

# Strategic Waste Options

CHESC 2<sup>nd</sup> March 2022





## Two Main issues...

- Food waste processing
- Reduce costs



## Two Main Options...

- Modify MBT
- Reprocure










Future flexibility  
Contract end date  
remains 2035  
Procurement  
Challenge?



Cheaper per tonne  
cost  
£27m Termination Fee  
Stranded Asset  
Major procurement  
Tie-in to mid 2040s+



# Modify MBT option is preferred

Flexibility	
Cost	
Carbon	
Contract length	
Resources to deliver	
Timescale to deliver	
Use of asset	





# Transfer facility for Horsham's Recyclables

# Additional Vehicle Movements for HDC Recycling

- Daily maximum permitted movements set out in planning conditions
- Most HDC recycling related movements will be Mon-Friday
- Figures shown are typical numbers of vehicles entering and exiting per day.

(double the numbers for individual in or out movements)

- | Permitted weekday | Typical Actual | Typical unused | Typical HDC DMR |
|-------------------|----------------|----------------|-----------------|
| 196               | <120           | >76            | 11*             |

\*8 RCVs and 3 HGVs (may be back-loaded)

# RDF and Site Ha





# Risks

- Procurement Challenge
  - The proposed variations to the MRMC would be in accordance with the PCR 2015
  - We can provide evidence that modifications to the existing contract has become necessary, economically and technically justifiable and amount to less than 50% of original value
  - significant benefits operationally for Biffa to undertake the work on our behalf
- General Supply Chain Costs
  - RDF cost will track EfW price -
- Delay to government guidance and commitment by Ds&Bs
  - review in 2 years if uncertainty persists
- Further policies re. waste and decarbonisation likely within the next 10 years
  - Retention of MBT facility would be prudent

# Recommended that Cabinet approve:

(1) The variation of the Materials Resource Management Contract and associated capital investment to allow for:

- a. processing of source-segregated food waste
- b. production of loose RDF
- c. improvements for the capture, storage, and disposal of metal for recycling to achieve the income from metals
- d. removal of redundant equipment
- e. bulking of dry mixed recycling (DMR) for delivery to the materials recycling facility (MRF)

(2) The commencement of a procurement for the disposal of refuse derived fuel until 2035 with a possible extension until 2040

(3) Delegation of authority to commence (1) and (2) above to the Director of Environment and Public Protection at a time to be agreed in consultation with the Cabinet Member for Environment and Climate Change and the Directors of Finance and Legal Services. In the event that either or both (1) and (2) are not exercised prior to 31st March 2024, to bring a further report to Cabinet no later than 30<sup>th</sup> June 2024

# Strategic Waste Options

CHESC 2<sup>nd</sup> March 2022

