

OXFORDSHIRE WASTE PARTNERSHIP JOINT COMMITTEE

10 July 2009

Waste Treatment Project Update

1 Purpose of Report

- 1.1 To update the OWP on progress on the residual waste treatment procurement project.

2 Background

- 2.1 Diversion of waste from landfill is essential to reduce the risk of fines for exceeding targets for limiting the amount of biodegradable waste that is landfilled under the Landfill Allowance Trading Scheme (LATS). It is also essential to reduce the amount of methane gas produced. Methane gas is a greenhouse gas over 20 times more powerful than CO₂.
- 2.2 The County Council is proceeding with the procurement of residual waste treatment and has been undertaking a competitive dialogue process with two participants;
- Viridor Waste Management Ltd, with a solution based at Ardley landfill site
 - Waste Recycling Group Ltd, with a solution based at Sutton Courtenay landfill site
- 2.3 As previously reported the technical solutions being offered are both incineration with energy recovery. Both use established technology providers with a proven track record in incineration.
- 2.4 Both participants are allowing capacity to treat some commercial and industrial waste. This will provide cost benefits to Oxfordshire County Council and mean that even less waste will be sent to landfill and therefore increase the environmental benefits delivered.

3 Progress and future actions

- 3.1 The dialogue has been intensive and has continued until the technical, financial, and legal issues relating to the detailed solutions and the draft contracts with each bidder have been resolved. This point was reached in early April and the dialogue was closed on 8 April 2009. At the same time the bidding companies were invited to submit their final tenders.
- 3.2 Both bidders have now submitted their final tenders. The residual waste treatment team is in the process of clarifying and evaluating the tenders. It is expected that a preferred bidder will then be selected and a contract is expected to be awarded in winter 2009.
- 3.3 Previously it was reported that both facilities were the same size – 300ktpa. However, WRG is now proposing to reduce the capacity of their proposed plant to 220,000 tonnes of waste a year, instead of 300,000 tonnes a year. WRG are revising their application accordingly and state this is ‘to more closely reflect the amount of waste to be disposed of by Oxfordshire County Council (OCC) with less reliance upon commercial and industrial wastes.’
- 3.4 Planning permission and Environment Agency permits will be required before any facility

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can be built. The county council as waste planning authority will determine the planning application unless it is called in by the Secretary of State. The planning and procurement processes are kept entirely separate in terms of key officer, teams and governance, with the Cabinet taking decisions on the procurement process and the Planning and Regulation Committee determining the planning applications. Planning decisions are made on planning grounds and are guided by local, regional and national planning policy and other material planning considerations.

- 3.5 Planning applications have been submitted by WRG and Viridor and are expected to be considered by the Planning and Regulation Committee in the Summer/Autumn. Applications for environmental permits have also been made to the Environment Agency by both companies and will also be subject to consultation.
- 3.6 More information about the project is available on the Council's web site – www.oxfordshire.gov.uk/alternativestolandfill

4 Financial, Risk and Staff Implications

- 4.1 Internal and external resources have been made available to support the procurement project as required.
- 4.2 The project is being managed using the County Council's project methodology and documentation including a risk register.

5 Areas Affected

- 5.1 County wide

6 Effect on Strategic Policies

- 6.1 The procurement of waste treatment capacity is in accordance with, and implements, policy 9 in the Joint Municipal Waste Management Strategy which states that the OWP will provide a system for recovering value from residual wastes in order to meet LATS targets.

7 Options or Alternatives

- 7.1 N/A

8 Recommendations

- 8.1 To note and support the progress made on the procurement of residual waste treatment.

9 Reasons for Recommendations

- 9.1 To demonstrate OWP support for the procurement of residual waste treatment.

10 Contact Officer

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