

WASTELINE

ISSUE 1 JULY 2006



arc21

*'Successful Waste Management
Through Partnership'*

www.arc21.org.uk

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Foreword from Chairman

Alderman Mervyn Rea

Welcome to the first edition of the arc21 newssheet. While a newssheet might normally herald the birth of a new organisation, those in the know will be aware that arc21 has in fact been in existence for over 6 years in one form or another.

It started as an ad hoc coalition of officers back in 1999, after which we established informal governance arrangements involving Elected Members and considered how the collaboration could move forward on a more formal basis.

This resulted in the formulation of a collaboration agreement (for which we are eternally grateful to Ciaran Quigley, Director of Legal Services at Belfast City Council) and the making of regulations by the DOE rendering the Joint Committee as a Body Corporate on the 15th March 2004.

The setting up of the formal organisation, the first of its type in the UK, gave us the powers to move forward to recruit staff, establish offices, hold assets and liabilities and to enter into contracts on behalf of the constituent councils.

Progress since the early days has been rapid with the launch of a highly ambitious 20 year Waste Management Plan in January 2003, followed quickly by an Implementation and Procurement Programme. We are now in the throws of our first Plan Review and public consultation.

Our procurement activities have demonstrated notable successes to date with the award of our dry recyclables contract, our two landfill contracts, bring centre servicing, wheeled containers and others in the pipeline as described within the newssheet.

Our approach to procurement is also gaining national attention particularly in GB where the pattern to date has been through large integrated PFI type contracts. This contrasts starkly with the more disaggregated service-specific approach taken in arc21. We feel this more appropriately fits our local environment and demonstrates best value to our constituent councils and ratepayers.

However, there is no time to be complacent. Despite our early gains there is a huge challenge ahead if we are to meet the timescales for Landfill Directive and avoid punitive fines. It is therefore incumbent on all of us in the sector to ensure that we work together

to deliver for Northern Ireland plc, and that we ensure that the environment in which we live is protected to the best of our ability.



Message from the Chief Executive

John Quinn

In this our first edition of our newssheet, I would like to commend the publication to our readers. I hope that you will gain from it and look forward to your continued interest.

When I introduce arc21, I inevitably have to answer a number of questions about our organisation.

Firstly on the name and logo. While I admit I was involved in the process when these were created, I did not unfortunately delve sufficiently into the mind of the PR guru who conceived them, to be able to explain the rationale now. So when the question was first asked I found myself struggling a little.

Having rationalised this "after the fact", it now appears abundantly clear to me that arc21 represents an arch transcending the 11 councils. Civil engineers amongst

you will know that an arch is one of the strongest structures known to man and this I think sufficiently represents the ethos of the organisation.

The '21' (and I know this was thought about at the time!) represents moving forward sustainably into the 21st century.

When asked to describe the *raison d'être* for arc21, I characterise it as a procurement vehicle for the 11 councils tasked with delivering the critical infrastructure to meet targets in a timely fashion.

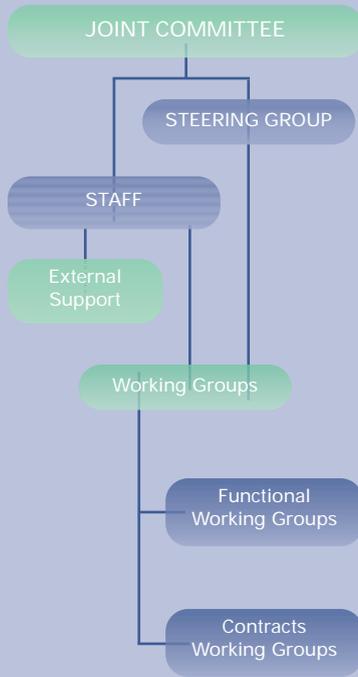
When asked about the critical success factors for arc21, I point to the development of infrastructure as one key measure and the maintenance of our collaboration as another. Key to this are the Principles of Consensus, Equity and Representation. There is no doubt in my

mind that these are the building blocks on which arc21 is founded and will continue to flourish.

I find it very refreshing, if not remarkable, that in this time of diversity and challenges in terms of the local political environment, there is such a level of consensus within the organisation. This has been a feature throughout its evolution and has led to strong cohesion and direction at both Elected Member and Officer level and a focus on the common objectives of the organisation.

Now that we have passed the second anniversary of our birth we have decided to launch this newssheet and also to articulate our objectives in our first Corporate Plan. I would commend you to read the summary of our Plan which appears elsewhere in this edition.

Structure



Joint Committee

Antrim Borough Council	Alderman Mervyn Rea (Chair) Councillor Mel Lucas
Ards Borough Council	Alderman George Ennis Alderman Robert Gibson
Ballymena Borough Council	Alderman James Alexander Alderman Hubert Nicholl (Deputy Chair)
Belfast City Council	Councillor Ian Adamson Councillor Peter O'Reilly
Carrickfergus Borough Council	Councillor Darin Ferguson Councillor Patricia McKinney
Castlereagh Borough Council	Councillor Jack Beattie Alderman John Norris
Down District Council	Councillor Michael Coogan Councillor Peter Craig
Larne Borough Council	Councillor Winston Fulton Councillor John Mathews
Lisburn City Council	Councillor Patricia Lewsley Councillor James Tinsley
Newtownabbey Borough Council	Councillor Barbara Gilliland Councillor Jackie Mann
North Down Borough Council	Alderman Leslie Cree Councillor Alan Graham

Steering Group

Antrim Borough Council	Anne Donaghy Paul Holly Michael Laverty
Ards Borough Council	John Rea Nigel Martin
Ballymena Borough Council	Alex Kinghorn Donna Carey
Belfast City Council	William Francey (Chair) Tim Walker Brendan Murray (Secretary)
Carrickfergus Borough Council	Jean Stewart
Castlereagh Borough Council	Edwin Campbell Barry Donaldson
Down District Council	Canice O'Rourke Joe Parkes
Larne Borough Council	Morris Crum
Lisburn City Council	Brian Porter Noeleen O'Malley
Newtownabbey Borough Council	Hugh Kelly (Deputy Chair) Arthur McCune Michael Kelly
North Down Borough Council	Jackie Snodden Karen Boal

Staff



John Quinn, Chief Executive
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John is a Chartered Civil Engineer and Environmentalist who, after a period in the Private Sector, started his Local Government career in 1980 at Castlereagh Borough Council. He moved to Antrim Borough Council in 1988, initially as Chief Technical Officer and latterly as Director of Environmental Services. He left Antrim to take up the full-time position of Chief Executive of arc21 in September 2004.



Heather Campbell, PA to Chief Executive
Tel: 028 90 373 044
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Heather joined arc21 in November 2004 as Personal Assistant to the Chief Executive. Her primary role is to assist and support the Chief Executive, along with overseeing the day to day management of the offices at Dargan Road. Heather is also responsible for the administration of the Joint Committee, along with Secretary to the Technical and Finance Working Groups.

Heather has many years experience in a similar role in the Private Sector and more recently was Personal Assistant and Company Secretary to one of Belfast's leading entrepreneurs.



George Craig, Finance & Administration Manager
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George joined arc21 in November 2004 and is responsible for accounting, human resources, regulatory and administrative matters.

George has 12 years experience of Finance and Administration in Local Government, having previously been employed as Financial Controller at Belfast City Council for 10 years before joining arc21.



Jonathan Gray, Contracts & Project Manager
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Jonathan joined arc21 in July 2005 and is responsible for co-ordinating and delivering all aspects of the contracts and projects necessary to provide the waste disposal, treatment and recycling infrastructure required for Councils in arc21 to meet their statutory waste management targets.

Jonathan is a Civil Engineer with seven years private sector contracting experience and eight years civil / public service design, project management and procurement / client officer experience.



Ricky Burnett, Waste & Policy Manager
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Ricky is an Environmental Health Officer who joined Glasgow City Council from school in 1976 and enjoyed 20 years serving the city before joining the Scottish Environment Protection Agency in 1996. In January 2000, he took up the post of Waste Management Officer with Lisburn City Council before commencing employment with arc21 in January 2005.

Ricky is responsible for taking the lead role in policy development, advice and guidance on associated waste legislative matters in addition to influencing behavioural change with respect to waste management practices.



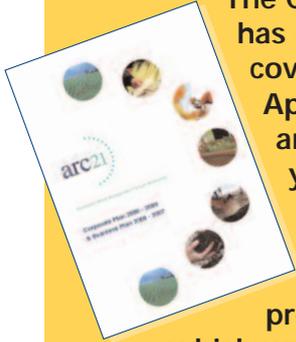
Lisa Carberry, Technical Officer (Temporary)
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Email: lisa.carberry@arc21.org.uk

Lisa joined arc21 in April 2006 and is responsible to the Contracts & Project Manager and to assist in Business Support. Her main responsibilities are to assist with the procurement, development, administration and management of the waste contracts.

Lisa previously worked for Belfast City Council's Cleansing Department.

Corporate Plan 2006-2009 & Business Plan 2006-2007

The Corporate Plan, which has recently been published, covers the three-year period April 2006 to March 2009 and incorporates a one-year Business Plan for 2006/07.



It builds on the previous Operational Plan which was utilised during arc21's neo-natal period from inception of the Joint Committee through to the establishment of the full time staff complement in the intervening two years.

The Plan sets out our Strategic Objectives, as shown, and builds on the solid foundation of success achieved to date, placing the organisation in a strong position to face the challenges and opportunities ahead. We are confident that this approach will maintain arc21 as "Fit for Purpose" going forward.

Strategic Objectives

1. To enable Member Councils to comply with their Waste Management responsibilities by providing access to infrastructure which demonstrates best value by delivering quality services, achieving economies of scale, managing risk and complying with environmental legislation.
2. To ensure the status of the Waste Management Plan remains current, complete and compliant.
3. To develop the organisation and its activities in a way which enhances and reinforces collective working and gains the support of stakeholders.
4. To promote and enable communication, education and awareness programmes, and to advise on waste reduction, recovery and recycling measures, both directly and in partnership with others.
5. To promote the development of processing capacity and market outlets for secondary resources.
6. To build the capacity of arc21, and its Member Councils, to manage the sub-region's waste in a sustainable manner.

The Corporate Plan is available on the website www.arc21.org.uk

Communications Strategy

The attainment of targets and the avoidance of potentially heavy fines are dependant on two main elements;

1. The provision of suitable infrastructure
2. Changes in behaviour

It is widely accepted that behavioural change requires a comprehensive, sophisticated and robust Communications Strategy. The introduction of an initiative known as the ROTATE programme financed centrally through Government has enabled the arc21 family to utilise specialist communication services to produce such a Strategy.

The benefits of adopting a collectively agreed Strategy throughout all eleven Councils include;

- Reduces confusion amongst householders through enhanced coordination
- Aids understanding by householders through consistent delivery of various messages etc
- "Joint Branding" builds and reinforces recall amongst householders
- Improves and optimises flexibility
- Maximises "value for money" through economies of scale

A workshop involving representatives from all Councils was held on the 3rd May 2006 to lay the foundation of the Strategy. This has been followed up by a series of meetings between the specialists and each Council to develop the actual detail of the Strategy. The finalised Strategy is scheduled for completion by the autumn.

Review of Waste Management Plan

The Waste Management Plan (WMP) is currently undergoing a major review to ensure it reflects the current position with due regard to developments since its adoption in January 2003.

A new revised WMP, incorporating some modifications, was produced for consultation. The proposed solution for the management of municipal waste is illustrated in the diagram attached.

The proposed Plan also has a new chapter dedicated to Waste Prevention and includes proposals for:

- Establishing of a Waste Communications Fund
- Introducing trials of incentive schemes
- Proactive participation in regular campaigns
- Developing Action Plans specific to the waste produced by each Council
- Implementing Green procurement practices
- Promotion of Environmental Management Systems (EMS)

The revision of the WMP is the subject of a Strategic Environmental Assessment (SEA) and this exercise is conducted concurrently with the review process:

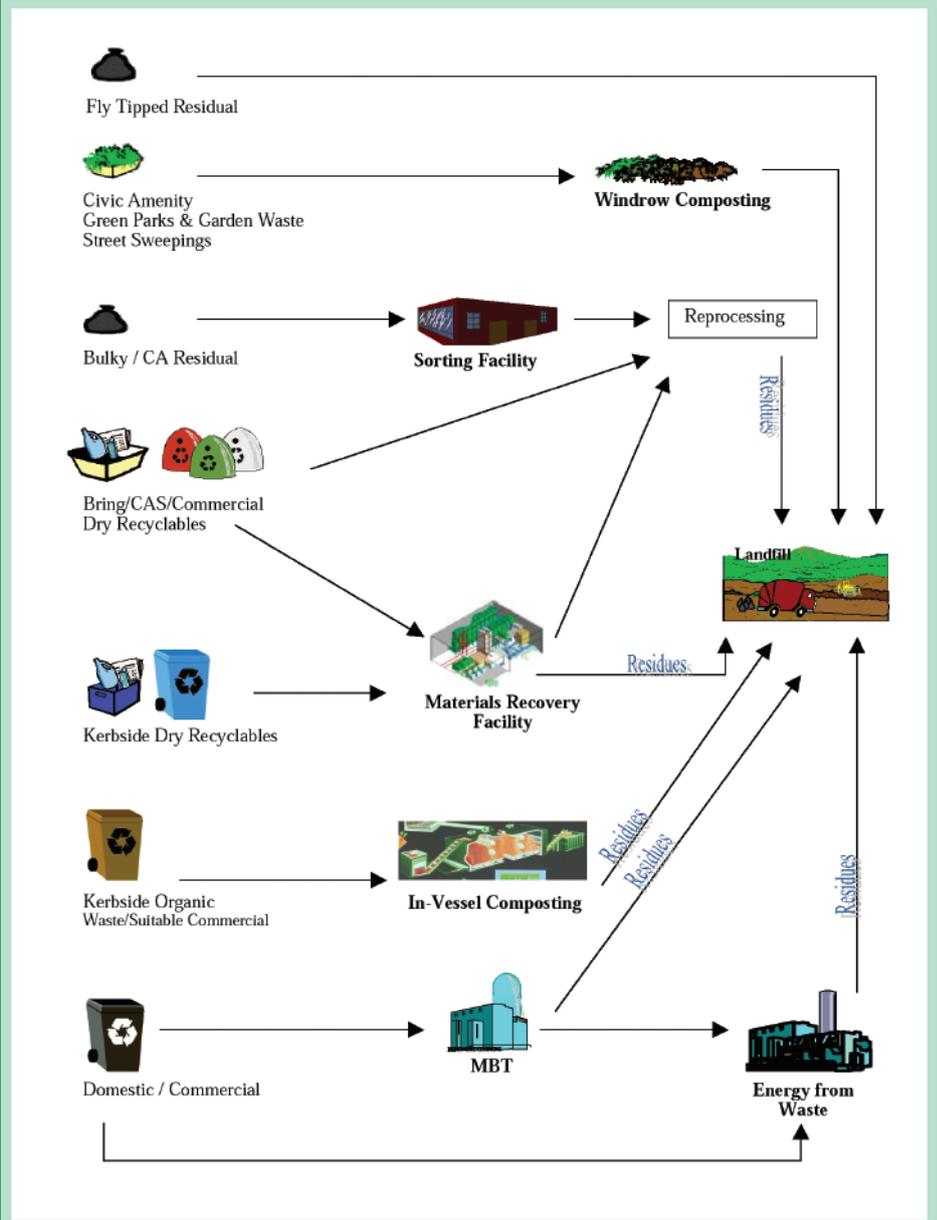
- SEA evaluates the environmental effects of the various waste management scenarios considered for inclusion in the WMP
- SEA makes recommendations on managing effects of the WMP

The proposed WMP was the subject of public consultation commencing on the 10th April 2006 for six weeks. During this period, eleven public meetings (one in each council area) were held, as well as two Information Exchange Sessions. The general tenet of responses to the consultation was largely positive.



The final draft of the proposed Plan was submitted to the Department of the Environment, at the end of June, for their determination.

Illustration of Preferred Scenario



Processing of Mixed Dry Recyclables

A key theme in the arc21 Waste Management Plan has been kerbside collection of recyclable materials. Many arc21 Councils collect these materials co-mingled in a blue or green 240lts wheelie bin. These type of co-mingled collections require a Material Recycling Facility or "MRF" to sort the materials into mill-sized bails for onward transport to primary re-processors.

arc21 Councils decided to procure Material Recycling Facility services as a group so as to realise economies of scale and encourage provision of modern efficient plant. The Contract has been running successfully for over a year now and has processed and recycled over 30,000 tonnes of material to date. The contract is providing excellent service at a very competitive but sustainable cost per tonne.



Official Opening November 2005
Angela Smith MP Parliamentary Under
Secretary of State & Alderman Mervyn Rea



Materials Recovery Facility, Mallusk

Landfill Capacity



Cotton Mount
Landfill Site

Historically throughout Northern Ireland, landfill sites were operated by District Councils and complied with the standards extant at the time of their initial development and opening. With the coming of the European Landfill Directive and its onerous technical standards, continued operation of these sites is not viable and accordingly arc21 Councils have sought Landfill Directive compliant landfill capacity

through a Group procurement exercise. The Landfill Capacity Contract has now been awarded with material projected to go to both the Mullaghglass site near Lisburn and the Cotton Mount site near Newtownabbey. The contract is due to commence in November 2006 and represents excellent value when compared to the rates being achieved by individual authorities going to tender.



Mullaghglass Landfill Site

Procurement of Wheeled Bins

During the summer of 2005, a need was recognised by a number of arc21 Councils for the purchase of a large number of Wheeled Bins. These had traditionally been procured by individual Councils through their Annual Tender Process.



Accordingly, the arc21 Steering Group decided to look at undertaking a group procurement exercise to minimise duplicate work and maximise economies of scale. The specifications were developed and Contract documents

issued by September 2005 with a programme in accordance with the European Procurement Regulations due to the projected financial value of the procurement.

Contractors were invited to price in either Sterling or Euro so as to minimise the currency risk and to price schedules valid for 3 months and 12 months so as to minimise effects of plastics index fluctuations. Tenders were returned in September 2005 and demonstrated remarkably competitive prices. To date, 56,000 bins have been purchased through the contract by Member Councils with an estimated benchmarked savings in excess of £80k.

Phase – 1 Residual Waste Treatment

The Residual Waste Working Group has been investigating methods to increase diversion of waste from landfill to facilitate meeting NILAS targets and avoidance of punitive fines in arc21. An awareness day was held to facilitate discussions with the Waste Sector in relation to existing processing capacity and the scale of diversion that could be achieved within a short to medium timeframe.

Feedback from waste contractors indicated that reasonably substantial capacity already exists and that diversion from landfill in excess of 50% is achievable for Civic Amenity Site mixed skips, Bulky Waste, Street Sweepings and Litter. In very simple terms, if these streams comprise 20% of overall waste arisings and they are all treated to achieve 50% diversion, arc21 would enjoy a 10% increase in recycling rate!

The Residual Waste Working Group decided that a trial exercise was the best way forward to determine the actual diversion achievable and the logistical, specification and payment mechanism issues that would need to be optimised to deliver a best value medium term contract for such a service. The Working Group is now finalising arrangements for executing trials and, prior to public advertisement for expressions of interest from competent contractors, has sought indication from Councils of their interest in taking part in the process.

Searching for Sites!

Securing suitable sites for waste management activities has proven difficult and expensive in the past and has continued to be a barrier to procurement of the waste management services required by the Eastern Region to meet its collective targets. This has been for a number of reasons, including planning difficulties, public perception and the aspirations of private sector land owners for

extremely high values once land is identified for Waste Management use.

arc21 is continuing its land search



efforts through its Site Selection Working Group and in the interests of best value has prioritised as follows -

- 1) Council Land-banks,
- 2) Wider Public / Civil sector Lands and
- 3) Open calls for expressions of interest.

Current work is focusing on Council land-banks and has identified a number of substantial benefits to individual Councils providing sites including -

- A) Rental Income,
- B) Reduced Costs – Direct Haul,
- C) Increased Site Value (Planning) and Asset Value and
- D) Direct Contractual Control over Site Activities.



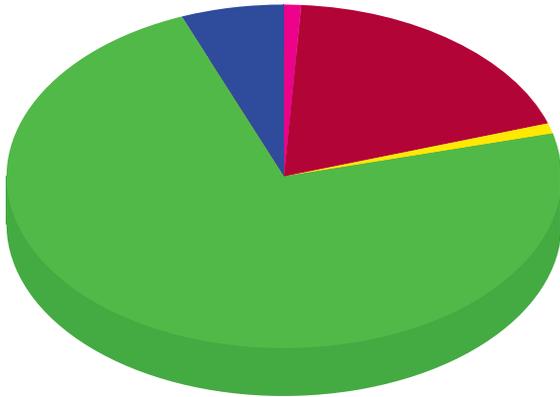
Provision of Council sites also has a number of substantial benefits to the entire Group including -

- A) Reasonable Acquisition / Rental Costs – Reduced Gate Fees,
- B) Certainty of Provision of Service – Ability of arc21 to take Planning Risk,
- C) Equitable Spread of Facilities and
- D) Greater control over Site Activities.

The search continues...

Money Matters

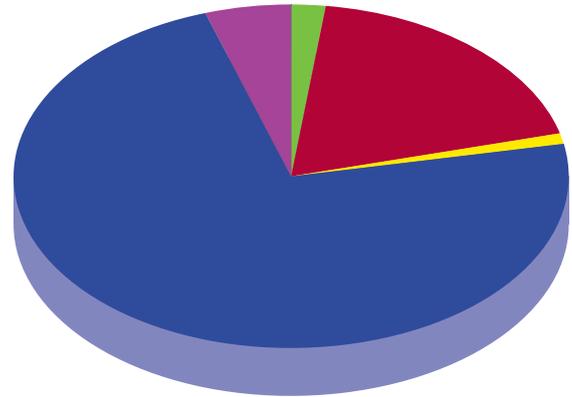
Sources of Income



mrf contract	£1,850,000	19%
bring contract	£132,000	1%
landfill contract	£7,295,000	73%
council contributions	£556,000	6%
grant and other income	£63,000	1%

During the financial year 2006/07 arc21 is expected to receive income from the above sources to the value of £9.9 million.

Sources of Expenditure



mrf contract	£1,850,000	19%
bring contract	£132,000	1%
landfill contract	£7,295,000	73%
operational overheads	£448,000	5%
procurement costs	£171,000	2%

The £9.9 million of income will be spent on the following areas; contract costs, operational costs, and procurement costs.

Waste Watchers

The provision of a bespoke display vehicle for use by arc21 Councils in the promotion of waste related activities took a further step forward as an order has been placed with Automotive Leasing following a procurement exercise. Delivery is expected later in the year. In the meantime, interim arrangements have been made for a temporary mobile unit to be made available.

Assisting the visually impaired to properly identify the correct bin in which to put their recyclables, compostables and other wastes will soon be available with the delivery of specially designed panels eagerly awaited. The panels adhere to bins and were developed in consultation with visually impaired individuals.

The regional and national finals of Youthspeak took place on the 30th May 2006 in Belfast City Hall. The Junior Section (P6 & P7 pupils) topic this year was "Wake up to Waste - Reduce, Reuse, Recycle". The Senior Section (Year 8 & 9 pupils) topic being "Waste Minimisation in Your Home". The Junior Section winner in the arc21 regional final was Eva Richards from Broughshane Primary School and she went on to win the Northern Ireland final. In the Senior Section, Brendan McGlade from La Salle Boys School in Belfast won the arc21 regional final.

arc21 were one of four parties hosting a seminar on Future Technological Solutions on the 16th May 2006 at Galgorm Manor

Hotel. The seminar proved very successful and was well attended by over 90 delegates with close to half being from arc21 Councils.

arc21 joined with the DOE to exhibit at the internationally recognised CIWM exhibition and conference in Torbay during the second week in June 2006. The exhibition attracts over 6,500 visitors.

CIWM Exhibition June 2006



Did You Know...

It is not known how long glass takes to break down but it is so long that glass made in the Middle East over 3000 years ago can still be found today.