



<u>Committee and Date</u>
Environment and Services Scrutiny Committee Monday 28 <sup>th</sup> September 2015

<u>Item</u>
<b>8</b>
<u>Public</u>

## WASTE MANAGEMENT SERVICE UPDATE

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### 1. Summary

- 1.1 This report provides an update on progress regarding the construction and commissioning of the Battlefield Energy Recovery Facility (ERF) and collection service re-design work following on from the Shropshire Energy and Growth Solutions (SEGS) project.
- 1.2 The background information on the ERF compliments the information that will be provided by Veolia and Shropshire Council staff on the Scrutiny Committee's visit to the plant on 28<sup>th</sup> September.

### 2. Recommendations

Members of Environment and Services Scrutiny Committee are asked to:

- 2.1 Note progress of the ERF to its adoption as a contract facility.
- 2.2 Comment on the work done to date on waste collection service redesign following the verbal update at the meeting.
- 2.3 Receive a further report on the waste collection service redesign in early 2016.

## **REPORT**

### **Battlefield Energy Recovery Facility**

The most significant recent development for waste management services in Shropshire has been the successful commissioning of the Energy Recovery Facility (ERF) at Battlefield, Shrewsbury. The construction of the ERF is a landmark project for Shropshire Council and will be key to the treatment of Shropshire's household waste throughout the life of the council's waste PFI contract and beyond. The project has also included improvement works to the adjoining household recycling centre and exit road. The plant became a PFI contract facility on 10<sup>th</sup> September 2015.

The commissioning process began on 23<sup>rd</sup> December 2014, when the first load of waste was loaded into the chamber. The various stages of the process were then tested and refined over the following months, including the export of energy to the national grid which began in March 2015. All commissioning tests were completed and the facility handed over from construction contractors CNIM/Clugston to Veolia on 14<sup>th</sup> May. The facility has also been issued with a Certificate of Construction Completion by an independent certifier. Waste input is now around 270 tonnes per day, and by August 26.7m kilowatt hours of electricity had been exported to the national grid, enough to power around 6,500 homes.

A community liaison group was formed shortly after the facility received planning permission. The group comprises of local stakeholders and has met quarterly on site throughout the build phase. On 16<sup>th</sup> July the ERF was able to host a meeting of this group, the first visit by non-construction/Veolia staff. All present agreed positively upon the professional way in which the project had been undertaken by Veolia and their contractors.

Nearly 1 million 'man' hours have been deployed during the build phase with no major and just two minor health and safety incidents occurring despite at peak times there being up to 200 staff on site at a time. Despite the constrained size of site and its adjacency to the household waste recycling centre, impacts to the public using the HWRC, neighbouring businesses and passing traffic has been minimal.

Subject to planning approval, the ERF will be complemented by an art installation on the adjacent roundabout. The proposed installation is currently the subject of a planning consultation process, it is hoped the installation will take place later this year. Preparation is being made by Veolia for the official opening of the ERF, the opening ceremony will be fitting to the significance of the facility and likely to be held Spring 2016.

### **3. Risk Assessment and Opportunities Appraisal**

3.1 This report has been provided for information only and therefore no risk assessment or opportunities appraisal has been carried out. However, the ERF was developed by Veolia as part of the PFI contract and, as such, subject to a detailed Risk Management programme. The construction of the ERF took place under CDM regulations and was carried out by experienced contractors CNIM/Clugston.

### **4. Financial Implications**

4.1 As a PFI project facility, the ERF is integral to Shropshire Council's contract with Veolia, and the cost of design, building and operation of the facility is included within the contract's unitary charge. During the commissioning period of the facility, one-off savings have been achieved through treating tens of thousands of tonnes of waste that would otherwise have been sent to landfill, according to the specification of the contract. The total saving achieved during the commissioning period is likely to be approximately £1m.

4.2 Savings that may be made as a result of service redesign are currently being determined as part of the wider contract review.

### **5. Background**

5.1 The core waste collection and disposal responsibilities of Shropshire Council are delivered through a 27-year Integrated Waste PFI contract awarded to Veolia Environmental Services (VES) on September 29th 2007.

5.2 The key piece of infrastructure for waste treatment under this contract is an Energy Recovery Facility capable of processing up to 95,000 tonnes of household waste per year.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

Report of the Waste Rapid Action Group, Environment & Services Scrutiny Committee 24<sup>th</sup> March 2014

Update on Waste Collection Service Redesign, Environment & Services Scrutiny Committee 21<sup>st</sup> July 2014

Updates on the Energy Recovery Facility and Shropshire Energy & Growth Solutions (SEGS) project, Environment & Services Scrutiny Committee 8<sup>th</sup> September 2014

**Cabinet Member (Portfolio Holder)**

Steve Charmley, Portfolio Holder for Business, ip&e, Culture and Commissioning (North)

**Local Member**

All Members

**Appendices**

None