

2024-2028

Corporate Plan



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Chair's Foreword

Councillor Michael Goodman

Chair of the Joint Committee



The last four years, over the term of the last Corporate Plan, arc21 faced many challenges. Managing change whilst working through the impact of the Covid-19 pandemic created problems for many organisations, not least local government which had to ensure that waste continued to be disposed of appropriately, and arc21 worked closely with the Councils to ensure that this service continued smoothly.

Generally, an increasing awareness on sustainability and concerns on the loss of biodiversity moved centre stage through popular documentary programmes such as David Attenborough's *Blue Planet*. The need to address risks of climate change and for arc21's councils

to make their contribution to reducing greenhouse gas emissions have come much more to the fore.

When the Covid-19 pandemic struck, many of arc21's 2020-2024 Corporate Plan's objectives were overtaken by the need to respond to the immediate pressures faced by our constituent councils and to develop suitable support. It was quickly declared by Government that the waste management sector consisted of "*essential workers*".

This meant that ensuring the successful management of our councils' residual waste and recyclates by ensuring there were appropriate treatment and disposal operations available so that refuse collections could continue uninterrupted became paramount. It also meant that some initiatives were parked as prioritising operations for mission critical services to achieve "*business as usual*" was prioritised.

As the Deputy Chair for the previous Joint Committee, I would like recognise the hard work and effort demonstrated by the arc21 team over the past four years.

Of note, in 2022 the Minister for the Department for Infrastructure issued a notice to refuse planning permission for residual waste facilities. The following year, after a legal challenge, the Department conceded that it was unlawful, and the decision was quashed by the High Court. This means that after a decade, and adhering to due process, it has still not been possible for arc21's constituent councils to make a decision upon the proposed infrastructure.

As a stop-gap, to provide an outlet for the Councils' residual waste, a framework contract for was established. Looking ahead, given the importance of providing reliable, compliant and robust services, this Corporate Plan will focus on continuing to procure services and provide access to infrastructure for the Councils during the greatest change seen in the sector this century.

For example, there will be changes for the Councils arising from striving to deliver ever-increasing recycling targets within the Circular Economy package, shifting away from landfill and preparing for a new Waste Strategy for Northern Ireland, while also preparing to deliver Net Zero targets. It cannot be understated; the coming four years are going to be busy for everyone working with waste.

And I have no doubt that the arc21 team will continue to strive to shape the local policy landscape and market awareness and offer advice and expertise on how to best introduce the changes brought about by public procurement regulations, statutory environmental targets and market dynamics.

Finally, I would like to formally express my thanks to the present and previous Joint Committee Members for the commitment they've shown to the furtherance of arc21's mission over the years and to commend the arc21 team for the hard work and diligence which they have brought to what they've done and continue to do. Also, I would like to congratulate Tim Walker, our Chief Executive, on becoming the 126th President of the Chartered Institution of Wastes Management.

Introduction

Tim Walker
Acting Chief Executive



The period covered by previous Corporate Plan (2020-24) was a difficult time covering, as it did, the Covid-19 pandemic and the immediate changes which were introduced in terms of ways of working. However, arc21 continued to support the councils almost seamlessly during this fraught time. arc21 has frequently been framed in recent years merely as the proposal to develop residual waste treatment facilities at Hightown Quarry and, whilst such facilities are a critical component of arc21’s Waste Management Plan, it represents only part of the ongoing waste management services which arc21 provides to the constituent councils. The “*success*” of arc21 has been that it has been providing services for over twenty years without undue fuss.

The focus of this Corporate Plan will be to continue to engage with and provide services to various stakeholders, to deliver the existing contracts, to address relevant audit recommendations and to procure new services for existing waste streams and supplies as needed, with a firm eye upon what is practicable within the financial constraints facing councils.

In line with the Stakeholder engagement undertaken in preparing this Plan, should arc21 be requested to provide other services, this will be explored and progressed depending upon the resources available. During the last Plan, there were informal discussions with non-arc21 councils regarding some contracts: however, the remit given to arc21 under the 2015 Terms of Agreement (ToA) is specific to the present constituent councils only.

One item which will be front and centre during the term of this Plan will be the Circular Economy which is taking shape with targets and initiatives now being written into several Departmental policies. This work mirrors the need for the sector to also consider (and address) its carbon footprint in line with UK Net Zero commitments. At the time of writing, the sectoral plan for waste has been published for consultation¹— issues such as reviewing the amount of materials exported, delivering 70% recycling and sending only 10% of waste to landfill are covered. This also means that our reliance upon landfill for final disposal will have to cease.

¹ See <https://www.daera-ni.gov.uk/consultations/rethinking-our-resources-measures-climate-action-and-circular-economy-ni-consultation>

Also, in 2024 it is likely that DAERA will produce its new Waste Management Strategy for consultation. This will include consideration of Extended Producer Responsibility (EPR) (2025), Deposit Return Scheme (DRS) (2025²), the replacement for WasteDataFlow (2025³), new collection arrangements for waste electrical and electronic equipment (WEEE) (2026) and the collection of flexible plastics (2027) and the inclusion of energy-from-waste facilities into the UK emissions trading scheme (2028).

These are all environmentally positive measures which will shift the emphasis for waste management options further up the waste hierarchy. Assessing the financial implications for councils though will be challenging. The pipeline of policy development and impending associated statutory provisions been so full. This means there's much for the Councils and arc21 team to grapple with.

The Waste Management Plan Addendum should be completed shortly which will provide arc21 and the councils with some space while DAERA completes a new Waste Strategy for Northern Ireland⁴, after which it is likely that the Councils will need to consider how to deliver the above initiatives. This will be happening alongside the replacement of key services procured earlier by arc21, including the Organics Contract which will end in November 2029. While outside the term of this Corporate Plan, work will need to be undertaken over the next four years to determine what approach would be most effective for the partnership to manage this waste type once the contract ends.

Concurrently, Government's new Procurement Act is introducing new procedures from October 2024 at which stage they will supplant the old Public Contracts Regulations (2015).

What all these changes will require is that arc21 aligns closely with its Councils and that we deepen our working relationship to ensure that we continue to offer reliable and cost-effective services. Given the current financial climate, the focus will be upon providing best value by focusing upon prudent, dynamic and pragmatic decisions which will deliver for the Councils.

Looking forward to the next four years, I'm thrilled to be working with the Joint Committee to address the coming changes in order to continue to provide security and best value controls for the Councils' waste services, and to advancing the Circular Economy in Northern Ireland.

Finally, returning to the present, personally 2024/25 will be an exciting year for me as I will be inaugurated as the CIWM president in June. This means that in a ten-year span, arc21 will have provided two presidents to the Institution⁵ – I'm not aware of any other organisation having supplied two presidents in such a timeframe.

² This date may slip

³ Ditto

⁴ The revised "*Delivering Resource Efficiency*" Strategy (2015)(see <https://www.daera-ni.gov.uk/publications/delivering-resource-efficiency-northern-ireland-waste-management-strategy>) culminated in the closure report (see <https://www.daera-ni.gov.uk/publications/closure-report-northern-ireland-waste-management-strategy-2013>) when former Minister Poots announced the commencement of preparatory works for a new Waste Strategy in 2022.

⁵ Mr John Quinn was CIWM President in 2014/15 and led with his report "*The Circular Economy: what does it mean for the waste and resource management sector?*"

1.0 Executive Summary

- 1.1 The future strategy for arc21 is based on extensive consultation with stakeholders, with Members of the Joint Committee, the constituent councils' chief executives, the Steering Group, and staff. Desk research has also been completed on performance against the last Corporate Plan, benchmarking information, a cultural audit, governance and management reports and financial data.
- 1.2 arc21 primary focus is on planning, and the procurement of supplies and services for the constituent councils, followed by management of the subsequent contracts. This is supported by advocacy on behalf of the Councils, and the provision of a range of outreach services.
- 1.3 In terms of planning, arc21 had previously worked with the Councils to prepare the Waste Management Plan (WMP)(2015) but in light of recent developments, it is apparent that the local facilities proposed in the Plan to permit the Councils to discharge their statutory duty will not be achieved in the short-term. Alternative arrangements are being put in place while the Department for Infrastructure (DfI) again reconsider the planning application for the waste facilities at Mallusk⁶ but, longer-term, these expose the Councils to greater risk while simultaneously leaving them less resilient.
- 1.4 During the term of this plan, arc21 faces a number of challenges which will need to be managed carefully. These include:
- (i) Planning and procuring new services on behalf of the Councils while they consider appropriate changes to their collection operations to deliver EPR, while also addressing the shifting policy landscape and how to assist with the delivery of the new Circular Economy recycling targets. As the EPR scheme is still being developed, discussions with English councils highlight that there may be new resource implications in terms of contracts and data management.
 - (ii) Seeking to finalise a planning and procurement decision regarding the proposed facilities at Mallusk.
- 1.5 In this Corporate Plan, arc21 will seek to identify the tasks and actions needed over the next four years working with and on behalf of its constituent councils to address these challenges.
- 1.6 Historically, analysis of the metrics demonstrates that arc21 operates with a high level of professional diligence. Consultation feedback indicates however that this is not necessarily recognised or valued. Going forward, the Plan will look to demonstrate the contribution that arc21 provides to the Councils in terms of added value. This is particularly pertinent given that there is a limited number of waste providers in Northern Ireland, some of which have shown a tendency to legally test procurement exercises.

⁶ Previously, planners have recommended approval on four occasions but a positive decision from the DfI has yet to be issued.

This reinforces the importance of procuring and contracting professionally, something that arc21 has demonstrated for resource and waste management contracts over the years.

1.7 The Northern Ireland Government – like the other devolved Governments – has been taking time to consider how best to mainstream plans, strategies and regulations for a whole spectrum of environmental measures around climate change and sustainability, necessitated by legally binding international and national commitments. At present, there is still no firm Northern Ireland policy framework which can be relied on for waste management at the time of preparing this Plan that reflects the new imperatives such as:

- Regulatory Position Statement on Persistent Organic Pollutants (RPS/POPs)
- Deposit Return Scheme (DRS) Commencement – October 2025
- Extended Producer Responsibility (EPR) Payments (December 2025)
- Mandatory Digital Waste Tracking (2025)
- Consistent dry recycling and weekly food to be collected from households (HH) (2026)
- Consistent dry recycling and weekly food to be collected from non-household (NHH) premises (2027)
- Consistent recycling labelling for recyclable film and flexibles (2027)
- Expansion of UK emissions trading scheme (ETS) to waste incineration and energy-from-waste facilities (EFW)(2028)
- Residual waste reduction interim targets (England’s Environmental Improvement Plan)
- DRS 90% collection target
- Near elimination of biodegradable waste to landfill (from 2028)

1.8 arc21 has been operating over the last decade within the waste policy landscape set by DOE’s “*Delivering Resource Efficiency*” Strategy (2013) and the Council’s response – the Waste Management Plan (2015) – which identified the services and facilities needed by them to deliver their statutory duties. The protracted nature of decision-making on the facilities proposed for Hightown Quarry continues to inhibit councils’ ability to have security for the management of residual municipal solid waste. This has resulted in a short-term framework type contract being put in place from which lots can be let for the treatment and disposal of the Councils’ residual waste. It should be noted that the disposal element of these lots is largely based upon exporting partially treated baled waste to other European countries for incineration.

1.9 To make progress, arc21 must engage with its stakeholders: the constituent councils, and other councils and local government bodies across NI, the public and Government. As a result of its long-standing professional and practical experience of local service delivery, arc21 has a unique and important role to play in taking the lead to inform the local policy debate on waste management. Positive feedback has been received from NILGA and Central Government on the important role arc21 provides in this regard.

- 1.10 Over the period of the previous Corporate Plan, in addition to the Covid-19 pandemic challenge, arc21 has worked through changes in the senior management team arising from sickness absence and retirement. As of start of 2024, arc21 has a settled team of experienced professionals leading the organisation. An initial review of arc21's human resource policies and organisational structure considered the need for change. This review concluded that the existing structure, with limited amendments – such as the provision of HR support, would ensure the delivery of the future Corporate Plan. Due to a combination of factors, two of the three senior management team have fulfilled their roles on an “*Acting-Up*” basis over the past few years, while the remaining officer is receiving an honorarium. This will be addressed during the period covered in this Plan.
- 1.11 Financial pressures on arc21 have arisen due to the decision to return reserves to the constituent councils during the term of the previous Corporate Plan and having to draw upon reserves to address several unplanned legacy issues. Going forward, the risk of litigation for any contracting authority in Northern Ireland seeking to procure waste management services is high. arc21 has had to respond to litigation in recent years. These factors have resulted in a negative impact on the reserves. In order to ensure that arc21 has sufficient reserves to address future issues, an updated reserves policy will be prepared to provide an appropriate level of finances for the organisation.
- 1.12 arc21 will continue to enhance relations and work collaboratively with its constituent councils, wider local government in Northern Ireland and with its allies, as identified through the research. arc21 also needs to ensure that it is able to demonstrate that it continues to provide best value through its procurement exercises for local government in a problematic service area, through a motivated high performing team, and sound governance by a well-informed Joint Committee which is capable of making strategic decisions.

2.0 Background

arc21 Functions

- 2.1 arc21 was formed over twenty-one years ago, partly in response to new legislative requirements falling to councils arising from the Waste & Contaminated Land (NI) Order 1997. In addition to the Department's⁷ publication of its first Waste Management Strategy, the councils formed partnerships to deliver the changes outlined in the legislation and policy and were required to draft their own Waste Management Plan (WMP). Working with its constituent councils, arc21 produced its first WMP in 2003 which to identify what waste treatment and disposal facilities were likely to be needed to manage the different waste streams and also outline a timetable by which these would need to be secured. As form follows function, this defined one of arc21 key functions which has been to act as a contracting authority to procure services and waste infrastructure to meet the needs of its constituent councils. Once procured, arc21 carries out the contract management role for these contracts and performs important performance monitoring duties from both a financial and operational perspective.
- 2.2 Looking to the future, in addition to the waste management planning and land use planning function, procurement and contract management on behalf of its councils, arc21 also provides an advocacy, and educational and awareness role on behalf of its constituent councils.
- 2.3 This is supplemented by arc21 providing a collective policy response in relation to Government consultation exercises.
- 2.4 The result of the delivery of these functional areas is that arc21 can provide an important interface role with Government Departments at a regional and national level, and with the private sector and other stakeholders. Through providing a forum for collaboration and sharing of knowledge among the constituent councils arc21 provides a beneficial forum for deliberation and discussion of challenges faced by the Councils, and in monitoring the performance of the local market.
- 2.5 arc21 was established to work with the constituent councils in the delivery of their responsibility to prepare a Waste Management Plan under the provisions of the Waste and Contaminated Land (NI) Order 1997. In 2003, arc21's councils agreed to create a statutory joint committee under The Local Government (Constituting a Joint Committee a Body Corporate) Order (NI) 2004 to help them deliver the waste hierarchy and links to sustainability while also meeting the range of statutory environmental and market imperatives pressing down on them. arc21's six constituent councils are Antim & Newtownabbey Borough Council, Ards and North Down Borough Council, Belfast City Council, Lisburn and Castlereagh City Council, Mid and East Antrim Borough Council, Newry, Mourne and Down District Council. The six Councils cover a located in the south, east and north of Northern Ireland.

⁷ The Department of the Environment (DOE) published Northern Ireland's first waste management strategy in 2000, while the Department for Agriculture, Environment & Rural Affairs (its successor) (DAERA) is now responsible for this function.

They have a combined area of 4,349 square kilometres, which is 32% of the area of the country, and a combined population of 1,124,912 (2021 census) which is 59.1% (2021 census) of the population of Northern Ireland. In 2022/23, out of a total of 971,936 tonnes, arc21's constituent councils managed 573,431 tonnes of which household waste accounted for 497,111 tonnes. From this, the arc21 region achieved a household waste reuse, dry recycling and composting rate of 49.6%⁸.

- 2.6 In its role as a Council advocate, arc21 represents its councils on the Government Waste Working Group, as well as on task-and-finish Landfill Ban Working Group and with assisting/representing NILGA on the shadow EPR Scheme Administrator modulated fee working group but, given its expertise, arc21 aspire to also playing a more strategic role in the development and delivery of resources and waste management in Northern Ireland during the term of this Plan by seeking to join the Council Waste Forum as well as the Strategic Waste Partnership. For example, arc21 has been providing waste services in accordance with the public procurement regulations and framing these contracts to secure competitive tension between solutions (e.g. local treatment versus export) and between providers, and in the process it has built up considerable knowledge and experience of the local market. Given the pace of change and that procuring services in Northern Ireland for high value contracts can be litigious, it seems anomalous that arc21 is not more closely involved in these discussions.
- 2.7 Notwithstanding these observations, arc21 stakeholders value the experience and knowledge that exists in arc21, particularly in relation to specialist procurement and contract management services which the arc21 team provides. Consultation with stakeholders has reinforced that constituent councils and Government Departments are supportive of collaboration among the councils on waste management. Moreover, an initial draft report has been produced by the Strategic Investment Board (SIB) under the direction of Society of Local Government Chief Executives (SoLACE) which considers the formation of an eleven-council single waste authority for Northern Ireland.
- 2.8 arc21 manages 1,700 tonnes (approx.) per day of material arising from a range of waste streams collected by the constituent councils using a variety of different services. These wastes are then delivered to a range of facilities for treatment/disposal, and there is also a supplies framework for the provision of a variety of waste receptacles. In terms of the contracts in place at present, these are as follows:
- treatment of organic waste to produce PAS100 compost, in place until 2029;
 - provision of landfill;
 - receipt and processing of mixed dry recycling;
 - the recycling and recovery of residual waste;
 - receipt and processing of street sweepings;
 - collection and processing of waste from a network of Bring Banks Sites across the arc21 region; and
 - a number of waste haulage contracts for use by some of the constituent councils.

⁸ <https://www.daera-ni.gov.uk/articles/northern-ireland-local-authority-collected-municipal-waste-management-statistics>

There are several support service contracts which arc21 uses to assist in the delivery of its services to the councils which include those of an insurance broker, environmental consultancy support and legal services.

The Policy Framework for Waste Management

- 2.9 The Waste Framework Directive (WFD) (2008/98/EC) provides the overarching legislative framework. This Directive sets out measures to minimise the negative effects of the generation and management of waste on human health and the environment and aims to reduce the use of resources. A key component of the revised WFD is the waste hierarchy, the primary purpose of which is to minimise adverse environmental effects from waste and to increase resource efficiency in waste management by specifying a hierarchy of treatment and disposal options for waste. The most favoured option is prevention, and the least is landfill disposal. The Waste Regulations (NI) 2011 transpose the revised Waste Framework Directive into Northern Ireland.
- 2.10 The updated policy agenda on waste management in Northern Ireland is yet to be determined and, in order to incorporate changes which have occurred since the previous Strategy was produced in 2013, a new Waste Management Strategy is expected to be issued for consultation later in 2024. Critical decisions on the management and disposal of a variety of wastes will have to be outlined in this new Strategy. Notwithstanding the lack of current political agreement on the most appropriate manner in which to dispose of residual waste however, there is agreement that future scenarios for dealing with this waste must be grasped now before the situation becomes critical.
- 2.11 The lack of clarity on the future Waste Management Strategy, on arc21's role, and on how residual waste will be disposed of creates the need for an agile Corporate Plan with clear achievable objectives and that sets a direction of travel that its key stakeholders support.
- 2.12 The first Waste Management Plan for the eastern region waste management group (arc21) was prepared in January 2003 and suggested how the region's waste should be managed until 2020 and resulted in the formal creation of arc21 (see Section 2.5). The Plan was revised in 2006 and included identifying capacity needs, potential sites and/or siting criteria, the services required for the collection treatment and disposal of the wastes in the Council areas. After Local Government Reform (LGR) in 2015, the Councils at that time were restructured into the current Council areas and a revised Plan, updating the 2014 version to specifically cover the new arc21 Councils' area, was subsequently published in September 2015. At the time of writing, arc21 is working with its constituent councils and with an external consultant to produce a Waste Management Plan addendum which will provide an overview of the current situation in relation to the councils and the waste services which will need be procured over the next few years. It is anticipated that the addendum will be completed later in 2024.

2.13 The previous DAERA Waste Management Strategy expired in 2020. Strategic direction is required over the future for waste management in Northern Ireland. The new Strategy due out later in 2024 is expected to outline new objectives to move waste up the waste hierarchy, to introduce Extender Producer Responsibility (EPR), Deposit Return Scheme (DRS) and waste tracking (Fig 1 below highlights the pipeline of Government initiatives currently progressing through the UK system), as well as to articulate what is needed to achieve better waste prevention locally. The new Strategy is also expected to identify what will be required from different organisations in order to contribute to the achievement of Net Zero and the development of a local Circular Economy for Northern Ireland. In advance of this, a consultation on “Rethinking Our Resources: Measures for Climate Action and a Circular Economy in NI”⁹ was held in Q1 2024 which is seeking to take stock of the resources and waste management performance to date and proposing a series of new interventions to continue to drive up the recycling rate in Northern Ireland.

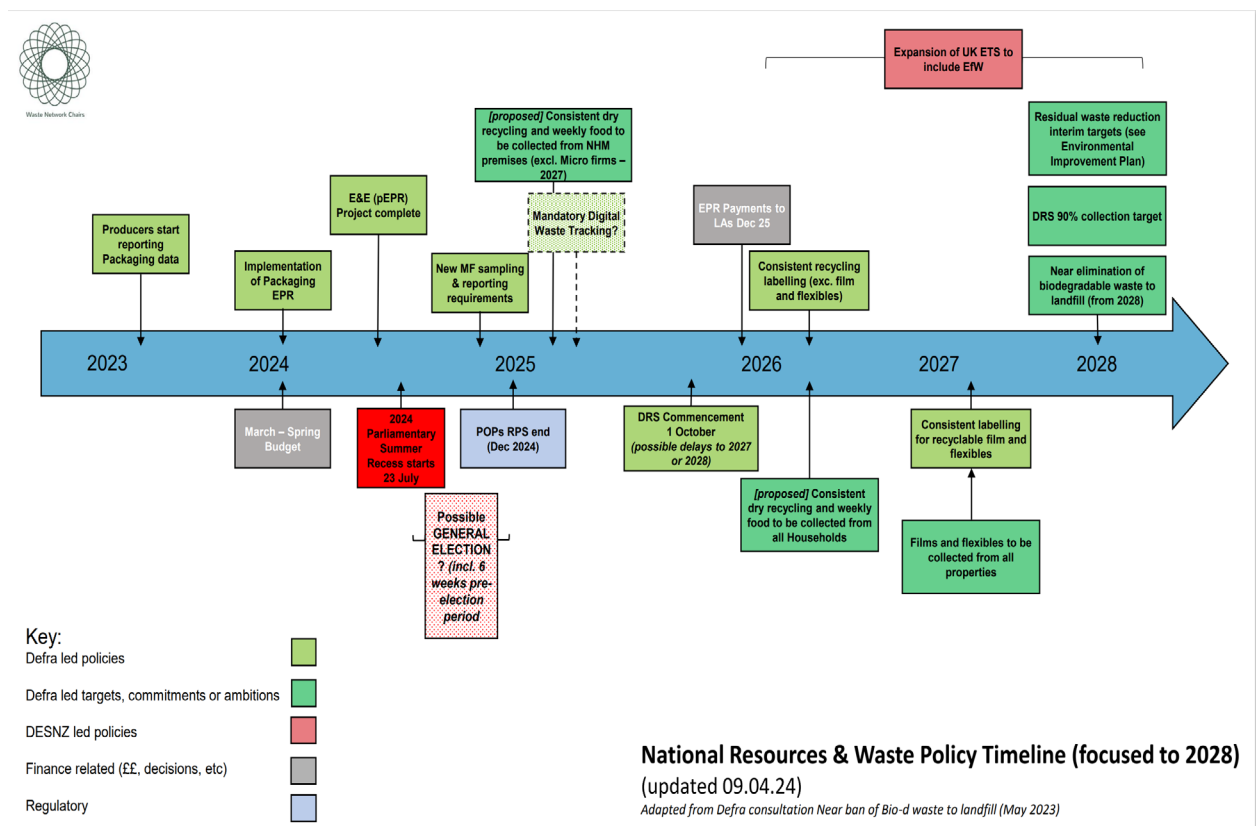


Figure 1 - National Pipeline of Waste Policy Interventions (courtesy of Waste Network Chairs)

⁹ <https://www.daera-ni.gov.uk/sites/default/files/consultations/daera/Rethinking%20Our%20Resources%20-%20Measures%20for%20a%20Climate%20Action%20and%20a%20Circular%20Economy%20in%20NI%20-%20Consultation%20Document.pdf>

- 2.14 Regarding the Strategy, it will also set out the following targets and dates for the introduction of the policy interventions outlined in Figure 1 as follows:
- Overall Recycling Rate 55% by 2025; 70% by 2030 (60% Recycling Rate for Municipal Waste)
 - Landfill less than 10% of Municipal Waste by 2035
 - Achieve Net Zero by 2050: 48% by 2030
 - Introduce Extended Producer Responsibility (EPR) for packaging by 2025
 - Deliver 80% of electricity consumption from renewable sources by 2030
 - Plan to Address Single-Use Plastics
 - Deliver Climate Action Plans for Northern Ireland
- 2.15 The arc21 Corporate Plan for 2024-2028 is being developed within the context of the considerable changes coming over the next few years – which makes for an uncertain, complex, and tightly regulated public sector environment which will be governing the procurement of waste services. The key stakeholders arc21 exists to support (the six constituent councils) face pressures on resources and challenges in meeting the targets set by Government on waste. The resources required to manage waste makes it the single largest cost centre of the Councils' budgets. This is unlikely to change in the future.
- 2.16 The potential opportunities of managing waste as a resource are not fully realised in Northern Ireland where a heavy reliance upon the export of materials (both treated residual waste and recyclates) to overseas markets has developed. Ultimately, if this continues it may limit the realisation of the draft Circular Economy Strategy as envisaged by the Department of the Economy in their consultation paper in 2023¹⁰. Across Europe and beyond, and internally in certain industry sectors, innovative initiatives exist where waste is being used as a resource and, as a result, public attitudes to waste and their involvement in reducing and reusing these materials is being transformed. A considerable behavioural and attitudinal change to the way waste is valued by the wider public is required here to move waste up the waste hierarchy and allow this material to contribute to the creation of new jobs and other opportunities. This can only happen however if the waste currently being generated is managed in accordance with legislative requirements while this transition occurs in October, after which the new UK-wide legislation will be in place.
- 2.17 In 2024, the new UK Procurement Act comes into effect. This legislation replaces the Public Contract Regulations (2015) which arose from an EU Directive with simpler, more flexible and effective procurement procedures. There are several benefits, which include creating a simpler and increasing transparency so that public sector monies can be more closely scrutinised. The timescale for the introduction of this new legislation is that it will go live in October 2024. This means that for arc21 there will be a period during the course of this Plan where procurement exercises are being conducted under the older regulations as this transition occurs.

¹⁰ See <https://www.economy-ni.gov.uk/sites/default/files/consultations/economy/draft-circular-economy-strategy-for-northern-ireland-main-report.pdf>

- 2.18 For the purposes of drafting this Corporate Plan therefore, several high-level assumptions were made. These include that the Extended Producer Responsibility (EPR) will be introduced as planned in 2025 and will "*require certain producers to meet recycling obligations and to pay annual fees as a contribution to the costs of collection and disposal of packaging which becomes household packaging waste and of providing public information about disposal of packaging waste*"; a new Waste Strategy will be published by DAERA for consultation in 2024 and finalised the following year which will incorporate the requirements for the recycling targets to deliver the Circular Economy targets and, in response, arc21 and its constituent councils will draft a new Waste Management Plan (WMP) outlining the actions needed to comply with the statutory targets. It is anticipated that this process of preparing a new WMP will be finalised in 2028.
- 2.19 There are also a series of other policy initiatives in the process of being implemented nationally which as part of a new Waste Strategy may have a bearing upon the Corporate Plan during its four year period (see Figure 1), and these are summarised below as per the indicative timetable in England.

New Material Facility (MF) Sampling and Reporting Requirements - From 1 October 2024, more Materials Facilities in England will have to sample and report their waste. Sampling and reporting will be more detailed and more frequent and will apply for every 75 tonnes of incoming waste material received for each supplier in a given reporting period. These regulations do not apply in Northern Ireland yet but can be expected to be introduced as part of the new Waste Strategy.

POPs RPS - In December 2022, the Environment Agency (England) introduced a regulatory position statement (RPS 266) under which it identified that waste upholstered domestic seating may contain persistent organic pollutants (POPs) and required that councils should treat and dispose of these items in a manner as if it contained POPs materials. The latest update to this guidance was in April 2024. The NIEA has not yet issued guidance but how these items are to be managed can be expected to be covered in the new Waste Strategy, supported by an appropriate Regulatory Position Statement (RPS).

Simpler Recycling: Consistent Dry recycling & Weekly Food Waste Collections - In 2023, England introduced *Simpler Recycling* as a means to increase the general recycling of materials across the country. This also introduced a requirement for weekly collections of food waste by 2026. This policy is designed to stand alongside the introduction of EPR in 2025 to improve recycling. In Northern Ireland, DAERA undertook a consultation called "*Rethinking Our Resources: Measures for Climate Action and a Circular Economy in NI*" to consider introducing many similar aspects as per *Simpler Recycling*, and the results of this are likely to be captured in the new Waste Strategy.

Mandatory Digital Waste Tracking - Government is planning to introduce mandatory digital waste tracking nationwide in order to gain a comprehensive understanding of what is happening to the waste across the UK with a view to developing better regulation and improve duty of care. By targeting the flow of materials, this policy is also focusing upon developing a more circular economy and also reducing the opportunity for illegality. Government intends to introduce mandatory tracking from April 2025.

Deposit Return Scheme (DRS) - As part of the measures proposed under the *Resources & Waste Strategy 2018* (England), Government consulted upon introducing a DRS which would make it easier for consumers to return drinks containers after use which would increase recycling rates and reduce littering. There has been considerable discussion about how a scheme could be introduced which would be consistent across the devolved administrations and it has now been confirmed that this initiative will be delayed until 2027.

Extended Producer Responsibility (EPR) Payments to Councils - It is anticipated that councils will receive an indication of how much money they will receive from packaging producers in November, based on an estimate of obligations due under EPR when the scheme goes live in 2025-26. This will occur nationwide. Government's decision not to include DRS materials in the EPR scheme from 2025 until 2027 may complicate matters and further details may be included in the new Waste Strategy. Councils' collection and recycling services are unlikely to need to change in the short-term but, once the modulated fees are introduced in Year 2, the Scheme Administrator will determine whether councils have delivered the requirements of providing "*efficient*" and "*effective*" services. The quantum of payment each council will receive will only become apparent once the implications of this assessment upon "*full net cost recovery*" emerge. Councils may face new resource implications arising from contracts or data management in terms of improving the tracking of packaging waste.

Expansion of UK Emissions Trading Scheme (ETS) to include Energy-from-Waste (EfW) - In order to achieve Net Zero by 2050, Government has decided to include EfW and waste incineration facilities in the UK ETS from 2028. It is probable that there will be a two-year phasing-in period between 2026-2028 where installations will be required to monitor their emissions. This will apply nationwide and will increase the priority to pre-treat residual waste prior to disposal by incineration. Further details are expected to be included in the new Waste Strategy.

Collection of Recyclable Film and Flexible Plastics - Government has set a target for the amount of residual municipal plastic waste to be generated per person per year (England) and have introduced a requirement for councils to collect film and flexible plastic for recycling by March 2027. Further details on this are expected to be included in the new Waste Strategy.

- 2.20 There will be additional consultations and policy responses from DAERA and other Government Departments, but the items outlined above will be the primary drivers in developing this Corporate Plan.

3.0 The Wider Context facing arc21

STEP Analysis

3.1 Societal Issues

- ❖ Beyond collection, the public are largely unaware of waste management issues, from Government policies establishing targets, to the supply of products, to options for their eventual treatment and disposal. Government recognises that a major education and engagement programme is needed to encourage a greater adoption of both waste minimisation and recycling. There is a need to change perceptions to valuing waste as a resource.

For many, while they may appreciate there is a link between waste and climate change, the “ask” can be overwhelming. The use of economic instruments, such as Extended Producer Responsibility (EPR) are increasingly being recognised by Government as an appropriate means to apply the “polluter pays” principle and, in the instance of packaging, ensure that those organisations which place materials onto the market pay an appropriate fee to recover those materials. There is also increased focus on broadcasting the activities which need to be undertaken, including waste prevention, while local councils focus upon informing residents what steps to take to increase recycling in their area. Waste Resource Action Programme (WRAP)/Keep Northern Ireland Beautiful (KNIB) have been successful in developing programmes in this area.

- ❖ There is opposition to the siting of waste treatment facilities. Proposals to develop facilities can attract negative publicity. arc21 is reliant on the evidence being presented to statutory processes and responding to concerns. As a public body, arc21 is subject to democratic oversight and accountability and its officers have to observe high standards of conduct.

3.2 Technological Issues

- ❖ Artificial Intelligence (AI) is emerging as a potentially powerful tool in driving improvements in waste management and, in particular, in MRF sortation practices. In consultation with external stakeholders, it was felt technological advance could be delivered through public-private partnerships. In addition to the application of new AI tools, Queen’s University Belfast (QUB) is currently researching the use of chemical technology to treat certain elements of the waste stream. Chemical recycling is currently being considered as an additional application to improve the recovery of certain materials but, at present, this has yet to be proved as commercially viable.
- ❖ The Waste Management Plan (2015) embraced technology and innovation. The WMP Addendum will outline the steps to be taken to prepare for the introduction of EPR and until a new Waste Management Plan is launched in 2028 – which will consider issues such how the Councils will respond to the new emissions trading scheme.

- ❖ With a requirement to deliver the increasing Circular Economy recycling targets, opportunities to work with the Councils to improve their collection operations and to specify higher standards will arise if increased amounts of marketable materials are to be recovered from the waste streams.
- ❖ The development of the proposed waste treatment infrastructure at Hightown Quarry will open the possibility of value-added services to be provided (e.g. low carbon heat energy sales).
- ❖ Widescale reskilling will be required across local government and the wider sector in terms of recognizing what needs to be delivered for both Net Zero and the green economy, much of which is likely to require use of new technologies.

3.3 Environmental Issues

- ❖ There are major changes and obligations for Northern Ireland in terms of delivering new waste policies (EPR), and both the Circular Economy (2021) and the Climate Change Act (NI) 2022. This will require the expansion and development of both existing and new facilities to ensure adequate capacity is maintained. This is also likely to include a greater number of dedicated facilities to deal with specific waste streams (e.g. black mass – the arisings from battery recycling).
- ❖ There will be challenges for the Councils in delivering the targets to be included in a revised DAERA Waste Management Strategy (expected 2025). The precise arrangements by which councils will deliver the targets has yet to be identified.
- ❖ There are local issues in terms of how waste is managed currently, with the resistance to the development of certain facilities in Northern Ireland while there is an increasing reliance on the export of recyclates and residual waste for incineration elsewhere.

3.4 Political Issues

- ❖ As identified in the previous section, targets have been set by Government relating to waste management that are to be achieved by 2025, 2030 and 2035, but the definitions of what may be included, the actions which councils need to take, and interim steps needed are unclear, although the results from the "*Rethinking Our Resources*" consultation may address this (see Section 2.10). There is likely to be increased costs borne by the constituent councils in delivery of these targets and the funding arrangements for the provision of additional services is unclear, but they may constitute "*new burdens*" and be subject to further discussions with the Department.
- ❖ Waste makes up at least a sizeable proportion of the councils' budgets and has a significant impact on rates. Communicating the ways in which waste is re-framed as a resource in a way that provides opportunities will be an important objective in the 2024-2028 Corporate Plan.

- ❖ There may be political consideration of the future of local government waste management arrangements during the term of this Corporate Plan (see Section 2.7).
- ❖ Councils have been facing financial pressures in recent years and this situation is likely to persist for the term of this Corporate Plan.

4.0 Positioning arc21 for the next four years

Our Strengths, Opportunities, Aspirations and Results

4.1 As part of the preparation for arc21’s Corporate Plan, arc21 has undertaken a robust sectoral analysis of the present and future context and developed a SOAR analysis as a means of aligning our assessment of the position of arc21 alongside the desires of its stakeholders.

<p>Strengths</p> <ul style="list-style-type: none"> • Expertise in procurement, contract management and policy development • Access to performance data • Economies of Scale • Networks across the sector • Strong track record in probity and good governance • Industry Surveillance /Market Knowledge/Deep Understanding of waste management • Established programme of education and outreach • Inter-sectoral networking • Robust procedures of assurance and governance 	<p>Opportunities</p> <ul style="list-style-type: none"> • To continue to shape markets in waste and improve revenue generation for councils through acting as an effective intermediary with contractors. • Collaborate with others to raise environmental awareness • To provide innovative best practice in waste management solutions • To increase the range of services provided by arc21 to the councils
<p>Aspirations</p> <ul style="list-style-type: none"> • To increase engagement with our stakeholders and be the waste management partner of choice for our constituent councils • To assist its constituent councils in addressing the policy challenges associated with delivering the Circular Economy and Net Zero • To continue to provide contracts and services which demonstrate best practice in waste management. • To continue to advocate for the sector on policy • To increase councils’ recognition of arc21’s expertise • To provide leadership and support for the preparation of both the WMP addendum and the refreshed WMP in 2028 	<p>Results</p> <ul style="list-style-type: none"> • Programme of engagement with stakeholders • Refreshed WMP documents for the constituent councils. • Conclude the procurement exercise for the residual waste treatment facilities at Hightown. • To reestablish the reserves policy. • To continue to deliver a balanced financial strategy. • Maintain accreditation for its governance arrangements

5.0 Our Vision, Mission and Values

The vision, mission and values which were presented in the Corporate Plan 2020-2024 were revisited and, after careful scrutiny, they are still considered to be appropriate and remain constant in setting arc21’s future direction and reiterating its core purpose. They will be used to keep the team focused on arc21’s purpose, where the organisation is going and what it is trying to achieve.

Vision

“To be the partner of choice on waste and resources”.

Mission

“To provide a platform for councils to collaborate on waste/resources. arc21 develops and delivers solutions that meet the constituent councils’ needs. arc21 actively contributes to creating a circular economy and addressing the climate crisis in Northern Ireland”.

The values statements reflect what arc21 stands for. These core principles and ethics provide guidance on how it will behave.

Our Values

<p>Collaborative</p> <p><i>outcome focused, inclusive, sharing, representative.</i></p>	<p>Authentic</p> <p><i>honest, open, genuine, trusted, responsible.</i></p>
<p>Entrepreneurial</p> <p><i>resilient, adaptable, collaborative, transformative, future focused, progressive</i></p>	<p>Customer Focussed</p> <p><i>responsive, approachable, supportive, reliable, valued.</i></p>

6.0 Monitoring and Reporting on our Performance

The Strategic Objectives

- 6.1 The priority for arc21 is to use its five core skills areas (outlined below) in supporting the constituent councils with the development and delivery of both the WMP addendum (see Section 2.9) and its successor, the WMP (see Section 2.16), and the procurement of replacement or new services to support the Councils' achieve targets in line with their statutory duty. The activities contained within this Corporate Plan will focus on delivering this agenda. Over the period 2024/28, the Plan will focus upon:
- (i) *advocacy* – engage with stakeholders on behalf of arc21's constituent councils on covering issues such as the Circular Economy, EPR, Net Zero.
 - (ii) *procurement* – deliver a programme of work to ensure appropriate contracts are in place for the Councils including implementing interim arrangements for residual wastes and seeking to conclude the procurement exercise for the residual waste treatment facilities at Hightown.
 - (iii) *policy and planning* – refresh the WMP addendum and prepare for a new WMP in association with the constituent councils.
 - (iv) *policy and planning* – maintain ISO9001 accreditation for arc21.
 - (v) *compliance and contract management* – limit the residual waste sent to landfill by 2027/28.
 - (vi) *compliance and contract management* – continue to deliver a balanced financial strategy and reset arc21's reserves.
 - (vii) *outreach* – maintain a programme of engagement with councils for schools, community groups and events.
- 6.2 The overall thrust of arc21's Plan lies in providing appropriate services and support for the Councils and doing it reliably. To do this:
- ❖ each year, arc21 will focus on providing services which are fit-for-purpose against the changeable environment it is operating in.
 - ❖ arc21 will also produce an Annual Report to review its achievements against each of its Strategic Objectives.
- 6.3 In order to be true to its mission and maintain a focus on the areas that arc21 considers to be most important for its Councils, its strategic objectives have been selected to deliver against the aims above. In achieving these, arc21 will contribute to furthering waste and resource management practices on behalf of its constituent councils.

- 6.4 The first set of objectives are aimed at **developing a programme of engagement with arc21 stakeholders to demonstrate the value it provides** and responding to the needs and expectations of the councils. This means working with both internal and external stakeholders to maintain the standard of existing activities, to deliver excellent services, to collaborate and to increase the impact which arc21 can provide to the Councils.
- 6.5 arc21 also recognises that these can only be achieved if it **contributes positively to help its constituent councils address the challenges faced in terms of policy implementation (delivering the WMP addendum and preparing a new WMP)**. A core element of this work is ensuring that arc21 undertakes tasks which contribute to the Councils being able to demonstrate that they are statutorily complying with their legislative requirements.
- 6.6 arc21 recognises also that its constituent councils are facing considerable financial pressures. Therefore, it will continue to focus on achieving best value in all its procurement exercises, including those let to **move residual waste away from landfill, as well as in the interim waste contracts**. This will entail the (re)letting of contracts to ensure that the waste produced by the Councils is correctly treated, recycled and disposed of in accordance with statutory requirements and that, by using open competition, arc21 is able to provide the most cost effective contracts on behalf of the Councils, while abiding by its own **robust internal Governance & Financial arrangements**.
- 6.7 In relation to the actions within this Corporate Plan, this cannot be achieved without diligence and hard work from the arc21 team. To ensure that it has the capacity to lead, manage and deliver in their areas of work, arc21 will seek to maintain the **Positive Culture displayed by the Present Valued, High Performing Organisational Team**.
- 6.8 Consequently, arc21 has grouped its objectives, and the resultant actions, into five main sets as follows:

**Enhanced Engagement with Stakeholders to demonstrate the value provided by arc21 (ES)
By 2028**

- ES.1 Strengthen arrangements with all stakeholders to aid delivery of effective and efficient waste management solutions.**
- ES. 2 Stakeholders will have a positive perception of arc21, and of the value it provides to its constituent councils in a limited, litigious marketplace.**

**Contributing positively to addressing the challenges faced by our constituent councils in terms of policy implementation (PI).
By 2028**

- PI. 1** Finalise the WMP addendum for the period beyond 2025, in compliance with legislative requirements and wider policy objectives.
- PI. 2** Promote, educate and influence others on waste prevention, the Circular Economy and recycling, both directly and in partnership with others.

**To successfully procure waste contracts on behalf of the constituent councils in accordance with best value practices (BVP).
By 2028**

- BVP. 1** Ensure the continuity of services and supplies contracts and reach a decision on the provision of infrastructure.

**Enhanced Governance & Financial arrangements implemented (EGF).
By 2028**

- EGF. 1** Achieve financial targets and performance ratios.
- EGF. 2** Deliver a balanced financial strategy, reset arc21's reserves and demonstrate sound risk management practices.
- EGF. 3** Demonstrate high levels of operations management.

**Evidence of a Positive Culture and a Valued, High Performing Organisational Team (OPCT).
By 2028**

- OPCT. 1** Deliver the strategic objectives working with staff who demonstrate the organisational values of: working *collaboratively* in an outcome focused way; being *authentic* as a reliable and trusted partner; with *entrepreneurialism* and a *customer focus* which is responsive to the changing needs of our constituent councils.

7.0 Financial Plan to Support the Delivery of the Corporate Plan

Financial Plan

- 7.1 Based on its constitution, arc21 is subject to scrutiny under local government audit arrangements undertaken in order to ensure effectiveness, efficiency, financial prudence, and that it is legislatively compliant.
- 7.2 The independent evidence provided from financial audits, benchmarking exercises, and governance reports demonstrate arc21 complies with the regulatory framework for public sector and will continue to perform equally well against these metrics going forward.
- 7.3 The procurement regulations as they apply to arc21 are well understood by the officers and will continue to be applied as efficiently and effectively as possible within the constraints set by government waste policy.
- 7.4 In terms of shaping the competitive environment, arc21 already performs due diligence in the formulation and application of contracts and will continue to perform to the current high conforming standards going forward.
- 7.5 Benchmarking exercises have been performed over the past number of years. While the outcomes demonstrate that arc21 compares favourably with similar GB-based local government organisations, it is considered that the comparator organisations significantly differ from arc21 due to their legislative underpinnings. As such, the value of this exercise should be re-assessed.
- 7.6 Since 2014, arc21 has regularly undertaken an “*Excellence in Governance*” review. This accreditation is now evolving and having discussed the suitability of this change with the scheme administrator, it has been considered that it is no longer appropriate for the organisation. The results from the last assessment (2023) will be addressed as part of the regular work undertaken by management each year.
- 7.7 Budgets are prepared each year using a zero-based approach. Budgets will continue to be set in accordance with the required level of activity demanded by the constituent councils. There are a number of upward pressures upon arc21’s budget which include cost increases arising from inflation on salaries, changes in insurance prices, increased amount of legal fees, etc which the constituent councils will be advised of through arc21’s revenue estimates. Therefore, an increase in establishment costs is foreseeable for the 2025/26 year and possibly each year thereafter as long as these pressures continue to apply. Given the low establishment costs for arc21, there is limited scope to amend these charges.

- 7.8 arc21 realise that SoLACE is considering the viability of refreshing waste management arrangements between the councils to ensure that they remain fit-for-purpose, but is unaware of any timetable against which any recommendations would be delivered. As such, any resultant proposals are beyond the scope of this Corporate Plan, but for the purposes of providing certainty for the constituent councils, arc21's finances will be prepared in the same manner as they have been previously until such times as any change is announced.

Governance and Risk Management

- 7.10 The reserves were constituted to cover unforeseen eventualities, such as litigation expenses. In 2012, arc21 adopted a reserves policy of a minimum of £500,000 but, following discussions with Steering Group members, over the last couple of years funds were returned to councils to alleviate the impact of the Covid-19 pandemic upon their budgets. In 2023, arc21 ceased this practice and, following a period when its reserves shrank more rapidly than anticipated partially as a result of this policy of returning funds, as well as incurring unanticipated costs arising from the Judicial Review of Minister Mallon's decision to refuse planning permission for the co-location of a Mechanical Biological Treatment (MBT) plant, an Energy from Waste (EfW) plant and Visitor Centre at the Hightown Quarry site, and litigation in relation to the award of a residual waste contract on behalf of one of the constituent councils (see Section 1.11), it now needs to reset its reserves policy. Continuing to draw upon reserves to manage ongoing work may be necessary, for at least the initial period of this Corporate Plan, but the aim will be to reestablish a minimum reserve of at least £500,000.
- 7.11 The Joint Committee¹¹ was reconstituted in 2023 following the local government elections. In terms of managing arc21, the Members pay particular attention to its performance and how it manages risks. In order to provide assurance to the Members, arc21's officers work is closely aligned with the needs of the Councils and this is reported monthly to the Committee.
- 7.12 arc21 will adopt an outcome-focused and targeted approach to reporting on performance to their various stakeholders. To deliver this, regular reporting on contract operational performance, KPI's, risk management, satisfaction surveys will occur to evidence arc21's performance over the course of the new Plan.
- 7.13 In terms of expenditure, costs were previously incurred for several pieces of work, including the development of this Corporate Plan. Reviewing these recommendations, including those arising from the Culture Audit, and implementing them as appropriate, will be included within the actions of this Plan.

¹¹ This is the sixth iteration of the arc21 Joint Committee

8.0 The Structures

People and Culture to Support the Delivery of the Corporate Plan

- 8.1 As an organisation, arc21 has continued to perform throughout a period of considerable turbulence. Despite the challenges, a small and diligent team of staff have successfully procured and managed contracts for arc21's six constituent councils, and continued with a programme of education visits.
- 8.2 The future of arc21 depends upon it continuing to listen carefully to the needs of its constituent councils and demonstrating that the contracts it procures represent best value. Over the past few years, arc21 has introduced new models of income share and different payment mechanisms, for example, on fuel costs. This will continue.
- 8.3 Extensive internal and external stakeholder consultation on the future of arc21 identified a need for arc21 to enhance the perception stakeholders hold of the organisation, and questioned if it had scope to expand its services: several stakeholders also emphasised that arc21 should become a more outward-looking and future-focused organisation. These are aspects which may well warrant further consideration but, at present, arc21's resources are prioritised upon securing several contracts. Once this is complete, such opportunities to develop its services further will be assessed.
- 8.4 Due to arc21's size, it is the nature of its daily operations that it must balance day-to-day operations to deliver public value while working with its Councils by providing a regular opportunity and space for officers to consider how to innovative in order to address future changes emerging in resources and waste management.
- 8.5 The existing workforce consists of a team of nine members of staff. Through the internal consultation exercise, it was apparent that everyone is heavily committed to delivering on their areas of work, from advocacy and planning, through procurement and contract management to education and outreach. As outlined above (see Section 4.0), arc21 is currently facing the greatest number of new policy initiatives being introduced in rapid succession and will adapt accordingly. Many of these changes are likely to be specified in the new Waste Management Strategy (expected 2025) and the introduction of EPR (2025). There are many policy changes facing local government and the sector associated with the delivering the recycling targets within the Circular Economy and councils' obligations under Net Zero, and there may be other initiatives arising from Government which are, as yet, unknown. This means that arc21 will need to be agile to respond to the changing needs of its constituent councils and continue to procure relevant supplies and services.
- 8.6 Over the past four years, considerable financial and human resource were spent on supporting councils in working through the Covid-19 pandemic and dealing with legacy issues which diverted resources away from collaboration with external partners.

- 8.7 Currently, in light of the ongoing SoLACE review (see Section 2.7) there is a degree of uncertainty regarding arc21. Further, there is an ongoing reliance on staff in interim roles, either on acting-up or honoraria arrangements (Organisational Cultural Audit (2023)). This audit identified the need to fill the Chief Executive post on a permanent basis as an appropriate step to provide stability for the organisation going forward.
- 8.8 In preparing this Corporate Plan, arc21’s existing organisational structure was reviewed to ensure that the staffing and structures would align with the future strategy of the organisation [the Plan], proposed Government strategies, policies and initiatives for waste management in Northern Ireland, and to provide staff with certainty for the next four years.
- 8.9 As part of the preparation of the Plan, the organisational structure was considered but the financial pressure facing councils meant that a “*light touch*” review was appropriate, given that the scope to explore new service opportunities was not currently within arc21’s remit. Therefore, there are no substantive revisions to the structure at this time but, moving forward, it is recommended that arc21 is funded on the basis of full establishment. In this manner, arc21 will redirect salaries from vacant posts, such as that of the Project Co-ordinator or the Corporate Services Director’s, in the immediate term to contribute to the organisation’s reserves. This may be relevant in the next year if a determination is made on the residual waste facilities at Mallusk and the completion of procurement exercises, there could be a need to review the staff complement in order to determine how best to proceed and to manage new contracts and/or new service providers respectively.
- 8.10 In December 2023, the Joint Committee extended the secondment period for the current Chief Executive arrangements for two years and therefore this Corporate Plan will need to include the recruitment of this post, as well as address other temporary arrangements. Two of the three senior management team are currently fulfilling their roles on an “*acting-up*” basis¹² while the remaining officer, covering aspects of the Corporate Services Director post, is being paid an honorarium and reporting directly to the Senior Management Team (SMT).
- 8.11 In terms of redressing this situation, arc21 will therefore need to take steps to provide cover for the HR duties previously discharged by the Corporate Services Director in 2024/25. There are a number of additional steps, including the recruitment of the Chief Executive post, which will occur in the following years. Therefore, the following actions will be taken to support the delivery of this Corporate Plan –
- for 2024/25, arc21 will*
 join the local government staff commission (LGSC)
 let a contract for HR support for a four-year period
- for 2025/26, arc21 will*
 recruit the Chief Executive post permanently, in line with the recommendations in the Organisational Culture Audit (2023)

¹² The Acting Project Director is an employee of SIB and is not part of the arc21 establishment.

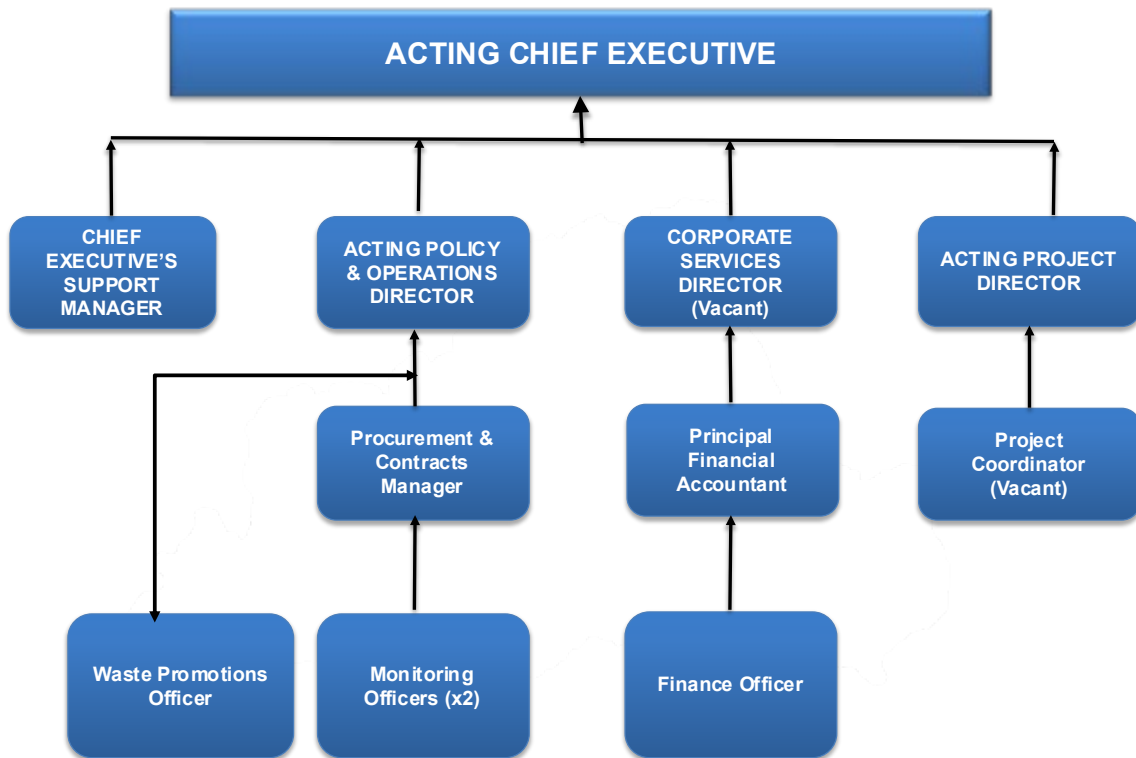
for 2026/27, arc21 will
 reevaluate the Principal Financial Accountant post
 review and recruit the Project Co-Ordinator post
 review and recruit the Policy & Operations Director post

arc21 will make appropriate provisions for these actions in the annual revenue estimates. As mentioned above (see Section 8.9), further reviews around staff may be necessary arising from external developments and these will be presented to the Joint Committee for consideration if and when they arise.

- 8.12 Should a determination be issued for the residual waste facilities at Mallusk in the coming year(s), the next step will need to be assessed which may include consideration of the finances and resources to conclude the procurement stage. As above, a report including any relevant recommendations will be presented to the Joint Committee for consideration if and when this situation arises.
- 8.13 There are no plans to fill either the vacant Corporate Services Director or Project Coordinator posts but, as per Section 8.11, the salaries will be re-allocated to reserves and to offset the costs associated with joining the LGSC and procuring an HR contract. Further costs associated with filling other posts which may be required to undertake additional contracts, recruiting the Procurement & Operations Director and the Project Coordinator may also be funded using these monies. Similarly, the re-evaluation of the post of the Principal Accountant will be similarly funded.
- 8.14 Looking to the future, as EPR rolls out in 2025, discussions with other English councils suggests that there may be a need for a further Procurement & Contracts Manager and/or a Waste Monitoring Officer to focus on the specifics of this new initiative. It is expected that the costs associated with such a post(s) would be funded under the EPR scheme but the implications of the introduction of this policy initiative emerge after a few years. Therefore, in relation to EPR, from 2025/26 onwards arc21 will keep under review the need for additional staff to support the implementation of this new regime and, should there be any changes, it will report these to the Joint Committee for consideration.
- 8.15 As waste is increasingly being recognised as playing a critical role in the delivery of Net Zero, should the resources permit during the term of this Corporate Plan, arc21 will work with the universities to offer an annual placement post to provide a learning opportunity for a suitable student. This will increase both universities and the student's understanding of waste management and local government, and increase arc21's scope to engage with its stakeholders.
- 8.16 Similarly, consideration is ongoing into refreshing the 2017 Memorandum of Understanding with WRAP. At present, this rests with WRAP but depending upon the practicality of the revised proposal, arc21 will seek to draw down resources and progress this.
- 8.17 Finally, as the Acting Chief Executive will be President of the Chartered Institution of Wastes Management (CIWM) in 2024/25, there will be scope for him to be an ambassador for arc21, both locally and nationally during this year.

APPENDIX 1

arc21 Establishment



APPENDIX 2

Profile of arc21



In July 2003, arc21’s constituent councils agreed that, for the purposes of implementing the policies set out in the Waste Management Plan (2002) for the disposal and recovery of waste, they would form a Joint Committee pursuant to the provisions of Section 19 of the Local Government Act (NI) 1972.

As a consequence, arc21 Joint Committee became a Body Corporate established under the Local Government (Constituting a Joint Committee a Body Corporate) Order (NI) 2004. It was the first organisation of its kind in UK local government.

Following Local Government Reform (2015), this legislation was refreshed and under the Local Government (Constituting a Joint Committee a Body Corporate) Order (NI) 2015, arc21 was re-constituted and now comprises of Antim & Newtownabbey Borough Council, Ards and North Down Borough Council, Belfast City Council, Lisburn and Castlereagh City Council, Mid and East Antrim Borough Council, Newry, Mourne and Down District Council.

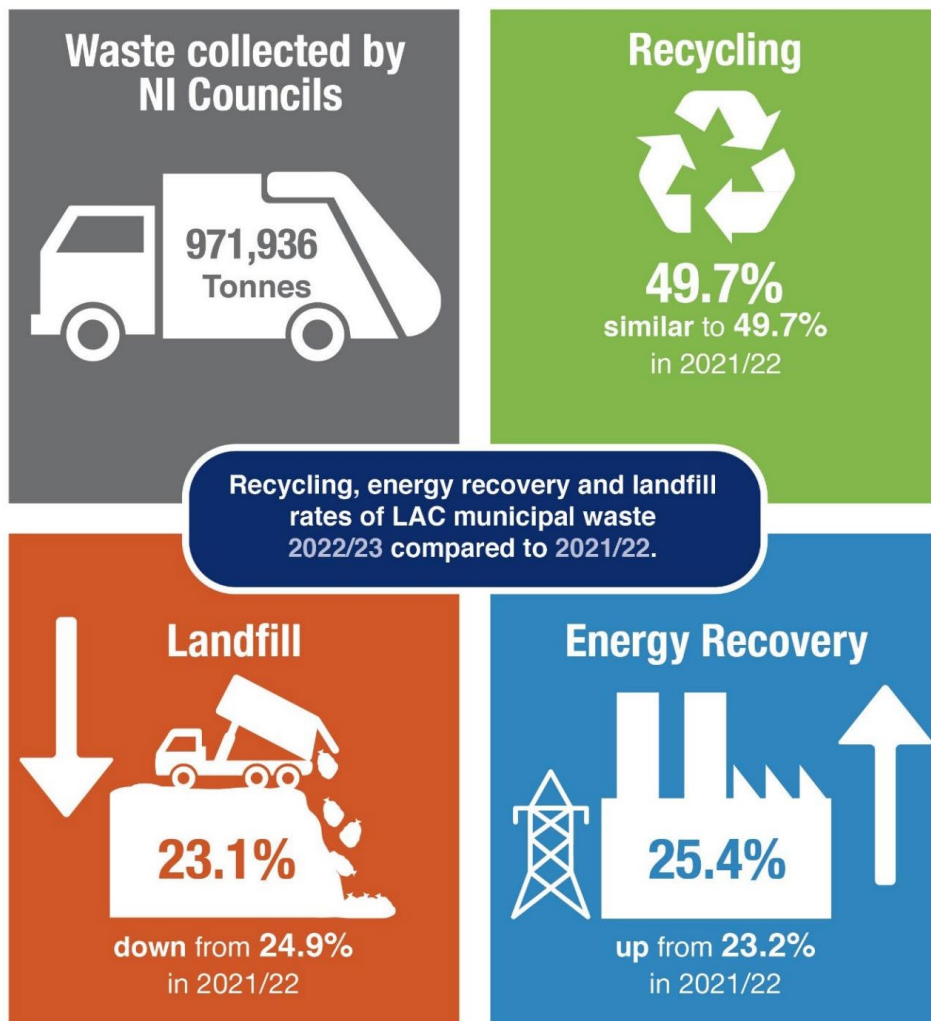
APPENDIX 3

Statistics

arc21 covers a combined area of 4,349 square kilometres, representing around 32% of the total land-base. and a combined population of 1,124,912 (2021 census) which is 59.1% (2021 census) of the population of Northern Ireland.

The municipal waste arisings for 2022/23 for Northern Ireland was 971,936 tonnes which was 6.1% lower than the amount collected in 2021/22. In the arc21 sub-region, this means that of the totalled 573,431 tonnes collected by the constituent councils, household waste accounted for 87.1% of this, equating to 497,111 tonnes.

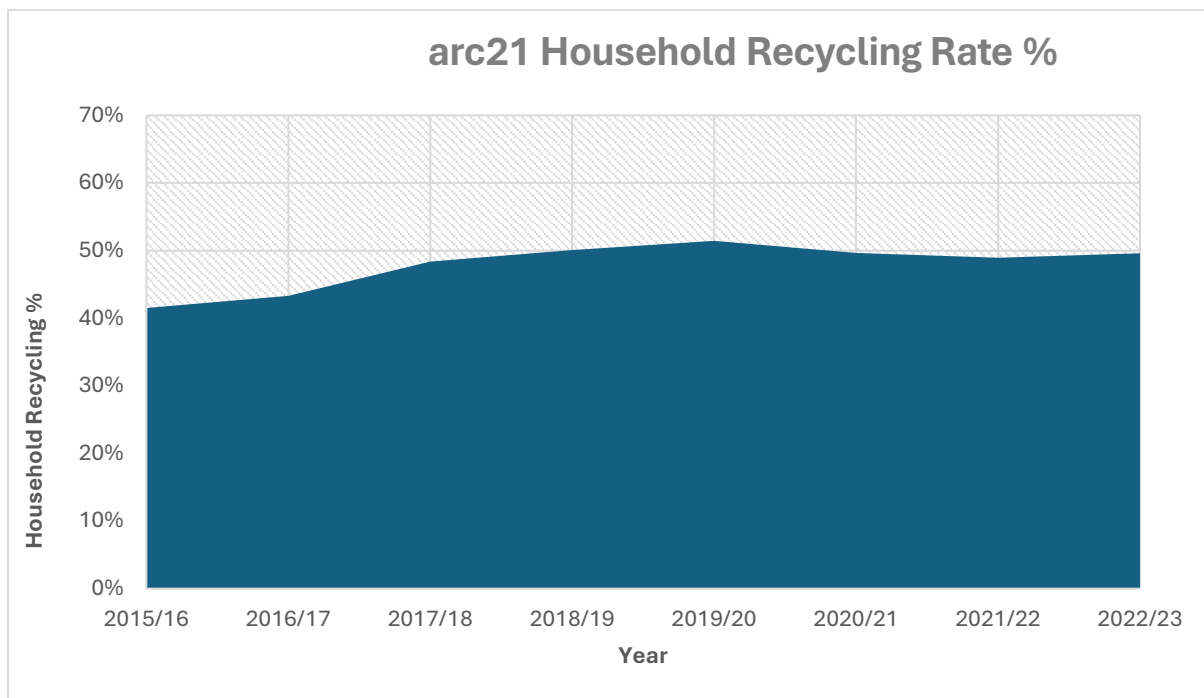
Northern Ireland waste management statistics annual report 2022/23



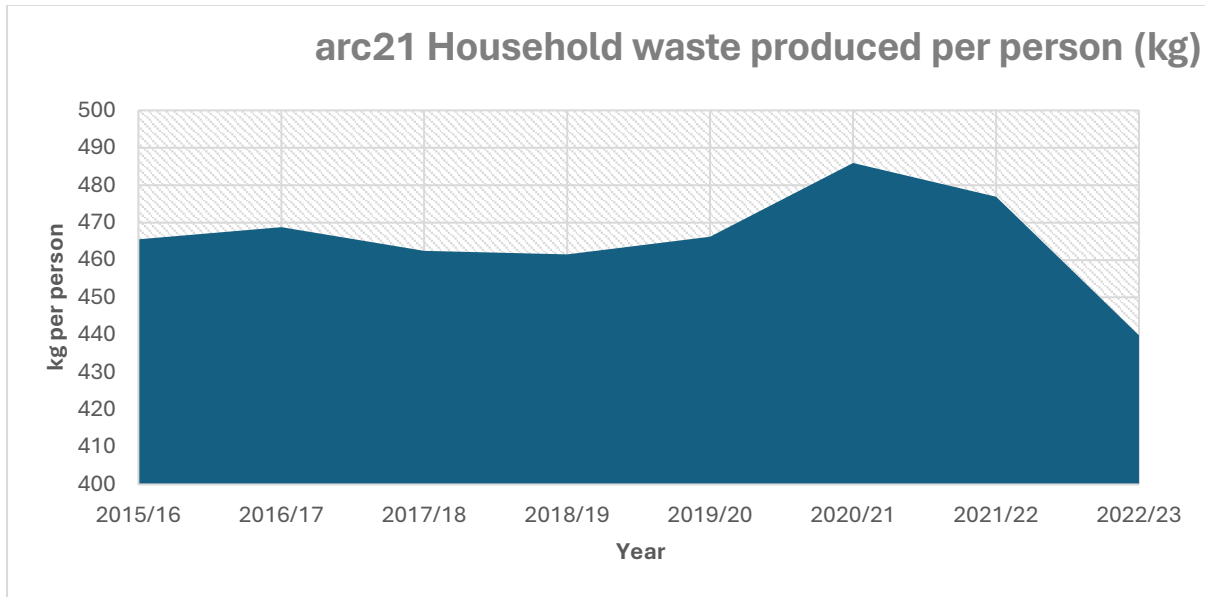
The household recovery/recycling rate in the arc21 sub-region has risen slightly since local government reform in 2015 but has since plateaued at circa 50% since the advent of the Covid-19 pandemic. It can be illustrated as follows: Housing Recycling Rate

It's worth highlighting that waste volumes are not fixed or do not trend in a predictable manner and vary on an annual basis depending upon outside factors. For example, total waste arisings fell from 1,064,090 tonnes in 2006/07 to a low of 913,546 in 2012/13, a 14.1% decrease. Since then, until 2021/22, total arisings showed a generally increasing trend. In the latest year arisings decreased by 6.1% to 971,936 tonnes,

In terms of performance, arc21 had an energy recovery rate of 20.8%, which increased from 19% in 2021/22. Generating energy from waste by incineration is preferable to landfill, although preparing for reuse, dry recycling and composting are preferable to both. During the same time, arc21's household landfill rate was higher than the Northern Ireland rate at 28.5 per cent. This is a decrease of 2.1 percentage points compared to 2021/22.



As above, in terms of factors affecting the amount of waste produced by each household, this has declined over the past few years in response to the war in Ukraine, the rise in energy prices and the costs of living crisis. This has seen a notable drop in waste produced per person as follows:



The two key performance indicators tracked by DAERA which look at household waste arisings in more detail consider household waste arisings per capita, KPI (p), and per household KPI (h). During 2022/23, there were 443 kilogrammes (kg) of household waste collected per capita and 1,092 kg per household during 2022/23, compared to 479 kilogrammes (kg) of household waste collected per capita and 1,183 kg per household during 2021/22 which statistically reflects the declines outlined above.

APPENDIX 4

Corporate Plan Actions 2024-28

Enhanced Engagement with Stakeholders to demonstrate the value provided by arc21 (ES)					
Objective	Priorities for Action	Measures	Targets	Action	Revised Target
ES.1 Strengthen arrangements with all stakeholders to aid delivery of effective and efficient waste management solutions.	1) Continue to provide a central conduit for interaction with councils, Government and other agencies on issues of mutual interest	Attendance at critical stakeholder forums where arc21 represents the Councils (e.g. GWWG, Bio-Ban Working Group)	90% attendance per annum	Ongoing	
	2) Continue to work with other council bodies (e.g. NILGA, SOLACE, TAG) on issues of mutual interest	Attendance at meetings with relevant bodies	Ongoing to 2028	Ongoing	
	3) Continue to engage with Non-Governmental Organisations (NGOs), professional bodies, trade organisations and similar on matters of mutual interest	Membership of relevant bodies	Ongoing to 2028	Ongoing	
		Identification and attendance at various events and forums	Ongoing to 2028	Ongoing	
4) To engage with NGOs, professional bodies, and trade organisations to secure additional resources	Development of partnerships and joint funding applications	Ongoing to 2028	Ongoing		

APPENDIX 4

		Identification and attendance at various events and forums	Ongoing to 2028	Ongoing	
ES. 2 Stakeholders will have a positive perception of arc21, and of the public value it provides in a restricted marketplace with high levels of risk and challenges defending major legal challenges for our constituent councils.	1) Ensure that arc21 continues to reflect constituent councils views	Annual Customer Survey	35% response from SG officers and JC Members	Annually	
	2) Ensure that arc21 engages closely with Steering Group officers on an ongoing basis	Attendance at Steering Group meetings	100%	Ongoing	
	3) Continue to provide high standard of service to key stakeholders	Engage with constituent councils' Directors on a quarterly basis	Scheduled meetings held as planned 75% time	Ongoing	
	4) Successfully lobbied to have a place on the NI Waste Forum during term of Corporate Plan.	Achieve a place on the Forum	100% Attendance	Achieved by Q3 2025	

APPENDIX 4

Contributing positively to addressing the challenges faced by our constituent councils in terms of policy implementation (PI)

Objective	Priorities for Action	Measures	Targets	Action	Revised Target
PI. 1 Implement the WMP addendum for the period beyond 2025 in compliance with legislative requirements and wider policy objectives.	1) The Waste Management plan addendum will be completed.	The WMP will be finalised and issued	Q1 2024/25	Complete by Q2 2024	
	2) A comprehensive response to the DAERA Waste Management Strategy document will be produced	The response will be finalised within the consultation period with appropriate workshops for SG officers	Q3 2024/25	Complete by Q3 2024	
	3) With the constituent councils prepare a new Waste Management Plan, incorporating any requirements arising from the sectoral plan for waste to deliver Net Zero	The WMP will be consulted upon, finalised and issued	Q1 2028/29	Complete by Q1 2028/29	
	4) As councils have a series of new recycling targets to under the Circular Economy Package Policy Statement (2020), arc21 will work with the Steering Group officers to determine appropriate actions to deliver these	Procure appropriate contracts	Ongoing	Ongoing	

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PI. 2 Promote, educate and influence others on waste prevention, the Circular Economy and recycling, both directly and in partnership with others	1) Where possible, arc21 will identify new funding streams and collaborate with others to promote waste prevention and reuse.	Identify appropriate funding opportunities as they arise both locally and nationally	Highlight funding opportunities to the Councils and, if appropriate, assist in submitting applications	Ongoing	
	2) Provide one briefing per year per council (i.e. through Committees, and/or Councils).	Ongoing	6 x Briefings	Annually	
	3) Deliver an annual seminar open to our stakeholders.	Ongoing	Annual event	Annually	
	4) Produce a monthly brief for the constituent councils.	Ongoing	10 x Briefs/Year	Monthly ¹³	

¹³ The will be produced monthly with the exception of July/August and November/December.

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To successfully procure waste contracts on behalf of the constituent councils in accordance with best value practices (BVP)

Objective	Priorities for Action	Measures	Targets	Action	Revised Target
BVP. 1 Ensure the provision of infrastructure and continuity of services and supplies	1) Deliver the scheduled procurement programme for each year of the Corporate Plan	Undertake procurement exercises to ensure that continuity of service for the disposal of residual waste is maintained	Ensure that there are appropriate contracts in place for each waste stream	Ongoing	
	2) Conclude the procurement exercise for the facilities at Hightown Quarry	Ensure that a decision is made concerning the proposed facilities at Hightown Quarry		Ongoing	
	3) Ensure that arc21 has appropriate levels of finance in place to cover procurement exercises	Appropriate levels of reserves		Annually	
	4) Determine how the constituent councils will deal with organic waste at contract end in 2029.	Commence engagement with market to determine most appropriate course for councils		Complete by market engagement exercise Q3 2024/25	

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Enhanced Governance & Financial arrangements implemented (EGF)

Objective	Priorities for Action	Measures	Targets	Action	Revised Target
EGF. 1 Achieve financial targets and performance ratios	1) Ensure that the financial strategy of the organisation is consistent with the needs of the services provided	Approval of estimated expenditure with key stakeholders	Annually	Annually	
		Implementation of CIPFA Treasury Policy and Guidance	Ongoing to 2028	Annually	
		Production of financial management information to SMT (monthly)	Monthly, annually	Monthly, Annually	
	2) Implement range of KPIs to drive continuous improvement	Refresh arc21's reserves policy	Q2 2024/25	Complete by Q2 2024/25	
		Ratio of establishment costs to turnover	Less than 5% annually	Annually	
	Compliance with suppliers contractual payment terms	90%	Monthly		

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	<p>3) The Corporate Plan will be launched in association with arc21's constituent councils' CXs</p>	<p>Successful collection of income</p> <p>Launch of Corporate Plan</p>	<p>Collection of debt within 30 days</p> <p>Q2 2024/25</p>	<p>Monthly</p> <p>Q2 2024/25</p>	
<p>EGF 2 Deliver a balanced financial strategy, reset arc21's reserves and demonstrate sound risk management practices.</p>	<p>1) Maintain financial systems and controls that meet public accounting standards</p> <p>2) Manage corporate risks</p>	<p>Status of audited accounts in compliance with accounting regulations</p> <p>Monitor Risk Registers and Risk Action Plans</p> <p>Revisit the establishment of an Audit Committee</p> <p>Implementation of Internal Audit Strategy</p> <p>Monitoring of internal and external Audit recommendations</p>	<p>On time and unqualified</p> <p>Quarterly</p> <p>Annual Review</p> <p>Quarterly by SMT</p>	<p>Annually</p> <p>Quarterly</p> <p>Q2 2024/25</p> <p>Annually</p> <p>Quarterly</p>	

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	3) Continue development of an internal audit strategy	<p>Monitoring of internal and external Audit recommendations</p> <p>Provision of effective Audit oversight by Members</p> <p>Provision of effective internal audit service</p> <p>Formal Governance Statement</p>	<p>Biannually by Joint Committee</p> <p>Annual Review</p> <p>Annual Review</p> <p>Updated annually</p>	<p>Biannually</p> <p>Annually</p> <p>Annually</p> <p>Annually</p>	
EGF 3 Demonstrate high levels of operations management	1) Continuance of ISO9001 accreditation.	Maintain ISO9001 accreditation	Annually	Annually	

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Evidence of a Positive Culture and a Valued, High Performing Organisational Team (OPCT)

Objective	Priorities for Action	Measures	Targets	Action	Revised Target
OPCT. 1 Deliver the strategic objectives working with staff who demonstrate the organisational values of: working <i>collaboratively</i> in an outcome focused way; being <i>authentic</i> as a reliable and trusted partner; with <i>entrepreneurialism</i> and a <i>customer focus</i> which is responsive to the changing needs of our constituent councils	1) JC adopts the Corporate Plan	JC approval	Q1 2024/25	Complete by Q1 2024/25	
	2) By 2025, to have joined the local government staff commission (LGSC)	Have joined the LGSC	Q2 2024/25	Complete by Q2 2024/25	
	3) Let a contract for HR support for a four-year period	Have a contract in place for HR support	Q4 2024/25	Complete by Q4 2024/25	
	4) Recruit the Chief Executive post permanently	Complete a recruitment exercise for the CX position	Q3 2025/26	Complete by Q3 2025/26	
	5) Re-evaluate the Principal Accountant post	Re-evaluate the Principal Accountant post	Q3 2026/27	Complete by Q3 2026/27	
	6) Review and recruit the Policy & Operations Director post	Complete a review and recruitment exercise for the POD position	Q3 2026/27	Complete by Q3 2026/27	
	7) Review and recruit the Project Coordinator post	Complete a review and recruitment exercise for the PCO position	Q3 2026/27	Complete by Q3 2026/27	

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	8) In the event that a determination is made on the facilities at Mallusk, the resources to complete the procurement exercise will need to be determined	Assess the resource requirements to complete the rwtp	Q3 2025/26	Complete by Q3 2025/26	
	9) As EPR rolls out, the resources needed to support the Councils will need to be assessed	Assess the resource requirements to support implementation of EPR for the Councils			
	10) The annual PDP process will include consideration of the arc21 values from 2026/27 onwards		Following a year to identify how to include within staff PDP's, they will be incorporated in 2025/26 for appraisal in Q1 2026/27	Annually	
	11) A culture audit will be undertaken, including conducting staff surveys		In term of Corporate Plan	By 2028	
	12) Depending upon circumstance, arc21 will consider a placement opportunity for a suitable student	Student placement	Annually from Q2 2025/26	Annually	

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	13) Depending upon circumstance, arc21 will refresh the Memorandum of Understanding with WRAP 14) Refresh all relevant policies and procedures (including HR)	WRAP MoU	Q1 2025/26 Q4 2026/27	Q1 2025/26 Q4 2026/27	
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