

BIRMINGHAM CITY COUNCIL

SUSTAINABILITY AND TRANSPORT OVERVIEW AND SCRUTINY COMMITTEE

THURSDAY, 18 MAY 2023 AT 10:00 HOURS
IN COMMITTEE ROOM 6, COUNCIL HOUSE, VICTORIA SQUARE,
BIRMINGHAM, B1 1BB

A G E N D A

1 NOTICE OF RECORDING/WEBCAST

The Chair to advise/meeting to note that this meeting will be webcast for live or subsequent broadcast via the Council's Public-I microsite ([please click this link](#)) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

2 APOLOGIES

To receive any apologies.

3 DECLARATIONS OF INTERESTS

Members are reminded they must declare all relevant pecuniary and other registerable interests arising from any business to be discussed at this meeting.

If a disclosable pecuniary interest is declared a Member must not participate in any discussion or vote on the matter and must not remain in the room unless they have been granted a dispensation.

If other registerable interests are declared a Member may speak on the matter only if members of the public are allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless they have been granted a dispensation.

If it is a 'sensitive interest', Members do not have to disclose the nature of the interest, just that they have an interest.

3 - 44

4 **REQUEST(S) FOR CALL IN: CONTRACT AWARD FOR THE OPERATION AND MAINTENANCE OF TYSELEY ERF WASTE TRANSFER STATIONS AND HOUSEHOLD WASTE RECYCLING CENTRES**

To consider the 'Request for Call-In' (The portfolio holder and the Lead Officer identified in the report have been summoned to attend the meeting.

The following documents are attached:-

- A) Call-in Procedure - Briefing Note
- B) The Executive Decision Record
- C) The relevant form for the 'Request for Call-in' lodged by Councillors
- D) The report considered by Cabinet in reaching its decision

5 **REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)**

To consider any request for call in/councillor call for action/petitions (if received).

6 **OTHER URGENT BUSINESS**

To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chair are matters of urgency.

7 **AUTHORITY TO CHAIR AND OFFICERS**

Chair to move:-

'In an urgent situation between meetings, the Chair jointly with the relevant Chief Officer has authority to act on behalf of the Committee'.

Birmingham City Council

Sustainability and Transport Overview and Scrutiny Committee

18 May 2023



Subject: Request for Call-In - Contract Award for the Operation and Maintenance of Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres

Report of: Janie Berry, City Solicitor and Monitoring Officer

Report author: Amelia Wiltshire, Overview and Scrutiny Manager
amelia.wiltshire@birmingham.gov.uk

1 Purpose

- 1.1 This report outlines a Request for a Call-In of the Executive Decision of the Contract Award for the Operation and Maintenance of Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres by the Executive on 25 April 2023 (Appendix 1).
- 1.2 All Executive decisions are subject to Call-In before approval. Further information relating to the Call-In procedure and its criteria is set out in Appendix 2. Two Requests for a Call In have been received for this decision. The first Request for a Call In was submitted by Cllrs Ewan Mackey and Roger Harmer (Appendix 3A); the second request was submitted by Cllrs Julien Pritchard and Rob Grant (Appendix 3B). Both Requests were received on 26 April 2023.

2 Recommendations

- 2.1 The Committee:
 - Reviews the reason(s) provided to request this Call-In, and how and why the decision had been reached by the Executive; and
 - Considers whether either of these requests meets the criteria for a Call-In as set out in [Part B \(11.9\) of the Constitution](#), and decides if the decision to approve Contract Award for the Operation and Maintenance of Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres should be 'called-in'.

3 Any Finance Implications

- 3.1 With specific regard to these Requests for a Call-In, there are no financial implications.
- 3.2 The Cabinet Report (Appendix 4) outlines the financial implications related to the decision of the Contract Award for the Operation and Maintenance of Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres.

4 Any Legal Implications

- 4.1 As set out in [Part B, 11.9 of the Constitution](#), the purpose of this meeting is to discuss whether the Committee should or should not exercise its power of a Call-In. Specifically, it will formally discuss whether the Executive should reconsider its decision to approve the Contract Award for the Operation and Maintenance of Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres. Further information relating to the Call-In procedure and its criteria is set out in Appendix 2.
- 4.2 The Cabinet Report (Appendix 4) outlines the legal implications related to the decision of the Contract Award for the Operation and Maintenance of Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres.

5 Any Equalities Implications

- 5.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 5.2 The Report for Cabinet (Appendix 4) outlines that the [Procurement Strategy for Waste Management Services in support of the Waste Strategy Framework 2017-2040 included an Equalities Analysis \(reference EA002528\)](#), and was agreed by Cabinet in February 2018. This provides the equalities impact for this report.
- 5.3 With specific regard to this Request for a Call In, there are no equalities implications.

6 Appendices

- 6.1 Appendix 1 – Executive Decision Record – Contract Award for the Operation and Maintenance of Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres
- 6.2 Appendix 2 – Call-In Procedure and Criteria Briefing Note
- 6.3 Appendix 3A – Call In Request submitted by Cllrs Ewan Mackey and Roger Harmer for the Executive Decision of the Contract Award for the Operation and Maintenance of Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres
- 6.4 Appendix 3B – Call In Request submitted by Cllrs Julien Pritchard and Rob Grant for the Executive Decision of the Contract Award for the Operation and Maintenance of Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres
- 6.5 Appendix 4 – Report to Cabinet for the Contract Award for the Operation and Maintenance of Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres
- 6.6 Appendix 4A – Exempt Appendix to Report to Cabinet for the Contract Award for the Operation and Maintenance of Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres (referred to in Appendix 4 as Appendix 1)
- 6.7 Appendix 4B – Birmingham Total Waste Strategy (referred to in Appendix 4 as Appendix 2)
- 6.8 Appendix 4C – Options Appraisal (referred to in Appendix 4 as Appendix 3)
- 6.9 Appendix 4D – Environmental and Sustainability Assessment (referred to in Appendix 4 as Appendix 4)

7 Background Papers

- 7.1 [Birmingham City Council Constitution](#)
- 7.2 Birmingham City Council Overview and Scrutiny Framework April 2021

Call in Procedure

1. Introduction

- The purpose of the meeting is to discuss whether the Committee should, or should not, exercise its power of Call In – that is: whether to formally request that the Executive reconsiders its decision.
- Where a Committee does decide to Call In a decision the “re-consideration” which is then required must take place at a meeting of the full Cabinet – irrespective of who made the original decision.

2. The Members must make their case justifying their request for Call In

- Chair to ask the Councillors who requested the call-in to explain the reasons why they have requested that the decision be called in.
- The Request(s) for Call In will be considered in the order they have been received.
- If the members who requested the call-in are not members of the O&S Committee then they should be invited to present their case, but will not be able to vote on the call-in decision.
- Q&A: chance for the Committee to **ask for clarification** or details on the reasons why the request for call in has been made [*Note: it is not for Members to start discussing the merits or otherwise of the call-in at this point*].

3. Presentation by the Cabinet Member on their Decision

- Cabinet Member assisted by officers, to state how/why the decision was made – officers to give any necessary background information.
- Q&A: chance for the Committee to ask for clarification or details on the decision and how it has been made.

4. The Cabinet Member and Officers are asked by the Chair to leave the room whilst the Committee discusses its view on whether or not they think there are grounds for the decision to be Called In.

- When the O&S Committee is satisfied that it has fully explored the case for call in and the Cabinet Member’s reasoning for the decision that was taken, then the Cabinet Member, their officers and any councillors who are not members of the committee may be asked to leave the room to allow the Committee to come to its conclusion.
- The meeting, if being held in public, will continue to be public and so livestreaming will continue but asking Cabinet Members, officers and others to leave enables members of the committee to discuss without further contributions from those not on the committee.

5. Discussion by the Committee

- The Overview and Scrutiny Committee will consider the criteria for Call In.
- For clarity, as set out in Part B (11.9) of the Constitution, the Council does not expect an O&S Committee to Call In an Executive decision unless one or more of the criteria (set out at Appendix 1) applies.

NB: the Committee do not have to adhere to the grounds for call-in selected by the two Members requesting the call-in – if other grounds are more appropriate, these can be used.

6. Chair to sum up and asks for vote on whether to call the decision in.

1. Decision not called in

- No need to refer it to Cabinet
- Call In Meeting closed
- (The Committee could agree to inform the Cabinet Member of any concerns of the Committee by letter)

2. Decision called in to be reconsidered by the Executive

- To agree the criteria for the call in
- Committee requests that the Chair of the O&S Committee attends the next Cabinet meeting with a formal report of the Committee ‘referring back’ the decision.
- Call In Meeting closed

THE CABINET MEMBER AND SUPPORTING OFFICERS ARE CALLED BACK IN TO THE ROOM AND NOTIFIED OF THE OUTCOME.

8. After the Meeting if 'called in'

The Scrutiny Office prepares a report setting out the criteria for the Call In, the Committee's concerns and issues and any way forward suggested.

- *The Chairman attends the next Cabinet meeting to formally request that the decision is referred back to the Cabinet.*
 - *Cabinet then discusses whether to change the original decision or not. If not, that is the end of the matter.*
 - *If yes, then the Cabinet Member will need to revisit the issues and make a new decision.*
-

Call-In Criteria

	(a) Is the Executive decision within existing policy?
1	the decision appears to be contrary to the Budget or one of the 'policy framework' plans or strategies;
2	the decision appears to be inconsistent with any other form of policy approved by the full Council, the Executive or the Regulatory Committees;
3	the decision appears to be inconsistent with recommendations previously made by an Overview and Scrutiny body (and accepted by the full Council or the Executive);
	(b) Is the Executive Decision well-founded?
4	the Executive appears to have failed to consult relevant stakeholders or other interested persons before arriving at its decision;
5	the Executive appears to have overlooked some relevant consideration in arriving at its decision;
6	the decision has already generated particular controversy amongst those likely to be affected by it or, in the opinion of the Overview and Scrutiny Committee, it is likely so to do;
7	there is a substantial lack of clarity, material inaccuracy or insufficient information provided in the report to allow the Overview and Scrutiny Committee to hold the Executive to account and/or add value to the work of the Council.
	(c) Has the Executive decision been properly taken?
8	the decision appears to give rise to significant governance, legal, financial or propriety issues;
9	the notification of the decision does not appear to have been in accordance with council procedures;

Details

Status:	Decision Subject To Call In
Title:	Contract Award for the Operation and Maintenance of Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres
Include item on Forward Plan/ Key Decision	Yes
Reference:	010906/2023
Urgent Decision - Not in Forward Plan	No
Details for Agenda Sheet	Report of Strategic Director of City Operations
Implementation Date (not before meeting on)	Tue 25 Apr 2023
Purpose	To approve the award of a contract following the Competitive Dialogue (CD) procurement process for the operation and maintenance of Tyseley ERF (Energy Recovery Facility), HWRC's (Household Waste Recycling Centre) and WTS's (Waste Transfer Stations) at Tyseley, Kings Norton and Perry Barr, including the re-development of the Kings Norton (Lifford Lane) waste management facility
Key Portfolio	Leader
Decision Maker	
Chief Officer Decision Maker	----- N/A -----

Reason For Key Decision

Financial - capital spend over £1m

Significant Community impact across 2 or more Wards?

Relevant Documents**Decision Type:**

Committee

Decision Maker:

Cabinet

Directorate

City Operations

Other Information**Private Reason**

**Decision
Outcome**

On 25 April 2023, Cabinet:-

- (i) Noted that the report relates solely to the award of a contract for the operation and maintenance of Tyseley ERF (Energy Recovery Facility), HWRCs (Household Waste Recycling Centre) and WTS (Waste Transfer Stations) at Tyseley, Kings Norton and Perry Barr, including the re-development of the Kings Norton (Lifford Lane) waste management;
- (ii) Authorised the Strategic Director of City Operations in consultation with Cabinet Member for Environment, the Strategic Director of Council Management, the Interim Director of Finance and the City Solicitor to enter into a ten-year (10) Agreement with Veolia for the Transitional Contract for the Operation, Maintenance and Renewal of the Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres commencing 17 January 2024 subject to the satisfactory conclusion of the Preferred Bidder stage;
- (iii) Noted that, if the Council has to take-up contractual variations in relation to the option to extend for periods of up to a maximum of five (5) years for the Operation, Maintenance and Renewal of the Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres, this would be subject to Cabinet authorisation based on budget availability, satisfactory performance, and timing of the Post 2034 Waste Disposal contract award/commencement;
- (iv) Authorised capital expenditure for the redevelopment of the Kings Norton Facility;
- (v) Authorised the City Solicitor and Monitoring Officer (or their delegate) to execute, seal and complete all necessary documentation to give effect to the above recommendations.

THE DEADLINE FOR CALL IN IS 1600 HOURS ON TUESDAY 2 MAY 2023.

On 26 April 2023 at 0725 hours, a request for call-in was submitted by Councillors Ewan Mackey, Roger Harmer, Julien Pritchard and Rob Grant. No action on the decision can be taken until the request for call-in has been considered by the Sustainability and Transport O&S Committee on Friday 12 May 2023, at 1400 hours in Committee Rooms 3&4, Council House, Victoria Square, Birmingham, B1 1BB.

**Is the Decision
Maker Aware of
the Decision:** No

**Is the Head of
Services Aware
of the Decision:** No

**Is Decision
County Wide:** No

Would the recommended decision be contrary to the budget and policy framework:

No

Decision Options:

Additional Information

Reg 10

Reg 11

Decision Criteria

This Decision does not contain any decision criteria records.

Wards

Acocks Green; Allens Cross; Alum Rock; Aston; Balsall Heath West; Bartley Green; Billesley; Birchfield; Bordesely & Highgate; Bordesely Green; Bournbrook & Selly Park; Bournville & Cotteridge; Brandwood & Kings Heath; Bromford & Hodge Hill; Castle Vale; Druids Heath & Monyhull; Edgbaston; Erdington; Frankley Great Park; Garretts Green; Glebe Farm & Tile Cross; Gravelly Hill; Hall Green North; Hall Green South; Handsworth; Handsworth Wood; Harborne; Heartlands; Highter's Heath; Holyhead; Kings Norton North; Kings Norton South; Kingstanding; Ladywood; Longbridge & West Heath; Lozells; Moseley; Nechells; Newtown; North Edgbaston; Northfield; Oscott; Perry Barr; Perry Common; Pype Hayes; Quinton; Rubery & Rednall; Shard End; Sheldon; Small Heath; Soho & Jewellery Quarter; South Yardley; Sparkbrook & Balsall Heath East; Sparkhill; Stirchley; Stockland Green; Sutton Four Oaks; Sutton Mere Green; Sutton Reddicap; Sutton Roughley; Sutton Trinity; Sutton Vesey; Sutton Walmley & Minworth; Sutton Wylde Green; Tyseley & Hay Mills; Ward End; Weoley & Selly Oak; Yardley East; Yardley West & Stechford

Topics

This Decision does not contain any Topic records

Overview and Scrutiny

Housing and Neighbourhoods Overview and Scrutiny Committee

Request for Call In – Pro-forma**Date: 26 April 2023**

Please arrange for a meeting of the Sustainability and Transport O&S Committee to be called to discuss the following executive decision:

Title: **Contract Award for the Operation and Maintenance of Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres**

Taken By: **Cabinet**

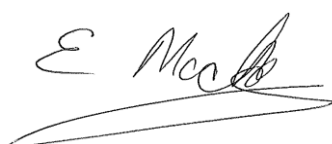
On: **25 April 2023**

Reason for request:

Criteria	Yes/No	Brief Explanation
<i>(a) Is the Executive decision within existing policy?</i>		
1. the decision appears to be contrary to the Budget or one of the 'policy framework' plans or strategies	<input type="checkbox"/>	
2. the decision appears to be inconsistent with any other form of policy approved by the full Council, the Executive or the Regulatory Committees	<input checked="" type="checkbox"/>	Inconsistent with the Council's Climate Emergency Declaration and Clean Air Policies
3. the decision appears to be inconsistent with recommendations previously made by an Overview and Scrutiny body (and accepted by the full Council or the Executive)	<input checked="" type="checkbox"/>	Previous scrutiny recommendations on the Waste Disposal contract called for more timely procurement. This was due to be completed by 2020 but is only now being done 8 months before the contract expires, severely limiting alternative options
<i>(b) Is the Executive decision well-founded?</i>		
4. the Executive appears to have failed to consult relevant stakeholders or other interested persons before arriving at its decision	<input checked="" type="checkbox"/>	This did not come for pre-decision scrutiny in line with assurances previously made that it would
5. the Executive appears to have overlooked some relevant consideration in arriving at its decision	<input type="checkbox"/>	

Criteria	Yes/No	Brief Explanation
6. the decision has already generated particular controversy amongst those likely to be affected by it or, in the opinion of the Overview and Scrutiny Committee, it is likely so to do	<input checked="" type="checkbox"/>	There has been significant opposition to the extension of the incinerator contract
7. there is a substantial lack of clarity, material inaccuracy or insufficient information provided in the report to allow the Overview and Scrutiny Committee to hold the Executive to account and/or add value to the work of the Council	<input type="checkbox"/>	
<i>(c) Has the Executive decision been properly taken?</i>		
8. the decision appears to give rise to significant legal, financial, governance or propriety issue	<input checked="" type="checkbox"/>	Concerns over the age and nature of delegations relied upon and if actions taken are in line with the approved strategy as is a requirement of those delegations
9. the notification of the decision does not appear to have been in accordance with council procedures	<input type="checkbox"/>	

Councillor

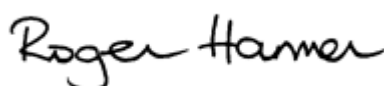


(Signed)

Ewan Mackey

(Print Name)

Councillor



(Signed)

Roger Harmer

(Print Name)

Request for Call InDate: **26th April 2023**

Please arrange for a meeting of the **Transport & Sustainability O&S Committee** to be called to discuss the following executive decision:

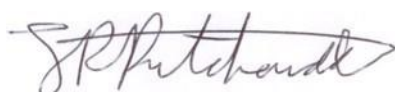
Title: *Contract Award for the Operation and Maintenance of Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres*

Taken By: **Cabinet**On: **25th April 2023****Reason for request:**

Criteria	Yes/No	Brief Explanation
<i>(a) Is the Executive decision within existing policy?</i>		
1. the decision appears to be contrary to the Budget or one of the 'policy framework' plans or strategies	<input type="checkbox"/>	
2. the decision appears to be inconsistent with any other form of policy approved by the full Council, the Executive or the Regulatory Committees	<input checked="" type="checkbox"/>	The decision conflicts with the Council's 2019 Climate Emergency declaration, and the Council's commitment to try and achieve net zero by 2030. The mitigations and justifications for this decision are not sufficient, considering the severity of this conflict.
3. the decision appears to be inconsistent with recommendations previously made by an Overview and Scrutiny body (and accepted by the full Council or the Executive)	<input type="checkbox"/>	
<i>(b) Is the Executive decision well-founded?</i>		
4. the Executive appears to have failed to consult relevant stakeholders or other interested persons before arriving at its decision	<input type="checkbox"/>	
5. the Executive appears to have overlooked some relevant consideration in arriving at its decision	<input checked="" type="checkbox"/>	Part of the justification for this decision is based on the premise that there is no alternative. We believe the Executive has overlooked key information in its justification that there are no alternatives.

Criteria	Yes/No	Brief Explanation
6. the decision has already generated particular controversy amongst those likely to be affected by it or, in the opinion of the Overview and Scrutiny Committee, it is likely so to do	<input type="checkbox"/>	
7. there is a substantial lack of clarity, material inaccuracy or insufficient information provided in the report to allow the Overview and Scrutiny Committee to hold the Executive to account and/or add value to the work of the Council	<input type="checkbox"/>	
<i>(c) Has the Executive decision been properly taken?</i>		
8. the decision appears to give rise to significant legal, financial, governance or propriety issue	<input type="checkbox"/>	
9. the notification of the decision does not appear to have been in accordance with council procedures	<input type="checkbox"/>	

Councillor



Julien Pritchard

(Signed)

(Print Name)

Councillor



Rob Grant

(Signed)

(Print Name)

Birmingham City Council

Report to Cabinet

25 April 2023



Subject: Contract Award for the Operation and Maintenance of Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres

Report of: Mark Wiltshire – Interim Strategic Director, City Operations

Relevant Cabinet Member: Councillor Majid Mahmood, Cabinet Member for Environment
Councillor Yvonne Mosquito, Cabinet Member for Finance and Resources

Relevant O & S Chair(s): Councillor Chaman Lal, Chair of Sustainability and Transport
Councillor Akhlaq Ahmed, Resources

Report author: Meena Chuhan, Interim Procurement Manager, meena.chuhan@birmingham.gov.uk

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 010906 / 2023		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential : Exempt information Schedule 12A to the Local Government Act 1972 (as amended). Paragraph 3. Information relating to the financial or business affairs of any particular person (including the council)		

1 Executive Summary

- 1.1 To approve the award of a contract following the Competitive Dialogue (CD) procurement process for the operation and maintenance of Tyseley ERF (Energy Recovery Facility), HWRCs (Household Waste Recycling Centre) and WTS (Waste Transfer Stations) at Tyseley, Kings Norton and Perry Barr, including the re-development of the Kings Norton (Lifford Lane) waste management facility in accordance with the delegations approved by Cabinet in the strategy report in support

of the Waste Strategy Framework 2017 – 2040 (Forward plan Number: 004374/2017) dated 13 February 2018.

- 1.2 The Climate Emergency is integral to the wider waste strategy which prioritises waste reduction and recycling in line with the waste hierarchy. This ten-year (10) 'transitional' contract will support the generation of the post 2034 solution by preventing Birmingham resident's non-recyclable waste being sent to landfill during this transitional period.
- 1.3 The flexibility of the way residual waste is managed within this contract will enable the Council to respond to the emerging requirements of Central Government's Resources and Waste Strategy and the Environment Act; the details of the guidance are still being determined by DEFRA. This will enable the Council to move materials up the waste hierarchy which may feed into developing recycling schemes.
- 1.4 The Tyseley ERF generates power from non-recyclable waste, that generated 184,157 MWh of electricity in 2021 this helped power approximately 63,000 Birmingham households, equivalent to 15% of the homes in Birmingham.
- 1.5 Nationally, the move away from landfill to energy recovery resulted in a 63% reduction in the waste sector's carbon emissions since 1990, on average every tonne of waste treated at Tyseley ERF saves 0.2 tonnes of carbon dioxide compared with landfill.
- 1.6 In this transitional contract, the use of a local solution for treating our municipal residual waste (i.e. at the Tyseley ERF) avoids the impact of hauling the municipal residual waste over longer distances, which adds additional carbon impact and other emissions to our waste management process. It is only by taking control of our carbon emissions that we will fully understand the impact which will help us to make change during the 10 year period as viable solutions for the Tyseley ERF arise.
- 1.7 This transitional contract has been procured for a minimum term of ten-years to focus on the post 2034 solution procurement strategy, to consider tried and tested innovative technologies when they become available in the market. A brief outline of the future 'Birmingham Total Waste Strategy' can be found under Appendix 2.

2 Recommendations

That Cabinet is invited to:

- 2.1 Note that this report relates solely to the award of a contract for the operation and maintenance of Tyseley ERF (Energy Recovery Facility), HWRCs (Household Waste Recycling Centre) and WTS (Waste Transfer Stations) at Tyseley, Kings Norton and Perry Barr, including the re-development of the Kings Norton (Lifford Lane) waste management;
- 2.2 Authorise the Strategic Director of City Operations in consultation with Cabinet Member for Environment, the Strategic Director of Council Management, the Interim Director of Finance and the City Solicitor to enter into a ten-year (10) Agreement with Veolia for the Transitional Contract for the Operation, Maintenance and Renewal of the Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres commencing 17 January 2024 subject to the satisfactory conclusion of the Preferred Bidder stage.
- 2.3 Note that if the Council has to take-up contractual variations in relation to the option to extend for periods of up to a maximum of five (5) years for the Operation, Maintenance and Renewal of the Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres this would be subject Cabinet authorisation based on budget

availability, satisfactory performance, and timing of the Post 2034 Waste Disposal contract award/commencement.

- 2.4 Authorises capital expenditure for the redevelopment of the Kings Norton Facility.
- 2.5 Authorise the City Solicitor and Monitoring Officer (or their delegate) to execute, seal and complete all necessary documentation to give effect to the above recommendations.

3 Background

- 3.1 Residual waste was historically treated through landfill but in order to reduce greenhouse gas emissions, the Council built an ERF at Tyseley which has been in operation since 1997. Presently, the ERF processes c374,000 tonnes per annum of Municipal Waste which is collected by the Council from homes in the City and commercial properties.
- 3.2 The Council has always been progressive in its approach to planning for the future. The original development of the Tyseley ERF was made during the 1990s and has provided a stable and reliable waste treatment solution for the city. The Tyseley ERF was one of the first of its type to be developed in the UK and since then other local authorities have developed similar facilities. The ERF is currently the only proven, sustainable and cost-effective solution for treating the (8,800 tonnes) of Municipal Waste collected in Birmingham each week.
- 3.3 The Council first awarded the waste disposal contract to Veolia for Waste Disposal Services and the construction of a new incinerator plant on 09 July 1993 for the duration of twenty-five (25) years, which commenced 17 January 1994, and expired on 16 January 2019.
- 3.4 On 11 December 2018, Cabinet approved a five (5) year Interim Agreement extension with Veolia. That commenced 17 January 2019 and expires on 16 January 2024.
- 3.5 Under the five (5) year Interim Agreement Veolia continued to provide the existing services with the addition of essential refurbishment works of the ERF plant at Tyseley. The rationale for the Interim Agreement was:
 - Ensure continuity of services through plant availability.
 - Ensure asset condition was fit for purpose for the re-procurement strategy developed during 2017 and agreed by Cabinet on 13 February 2018 titled: Operation, Maintenance and Renewal of the Tyseley ERF, Waste Transfer Stations and Household Waste Recycling Centres (transitional contract); and
 - Avoid the Council's exposure to additional landfill tax.
- 3.6 Market Engagement carried out in October 2017 in relation to this transitional contract raised the issue that the level of maintenance and operational risk required would require a minimum term of ten years with an option to extend up to a further five years, that would take the potential total term of fifteen years.
- 3.7 To facilitate the Council's future plans there was a requirement to establish this transitional, ten year (minimum) contract for the operation, renewal, and maintenance of the Council's waste management infrastructure (including the Tyseley Energy Recovery Facility, Waste Transfer Stations, and Household Waste Recycling Centres) and other waste management services. The scope of the Transitional Contract includes:
 - Works and services at the Tyseley ERF site for the treatment of the Council's residual waste;

- Works and services at Household Waste Recycling Centres Facilities at Kings Norton, Tyseley, Sutton Coldfield, Tameside Drive and Perry Barr.
 - Works and services at the Waste Transfer Stations at Kings Norton, Tyseley and Perry Barr;
 - Works and services at the Tyseley Clinical Waste Incinerator (CWI), clinical WTS or a clinical waste service;
 - Transport and/or haulage services of waste and materials including provision of transportation vehicles and mobile plant;
 - Provision of waste, recycling, re-use, composting, treatment, processing and disposal services at other sites or facilities.
 - Works and services for the development of waste, recycling or energy infrastructure at other sites and/or facilities, including materials recycling facility, composting facilities, anaerobic digestion, biological treatment processes, mechanical biological treatment, thermal treatment facilities.
 - Net zero carbon works or services including energy management, services and generation including electricity import/export, private wire, district heating, electric vehicle charging and infrastructure, Solar Photovoltaic (PV) and heating, energy storage, Combined Heat and Power (CHP) infrastructure, use of biofuels.
 - Management of residues, materials, products, reagents, chemicals, spares, consumables, auxiliary fuels and commercial waste.
- 3.8 Due to the transitional nature of the 10 year contract, the cost of implementation and the present condition of the technologies in the waste market, initiatives such as CHP, carbon capture, electric Heavy Goods Vehicles (HGV) will be reviewed as part of the post 2034 strategy.
- 3.9 In relation to the Kings Norton works as listed under 3.7, although the cost and scope of works have been dialogued, this is subject to obtaining planning permission for the works to proceed. A contingency HWRC will be provided during the programme of works.
- 3.10 In accordance with the Public Contracts Regulations 2015 and the Public Procurement (Amendments, Repeals and Revocations) Regulations 2016 and delegations approved by Cabinet on 13 February 2018, the Council adopted the Competitive Dialogue (CD) procedure (section 3, regulation 30), which has allowed the Council to dialogue and define the solution throughout the various stages.

4 Options considered and Recommended Proposal

- 4.1 An options appraisal was conducted and reviewed in 2016, the position of that appraisal remains correct as detailed in Appendix 3.
- 4.2 Options Considered:
- Do nothing / no solution;
 - Not continuing with the procurement;
 - Re-engage with market at merger announcement; and
 - Consider awarding Single Contractor Negotiation (SCN).
- 4.3 Recommended Proposal: The options considered would not allow any flexibility for this highly complex and risky project or the ability to dialogue a solution and give innovation. The options would not allow the Council to value engineer a solution or dialogue innovation, Net Zero Carbon options etc.

Therefore, the recommendation from the Waste Disposal Sponsorship Board was to follow the Competitive Dialogue procurement process.

5 Consultation

Governance for the Waste Disposal programme was set out in the 13 February 2018 Cabinet Report titled *Procurement Strategy in Support of the Waste Strategy Framework 2017 – 2040*. In accordance with the governance of the Cabinet report the following boards were formed:

5.1 Internal

The **Waste Disposal Programme Board** consists of key members and officers from City Operations, Procurement, Finance and Legal Services to deliver the strategy for waste disposal and associated workstreams who have been involved in the preparation of this report.

The **Waste Disposal Sponsoring Board** consists of Cabinet Member for Environment, Cabinet Member for Finance and Resources, Senior Responsible Officer (City Operations), Strategic Director of City Operations, Director of Street Scene, Chief Finance Officer, City Solicitor and Monitoring Officer, Head of Category (Place) with Programme Board members by invitation who provide political and strategic leadership accountability, direction and oversight to:

- Inform Cabinet on direction change and implementation of the programme and work streams
- Ratify decisions, direction and change identified by the Programme board
- Implementation of the Waste Disposal Improvement Plan
- The procurement of the suite of new waste treatment and disposal contracts.

The **Cross Party Group** were engaged during the early stages of the procurement process on the Council's contract specification.

5.2 External

Specialist Engineering and technical support has been provided by Fichtner Consulting Engineers Limited and Legal advice and support from Bevan Brittan LLP.

6 Compliance Issues:

6.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

6.1.1 'Everyone's Battle and Everyone's Business' As part of the qualitative social value submission, Bidders were asked to respond to :

- Commitment to the health and wellbeing of employees through the adoption of policies such as the Workplace Wellbeing Charter;
- The promotion of diversity and inclusiveness;
- Whistleblowing policies and safeguarding against harassment and intimidation; and
- Recruitment, Selection, and retention policies.

6.1.2 The bid will improve the customer experience at the five HWRCs through better traffic management, clearer signage and communications and recycling or diverting from landfill up to 70% of material arriving at the HWRCs.

6.1.3 The recommended decisions contribute to the Council Plan objectives / outcomes:

- Create opportunities for local people to develop skills and make the best of economic growth;

- Strive to maximise the investment in the city and engage local employer to create quality jobs and opportunities for citizens, especially for those in the most deprived circumstances;
- to work with our residents and businesses to improve the cleanliness of our city; and
- to improve the environment and tackle air pollution.

6.1.4 Following Council's declaration of a Climate Change Emergency in June 2019 the procurement exercise was reviewed and believed to be in line with the commitment for the City to be net zero carbon by 2030, or as soon after as a just transition permits. The Council also has a statutory responsibility to the citizens of Birmingham to collect and dispose of their waste and ensure safety of public health within Birmingham. The award of this procurement is for a transitional recycling and resource management contract. The Transitional Contract with Veolia will assist the delivery of the Council's aspiration to be net zero carbon by seeking to move waste up the waste hierarchy – in other words, the reduction of waste and increasing reuse, recycling, and composting.

The Transitional Contract has been deliberately structured on a ten-year basis to allow the waste, resource, and energy market to evolve and create reliable technologies. This also allows the Council a 10 year period in which new technologies can be developed and tried and tested to deliver the long-term solution to its waste and recycling needs, post 2034. These options are already starting to be explored to ensure that Birmingham has a suitable long term solution to meet both its statutory obligations, our climate commitments, and the needs of Birmingham citizens.

In this transitional contract, the use of a local solution for treating our municipal residual waste (i.e. at the Tyseley ERF) avoids the impact of hauling the municipal residual waste over longer distances, which adds additional carbon impact and other emissions to our waste management process. The release of carbon through the process of disposal is the same as whether we dispose of it at the Tyseley ERF or whether it is transported to another facility in the UK. Through continuing to use the Tyseley ERF we have control and visibility over the impact of our waste arisings, with the additional benefit of electricity income. It is only by taking control of our carbon emissions that we will fully understand the impact which will help us to make change during the 10 year period as viable solutions for the Tyseley ERF arise.

6.1.5 Birmingham Business Charter for Social Responsibility (BBC4SR)

Veolia is an accredited signatory to the BBC4SR and has produced an action plan with commitments proportionate to the value of this contract against the following themes;

- Local Employment;
- Buy Local;
- Partners in Communities;
- Good Employer;
- Green and Sustainable; and
- Ethical Procurement

The commitments will be managed and monitored during the contract period. The current arrangement for engagement with schools including Veolia's virtual programme, school visits to the Tyseley education centre and promotion of re-use and recycling during school visits will continue into the new transitional contract.

- 6.1.6 Delivery of the BBC4SR Action Plan will be monitored throughout the contract period by the Street Scene, Contracts Manager.

6.2 Legal Implications

- 6.2.1 The Council has a statutory duty to act as both a Waste Collection Authority and Waste Disposal Authority under the Environmental Protection Act 1990.

Under S.111 of the Local Government Act 1972, the Council is entitled to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

The Council has a best value duty under the Local Government Act 1999 to improve the efficiency, economy, and effectiveness of the services it delivers.

6.3 Financial Implications

- 6.3.1 The report seeks approval to enter into a ten year transitional waste disposal contract with Veolia including approval of capital expenditure to fund the redevelopment of the Kings Norton facility.
- 6.3.2 The transitional contract provides the option for a 5 year extension after the initial ten year term. This would be subject to a further Cabinet decision including relevant financial implications.
- 6.3.3 The cost of the ten year transitional contract is affordable within the current Financial Plan 2023-2027 and funded within the existing Waste Disposal budget including additional allocations as per the Medium Term Financial Plan (MTFP) from 2024/25, which was approved by City Council in February 2023. Cost forecasts have been provided by Veolia through their detailed Financial Model as part of the procurement process.
- 6.3.4 The transitional contract includes assumptions on the level of electricity generated and the associated market price. Assumptions are consistent with external advice received in June 2021 and are well below current market prices. There is a risk of electricity price fluctuations over the contract term, however using prudent assumptions within the Financial Model reduces this risk.
- 6.3.5 The transitional contract requires capital investment for the redevelopment of the Council's Kings Norton facility in the years 2024/25 to 2026/27. Milestone payments to Veolia will be funded by prudential borrowing with repayments over 30 years. The Kings Norton business case forms part of the Exempt Report (Appendix D) with the revenue cost of borrowing funded through an additional budget allocation from 2027/28 as per the Financial Plan 2023-2027.
- 6.3.6 Further financial details are contained within the Exempt Report, Appendix 1.

6.4 Procurement Implications

- 6.4.1 The report details the procurement approach carried out in compliance with the agreed Procurement Strategy in accordance with the delegations approved by Cabinet on 13 February 2018 and the Public Contracts Regulations 2015 (regulation 30).
- 6.4.2 To conclude the process the City Council will be engaging in Post Tender discussions to clarify, specify, optimise, and refine without changing essential

aspects of the tender prior to the Preferred Bidder stage, to contract signing and mobilisation.

6.5 Human Resources Implications

6.5.1 The contract will be managed by Street Scene Contract Management.

6.5.2 There are no TUPE implications.

6.6 Public Sector Equality Duty

6.6.1 The Procurement Strategy for Waste Management Services in Support of the Waste Strategy Framework 2017 – 2040 included an Equality Act 2010 and was agreed by Cabinet in February 2018 which operates city-wide.

6.6.2 Birmingham City Council Equality Analysis conducted, reference EA002528

7 Appendices

7.1 Appendix 1 – Exempt Report (Separate document)

7.2 Appendix 2 - Birmingham Total Waste Strategy

7.3 Appendix 3 – Options Appraisal

7.4 Appendix 4 – Environment and Sustainability Assessment

8 Background Documents

8.1 13 February 2018 Public Cabinet report, Procurement Strategy for Waste Management Services in Support of the Waste Strategy Framework 2017 – 2040

8.2 11 December 2018 Cabinet report, Waste Disposal Contract Interim Arrangement Agreement

Appendix 2

Birmingham Total Waste Strategy

Ricardo Energy and Environment (Ricardo) has been contracted by Birmingham City Council (BCC) to provide technical support for the Birmingham Total Waste Strategy. The Strategy will set out how all waste will be managed over the next 30 years, providing a framework that can interface with other plans and the foundations of a system-based approach to deliver effective waste management, decarbonisation, and a circular economy.

Work Completed to Date

1. Project kick off
2. Request for information and baseline model development
3. Review of the Birmingham Development Plan (BDP) and waste evidence base
4. Initial workshop to bring together key stakeholders to seek alignment on the common purpose and aspirations and understand the boundaries of the total waste strategy

As part of this technical support Ricardo has produced a waste baseline analysis, the purpose of which is to estimate the total waste produced by and handled within Birmingham, as well as to determine the total current capacity of all waste facilities within BCC's area.

An initial workshop was carried out on 9th November 2022, in attendance were BCC Officers from R20, Waste Management, Planning and Procurement. The main objectives of the workshop were:

- To agree a vision, objectives and scope for the strategy, and
- To agree what the process of making that strategy will be and who will be involved.

Proposed Timetable of Deliverables

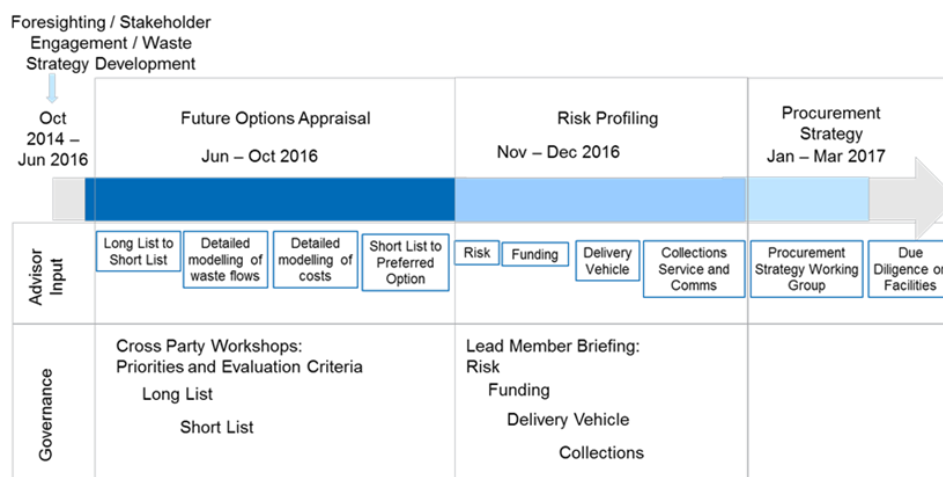
Task Description	Current Proposed Timeline
Waste Flow Model	31 March 2023
Stakeholder Plan	31 March 2023
Position Paper	28 April 2023
Draft Strategic Framework	12 May 2023
Total Waste Strategy	28 July 2023

APPENDIX 3

Options Appraisal

An Options Appraisal referenced in the diagram below was undertaken in 2016, a shortlist of waste disposal and collection options was prepared and agreed with Councillor Trickett, Councillor Majid Mahmood, Sukvinder Kalsi (representing Finance on behalf of the Council), Robert Barker (representing Legal Services on behalf of the Authority) and Jacqui Kennedy (Corporate Director for the Council).

The diagram below summarises the key activities undertaken to date by the Project Team at the time:



The benefits and challenges of the Self Operate Model vs the PPP Model were discussed at the Infrastructure and Disposal Service Delivery Options workshop conducted on 30 November 2016.

A preference for a contract with the Private sector to refurbish / build and operated the ERF. The detailed risk allocation of the contract was to be developed through further workshops.

The delivery model was revisited specifically to consider the risks and opportunities of:

- Continuing with an open procurement with the private sector (as above)
- Entering a Joint Venture (JV) with Coventry and Solihull to self-operate
- Establishing a Wholly Owned Company to self-operate

Delivery Model – key factors for consideration

- Construction / refurb
 - Operating cost and performance
 - Energy volume and price
 - Third party waste
 - Financing
 - Management capacity
 - Ability to recruit / retain key staff
 - Potential exposure to other plant / liability (Coventry specific)
- } certainty of cash flows

The outcome of the Options Appraisal identified and approved a preferred option for waste disposal services through PPP style contract(s) which include:

- Run the Tyseley Energy Recovery Facility (ERF) for a further 15 years from January 2019 to 2034;

- Run three Transfer Stations including planned refurbishment within the 15 years from January 2019 to 2034;
- Run five Household Waste Recycling Centres and investigate opportunities to involve Small and Medium Enterprises (SME's) and potentially the Third Sector;
- Investigate the feasibility of a BCC owned Mixed Recycling Facility (MRF); and
- Continue with an offtake contract for garden waste processing and other ancillary services.

Twelve service delivery options were discussed:

Service Delivery Options	
Options Provided by BCC – Introduction to Commissioning	
Option 1	Decommissioning the Service: The cessation of the service, in whole or in part.
Option 2	Continue to provide the service in-house.
Option 3	The setting up of a new Council function or unit to deliver a particular service.
Option 4	Supplementary contracts/term contract framework agreements.
Option 5	Commission the market to deliver service outcomes.
Option 6	Transfer some or all of an asset to the community, trust, charity, service user group or other body (including Social Enterprises).
Option 7	Market Shaping to establish quality and adequacy of supply to meet a range of needs from individuals' purchasers.
Option 8	The re-negotiation of existing arrangements with current providers.
Option 9	The transfer of a function to another provider (9i – Wholly Owned Company) (9ii – Emergent Organisations)
Option 10	The creation of a public-private partnership, through a strategic contract or joint venture company.
Option 11	Use of existing third-party Contracts.
Option 12	The joint commissioning or delivery of the service outcomes – Collaboration (including Shared Services).
Option 13	Use a mixture of making and buying.

The twelve options were discussed and reduced to five viable options (3, 9, 10, 12 and 13), from which option 10 was agreed upon as the most viable option via a Private Public Partnership (PPP) contract with the private sector to deliver services, as this could take a variety of forms with differing risk allocation.

The flowchart illustrates the Project Agreement & Payment Mechanism between the Public Sector and the Private Sector.

- Public Sector:**
 - Council:** The central entity in the Public Sector.
 - Electricity Price Risk:** A risk box connected to the Council by a dashed double-headed arrow.
- Private Sector:**
 - Parent Company:** The central entity in the Private Sector.
 - Security Package / Parent Company Guarantee:** A risk box connected to the Parent Company by a dashed arrow pointing to the SPV.
- SPV (Special Purpose Vehicle):**
 - Receives a solid arrow from the Council, labeled "Project Agreement & Payment Mechanism".
 - Receives a dashed arrow from the Parent Company, labeled "Security Package / Parent Company Guarantee".
 - Branches into two roles:
 - Construction Contractor:** Connected to the SPV by a solid arrow.
 - Operations & Maintenance Contractor:** Connected to the SPV by a solid arrow, labeled "Operating sub-contract(s)".
- Operating risks:** A bracketed section containing six risk boxes:
 - Operation & Performance Risk
 - Lifecycle Cost Risk
 - Third-Party Waste
 - Availability & Contingency Risk
 - Sale of recyclates
 - Electricity Volume Risk

Packaging Options

1	ERF, Transfer Stations, HWRC, MRF, Green Waste, Other (clinical)										Current model - Limited opportunity to improve value	X	
2	ERF, Transfer Stations (incl. fleet)		HWRC* & Associated Items		MRF	Green Waste	Wet Waste	Other (clinical)		Optimises interfaces and operating model, presents greatest potential (See over)	✓		
3	ERF, Transfer Stations		HWRC* & Associated Items		MRF	Fleet	Green Waste	Wet Waste	Other (clinical)		Similar to option 2, however identified that fleet integral to an efficient operating model	X	
4	ERF	Transfer Stations	HWRC*		HWRC Associated Items	MRF	Fleet	Green Waste	Wet Waste	Other (clinical)		Further separation of ERF and TS is unlikely to improve value, link key to managing flows	X
5	All Items Procured Separately										Creates a lot more interfaces and contracts to managed.	X	
	ERF	Transfer Stations	HWRC	MRF	Green	Wet Waste	Other (including HWRC associated items)		Management	Clinical			Land fill
X	Other options										Unlikely that separating by function would create any additional value	X	
	Geographic	Technical i.e. plant / mechanical etc		Haulage / Fleet		Recycling	Domestic	Trade	Clinical	Green			

Environment and Sustainability Assessment

Birmingham City Council is required to assess any positive or negative impacts that any policy/strategy/ decision/development proposal is likely to have on the environment. This assessment must be completed for CLT and Cabinet reports where appropriate. It is the responsibility of the Service Director signing off the report to ensure that the assessment is complete.

To complete the assessment, you should consider whether the proposal will have a positive or a negative impact on each of the key themes by placing a (✓) for positive, (x) for negative and (?) for unclear impact, and (N/A) for non-applicable impact. Further guidance on the completion of the template is available on page 3 below.

Project Title:	P0599: Tyseley Energy Recovery Facility, Waste Transfer Stations & Household Waste Recycling Centres – Operate, Maintain & Renewal			
Directorate: City Operations	Team: Street Scene	Person Responsible for assessment: Darren Share		
Date of assessment: 31/01/2023	Is it a new or existing proposal? New Contract Award			
Brief description of the proposal: To approve the award of a contract following the Competitive Dialogue (CD) procurement process for the operation and maintenance of Tyseley ERF (Energy Recovery Facility), HWRCs (Household Waste Recycling Centre) and WTS (Waste Transfer Stations) at Tyseley, Kings Norton and Perry Barr, including the re-development of the Kings Norton (Lifford Lane) waste management facility in accordance with the delegations approved by Cabinet in the strategy report in support of the Waste Strategy Framework 2017 – 2040 (Forward plan Number: 004374/2017) dated 13 February 2018.				
Potential impacts of the policy/development/ decision on:	Positive Impact	Negative Impact	No Specific Impact	What will the impact be? If the impact is negative, how can it be mitigated, what action will be taken?
Natural Resources - including water, soil, air		✓		There are both positive and negatives as a result of the award of this contract, however the cumulative impact is negative. Part of the award of this report is for the operation and maintenance of the Tyseley Energy Recovery Facility (ERF) which is used to process residual waste collected in Birmingham through incineration. Several major studies have been completed which have been analysed and summarised in a wide ranging study issued by Public Health England (PHE) on the health impacts of modern municipal

				<p>waste incinerators. PHE has concluded from the studies that “modern, well run and regulated municipal waste incinerators are not a significant risk to public health. While it is not possible to rule out adverse health effects from these incinerators completely, any potential effect for people living close by is likely to be very small.” Tyseley ERF is a well-run incinerator and is operated in compliance with the latest regulations for modern incinerators. https://www.gov.uk/government/publications/municipal-waste-incinerators-emissions-impact-on-health/phe-statement-on-modern-municipal-waste-incinerators-mwi-study</p> <p>The redevelopment and modernisation of our Waste Transfer Stations at Kings Norton and Tyseley ensures for better facilities for the management of waste during the transfer process to reduce noise and air pollution and any potential for ground contamination.</p> <p>The Contract has a strong emphasis on ensuring that extremely minimal levels of waste is sent to landfill, which has impacts on water, soil and air quality, and provides management of the ERF facility for those wastes (Persistent Organic Pollutants) for which government guidance is that they can only be dealt with through the process of incineration.</p>
Energy use and CO ₂ emissions		✓		<p>There are both positive and negatives as a result of the award of this contract, however the cumulative impact is negative. The CO₂ emissions from the operation of the Facility are reported in the National Atmospheric Emissions Inventory, which reports that in 2020 Tyseley ERF emitted 42,270 tonnes carbon dioxide (reported as carbon), which is 155,000 tonnes of carbon dioxide, from the combustion of the non-biogenic fraction of the waste processed at the</p>

				<p>facility. Approximately 50% of the carbon dioxide emitted from waste combustion is from biogenic sources which is short cycle and therefore has no net global warming impact.</p> <p>The award of this contract will ensure that plant at Tyseley will continue to be updated to ensure that it complies with emissions limits and the wider requirements of its Environmental Permit through to the end of its service, whilst ensuring the residual waste which BCC has a statutory obligation to collect is dealt with responsibly and efficiently. It is important to recognise that the Tyseley Energy Recovery Facility (ERF) displaces the Greenhouse Gas (GHG) emissions from the landfill that would otherwise be needed to dispose of the waste. The electricity generated by the ERF also displaces the electricity and associated carbon emissions that would otherwise be generated by fossil fuel power stations. Our Technical Consultants have undertaken a number of quantitative assessments, in line with government guidance, which show that when a municipal waste incinerator is compared with the alternative of disposal of the waste in a typical large modern landfill site, there is a net reduction in carbon emissions. The waste processed by Tyseley ERF is the residual waste left after recycling has taken place, for which the only alternative would be disposal in landfill.</p> <p>Nationally, the move away from landfill to energy recovery resulted in a 63% reduction in the waste sector's carbon emissions since 1990, since on average every tonne of waste treated at Tyseley energy recovery facility saves 0.2 tonnes of carbon dioxide compared with landfill.</p> <p>The Tyseley Energy Recovery Facility has R1 status Permit, meaning it is classified as an efficient recovery option by the Environment Agency. The Tyseley ERF generates power</p>
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				from non-recyclable waste, that generated 184,157 MWh of electricity in 2021 this helped power approximately 63,000 households, equivalent to 15% of the homes in Birmingham. Each tonne of residual waste converted to electricity in the ERF generates ~490 KWh of electricity exported which is enough to meet the electrical requirements of an average household for 2 months. Birmingham City Council is working with its citizens to improve recycling rates, but there are some parts of the waste stream that cannot currently be recycled at this time, including certain types of plastic. The waste processed at Tyseley is waste presented by residents as residual waste, which is the waste that remains after all current recycling activities have taken place.
Quality of environment	✓			This contract award ensures that BCC meets its statutory obligations for duty of care to Birmingham citizens by providing a proven and reliable method for the disposal of its waste, to prevent any build-up of waste which could be harmful to public health
Impact on local green and open spaces and biodiversity	✓			The redevelopment of Kings Norton facility includes a biodiversity area which will give improved biodiversity to the local area. The Tyseley site improvements includes the creation of a biodiversity corridor which will link areas of biodiversity in Birmingham.
Use of sustainable products and equipment	✓			The approach to the redevelopment at Kings Norton follows that outlined in BCC's Guidance Note 'Sustainable Construction and Low and Zero Carbon Energy Generation', and reports on how the proposed redevelopment meets the standard of sustainable design and construction throughout all stages of the development including both construction and long term management.

				<p>The development has been designed with a focus on how it will:</p> <ul style="list-style-type: none"> • adapt to climate change through implementation of a Sustainable Urban Drainage System (SuDS), reduces overheating, conserves water and reduces flood risk; • procure materials which promote sustainability, including by use of low impact, sustainably sourced, reused and recycled materials; • minimise waste and maximise recycling during construction and operation; • be flexible and adaptable to future occupier needs; • incorporate measures to enhance biodiversity value; • reduce carbon dioxide emissions through the energy efficient design of the site; and • further reduce carbon dioxide emissions through the use of on-site renewable energy technologies where feasible. <p>Further details of this are included in the planning application.</p>
Minimising waste	✓			<p>The bid will improve the customer experience at the Council's five Household Recycling Centres (HWRCs) through better traffic management, clearer signage and communications and recycling or diverting from landfill up to 70% of material arriving at the HWRCs. Improvements to</p>

				<p>the dated site at Kings Norton will also ensure greater waste separation, further helping to drive waste up the hierarchy.</p> <p>The bid offers education opportunities which can be delivered to Birmingham citizens to improve their knowledge of waste and recycling to enable them to make better decisions in the personal management of their waste at home.</p> <p>Part of the focus for this this contract award is also to allow for the movement of Birmingham citizen's household waste up the waste hierarchy. The proposals as part of the contract includes:</p> <ul style="list-style-type: none"> • Three additional reuse shops at the HWRCs and an innovation hub for both community and industry to develop and share skills around repair, reuse and sustainable living. • An electric narrowboat recycling centre proposed to run between Kings Norton and Tyseley. • Improvements to the Castle Bromwich recycling site which allows the ERF by-products to be recycled and used in road construction. • Provision of infrastructure at the Waste Transfer Stations to allow future food waste collections.
Council plan priority: a city that takes a leading role in tackling climate change		✓		<p>As stated above, it is important to recognise that processing the residual waste at Tyseley ERF generates less GHG emissions than would be emitted if the waste were disposed of via landfill. This means that the operation of the ERF is a net benefit for climate change when compared to landfill. The waste processed by Tyseley ERF is the residual waste</p>

				<p>left after recycling has taken place, for which the only proven alternative would be disposal in landfill.</p> <p>Climate change has been at the forefront of this procurement and a number of carbon reduction measures will be implemented as part of the contract, where there is technology at a suitable level of development ready to deploy. These include solar PV panels, heat pumps in offices, electric vehicle charging, and recycling improvements.</p> <p>A strategy for a long-term solution for the city is being developed, and it is at this point where we anticipate being able to explore emerging technologies (not yet sufficiently tried and tested) to realise our ambitions for a cleaner environment. However, the complexity and importance of a secure path for the disposal of the large quantities of waste that Birmingham generates as a city needs to be considered. It is also important from a climate change perspective to ensure that the solution provides a robust and reliable diversion from landfill to prevent the associated GHG emissions associated with landfill. Any new technology deployed as an alternative to ERF that then fails or even just underperforms, could result in significant quantities of waste to landfill, with the consequent climate change and cost impacts.</p> <p>The importance of the BCC's ambitions and the options available has been a part of discussions throughout the various phases of dialogue, taking place between late 2020 and continuing until August 2022. As part of their submission, bidders were required to propose carbon reduction measures. It is recognised that this is a transitional contract procured for a minimum term of ten-years to focus on the post 2034 solution procurement</p>
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				<p>strategy, to consider tried and tested innovative technologies when they become available in the market. Continued use of the existing ERF avoids the construction emissions of building a completely new facility whilst, the current facility is still viable.</p> <p>Birmingham is owning the responsibility for any impact caused in the process of dealing with residual waste produced in the city, rather than it being exported elsewhere. Through this approach BCC is able to have more influence as newer, reliable, and affordable technologies become available. This also means that contract keeps the miles hauled for Birmingham's waste to a maximum of 8 miles, which reduces unnecessary emissions from haulage to an alternative facility or landfill site.</p>
Overall conclusion on the environmental and sustainability impacts of the proposal	<p>Whilst we appreciate that some elements of this contract may delay Birmingham's aspirations for 2030, but this allows for the opportunity for Birmingham to find the solutions to meet these targets in 2034. This contract has been secured with the lowest term possible within the industry to allow for emerging technologies to mature during the term to place Birmingham in the most beneficial position once these technologies are proven and reliable.</p> <p>Over the short term, this contract is the most sustainable and has the least environmental impact of all the options we have considered. This is because we are using existing facilities, which avoid the significant carbon footprint of the development of a major new facility.</p> <p>This contract is supporting the energy security of Birmingham by generating power from non-recyclable waste, that generated 184,157 MWh of electricity in 2021. This helped power approximately 63,000 households, equivalent to 15% of the homes in Birmingham</p> <p>There are also a number of opportunities being provided as part of this new contract, as demonstrated above, which will make improvements for Birmingham's residents and their environment.</p>			