

Let's talk less rubbish

delivering our long term waste management strategy

Why we need to change the way we deal with waste

North Yorkshire County Council and City of York Council are members of the York and North Yorkshire Waste Partnership.

Like many councils, we have historically relied on landfill as a cheap and local way of getting rid of our rubbish. But landfill sites are running out and their continued use is not sustainable environmentally or financially.

Since 2001 the Partnership has been discussing with residents and key stakeholders – like parish and town councils and environmental organisations – what they think should be done with our rubbish. We need to meet demanding targets set by the European Union and central

government and deliver a sustainable waste management solution for the future which meets the key criteria of being affordable and environmentally acceptable.

Our targets are to:

- Reduce the amount of waste generated
- Divert 75% of household waste from landfill by 2013
- Recycle or compost 50% of household waste by 2020.

We also need to ensure we tackle the key issues of climate change; carbon reduction and minimisation of greenhouse gas emissions.



About the Waste PFI

North Yorkshire County Council and City of York Council are working with AmeyCespa to finalise a contract using the Private Finance Initiative (PFI). This is a long term contract to manage household waste generated by people living in North Yorkshire and York.

PFI provides a way of helping public organisations fund major capital investments. The councils have secured £65million of PFI Credits – a form of grant funding from central government. The contract will give North Yorkshire and York residents a saving on future disposal costs – we can cut our combined waste management bill by over £320 million over 25 years.

AmeyCespa is proposing to build and operate a waste management facility on the site of the existing Allerton aggregates quarry and landfill.

The councils and AmeyCespa will finalise the content of the contract and once these are complete Councillors from both councils will be asked to award the contract to AmeyCespa, subject to AmeyCespa securing planning permission and an operating licence from the Environment Agency for its proposed facility.

This leaflet explains how the Waste PFI tenders were evaluated; what AmeyCespa is proposing and the decision making process leading to contract award.

The tender process and our long term waste management strategy

The York and North Yorkshire Waste Partnership has a long term waste strategy – ‘Lets Talk Less Rubbish’. This strategy was developed after extensive consultation across North Yorkshire and York. It sets out the Partnership’s vision and objectives to:

- work with the community and stakeholders of York and North Yorkshire to meet their waste needs and deliver a high quality, sustainable, customer-focussed and cost effective waste management service
- reduce the amount of waste produced in York and North Yorkshire to make us one of the best performing areas in the country by 2013

- promote the value of waste as a natural and viable resource by re-using, recycling and composting the maximum practicable amount of household waste
- maximise the opportunities for re-use of unwanted items and waste by working closely with community and other groups
- maximise the recovery of materials and/or energy from waste that is not reused, recycled or composted to further reduce the amount of waste sent to landfill.

You can download a copy of ‘Lets Talk Less Rubbish’ from www.letstalklessrubbish.com

The strategy was adopted in July 2006 by North Yorkshire County Council, City of York Council and the seven District and Borough councils in North Yorkshire and formed the basis of the initial invitation to tender for the long term waste management PFI contract.

The PFI contract is for a long term waste management solution to recover value from household waste which remains after reduction, reuse and recycling activities have taken place.

The councils received initial tenders from 12 companies or consortia in December 2007. Tenderers were free to propose whichever technology and site they considered most appropriate to meet the councils' waste management needs. Four bidders were then selected to develop detailed tenders.

The criteria used to select these four were set in advance and balanced cost with environmental considerations. The criteria included:

- Does the proposed solution support the councils' waste strategy aims?
- Does the proposal adequately address legal requirements to reduce the amount of waste we send to landfill?

- Is the proposed solution capable of responding to changes in legislation; economic conditions; waste volumes and composition over the life of the contract?
- How flexible is the proposed solution for improving efficiency and value for money in managing household waste?
- How does the proposed solution meet the UK's developing environmental policy e.g. green policies and environmental objectives?
- How does the proposed solution manage and reduce any effects on local communities?
- What is the approach to community engagement?

Tenders were assessed against these criteria. The scoring was split 60% technical, quality and environmental criteria and 40% financial criteria. This was to ensure that the councils achieve a solution that not only offers financial value but ensures the most suitable environmental solution.

Two bidders – AmeyCespa and Earthtech Skanska – were then selected to go through to the final tender stage. The councils are now working with AmeyCespa on the final contract details.

Why doing nothing new is not an option

It is very important that the proportion of household waste we recycle continues to increase, and that we have effective measures in place to enable us to stop relying on landfill as a means of disposing of the waste which is left.

The Waste PFI will give us a contract that controls the cost we have to pay for treating our waste in the future. If we carry on with landfill we anticipate the combined waste management bill for North Yorkshire and City of York will be around £1.8 billion over 25 years – a bill which will have to be met through Council Tax. This contract gives us cost certainty – and a £320 million saving on our future combined waste management costs.

We have tendered for a service to treat household waste and reduce the need to use landfill. AmeyCespa's tender was identified as the most suitable to meet our needs.

Not moving forward with AmeyCespa will have serious implications for the councils – the abandonment of the current tender process; compensation to bidders; and punishing landfill fines which will impact on future Council Tax levels.

Having to restart the tender process would result in a delay before we could award another long term waste management contract. Failing to award a contract at this stage may prejudice our ability to attract competitive bids in any future procurement.

And time is not on our side. As well as being the least acceptable environmental option for disposing of waste, local landfill site capacity is running out. If we do not use an alternative form of treatment, we will have to rely on only a few sites with landfill capacity in York and at Allerton Park.

The proposed solution

AmeyCespa is proposing to build and operate a waste treatment facility on the site of the existing Allerton aggregates quarry and landfill. The landfill currently receives household, commercial and industrial waste delivered by road. The quarrying business currently produces aggregates which leave the site by road.

The combined technologies for the proposed treatment plant are designed to treat up to 320,000 tonnes of waste per year from York and North Yorkshire, and recover energy from it for supply to the National Grid.

The technologies that AmeyCespa has put forward are:

- A Mechanical Treatment (MT) plant designed to receive and treat residual municipal waste from York and North Yorkshire. The plant will automatically screen out organic matter and recover metal, paper and plastic for recycling
- An Anaerobic Digestion (AD) plant to treat the separated organic waste. The plant will produce a biogas which will generate around 1.1 MW of renewable 'green' electrical power.

- An Energy from Waste (EfW) plant to treat the waste which remains after separation of the recyclables and treatment of organic waste. The EfW plant will produce steam to feed an electricity generating turbine that will generate around 24MW of power. Spare heat which the EfW generates could be supplied to local external customers if a market can be established.

- An Incinerator Bottom Ash (IBA) plant to process residual ash into an aggregate which can be used in construction.

The combination of solutions will enable value to be recovered from almost every aspect of our waste.



The existing landfill and quarry at Allerton, next to the A1M and A168.

The role of Energy from Waste

We have been asked why we have not ruled out Energy from Waste as a long term treatment solution. The answer is that we have no reason to: Energy from Waste is a legitimate, proven and robust technology and is recognised in the Government's National Waste Strategy 2007 as an essential component of a well balanced energy policy. The Yorkshire and Humber Regional Spatial Strategy also recognises the potential role of incineration with energy recovery.

The consultation process which led to the development and adoption of our waste management strategy – Lets Talk Less Rubbish – included the possibility of Energy from Waste as an acceptable technological option and bidders for the Waste PFI contract were open to propose any solutions, including or excluding Energy from Waste.

How the proposed solution will help to achieve our long term targets

AmeyCespa's tender offers the councils a range of environmental and cost benefits by moving away from landfill as the main means of dealing with residual waste.

- We cannot carry on dumping our waste in landfills. Landfill space is running out - and we would be liable for crippling landfill taxes and fines in the future. It would also be our worst environmental option.
- Landfill is a major contributor to climate change. By comparison with the equivalent waste stream going to landfill, the proposed solution will provide a saving of 230kgCO₂ equivalent per tonne of waste per year – and that is equivalent to the emissions associated

with 12,000 average cars per year in York and North Yorkshire.

- AmeyCespa's proposal gives us a green solution for dealing with our household waste - it becomes a resource. The proposed solution will recover value from waste in four ways – it separates it to sort out any remaining recyclable materials for sale to recycling companies, and treats organic material to produce green electricity through the Anaerobic Digestion (AD) part of the plant. Only the waste that remains is treated in the EFW plant – and it produces electricity. Even ash that remains from that process has a use – for example as a product for road construction.

The proposed facility will turn waste into energy producing enough electricity to supply 40,000* homes. That's more than all of the homes in Harrogate.

And importantly, the proposed facility will also help improve recycling. Recycling is a priority for the York and North Yorkshire Waste

Partnership which has set a recycling target of 50% by 2020. The proposed waste management and treatment facilities will take out recyclable materials like metals and glass, enabling us to recycle an additional 20,000 tonnes of household waste and meet the 2020 recycling target at least five years early.

The planning process and community consultation

Any proposal for new waste treatment facilities will of course be subject to normal regulatory consents including detailed planning permission and granting of a permit to operate by the Environment Agency before construction can commence.

Whilst discussions are underway between the Councils and AmeyCespa to finalise the content of the contract, AmeyCespa will be completing the planning application.

This process will include extensive community consultation on the proposal. AmeyCespa will then make the application to North Yorkshire County Council as the minerals and waste planning authority for the area. Once submitted the progress of the application can be tracked online at www.northyorks.gov.uk

The application will then go through the statutory planning process and a report will be prepared for the County Council's Planning and Regulatory Functions Committee.

The Committee can either approve or reject the application. The application can also be subject to a Public Inquiry if it is called in by the Secretary of State.

AmeyCespa will be meeting local residents, businesses and groups over the next few months and holding exhibitions across York and North Yorkshire before the planning application is submitted. If you would like to find out more, or get in touch with AmeyCespa you can visit their website at www.allerton-waste-recovery-park.co.uk for all the latest updates or contact them at 01609 751676.

* Based on Office of National Statistics Data for the region.

Understanding your concerns

No matter how confident we are that the solution put forward by AmeyCespa will offer North Yorkshire County Council and City of York Council a range of environmental and cost advantages in the long term, we fully appreciate that people will have concerns about the proposal.

Health concerns

In the UK alone today there are 24 Energy from Waste plants and many of them are in major centres of population – for example, London, Birmingham, Sheffield, and on Teesside.

That means over 16.5 million people in Britain today live within a ten mile radius of an EfW plant – that's around 28% of the population.

In Europe there are over 400 plants, including those in major cities like Amsterdam, Barcelona, Hamburg, Paris, Vienna and Zurich. Many large conurbations in Western Europe have a EfW , and they are also commonplace in many more rural areas such as Jersey, the Isle of Man, Shetland and the Isles of Scilly.

Some people are worried about the health effects of EfW facilities. In the Waste Strategy for England 2007 Defra states - “all the research carried out to date shows no credible evidence of adverse health impacts for people living near incinerators”. And in its most recent report, The Health Protection Agency said that it did not recommend doing any more studies of public health around modern, well managed municipal waste incinerators as the effects are probably not measurable.

This is because modern waste incinerators are so much cleaner than the older generation which gave rise to many of the concerns. Emissions of chemicals like dioxins and

furans, and nanoparticles from incinerators are now only a small fraction of their previous levels. Activities like agriculture, road traffic and electricity generation are significant sources of air pollutants. For example, road transport produces 300 times more fine particulates in the UK than EfW and the dioxins emissions limit for an Energy from Waste plant is an equivalent concentration to one third of a lump of sugar dissolved in Loch Ness.

It is important to remember that the emissions from EfW plants are strictly controlled and monitored by the Environment Agency (EA). The proposed facility will only get a permit to operate if the EA is satisfied with the safety of the technology proposed.

Nevertheless, we take all concerns extremely seriously and would encourage anyone with any issues to find out more about Energy from Waste by visiting websites such as:

The Environment Agency:

www.environment-agency.gov.uk

The Health Protection Agency:

www.hpa.org.uk

Defra:

www.defra.gov.uk

Traffic issues

The proposed site is already used as a quarry and landfill and we expect traffic to and from the site to be the same as now.

Traffic movements into and out of the site will be the subject of a full assessment and scrutiny as part of the planning application process. A comprehensive traffic management plan will be required to the satisfaction of the planning and highway authorities.

Whilst some of the existing movements associated with the landfill will remain, the quarry operation is planned to stop in 2010. Transport impacts will be minimised by the use of local delivery points across the county in each district and borough council area which will bulk up the waste to provide the most cost effective and efficient transport arrangements.

Road safety will also be a key consideration to be addressed in the planning application.

Why build a new facility?

We have considered this option carefully in our tender evaluation process. Before we can award a major contract, the law requires that a publicly advertised competition is undertaken. As part of that competition, tenders are invited from suitable candidates.

Those tenders are assessed against objective criteria and the Council may only award the contract to the candidate whose offering is the most economically advantageous.

The companies who bid for our waste contract were able to put forward any treatment solution they chose. The company who operates the Teesside incinerator did tender but were discounted at an early stage.

Their proposal did not offer the councils the best combination of cost savings and environmental benefits (like increased recycling and green energy production) compared to the other bids received.

The facility at DRAX will process biomass and it is not proposed to be sourced from municipal waste. If biomass was sourced from municipal solid waste (MSW), the plant would have to be compliant with the higher operating regulations that apply to waste plants. The proposed biomass plant at Ferrybridge power station could accept biomass derived from waste and would be WID (Waste Incineration Directive) compliant, but at a cost - which is as yet unknown.

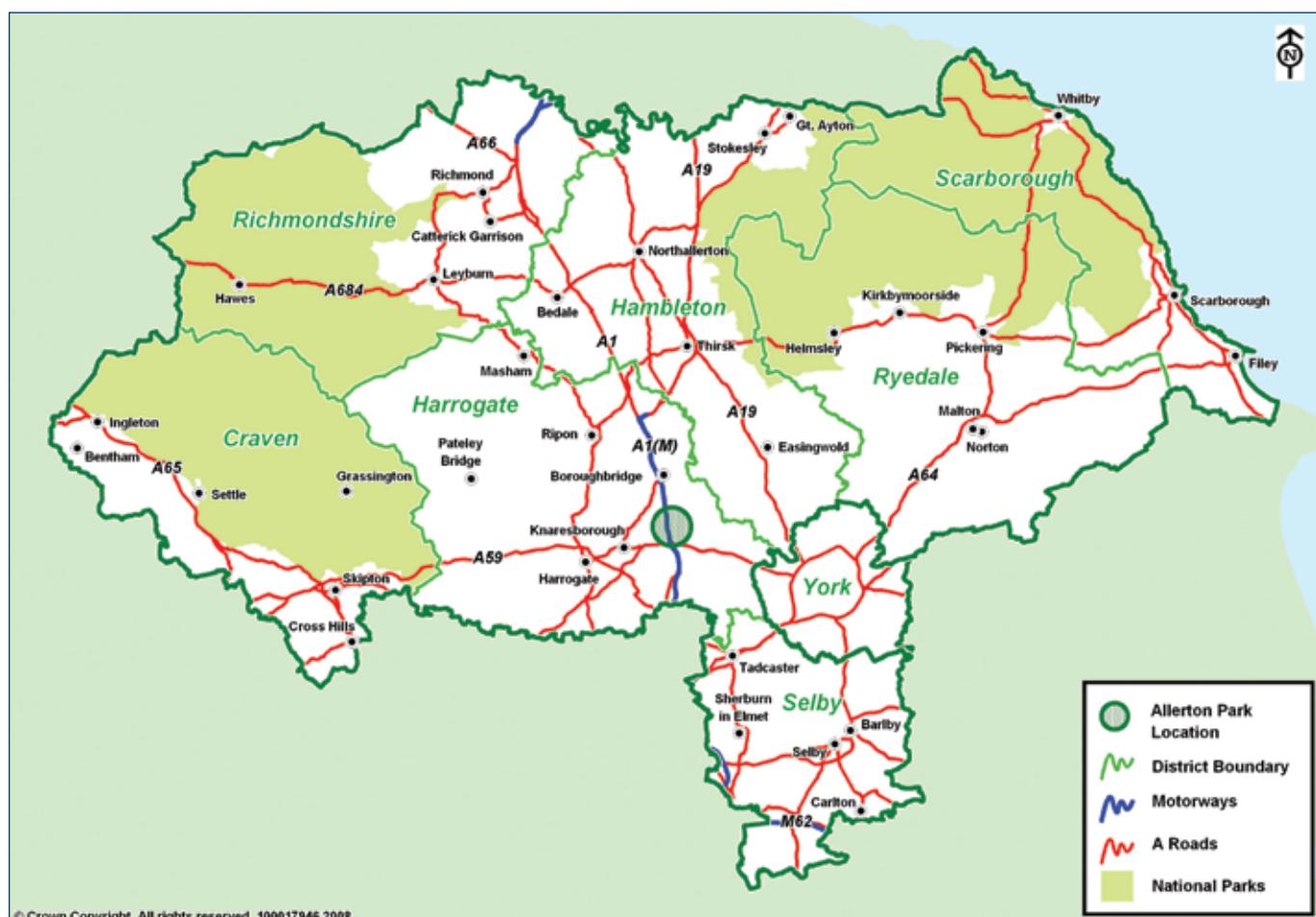
Why just one treatment site?

Although North Yorkshire is a large county it has a relatively modest population in widely spread locations. The Allerton site has been selected by AmeyCespa because of its strategic location close to the centres where waste arises and key road networks.

One treatment facility provides economies of scale and gives an effective balance of cost and environmental impacts. Other facilities (including transfer stations around the county) will still be used for the management and local

landfill of waste not suitable for treatment. Don't forget – the treatment plant is for residential waste left over after recycling and composting so it will only take about half our waste anyway.

Although the solution proposed by AmeyCespa is only on one site we will also have the flexibility to take advantage of alternative proposals elsewhere if and when they are available and are economically advantageous to the councils.



What happens next?

We will take a report to North Yorkshire County Council and City of York Council asking Councillors to agree to award the long term waste management contract to AmeyCespa.

All the councillors will have the opportunity to consider all of the issues before making

their decision. If Councillors then agree to the proposals the Councils will make the contract award to AmeyCespa, who will then submit a planning application for the facility. If the planning application is successful the plant will be operational in 2014.

How to find out more

AmeyCespa will be meeting local residents, businesses and groups over the next few months whilst they are finalising their proposals and hosting exhibitions across York and North Yorkshire before the planning application is submitted. If you would like to find out more, or get in touch with AmeyCespa you can visit their website at **www.allerton-waste-recovery-park.co.uk** for all the latest updates or contact them at **01609 751676**.

If you have any questions about the waste PFI project and the environmental and cost benefits the proposed waste management solution offers you can visit our website at **www.northyorks.gov.uk**

Contact us

City of York Council

Guildhall

York

YO1 9QN

Tel: **01904 551 550**

email: **ycc@york.gov.uk**

or visit our website at:

www.york.gov.uk

Contact us

North Yorkshire County Council,

County Hall, Northallerton,

North Yorkshire, DL7 8AD.

Our Customer Service Centre is open:

Monday – Friday 8.30am – 6.00pm

and Saturday 9.00am – 12.00pm

Tel: **0845 8727 374**

email: **customer.services
@northyorks.gov.uk**

Or visit our website at:

www.northyorks.gov.uk

If you would like this information in another language or format such as Braille, large print or audio, please contact us. Tel: 01609 532917 or Email: communications@northyorks.gov.uk



printed on 100% recycled paper