

CABINET

Date of Meeting	Tuesday, 14 th May 2019
Report Subject	Parc Adfer Update
Cabinet Member	Deputy Leader of the Council and Cabinet Member for Streetscene and Countryside
Report Author	Chief Executive Chief Officer (Streetscene and Transportation)
Type of Report	Operational

EXECUTIVE SUMMARY

The North Wales Residual Waste Treatment Project (NWRWTP) contract was signed with Wheelabrator Technologies Inc (WTI) for the construction and operation of the Parc Adfer waste treatment facility on Deeside.

Parc Adfer will process the non-recyclable domestic waste (known as residual waste) collected by Conwy, Denbighshire, Flintshire, Gwynedd and Ynys Mon councils. The facility will provide a modern, safe and cost-effective process for treating non-recyclable waste in accordance with national environmental policy. The facility will help the five councils to meet their waste diversion and recycling targets and provide a stable, long term residual waste treatment service for the Partnership.

The construction of Parc Adfer is now at an advanced stage with the facility scheduled to begin Commissioning and accepting waste from the partner authorities in June 2019.

Work has been underway within Flintshire as lead authority and the other partner authorities for some time to prepare for their residual waste to go to the Parc Adfer facility. This work includes preparations for financial and operational arrangements with WTI and with the partner authorities, resourcing and staffing, haulage and operations.

An application has been submitted to Welsh Government for capital funding for Waste Transfer Stations as committed to under the Inter Authority Agreement, which if successful would allow the funding set aside by all partner authorities to be returned to them.

The North Wales Residual Waste Joint Committee has recently met to discuss changes to the requirements of environmental permits for Energy from Waste facilities in relation to Particulate Matter (PM) and made a recommendation on the reporting of PM2.5 in particular, in addition to the permit requirements.

RECOMMENDATIONS

1	Note the content of the report
2	That Members are assured of progress and readiness for the commencement of Commissioning of Parc Adfer.

REPORT DETAILS

1.00	PARC ADFER UPDATE
1.01	The North Wales Residual Waste Treatment Project (NWRWTP) procurement process came to a successful conclusion in December 2016 with a contract being awarded to Wheelabrator Technologies Inc (WTI) and Financial Close being reached. Under this contract the Parc Adfer facility at Deeside Industrial Park is being developed.
1.02	<p>Parc Adfer will process the non-recyclable domestic waste collected by Conwy, Denbighshire, Flintshire, Gwynedd and Ynys Môn councils.</p> <p>It will provide a modern, safe and cost-effective process for treating non-recyclable waste in accordance with national environmental policy. The facility will help the five councils to meet their waste diversion and provide a stable, long term residual waste treatment service for the Partnership.</p>
1.03	The project has been supported by the Welsh Government throughout. Following the submission of a detailed Final Business Case, the Welsh Government has committed financial support for the contract of a value to the partnership of over £140m over the 25 year contract term.
1.04	Construction of the Parc Adfer facility began in January 2017, and Commissioning of the facility and acceptance of the Partnership's residual waste is scheduled to be due to begin in June 2019, reaching full operational capacity by late 2019. This projected timescale is within the original programme.
1.05	The construction of Parc Adfer has been well managed, and the health and safety standards on site have been maintained to a high level during the construction. This is evidenced by the fact that the British Safety Council recently inspected the site and awarded the project a 5 star rating.
1.06	The site now has approximately 400 people working on site, which is in line with expectations as the completion of the build and the start of

	commissioning becomes closer.
1.07	<p>In order to ensure that both Flintshire as Lead Authority for the project and the Partnership as a whole are prepared for the Commissioning and operational phase of the project, work has been underway in several key areas:-</p> <ul style="list-style-type: none"> • Ensuring adequate resourcing and staffing for Flintshire to be able to perform its function as Lead Authority; • Finance and operational protocols; • Ensuring a thorough administrative process with WTI for invoices, including ensuring sufficient data is received with invoices; and • Operational preparations.
1.08	<p>In order for the partner authorities to be able to take their residual waste to Parc Adfer, a haulage contract is required. In February 2019 Flintshire started a procurement process for the haulage of waste to Parc Adfer. Whilst this was done under a single procurement, the haulage contract procurement was split into “lots”, based on authority boundaries in order to make the contract(s) more accessible to smaller contractors. At the time of writing the procurement process is currently underway with the outcome expected imminently allowing the haulage service to start when the 1st deliveries of waste are required at Parc Adfer.</p>
1.09	<p>As has been previously reported to Flintshire Members, part of a commitment made in the Inter Authority Agreement has meant that all partner authorities have allocated £500k each (£2.5m in total) towards the capital requirement to build new Waste Transfer Stations in Conwy and North Denbighshire.</p> <p>Following discussions with the Welsh Government (WG), the partnership have submitted an application for capital funding to WG. This application was split into 2 “priorities”. The first priority (“Priority 1”) was an application for the funding for Denbighshire and Conwy’s Waste Transfer Stations committed to as part of the second Inter Authority Agreement referred to above, to the value of the £2.5m commitment.</p> <p>Should the application be successful for the Priority 1 element, it will mean that the £2.5m (£500k per authority) referred to above would be funded by WG and therefore not be required, thus the partner authorities would retain their £500k for their own use.</p> <p>The second priority (“Priority 2”) related to operational adaptations required at sites owned and operated by Anglesey, Flintshire and Gwynedd Councils. This would only be successful if WG were able to fund Priority 1 and still fund some or all of Priority 2.</p> <p>Discussions with WG have in relation to the application have been positive. No formal response has been received by WG at the time of writing, however a response is expected imminently.</p>
1.10	<p>As a result of concerns raised during the procurement process in relation to emissions to air from Parc Adfer, specifically of PM2.5 particulates, a contractual option was included in the contract with WTI to carry out</p>

	monitoring and reporting of PM2.5 particulates over and above the normal monitoring regime that WTI would have to do under their permit as issued by Natural Resources Wales.
1.11	<p>Recent changes to the monitoring and reporting regime means that from January 2020 operators of Energy from Waste facilities will be required to report specifically on emissions of PM2.5 as well as total particulate matter.</p> <p>In terms of the method and frequency of reporting of these emissions, as well as continuous monitoring of total particulate matter, specific extractive tests are required to be carried out and reported to include PM2.5 on a 6 monthly basis in the first year of operation, and annually after that.</p> <p>The North Wales Residual Waste Joint Committee discussed the issue of reporting on PM2.5 at a recent meeting, and recommended that the Partnership instruct WTI to carry out these tests more frequently than the permit requirement, specifically quarterly in the first year of operation with future requirements to be reviewed after the first year. Therefore 2 additional tests should be specified.</p> <p>The costs of these additional tests are under £2700 each.</p>

2.00	RESOURCE IMPLICATIONS
2.01	As outlined in the report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	The Partnership is managed by the North Wales Residual Waste Joint Committee, which comprises of two Cabinet members from the five partner authorities. As part of its remit, the North Wales Residual Waste Joint Committee has been overseeing the overall progress of the project, receiving regular updates from officers as required.

4.00	RISK MANAGEMENT
4.01	The North Wales Residual Waste Joint Committee has directly and successfully managed the project risks supported by a Project Board (represented by a senior officer from each partner authority and chaired by Flintshire's Chief Executive).
4.02	Regular updates have also been given to Flintshire's Cabinet and Environment Overview and Scrutiny Committee.

5.00	APPENDICES
5.01	None.

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6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Contact Officer: Steffan Owen Telephone: 01352 704915 / 07917 306462 E-mail: steffan.r.owen@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	None.