduction required, Wales will need more expertise in lifecycle assessment and design, creative industries, clean technologies and processes and environmental management and monitoring. Wales will also need to build capacity to deliver waste related skills and training.

Actions already undertaken

- Assembly Government grant support (via Objective One and Two, RSA, AIG and latterly the new Single Investment Fund) for a range of recycling and waste treatment plants.
- The Assembly Government has funded the production and recent review of the three Regional Waste Plans that identify the need for waste facilities in each region, and identify suitable locations for regional scale facilities.
- A draft recyclate market development plan has been produced that will be incorporated into the Waste Industry, Infrastructure and Recyclate Market Sector Plan.
- Funding has been provided to WRAP Cymru to lead a recyclate market development programme in Wales.
- The Energy and Utilities Sector Skills Council has mapped the skills gap in the waste sector.
- The Chartered Institution of Wastes Management has promoted its Waste Awareness Certificate for staff widely amongst businesses in Wales.

UK and European Governments

It is our aim to make sure businesses take ownership of the waste they produce. Producer responsibility means producers are responsible for the collection and treatment of products at the end of their useful life. Currently, producer responsibility law has limited impact on preventing waste because the law focuses on improving collection and the level of treatment or recycling of the waste. It is designed to ensure the lowest costs for compliance with recycling or treatment targets, but this means that some sources of wastes covered by the producer responsibility legislation do not receive the same level of attention, especially where costs are greater or where the cost of collection is borne by other parties (for example packaging waste from the household waste stream, whose cost of collection is borne by the council tax and grants from the Assembly Government). By extending producer responsibility, producers need to meet the full costs of sustainable waste management for their products. We anticipate that this would incentivise (through increased cost of waste management) using less materials or to use of materials that are easier to recycle instead.

We also propose to work with the UK and European Governments to explore initiatives such as compulsory take back schemes, laws defining minimum recycled content and secondary material utilisation rate requirements, eco-efficiency standards and restrictions and bans on the disposal of specific materials and products across the UK and Europe.

Existing legislation and financial instrument are driving change in the required direction.

Actions already undertaken:

- The implementation of the producer responsibility regulations for packaging, end of life vehicle and electrical and electronic equipment wastes that require targets to be met for recycling/treatment by the producers and/or retailers of the products and/or materials covered by the regulations.
- The Waste Protocols project (a partnership initiative by the Environment Agency and WRAP) helps major waste streams be recycled by setting quality standards for the material so that it is no longer regarded as waste once it has undergone a process to turn it into a quality product, it meets a publicly available standard and it has a market for its use.
- The implementation in the UK of the article 6 Landfill Directive requirement for pre-treatment of all waste prior to landfill since July 2007 encourages recycling and ensures at least of degree of treatment.
- The £8 per tonne per year increase in Landfill Tax acts as a major incentive for businesses to divert waste from landfill.

¹³ Energy & Utility Skills – Sector skills agreement S1 and 2 report waste management industry – March 2007



Waste minimisation during production

Companies within the commercial and industrial sector involved in product design, manufacture and processing activities have numerous opportunities to reduce waste. This is because the design of a product and the materials used has a significant impact on the total amount of commercial & industrial and municipal waste produced. We propose to work with the EU and UK Governments to demonstrate support for integrated product policy.

Governance

We intend to develop a governance plan in parallel with the sector plans.

Data and research

Our evidence base to support the strategy can be found on the website¹⁴.

Legislation and enforcement

Supporting legislation can be found on the website¹⁵.

Health

The health impact assessment (HIA) can be found on the website¹⁶.

'The HIA concludes that the draft strategy constitutes a holistic, targeted approach to waste resource management which implicitly considers the health and wellbeing of communities through the recommended policies and the in-depth consideration of the waste management options. Following the recommendations of this HIA, and in conjunction with regulatory assessments and environmental permitting requirements set to stringent environmental thresholds to protect environment and community health, the draft strategy constitutes a robust document geared to protecting and improving Wales' environment, economy and the health and wellbeing of its people.

Being a strategic document, a key feature of the HIA is to provide information that will further support decision making at the regional and local level throughout Wales. As such, the HIA provides a series of recommendations through a dedicated health management plan geared to further support the development and delivery of the draft strategy, to aid in managing potential community and occupational health risks, enhance the uptake of benefits and to address relative inequality at the national, regional and project level throughout Wales.

In addition to the health management plan, the HIA provides a detailed review of the available scientific health and waste management evidence, supported by formal position papers issued by organisations including the Environment Agency, the Health Protection Agency and the Chartered Institute for Water and Environmental Management.¹⁷

Sustainability appraisal

The sustainability appraisal can be found on the website¹⁸.

The full findings of the appraisal will be disseminated in the sustainability appraisal report, published alongside the draft strategy for external review and subject to a twelve week consultation period.

- This has been a collaborative and constructive appraisal, which has afforded the opportunity to meaningfully influence the drafting of the strategy, and as such as sought to instil best practice in respect of the SEA/SA process.
- A robust and substantive evidence base has been commissioned and used to inform the drafting of the strategy and the appraisal undertaken of it.
- The appraisal has noted and assessed the feasible alternatives or options to the 'preferred option' incorporated within the strategy. The assessment indicates that the preferred option demonstrates clear sustainability benefits above and beyond possible alternatives– these benefits have been maximised through the approach adopted in the strategy and will further be enhanced through the detail of the proposed sector plans.
- Notable are the sustainability benefits which should accrue above and beyond environmental and resource sustainability; such benefits including employment, upskilling, public /community engagement, awareness raising and behavioural change and generally enhanced accessibility.
- The appraisal notes the importance of ensuring thorough and effective implementation of the strategy's aspirations and targets, integral to which is the role of stakeholders, engagement, awareness raising and enforcement, amongst other aspects.

¹⁴ Evidence Base www.wales.gov.uk/consultations (Environment & Countryside)

¹⁵ Legislation and enforcement www.wales.gov.uk/consultations (Environment & Countryside)

¹⁶ Health Impact Assessment www.wales.gov.uk/consultations (Environment & Countryside)

¹⁷ Health Impact Assessment p11-12 www.wales.gov.uk/consultations (Environment & Countryside)

¹⁸ Sustainability Appraisal www.wales.gov.uk/consultations (Environment & Countryside)



Glossary

Anaerobic digestion - A biological process where biodegradable wastes, such as food waste, is encouraged to break down in the absence of oxygen in an enclosed vessel. It produces carbon dioxide, methane and solids/liquors known as digestate which can be used as fertiliser and compost

Bring site - Recycling point where the public can bring material for recycling, for example bottle and can banks. They are generally located at civic amenity sites, supermarket car parks and similar locations.

Biowaste - Biodegradable garden and park waste, food and kitchen waste from households, restaurants, caterers and retail premises, and comparable waste from food processing plants.

Civic amenity site - Site provided by the local authority for disposal of household waste including bulky items such as beds, cookers and garden waste as well as recyclables, free of charge.

Closed loop recycling - Recycling where recycled materials are being used for the same purpose rather than downgraded, for example a glass bottle recycled into new glass product.

Commercial and industrial waste - Commercial waste is waste arising from any premises which are used wholly or mainly for trade, business, sport recreation or entertainment, excluding municipal and industrial waste. Industrial waste is waste from any factory and from any premises occupied by an industry (excluding mines and quarries).

Composting - An aerobic, biological process in which organic wastes, such as garden and kitchen waste, are converted into a stable granular material which can be applied to land to improve soil structure and enrich the nutrient content of the soil.

Construction and demolition waste - Consists of all waste originating from construction, renovation and demolition activities, such as rubble, bricks and tiles.

Eco design - A strategic design management process that is concerned with minimising the impact of the life cycle of products and services. Approaches include life cycle analysis, design for disassembly and reducing the negative impact of a product on the environment (for example by removing hazardous chemicals or materials without compromising the design).

Ecological footprint - The ecological footprint methodology calculates the land area needed to feed, provide resource, produce energy and absorb the pollution (and waste) generated by our supply chains.

Energy from waste - Technologies include anaerobic digestion, direct combustion (incineration), use of secondary recovered fuel (an output from mechanical and biological treatment processes), pyrolysis and gasification. Any given technology is more beneficial if heat and electricity can be recovered. The Waste Framework Directive considers that energy efficient waste incineration (where waste is used principally as a fuel or other means to generate electricity) is a recovery activity provided it complies with certain criteria, which includes energy efficiency.

Freecycle - Freecycle groups match people who have things they want to get rid of with people who can use them. The main goal is to keep usable items out of landfills.

Global hectares - One global hectare is equal to one hectare of biologically productive space with world average productivity. Global hectares is the unit of measurement for ecological footprinting.

Greenhouse gas emissions - Emissions that contribute to climate change via the 'greenhouse' effect when their atmospheric concentrations exceed certain levels. They include emissions of Carbon dioxide, Methane, Nitrous oxide, Hydrofluorocarbons, Perfluorocarbons and Sulphur Hexafluoride.

Hazardous waste - Waste that may be harmful to human health or the environment. Examples of hazardous wastes include asbestos, some chemical wastes, some healthcare wastes, electrical equipment containing hazardous components such as cathode ray tubes or lead solder, fluorescent light tubes, lead-acid batteries and oily sludges.

Household waste - Includes waste from household collection rounds (waste within Schedule 1 of the Controlled Waste Regulations 1992), waste from services such as street sweeping, bulky waste collection, hazardous household waste collection, litter collections, household clinical waste collection and separate garden waste collection (waste within Schedule 2 of the Controlled Waste Regulations 1992), waste from civic amenity sites and wastes separately collected for recycling or composting through bring/drop off schemes, kerbside schemes and at civic amenity sites.

Intergovernmental panel on climate change - Established to provide the decision-makers and others interested in climate change with an objective source of information about climate change.

Integrated product policy - All products cause environmental degradation in some way, whether from their manufacturing, use or disposal. Integrated product policy, currently under discussion in EU, seeks to minimise these by looking at all phases of a product's life-cycle and taking action where it is most effective.



Kitchen waste - This term refers to the organic component of household waste e.g. vegetable peelings, tea bags, banana skins.

Landfill sites - Any areas of land in which waste is deposited. Landfill sites are often located in disused mines or quarries. In areas where they are limited or no ready-made voids exist, the practice of landraising is sometimes carried out, where waste is deposited above ground and the landscape is contoured.

Legacy waste - Legacy wastes, which are often hazardous – for example asbestos, are materials that it is not currently feasible to recover or recycle and therefore cannot be returned into the chain of utility. The only option is disposal, and this is likely to continue to be the case in the future if that material continues to be used in the present way. In order for waste not to become legacy waste the original product needs to be redesigned so that it can be recovered and reused. In the meantime, new treatment methodologies need to be developed wherever possible to avoid these materials being sent for disposal.

Municipal waste - Includes household waste and any other wastes collected by a Waste Collection Authority (WCA), or its agents, such as municipal parks and gardens waste, beach cleansing waste, commercial or industrial waste and waste resulting from the clearance of fly-tipped materials. WCA - A local authority charged with the collection of waste from each household in its area on a regular basis. Can also collect, if requested, commercial and industrial wastes from the private sector.)

Open loop recycling - Where the end product of recycling is used to replace something else, e.g. glass is recycled into aggregate which replaces virgin aggregate.

Producer responsibility - A 'producer responsibility' approach is intended to require producers who put goods or materials onto the market to be more responsible for these products or materials when they become waste. In some cases, producers will also be asked to reduce the level of hazardous substances in their products and to increase the use of recycled materials and design products for recyclability.

Recycling - Involves the reprocessing of wastes, either into the same product or a different one. Many non-hazardous industrial wastes such as paper, glass, cardboard, plastics and scrap metals can be recycled. Special wastes such as solvents can also be recycled by specialist companies, or by in-house equipment.

Reduction - Achieving as much waste reduction as a priority waste action. It can be accomplished within a manufacturing process involving the review of production processes to optimise utilisation of raw (and secondary) materials and recirculation processes. It can be cost effective, both in terms of lower disposal costs, reduced demand for raw materials and energy costs. It can be carried out by householders through actions, such as home composting, reusing products and buying goods with reduced packaging.

Reprocessor - A person who carries out one or more activities of recovery or recycling.

Residual waste - Term used for waste that remains after recycling or composting material has been removed from the waste stream.

Resource efficiency – Managing raw materials, energy and water in order to minimise waste and thereby reduce cost.

Reuse - Using a produce again for the same or different use.

Site waste management plan (SWMP) - A tool to help the construction and demolition sector to improve on their management of waste at their place of work. It is a plan that details the amount and type of waste produced on a construction site and how it will be reused, recycled and disposed of, by doing so, will help to improve resource efficiency within the industry. SWMP is mandatory in England since April 2008. The Assembly Government has explored options for SWMP in Wales and will be consulting on draft regulations later this year.

Sustainability appraisal - Single appraisal tool which provides for the systematic identification and evaluation of the economic, social and environmental impacts of a proposal.

Third sector organisations - Refers to voluntary and community groups, social enterprises, charities, cooperatives and mutuals

Treatment - Physical, thermal, chemical or biological processes, including sorting, that change the characteristics of the waste in order to reduce its volume or hazardous nature, facilitate its handling or enhance recovery.

Waste arisings - The amount of waste generated in a given locality over a given period of time

Waste hierarchy - Sets out the order in which options for waste management should be considered based on environmental impact. It is a useful framework that has become a cornerstone of sustainable waste management.

Zero waste - A concept based on the understanding that all the materials we use are resources and only become waste as a result of poor management, bad design and out-dated attitudes to sorting and disposal. It is therefore a way of thinking - a path to travel that defines waste as something that is not acceptable. It sets a new paradigm with a target of a 100% resource-efficient economy where material flows are cyclical and everything is reused or recycled harmlessly back into society or nature. 'Waste' as we think of it today will cease to exist because everything will be viewed as a resource.

NORTH WALES WASTE TREATMENT PARTNERSHIP

AGENDA ITEM NUMBER 11

REPORT TO : **NORTH WALES RESIDUAL WASTE JOINT
COMMITTEE**

DATE : **3 JULY 2009**

REPORT BY : **TREASURER**

SUBJECT : **FINANCE UPDATE**

1.00 PURPOSE OF REPORT

1.01 To update Members of the Project Board on the current basis of funding for the project, including a re-profiling of the Regional Capital Access Fund (RCAF) grant, and proposals for the development of a revised financial profiling statement for future monitoring by the Board.

2.00 BACKGROUND

2.01 A formal agreement was made in November 2008 by the five partner Local Authorities to the North Wales Waste Treatment Partnership, to set out clear terms of reference how the Joint Committee will operate and how key decisions will be made in the project.

2.02 The Joint Committee will be advised by the Project Board, comprising of the Chief Executive for the Lead Authority (Flintshire County Council), one Director from each of the other four Authorities, the Project Director, the Section 151 Officer of the Lead Authority, the Monitoring Officer of the Lead Authority, and other external parties as appropriate.

2.03 The terms of reference for the Joint Committee stipulate that the Project Board shall monitor the Project to ensure that it remains within budget.

3.00 CONSIDERATIONS

3.01 The five participating Authorities each agreed in the autumn of 2008 to provide funding towards the costs of the initial integrated waste disposal project of £0.990 million each over the period 2008/09 to 2011/12.

3.02 The original procurement for the integrated Waste Disposal contract was subsequently split into two uniquely identifiable work streams (residual and food). In recognition of this, the anticipated procurement costs of £4.793m were disaggregated between the two projects resulting in revised totals of £3.958 million for the Residual Waste project and £0.835m for the Food Waste project (including contingencies of 15 % over 4 and 3 years respectively). The result is that the contribution from each of the five

participating authorities in the Residual Waste project is revised to £0.818 million for this specific project (82.6 % of £0.990m).

- 3.03 In addition to this primary source of funding, the Welsh Assembly Government (WAG) have awarded the project partnership a grant up to a maximum of £0.670 million from the Regional Capital Access Fund (RCAF) - Procurement. This funding is towards supporting Stage 1 Project Preparation, Stage 2 Outline Business Case (OBC), and Stage 3 Procurement Activities as detailed in the Department for the Environment, Sustainability and Housing (DESH) Waste Programme Office QA regime as set out in Annex A to the WAG grant offer letter. The award is broken down as indicated in Table 1 below :-

Table 1

Period	Activity (ref to QA Regime Annex A)	Funding Cap £m
1 April 2008 to 31 March 2009	Stage 1 Project Preparation	0.075
1 April 2008 to 31 March 2009	Stage 2 Business Case Production	0.195
1 April 2009 to 31 March 2010	Stage 3 Procurement Activities	0.200
1 April 2010 to 31 March 2011	Stage 3 Procurement Activities	0.200
	TOTAL :	0.670

- 3.04 The profiling of the grant over financial years, as set out in Table 1 above is set out in the original grant offer letter. As the timescales for the early stages of the project will now differ from the grant offer, there has been concern that the amount profiled for 2008/09 of £0.270m (£0.075m and £0.195m) could be in doubt. Verbal agreement has been received from WAG that the total grant can be re-profiled over the Procurement Phase of the project. It has been agreed that the re-profiled details will be submitted to WAG, following the meeting of the Board.
- 3.05 It has always been envisaged that the grant would be utilised for Project Management and associated costs. The Interim Project Director - Mr. Stephen Penny was appointed early in May, on a three days per week basis, and commenced his duties from the week beginning 11th May 2009. The Project Manager is in the process of being appointed and will commence their duties in the near future. Below, in Table 2, is an illustration of how the grant may be utilised to fund the costs of the Project team.

Table 2

	<u>2008/09</u> £m	<u>2009/10</u> £m	<u>2010/11</u> £m	<u>2011/12</u> £m	<u>Total :</u> £m
Interim Project Manager	0.058	0.001	-	-	0.059
Recruitment Costs	0.021	-	-	-	0.021
Interim Project Director	-	0.110	0.125	0.060	0.295
Project Manager	-	0.042	0.057	0.036	0.135
Project Support	-	0.030	0.040	0.040	0.110

Equipment / Supplies	-	0.020	0.015	0.015	0.050
Total :	0.079	0.203	0.237	0.151	0.670

- 3.06 The Procurement process for the engagement of specialist professional advisers is now well advanced, with the Legal Advisors contract having recently been awarded to Pinsent Masons. The evaluation of tenders for the Technical and Financial Advisors is expected to take place during July. When this process is completed we will know the expected total costs of specialist advisers, which will represent a considerable proportion of the total costs of the project.
- 3.07 The initial profiling of total costs of the project needs to be revised to take account of the removal of the food waste element, to build in cost estimates as they are firmed up, and to take account of revised timelines for the project. A full review of all projected costs will be undertaken when the expected commitments required for the engagement of all professional advisers becomes clearer. Following this review it may become necessary to further revise the sums allocated against individual elements of the total project cost. The outcome of this review will be reported to the next Project Board meeting.
- 3.08 Work is being undertaken to determine, in detail, how project costs will be monitored and reported to each Board meeting. This will include :-
- A budget report showing :-
 - Budget
 - Actual costs
 - Commitments
 - Broad cash flow projections

The re-profiling work will enable all Authorities to have a clear indication of when they will need to release resources and the amounts required.

4.00 RECOMMENDATIONS

- 4.01 That Members of the Project Board note the revised profiling of Project Team costs to be funded by the WAG RCAF grant, and the proposals for review and update of the financial profiling statement for use in future monitoring and reporting.

5.00 FINANCIAL IMPLICATIONS

- 5.01 As set out in the report.

6.00 ANTI POVERTY IMPACT

- 6.01 None

7.00 ENVIRONMENTAL IMPACT

- 7.01 None

8.00 EQUALITIES IMPACT

8.01 None

9.00 PERSONNEL IMPLICATIONS

9.01 None

10.00 CONSULTATION REQUIRED

10.01 None

11.00 CONSULTATION UNDERTAKEN

11.01 None

12.00 APPENDICES

12.01 None

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985
BACKGROUND DOCUMENTS

Contact Officer : Kerry Feather
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Key Waste Issues in the six North Wales Councils as identified by each authority January – March 2009.

Conwy County Borough Council

1. Strategy Development
2. Partnerships
3. Infrastructure Development
4. Technology
5. Markets
6. Affordability
7. Stakeholder Participation

Denbighshire County Council

1. Trying to convince WAG not to be over prescriptive in their new plans
2. Securing planning consents and public support for the new facilities that need to be developed.
3. Securing outlets for separately collected food waste.
4. Reliance on the NWWP partnership working, incl strength (or otherwise) of the partnership (e.g. uncertainty about the level of commitment to completing the process.)
5. Capacity to manage the wide range of project that form part of the waste agenda. (e.g. Managing the April 09 changes, incl. switch to commingled collections, and new CA site contract etc)
6. Develop strategy for replacement of disposal contract (3 yrs to run).
7. Capacity to take the AD project through to OBC stage – including securing commitment from all partners
8. Longer term - funding of the ‘gap’ predicted by WAG.
9. Managing the levels of public expectation about future levels of service and changing behaviour in relation to waste.

Flintshire County Council

1. Developing the Waste Strategy – developing new one/updating.
2. Structural responsibilities – within FCC
3. Bringing in-house the LAWDAC by end March 2009.
4. Planning issues – landfill sites, AD sites etc.
5. Private sector issues – Corus, Shotton paper Mill.
6. Challenge from members participating – acceptance of figures, performance etc.
7. Issues around procurement partnership for NWWP – project team, links with PUK.
8. Capacity – human & financial issues.

Gwynedd Council

1. Waste Strategy
2. Regional Waste Partnership
3. Internal Issues
4. Private Sector Issues

Isle of Anglesey County Council

1. Develop and confirm long-term residual waste procurement options.
2. Targets/Fines
3. Longer term budgets for waste management/ affordability.
4. Future Service Delivery
5. Waste Strategy
6. Private Sector
7. New Island based waste management Infrastructure.
8. Future Procurement

Wrexham County Borough Council

1. Successful implementation of the PFI Waste Management Project with our long-term partner WRG.
2. Gradual roll-out of the food waste and cardboard collection with green waste across the County Borough.
3. Securing a more sustainable EfW outlet for our residual waste rather than using the Allington plant in Kent from 2011.
4. Scoping the potential for a Phase II facility to supplement our new PFI waste infrastructure.
5. Ensure that we can successfully implement the key elements of the WAG's (awaited) new Waste Strategy for Wales
6. Investigate any potential positive benefits of working jointly with other North Wales local authorities.

April 2009.



Issue paper December 2008

North Wales Waste Management Study

Purpose of Issues Paper

- Agree the scope of the project
- Identify the overarching question to be answered by the project
- Identify the sub questions to be answered
- Confirm the timing of the project
- Consider the outputs of the project e.g. report, presentation, workshop

The Wales Audit Office is undertaking a study into waste management in North Wales. This study will assess both local waste management issues and regional partnership working at a variety of levels. The local authorities within the North Wales Waste partnership (NWWP) comprises of the Councils of Isle of Anglesey, Gwynedd, Conwy, Denbighshire and Flintshire. Wrexham County Borough Council is also involved in discussions and may be part of a wider waste management project at a later stage. A meeting of the NWWP Reference Group on 20th August considered the scope of the WAO study and it was agreed that a two level approach be taken to the study covering both the specific waste issues within each of the partner authorities and wider regional partnership issues.

Meetings with each individual authority at both Chief Executive and service manager levels are to be undertaken to confirm and agree the scope of the study and identify authority specific issues. A terms of reference letter will then be issued by the WAO confirming the main questions and indicative timescale for the project.

Situation

The Welsh Assembly Government has set challenging targets for recycling, waste minimisation and reduction of the amount of waste being disposed of in landfill sites. Considerable effort has already been made in developing and providing services within each individual Council in Wales to meet the targets to date.

The North Wales Waste Partnership comprises of the Councils of Isle of Anglesey, Gwynedd, Conwy, Denbighshire and Flintshire. The partnership has been set up to provide a regional approach to the treatment and disposal of residual waste in North Wales and thus helping meet waste minimisation, recycling and landfill reduction targets. Failure to meet future waste targets



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carries substantial financial penalties. All five of the North Wales councils have assessed waste management as an area of high risk.

Complication

A regional approach to residual waste treatment and disposal involves a complex process of assessment of future waste tonnages, available technology, logistics, and methods of collection and disposal in order to determine options which will provide benefits for all of the councils involved. The Welsh Assembly Government is proposing new municipal waste targets for the future and by 2025 are to be set at 70% recycling and 30% residual waste. A figure of 30% waste to energy is being proposed as the maximum. This places restrictions on the type of technology which can be used to treat the residual waste. Landfill options are decreasing with the reduction of capacity available within the North Wales area and increasing landfill tax costs.

Development of waste treatment facilities within the North Wales area through a joint partnership has been calculated to provide a more cost effective way of reducing total tonnages of residual waste and thereby assist the councils involved to meet future waste minimisation and recycling targets.

Plans are being prepared to procure waste treatment facilities in North Wales which will involve substantial amounts of private capital investment and tie the partnership councils into long term contractual obligations. The procurement process will require commitment and resources from each of the councils in the partnership as well as organisational, communications and governance arrangements which can deal with the differing technical, political, resource and financial arrangements within each of the partner councils.

While considerable emphasis is being placed upon the waste disposal elements of the partnership, it is important that the substantial facilities and services already put in place by each Council for waste collection, recycling and waste minimisation are maintained, enhanced and co-ordinated to provide the maximum opportunity to achieve the proposed future 70% recycling target by 2025.

Objectives of the Study

The Wales Audit Office (WAO) will provide an independent assessment of the risks to the partnership and the individual authorities of the developing



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regional approach to waste management. This approach will provide a holistic view of waste management in the region and will identify how the key waste issues within each of the partner authorities is being addressed within a regional approach and the scope for further partnership development.

The Welsh Assembly Government has commissioned a consultant, Partnership UK, to provide waste partnerships in Wales with specialist project and procurement support. The WAO work will complement this input from PUK by providing an independent assessment of progress in the context of the wider regional waste needs. The work will also provide assurance that risks to individual councils are being effectively managed and addressed.

This review links to the work the WAO have been undertaken with the Councils of Gwynedd, Isle of Anglesey and Conwy during 2007-8. Ongoing discussion and monitoring is currently underway and the work will continue throughout the rest of the year. Fieldwork will include:

- Desktop analysis of current plans and progress;
- Interviews with relevant officers and elected members;
- Attendance at NWWP meetings as appropriate;

The study will be undertaken during 2008-09 with a report and presentation as the proposed outputs. Completion date will be dependent upon the project progress but likely to be in the spring of 2009.

Some key issues and lines of enquiry

1. Individual authorities key waste issues & how they align with a regional partnership approach.
2. Capacity (to deliver the partnership programme and existing services)
3. Programmes and timetables v target deadlines both locally and in partnership.
4. Co-ordination of services (e.g. refuse collections, recycling collections)
5. Risk management

Suggested key question to be answered by the study. (subject to agreement by the 6 authorities)

Key question



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Is the delivery of waste management services in North Wales being effectively planned, managed and co-ordinated in a way likely to meet future challenges?

Level two questions

1. Are the waste management issues within each of the 6 North Wales authorities being effectively managed?
2. Are the individual waste issues being addressed within a partnership approach in a co-ordinated way?
3. Is there effective decision making and planning in waste management?
4. Is a partnership approach an effective way of helping deliver long term waste management in North Wales.

A drawing conclusions meeting will be arranged at the end of the fieldwork stage at a time to be agreed. Findings will be circulated to the councils prior to the drawing conclusions meeting to confirm that our evidence is factually correct.

Consideration can be given to providing interim feedback during the course of the project.

Arrangements for contact arrangements between the WAO and the partnership and individual councils need to be confirmed.

WAO contact undertaking work

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John Scrimgeour, Wales Audit Office
December 2008

AGENDA ITEM NO. 13

PROJECT BOARD AND JOINT COMMITTEE

SCHEDULE OF FUTURE MEETINGS

Joint Committee - 3rd July @ 2 p.m. in Venue Cymru, Llandudno

Project Board - 3rd September @ 2 p.m. in Gwynedd (venue to be confirmed)

Joint Committee - 17th September @ 2 p.m. in Gwynedd (venue to be confirmed)

Project Board - 27th November @ 2 p.m. in Delyn Room, County Hall, Mold

Joint Committee - 9th December @ 2 p.m. in Delyn Room, County Hall, Mold