
EASTER LANGLEE LANDFILL SITE – WAY FORWARD

Report by Service Director Neighbourhood Services

SCOTTISH BORDERS COUNCIL

27 August 2015

1 PURPOSE AND SUMMARY

- 1.1 **This report outlines the implications of the Council’s decision to terminate the contract with New Earth Solution (NES) for the treatment of waste, on Easter Langlee Landfill Site and recommends the way forward.**
- 1.2 Under the NES Contract it was anticipated that the majority of the Council’s Residual waste (i.e. black bin waste) would in future have been diverted from landfill via the Waste Treatment Facility planned for the Easter Langlee Site.
- 1.3 The termination of the NES contract means that residual waste will continue to be landfilled at current levels while an alternative solution is developed and as a result the currently operational landfill void is expected to reach capacity in the Summer/Winter of 2017.
- 1.4 In addition from January 2021, landfill sites in Scotland will no longer be able to accept biodegradable municipal waste without the material having met stringent pre-treatment processes.
- 1.5 In order to comply with these new requirements the Council will either have to treat its biodegradable municipal waste in the Borders prior to landfill, or it will need to transfer it out of the Borders for treatment.
- 1.6 The development of a Waste Treatment Facility in the Borders is not a viable option at the current time and an interim solution is required. The development of a permanent waste treatment facility will be considered and evaluated during the development of the new Waste Management Plan in consultation with the Member-Officer Reference Group.
- 1.7 A landfill options appraisal has now been undertaken to assess the options available to manage residual waste in the Borders and ensure compliance with the 2021 landfill bans.
- 1.8 Three options have been considered all of which involve the closure of the landfill site and development of a new Waste Transfer Station but at different points over the period 2017 to 2021.

1.9 The landfill options appraisal was undertaken in two parts:

- Non-Financial Analysis
- Financial Analysis

1.10 In summary the landfill options appraisal concludes that the Council should deliver 'Option A' as detailed below:

Close the landfill in Summer/Winter 2017 when current capacity has been reached. Construct a waste transfer station at Easter Langlee, on the old proposed NES site, in time for the transfer of waste from all regions onto alternative facilities from Summer/Winter 2017.

2 RECOMMENDATIONS

2.1 **I recommend that Council:-**

- a) Supports and agrees the delivery of Option A as outlined in section 4.**
- b) Notes the capital and revenue costs associated with the delivery and ongoing cost of Option A as detailed in section 5 and agrees budgetary provision for these costs in the roll forward of the revenue and capital plan 2016/17.**

3 Background

- 3.1 Easter Langlee Landfill Site is owned and operated by Scottish Borders Council. It is the only licensed landfill site in the Scottish Borders capable of accepting Non-Hazardous Waste.
- 3.2 The Council currently landfills approximately 40,000 tonnes per annum of household and commercial residual waste at Easter Langlee Landfill under its duties as a Waste Collection and Disposal Authority.
- 3.3 The Council also accepts approximately 3,000 tonnes per annum of waste at Easter Langlee Landfill directly from third party waste collectors that operate in the Borders area for which there is currently no alternative.
- 3.4 Under the NES Contract the majority of the Council's Residual waste (i.e. black bin waste) would have been diverted from landfill via a new Waste Treatment Facility. This would have significantly reduced the tonnage of waste accepted at the landfill (by approximately 80%) which in turn would have increased the life of the currently developed landfill void.
- 3.5 The termination of the NES contract means that the waste going to landfill will continue at current levels in the short-term. With current inputs to the landfill site remaining as they are, it is anticipated that the current landfill void will run out in the Summer/Winter of 2017.
- 3.6 In addition to the impact of the NES contract termination, the Waste (Scotland) Regulations 2012 set out changes to the waste types that landfills can accept in Scotland (see appendix 1). One of the significant changes is that from January 2021, landfill sites in Scotland will no longer be able to accept biodegradable municipal waste without the material having met stringent pre-treatment processes.

Note - The majority of the household and commercial residual waste which the Council manages is classed as biodegradable mixed municipal waste.

- 3.7 This means that from January 2021 the Council has two options:
 - Option 1 - Treat its biodegradable municipal waste in the Borders prior to landfill
 - Option 2 - Transfer its biodegradable municipal waste out of the Borders for treatment.

These options are considered below.

- 3.8 **Option 1 - Waste Treatment in the Scottish Borders**
 - 3.8.1 The termination of the NES contract means that there are currently no waste treatment facilities in the Scottish Borders that are available or planned to come on stream which are capable of managing the Council's residual waste.
 - 3.8.2 As a result if the Council wishes to treat residual waste in the Borders, a suitable treatment facility will need to be built locally.

3.8.3 Although the development of a Waste Treatment Facility in the Borders would minimise haulage costs it is not considered a viable option at the current time for the following reasons:

- a) Until such time that the new Waste Management Plan (Appendix 2) has been developed and approved it is not possible to not know what kerbside collection services will be provided and therefore the size and type of waste treatment facility that may be required.
- b) The development of a Waste Treatment Facility prior to the completion of the new Waste Management Plan is likely to significantly impact/restrict its outputs.
- c) Given prior experience the timeframe available for designing, procuring and constructing a waste treatment facility, to ensure compliance with the landfill bans in January 2021, is considered to be high risk (i.e. too short) compared to that of a Waste Transfer Station.
- d) The waste treatment opportunities available to Scottish Borders Council have changed considerably since the commencement of the Waste Treatment Project in 2008 and its subsequent award to New Earth Solutions. As a result the development of a Waste Treatment Facility in the Scottish Borders may no longer be the best or only way forward, for example:
 - i. There are now a number of treatment facilities with capacity, that are either operational or in the process of being developed within reach of the Borders.
 - ii. The gate fee for merchant treatment capacity is becoming increasingly competitive.
- e) Waste policy, regulations and targets continue to evolve over time and this is likely to continue to be the case for the foreseeable future. Significant investment in a long term waste treatment facility/contract at the current time is likely to limit the Council's ability to be flexible and may expose the Council to further financial risk.

3.8.4 The development of a Waste Treatment Facility is therefore not recommended as a viable option at the current time. However this will be considered during the development of the new Waste Management Plan during which members will be consulted via the Member-Officer Reference Group.

3.8.5 A key consideration in the assessment of the alternative options has been to ensure that they do not preclude the potential of developing a Waste Treatment Facility in the Scottish Borders in the longer term.

3.9 **Option 2 - Waste Treatment out with the Scottish Borders**

3.9.1 For the Council to export waste to a treatment facility out with the Borders, an additional transfer facility will need to be built. This is because the existing transfer station at Easter Langlee is too small to accommodate the waste which is currently delivered directly to Easter Langlee landfill site.

Note – Appendix 3 details the Council's current residual waste bulking, haulage and disposal arrangements.

3.9.2 The treatment of waste out with the Scottish Borders, via a new waste transfer station in the Scottish Borders, is considered to present the best option at the current time for the following reasons:

- a) The Waste Transfer Station can be designed and constructed so that it

- can be adapted and altered to accommodate waste treatment in the future should this be an output of the new Waste Management Plan.
- b) The Waste Transfer Station does not restrict the outputs of the new Waste Management Plan to the extent that a Waste Treatment Facility would.
 - c) It provides a flexible approach whilst also ensuring that the Council has the ability to comply with the requirements of the landfill bans.
 - d) It allows the market and waste policy to stabilise prior to the Council making any significant/binding long term investment decisions in relation to waste treatment.
 - e) The development of a Waste Transfer Station is significantly less complicated and costly than a Waste Treatment Facility.
 - f) The Waste Transfer Station can be designed, procured and built in time to meet the requirements of the landfill bans.
 - g) The waste treatment opportunities available to Scottish Borders Council have changed considerably since the commencement of the Waste Treatment Project in 2008 and its subsequent award to New Earth Solutions.
 - a. There are now a number of treatment facilities with capacity, that are either operational or in the process of being developed within reach of the Borders.
 - b. The gate fee for merchant treatment capacity is becoming increasingly competitive.

3.10 **In summary the Council cannot continue to landfill untreated biodegradable municipal waste at Easter Langlee Landfill Site beyond 1 January 2021. Consequently the Council must have an alternative in place by this point.**

4 **Landfill Options Appraisal**

- 4.1 A landfill options appraisal has been undertaken to assess the options available to manage residual waste in the Borders whilst complying with the 2021 landfill bans.
- 4.2 The inability of Easter Langlee Landfill Site to accept biodegradable waste without pre-treatment, from 2021, will significantly reduce the tonnage of waste it receives. This will affect the site's financial viability and consequently the future of Easter Langlee Landfill Site must be considered.
- 4.3 This is of particular importance at the current time as significant capital investment is required if the lifetime of the landfill is to be extended beyond summer/winter 2017.

- 4.4 Three options have been considered:
- A. Close the landfill in Summer/Winter 2017 when current capacity has been reached. Construct a waste transfer station at Easter Langlee, on the old NES site, in time for the transfer of waste from all regions onto alternative facilities from Summer/Winter 2017.
 - B. Build a new landfill cell which will operate until 2021 at which point the landfill will have to close. Construct a waste transfer station at Easter Langlee, on the old NES Site. Then transfer waste from all regions onto alternative facilities from 2021.
 - C. Transfer waste from Tweeddale, Roxburghshire and Berwickshire to alternative facilities from mid-2015. Operate the landfill for Ettrick & Lauderdale's waste only until 2021. Construct a waste transfer station at Easter Langlee, on the old NES Site. Then transfer waste from all regions onto alternative facilities from 2021.
- 4.5 All of the options involve the closure of Easter Langlee Landfill Site and the development of a new Waste Transfer Station. The key difference between the options is the timing of when this takes place i.e. between 2017 and 2021.
- 4.6 In all options the Waste Transfer Station would be constructed at Easter Langlee and would be modular and adaptable. This would enable it to be expanded in the future, should it need to be, or adapted for alternative uses, such as a Waste Treatment Facility. Thus ensuring the outputs of the new Waste Management Plan can be accommodated.
- 4.7 In all options it is anticipated that bulky waste received at the CRC will need to be transported to alternative treatment facilities separately to kerbside collected residual waste. In order to do this, adjustments will be needed to either the existing transfer stations or community recycling centres. An estimation of the capital and revenue requirements to achieve this have been included in the financial modelling.
- 4.8 A review of the timelines to achieve each of the above options has been undertaken (see appendix 4 for details). The review demonstrates that an urgent decision needs to be taken. If a decision is delayed then there are two key risks:
1. That unnecessary additional revenue costs are incurred to haul waste out of the Borders for treatment in order to extend the lifetime of the existing landfill site,
 2. There is less time to prepare for and comply with the requirements of the Waste (Scotland) Regulations 2012. In particular the landfill bans which come into effect in January 2021.
- 4.9 The options appraisal has been undertaken in two parts as detailed below:
1. Non-Financial Analysis
 2. Financial Analysis

4.10 Non-Financial Analysis

4.10.1 The non-financial analysis involved identifying the Pros and Cons for each of the options and then assessing their importance, likelihood and impact to determine a resultant score (see appendix 5).

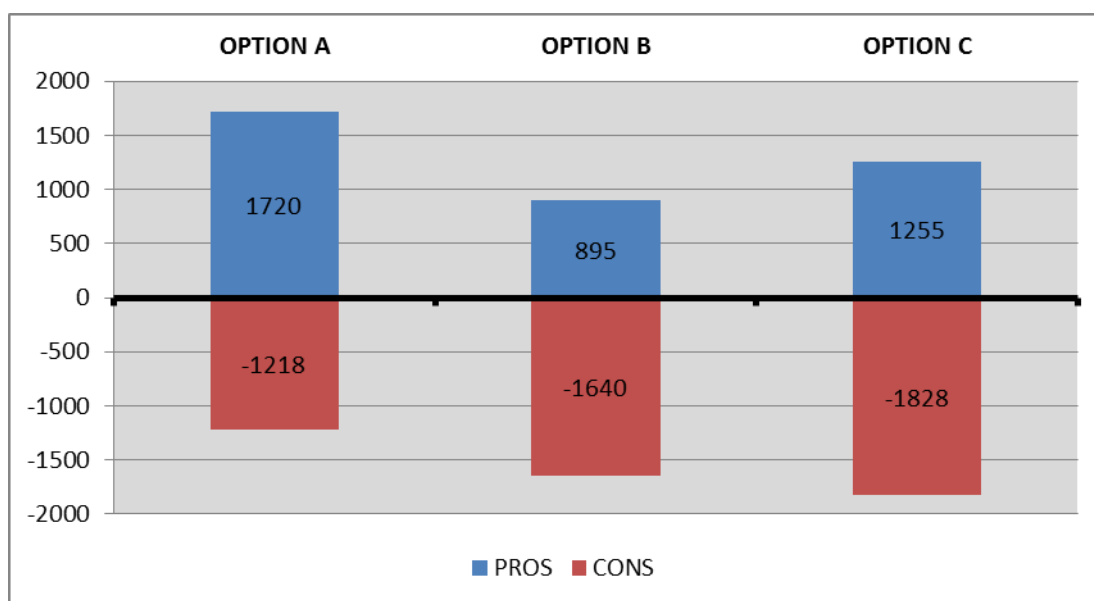
4.10.2 The Non-Financial Analysis was undertaken for the period 2015 through to 2025 (i.e. Zero Waste Plan target date limiting 5% of waste to landfill).

4.10.3 The analysis of the Pros and Cons importance, likelihood and impact has been formulated into a final Pros and Cons score and put into a bar chart to visually demonstrate the overall summary scores of the options (see Table 1 and Charts 1 & 2 below).

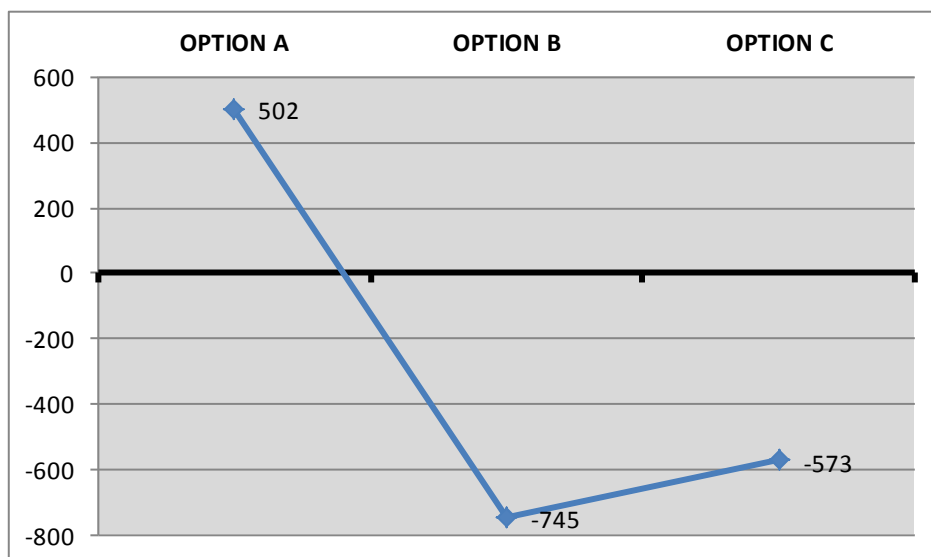
4.10.4 **Table 1 – Pros & Cons results**

Option	Pros Score	Cons Score	Resultant Score
A	1720	-1218	502
B	895	-1640	-745
C	1255	-1828	-573

4.10.5 **Chart 1 – Pros & Cons Scores**



4.10.6 **Chart 2 – Resultant Scores**



4.10.7 **Option A – Close the landfill and develop a Waste Transfer Station for 2017**

Option A has the highest resultant score of the three options (+502) which is as a result of having the greatest number of pros and least cons.

The early development of the Waste Transfer Station combined with the closure of Easter Langlee Landfill Site:

- a) Improves the Council's ability to prepare and work towards achieving National and European recycling and landfill targets.
- b) Increases the time available to prepare for the biodegradable landfill ban which will be introduced in 2021 via the Waste (Scotland) Regulations 2012.
- c) Reduces the Council's exposure to environmental liabilities associated with the continued operation of the landfill both during operation and following closure.
- d) Reduces the period during which the Council is likely to receive negative press and local community complaints associated with the operation of Easter Langlee landfill site.
- e) Improves the Council's ability to access recycle markets due to the additional storage space which will enable materials to be stock piled and bulk hauled.
- f) Reduces the time to develop the new Waste Management Plan and determine long term requirements prior to developing a Waste Transfer Station.

4.10.8 **Option B – Develop Landfill Site**

Option B has the lowest resultant score of the three options (-745) which is a result of having the greatest number of cons and least pros.

The continued disposal of waste at Easter Langlee landfill until 2021 with the transfer of waste out of the Borders from 2021:

- a) Restricts the Council's ability to prepare and work towards achieving National and European recycling and landfill targets.
- b) Reduces the time to prepare for the biodegradable landfill ban which will be introduced in 2021 via the Waste (Scotland) Regulations 2021.
- c) Increases the Council's exposure to environmental liabilities associated with landfill operations both during operation and following closure.
- d) Increases the period during which the Council is likely to receive negative press and local community complaints associated with the operation of Easter Langlee landfill site.
- e) Restricts the Council's ability to access recycle markets due to a lack of storage space to stock pile and bulk haul materials.
- f) Provides additional time to develop the new Waste Management Plan and determine long term requirements prior to developing a Waste Transfer Station.

4.10.9 **Option C – Extend the life of the Landfill Site by exporting waste**

Option C has the intermediate resultant score of the three options (-573).

The extended operation of current void at Easter Langlee landfill site by diverting waste to alternative treatment facilities along with the delayed development the Waste Transfer Station:

- a) Improves the Council's ability to prepare and work towards achieving National and European recycling and landfill targets but not to the extent of option A.
- b) Increases the time available to prepare for the biodegradable landfill ban which will be introduced in 2021 via the Waste (Scotland) Regulations 2021 but not to the extent of option A.
- c) Reduces the Council's exposure to environmental liabilities associated with the continued operation of the landfill both during operation and following closure but not to the extent of option A.
- d) Provides additional time to develop the new Waste Management Plan and determine long term requirements prior to developing a Waste Transfer Station.

4.11 **Financial Analysis**

4.11.1 The Financial Analysis was supported by SLR Consulting Ltd (Technical Support) and Nevin Associates Ltd (Financial Support).

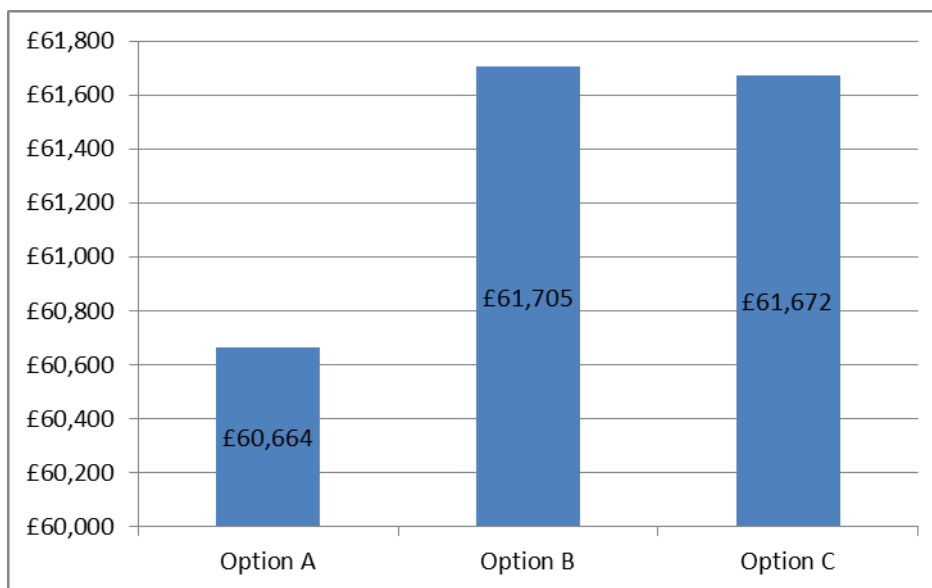
4.11.2 A financial model for each of the three options was developed for the period 2015/16 to 2035/36 (i.e. 15 to 16 years).

4.11.3 An assessment of the Risks and Optimism Bias associated with each of the options was then undertaken following the principles and methodology set out by HM Treasury in *The Green Book*.

4.11.4 Finally a sensitivity analysis was applied to each of the options. This tested

the options and compared them against multiple different future scenarios.

- 4.11.5 The results of the analysis identified Option A to be the least cost option on both constant cost and current cost basis, and after allowing for Risk and Optimism Bias.
- 4.11.6 The results for all options are within +/-5% i.e. within a margin of error.
- 4.11.7 Chart 3 below outlines the Net Present Cost (NPC) as a single figure in current cost terms with provision made for risk and Optimism Bias, and after taking account of third party income. This shows that Option A emerges as the most cost-effective option, although only by a relatively small amount in percentage terms.
- 4.11.8 **Chart 3 – 15 Year Cashflow discounted to Net Present Cost including 3rd party income, risk and optimism bias (£,000)**



- 4.11.9 In summary, Option A consistently emerges as the most cost effective option, and this holds for a range of plausible sensitivity scenarios, which suggests that it is robust. It is reinforced by the risk and Optimism Bias analysis, which indicates that option A is less exposed to Optimism Bias than either B or C, because it is implemented earlier, and so is less exposed to economic and stakeholder / regulatory / political uncertainties.

4.12 **Landfill Options Appraisal - Summary**

- 4.12.1 The key difference between the three options is the timing of when the transfer station is constructed and the landfill site closed.
- 4.12.2 The financial analysis confirms Option A to be the least cost option although all options are within a 5% margin of error.
- 4.12.3 The non-financial analysis clearly demonstrates Option A to have the greatest number of pros and fewest cons.
- 4.12.4 Overall it is recommended that Option A is delivered as this represents the best option.

5 IMPLICATIONS

5.1 Financial

- (a) The review demonstrates that an urgent decision needs to be taken. If a decision is delayed then there are two key risks:

1. That additional revenue costs are incurred to haul waste out of the Borders for treatment in order to extend the lifetime of the existing landfill site,
2. There is less time to prepare for and comply with the requirements of the Waste (Scotland) Regulations 2012. In particular the landfill bans which come into effect in January 2021.

(b) **Capital Implications**

The impact of delivering option A on the Council's Waste Disposal capital plan:

i Table 2 – Current Budget

Current Budget	2015/16	2016/17	2017/18	2018 to 2025	Total
	£000's	£000's	£000's	£000's	£000's
Easter Langlee Cell Provision	386	820	100	300	1,606
Waste Treatment Facility		714			714
Total	386	1,534	100	300	2,320

ii Table 3 – Option A

Option A	2015/16	2016/17	2017/18	2018 to 2025	Total
	£000's	£000's	£000's	£000's	£000's
Easter Langlee Cells	386	205	215	273	1,079
Waste Transfer Facility	121	635	4,778	9	5,543
CRC Bulky Waste Adjustments				267	267
Total	507	840	4,993	549	6,889

iii Table 4 – Variance between Current budget and Option A

Variance	2015/16	2016/17	2017/18	2018 to 2025	Total
	£000's	£000's	£000's	to 2025	£000's
				£000's	
Increase/ (Decrease)	121	(694)	4,893	249	4,569

- iv The estimates for option A include allowance for risk, optimism bias and inflation. The impact of option A is an additional capital requirement of £4.569m which will require increased borrowing. The impact of the additional borrowing will be fully funded from the departments revenue budget as per para 5.1 (c).
- v Whilst there is a significant increase in the capital required, it has always been the intention that the capital and revenue implications of future waste service activities would be met through the department's existing baseline revenue budget. Although the mix between revenue and capital is now changing, the funding of the recommended option will still be met from the overall agreed revenue budget.

Revenue Implications

(c)

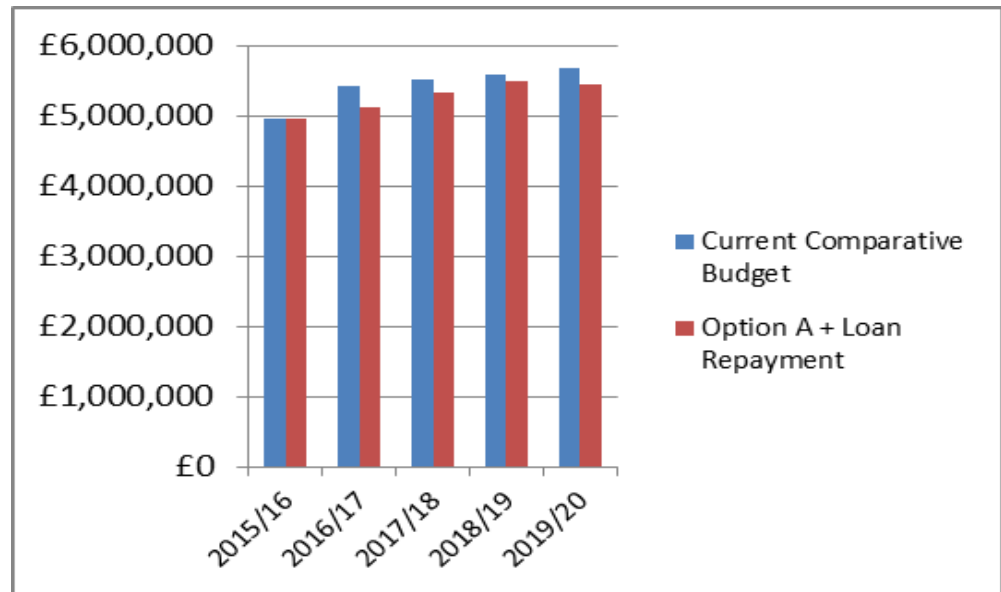
Assuming the recommended option is approved the following financial implications are anticipated.

- i Based on projected revenue budgets reflected in the current 5 year plan for Waste Services in 2016/17-2019/20, as shown in chart 4, current modelling indicates that the financial consequences of the introduction of the proposed waste transfer station can be accommodated within planned resources. The annual costs of the capital investment required to deliver the transfer station are also affordable within the future budget previously identified to support the NES contract. Future revenue cost and budget projections are shown in table 5 below and in chart 4.
- ii Current modelling indicates that there may be the potential for savings to be realised in future years once the waste transfer station is open, these savings will be incorporated within future financial planning processes once verified.
- iii Modelling assumptions have been based on best information within the market at this time; any changes to these assumptions will be closely monitored as the project progresses.

iv Table 5 – Revenue Budget Implications

Revenue	2015/ 16 £,000	2016/ 17 £,000	2017/ 18 £,000	2018/ 19 £,000	2019/ 20 £,000
Current Comparative Budget	4,968	5,416	5,507	5,595	5,679
Option A + Loan Repayment	4,968	5,111	5,336	5,488	5,440
Saving / (Deficit)	0	304	170	107	238

v Chart 4 –Revenue Budget Implications



Note – For the purposes of determining the revenue implications Option A does not include the optimism bias or risk adjustment included in the financial analysis (see section 4.11). Inflationary rises have been applied to Option A in line with those currently adopted by the Council.

5.2 Risk and Mitigations

5.2.1 A risk review has been completed, see appendix 6.

5.2.2 The review considers the risks of the project (Option A) and the mitigations. Some of the key impacts and their mitigations are outlined below:

No	Risk	Mitigation
1	<p>Delay to Waste Transfer Station delivery programme. For example delay to:</p> <ul style="list-style-type: none"> • Planning application • Licencing/Permit application • Construction Programme 	<ul style="list-style-type: none"> • The NES facility achieved planning permission and permitting for a waste treatment facility on the same site. Therefore a precedent has been set. • Communications strategy to be developed with consideration of key stakeholder's. • Project management team to be developed to oversee and monitor the delivery of the project. • If there are delays to the Waste Transfer Station delivery programme the landfill void can be extended by transferring waste out with the Borders. There would be a cost associated with this but it would help ensure continuity of service delivery.
3	<p>Risk the Council misses the ban on Biodegradable Municipal Waste (BMW) to landfill from 2021.</p>	<ul style="list-style-type: none"> • The development of the Waste Transfer Station improves the Council's ability

		<p>to achieve the BMW landfill ban as it allows waste to be bulk hauled to alternative waste treatment facilities.</p> <ul style="list-style-type: none"> • The development of the Waste Transfer Station for a commencement date in 2017 provides more time to achieve the BMW landfill bans than options B and C. • Robust residual waste treatment contracts to be developed including contingency arrangements where possible.
6	Option A restricts the outputs of the new Waste Management Plan which may include the development of a Waste Treatment Facility in the Scottish Borders.	<ul style="list-style-type: none"> • The Waste Transfer Station will be constructed at Easter Langlee and will be modular and adaptable. This will enable it to be expanded in the future, should it need to be, or adapted for alternative uses, such as a Waste Treatment Facility. • The Council does not need to agree long term contracts in the immediate future. It is proposed that short to medium term waste treatment contracts are arranged to ensure flexibility in the future depending on the output of the new Waste Management Plan.
9	<p>Waste Treatment is more expensive than anticipated. For example:</p> <ul style="list-style-type: none"> • Gate fee higher than anticipated • Increased exposure to market fluctuations • Increased exposure to haulage cost fluctuations i.e. fuel price. 	<ul style="list-style-type: none"> • In comparing options A, B and C the financial modelling included an analysis of risk and optimism bias. • The Waste Treatment costs are based on market knowledge, Scotland Excel prices and advice from external consultants. • Development of robust Waste Treatment Contracts with support from Council's procurement department and legal services. • Robust contract monitoring and management. <p>It is worth noting that under all options further treatment is required therefore this risk if it does occur will be for an additional 3 years in option A compared to the other options.</p>

5.3 Equalities

- 5.3.1 An initial impact assessment has been completed (see Appendix 7). At this stage it is anticipated to have a positive impact on meeting the Equality Duty. Further assessment will be conducted through implementation to ensure this is achieved.

5.4 Acting Sustainably

- 5.4.1 An initial impact assessment has been completed, see appendix 8.
- 5.4.2 The assessment considers the impacts of the project (Option A) on Economic Growth, Social Cohesion and Protection of the Environment. Some of the key impacts are outlined below.

Economic Growth

(a)

- Helps safeguard existing jobs
- Helps ensure third party waste collectors are able to dispose of their waste following the closure of the landfill.
- Helps ensure waste produced in the Scottish Borders can be sustainably managed.

Social Cohesion

(b)

- Helps improve the local community's quality of life through the closure of the landfill site.
- Reduces the potential of odour issues related to the operation of landfill sites.

Protection of the Environment

(b)

- Helps reduce the environmental impacts associated with the operation of a landfill site.
- Helps to minimise the tonnage of waste landfilled.
- Helps maximise the tonnage of waste sent for recycling and or re-use.
- Helps enhance semi-natural habitats through the closure of the landfill and subsequent restoration of the site.

- 5.4.3 At this stage it is considered unlikely that a full Strategic Environmental Assessment will be required. A Pre-screening and if necessary a Screening exercise will be undertaken to clarify the requirements and to ensure compliance with the Environmental Assessment (Scotland) Act 2005.

5.5 Carbon Management

- 5.5.1 The closure and subsequent restoration of Easter Langlee Landfill Site will significantly reduce the volume of methane gas emitted from the landfill site. This will reduce the Council's carbon emissions and will maximise the generation of green electricity from the landfill site.
- 5.5.2 There will be carbon emissions from the alternative treatment technologies used to manage the Council's waste. However these are likely to be significantly less than those associated with disposal of landfill as is currently the case.
- 5.5.3 The haulage of waste to facilities out with the Council's boundary will increase the Council's carbon footprint associated with vehicle movements. However the majority of the waste will be bulk hauled which will ensure vehicle movements are kept to a minimum.

5.6 Rural Proofing

- 5.6.1 It is anticipated there will be no adverse impact on the rural area from the proposals contained in this report.

5.7 **Changes to Scheme of Administration or Scheme of Delegation**

5.7.1 No changes are required to either the Scheme of Administration or the Scheme of Delegation.

6 CONSULTATION

6.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted and any comments received have been incorporated into the final report.

6.2 Others that have been consulted are listed below:

- Corporate Equalities and Diversity Officer.
- Corporate Transformation and Services Director.
- Procurement Officer.
- Corporate Communications.

Approved by

Service Director Neighbourhood Services Signature

Author(s)

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Background Papers: Waste Management Plan - Scottish Borders Council 25 June – item 10

Previous Minute Reference: None

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Jacqueline Whitelaw can also give information on other language translations as well as providing additional copies.

Contact us at Jacqueline Whitelaw, Place, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, Tel 01835 825431, Fax 01835 825071, email eittranslationrequest@scotborders.gov.uk.

Appendix 1 – Waste (Scotland) Regulations 2012

The Zero Waste Plan outlined that a package of regulatory measures would be required in order to implement a number of its actions. This culminated in the introduction of The Waste (Scotland) Regulations 2012 which came into force on the 17th May 2012.

The Regulations provide for the collection, transport and treatment of key recyclable materials (paper, card, plastic, metal and glass) and food waste, placing additional requirements on local authorities and businesses in this regard.

Specific measures introduced by the Waste (Scotland) Regulations 2012 include:

- A requirement on local authorities to provide householders with:
 - A separate collection service for dry recyclables (paper, card, plastic metal and glass) from January 2014.
 - A separate collection service for food waste (apart from rural areas) from January 2016.
- A requirement on Local Authorities to take steps from 1st January 2014 to promote separate collection and recycling. This includes making arrangements for the provision of a food waste receptacle.
- A requirement for businesses to present:
 - Dry recyclables (metals, plastic, paper, card and glass) separately for collection from 1st January 2014
 - Food waste of more than 50kg/week separately for collection from 1st January 2014, with those producing less than 50kg/week exempt until the end of 2015.
- A ban on materials collected separately for recycling going to landfill or incineration from 1st January 2014.
- A requirement to remove dry recyclables (plastics and metals) from mixed waste prior to incineration (from July 2012).
- **A ban on biodegradable municipal waste going to landfill from 1st January 2021**
- A ban on the use of macerators and food waste disposal units from 1st January 2016 to ensure food waste is not deposited in a public drain or sewer. This does not apply to domestic properties or rural areas.

Appendix 2 – New Waste Management Plan – Development Approach

The Council's approach to the development of the new Waste Management Plan was approved by Council on 25th June 2015.

It was agreed that in order to ensure that the new Waste Management Plan delivers a value for money service, fit for purpose, flexible solution the following service elements are to be considered:

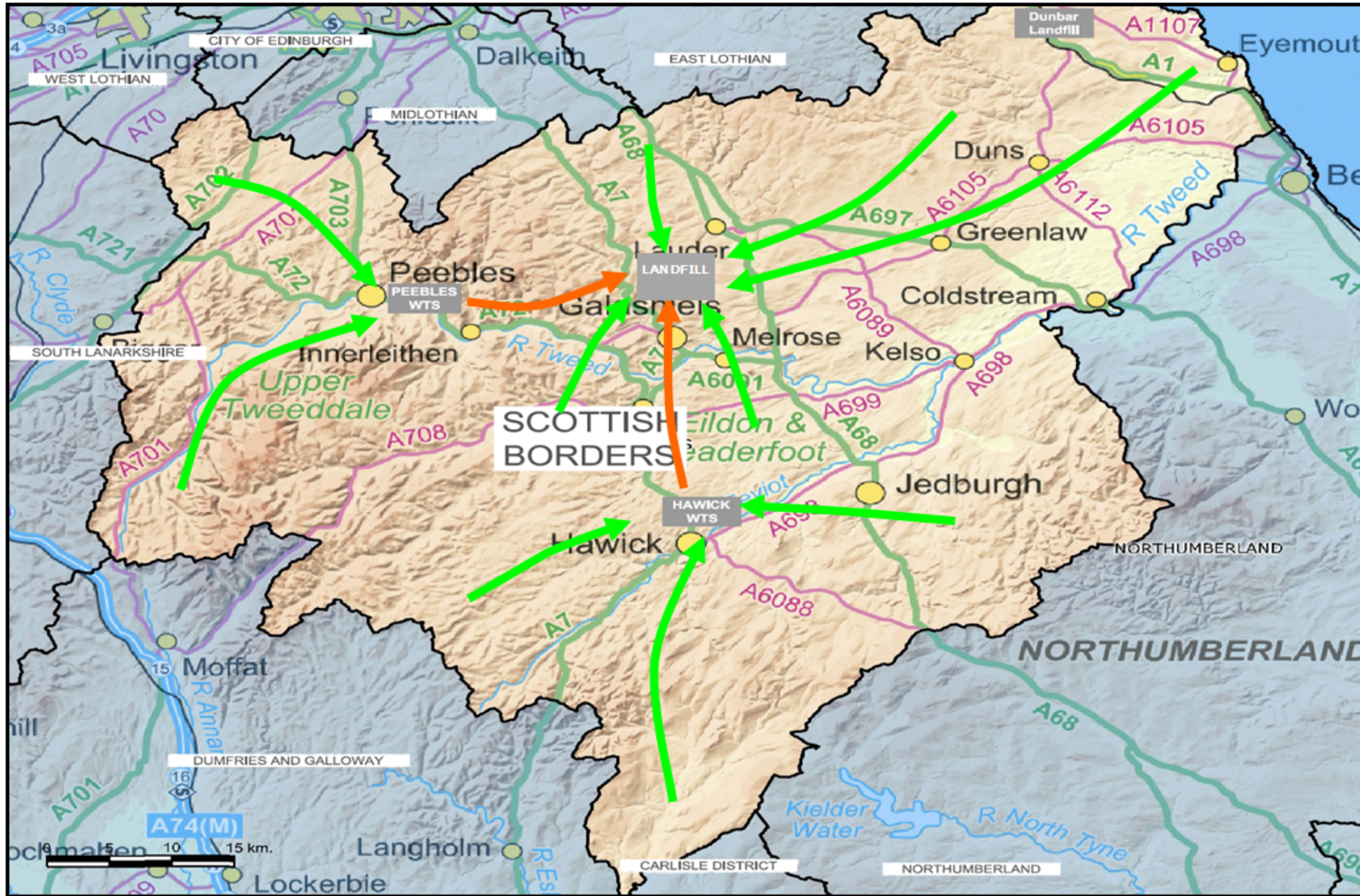
- a) Kerbside Collection
- b) Transfer and Bulk Haulage
- c) Waste Treatment
- d) Waste Disposal

All elements of these will influence the analysis of the different options and the outcome of the new Waste Management Plan.

Research recently undertaken by Officers indicates that:

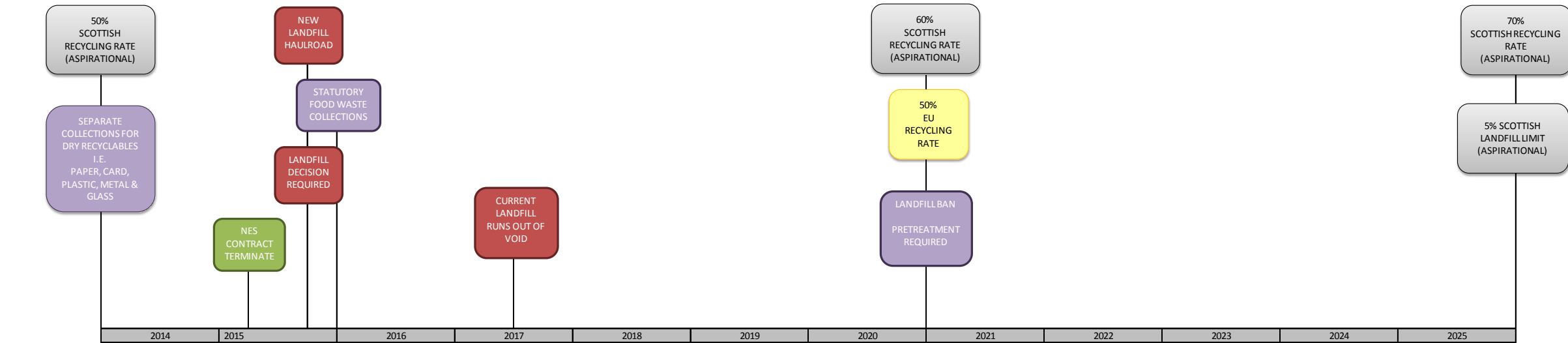
- The waste treatment opportunities available to Scottish Borders Council have changed considerably since the commencement of the Waste Treatment Project in 2008 and its subsequent award to New Earth Solutions.
- There are now a number of treatment facilities with capacity, that are either operational or in the process of being developed within reach of the Borders.
- The gate fee for merchant treatment capacity is becoming increasingly competitive compared to landfill.
- Waste policy, regulations and targets continue to evolve over time and this is likely to continue to be the case for the foreseeable future.
- There may be merit in allowing the market and waste policy to stabilise prior to the Council making any significant long term investment in waste treatment contracts.

Appendix 3 – SBC’s current bulking, haulage and disposal arrangement for residual waste



- Key**
- Residual Waste - Bulk Haulage
 - Residual Waste – Refuse Collection Vehicle Deliveries

Appendix 4 – Landfill Options - Delivery Timeline



LANDFILL OPTIONS



KEY

- LANDFILL
- WASTE TRANSFER STATION
- TREATMENT OF RESIDUAL WASTE OUTWITH THE BORDERS TO EXTEND LIFE OF EXISTING LANDFILL
- SCOTTISH GOVERNMENT ASPIRATIONAL TARGETS
- STATUTORY REQUIREMENTS OF THE WASTE (SCOTLAND) REGULATIONS 2012
- EU MEMBER STATE RECYCLING RATE
- NES CONTRACT TERMINATION DATE

OPTION A

Close the landfill when it fills its current capacity. Construct a waste transfer station at Easter Langlee, on the old NES site, which can transfer waste onto alternative facilities from Summer/Winter 2017. Transfer all waste to alternative facilities from all regions from Summer/Winter 2017.

OPTION B

Build a new landfill cell which will operate until 2021 at which point the landfill will close. Construct a waste transfer station at Easter Langlee, on the old NES Site, which can transfer waste onto alternative facilities from 2021. Transfer all waste to alternative facilities from all regions from 2021.

OPTION C

Transfer waste from Tweeddale, Roxburghshire and Berwickshire to alternative facilities from mid-2015. Operate the landfill for Ettrick & Lauderdale's waste until 2021. Construct a waste transfer station at Easter Langlee, on the old NES Site, which can transfer waste onto alternative facilities from 2021. Transfer all waste to alternative facilities from all regions from 2021.

Appendix 5 – Non-Financial Analysis Methodology

The pros and cons for each option were analysed in terms of Likelihood, Impact, and Importance under the following key headings:

- Achievement of national targets
- Cost of waste disposal
- Efficiency of operation
- Public/third party opinion
- Service Resilience

Under each of the above headings were sub headings.

Scores were applied to each year between 2015 (now) and 2025 (i.e. the target year for the national target of 5% to landfill).

The scores in the table 1 and charts 1 & 2 are a summary of the above for each option.

Appendix 6 – Risks and Mitigations

No	Risk	Mitigation
1	<p>Delay to Waste Transfer Station delivery programme. For example delay to:</p> <ul style="list-style-type: none"> • Planning application • Licencing/Permit application • Construction Programme 	<ul style="list-style-type: none"> • The NES facility achieved planning permission and permitting for a waste treatment facility on the same site. Therefore a precedent has been set. • Communications strategy to be developed with consideration of key stakeholder's. • Project management team to be developed to oversee and monitor the delivery of the project. • If there are delays to the Waste Transfer Station delivery programme the landfill void can be extended by transferring waste out with the Borders. There would be a cost associated with this but it would help ensure continuity of service delivery.
2	Opposition from Local Residents	<ul style="list-style-type: none"> • The NES facility achieved planning permission and permitting for a waste treatment facility on the same site. Therefore a precedent has been set. • The closure, restoration and aftercare of the landfill and replacement with a Waste Transfer Station: <ul style="list-style-type: none"> ○ reduces the potential for odour release associated with landfill operations ○ reduces bird numbers associated with the landfill ○ improves the visual amenity of the local area • Communications strategy to be developed with consideration of key stakeholder's.
3	Risk the Council misses the ban on Biodegradable Municipal Waste (BMW) to landfill from 2021.	<ul style="list-style-type: none"> • The development of the Waste Transfer Station improves the Council's ability to achieve the BMW landfill ban as it allows waste to be bulk hauled to alternative waste treatment facilities. • The development of the Waste Transfer Station for a commencement date in 2017 provides more time to achieve the BMW landfill bans than options B and C. • Robust residual waste treatment contracts to be developed including contingency arrangements where possible.
4	Risk the Council will miss aspirational recycling and diversion targets outlined in the Zero Waste Plan.	<ul style="list-style-type: none"> • The longer the Council operates a landfill site the less likely the Council is to achieve the Zero Waste Plan's aspirational recycling and diversion targets. • The closure of the landfill site and development of a new Waste Transfer Station improves the Council's ability to divert residual waste from landfill and increase recycling rates. • The delivery of the Waste Transfer Station increases the options available to the Council to divert residual waste from landfill and increase recycling rates. • The requirements of the Zero Waste Plan are to be considered during the development of new Waste Management Plan.
5	Risk of National and European Policy/Legislation change	<ul style="list-style-type: none"> • The development of a Waste Transfer Station provides the Council with additional flexibility, compared to landfill, to comply with changes to National and European Waste Policies. • Maintain up to date industry knowledge/intelligence through, industry contacts, Local Authority contacts, COSLA, CIWM, APSE, websites and industry journals.
6	Option A restricts the outputs of the new	<ul style="list-style-type: none"> • The Waste Transfer Station will be constructed at Easter Langlee and will be modular and adaptable. This will

	Waste Management Plan which may include the development of a Waste Treatment Facility in the Scottish Borders.	<p>enable it to be expanded in the future, should it need to be, or adapted for alternative uses, such as a Waste Treatment Facility.</p> <ul style="list-style-type: none"> • The Council does not need to agree long term contracts in the immediate future. It is proposed that short to medium term waste treatment contracts are arranged to ensure flexibility in the future depending on the output of the new Waste Management Plan.
7	Waste Transfer Station is more expensive than anticipated.	<ul style="list-style-type: none"> • The financial modelling includes an analysis of risk and optimism bias in relation to the Waste Transfer Station. • The financial modelling includes a contingency fund. • It is worth noting that in all options a Waste Transfer Station is required therefore this risk, if it does occur, will be the same for all options but it will 3 years later. • Development of a detailed design. • Robust project management.
8	Waste Transfer Station more expensive to operate than anticipated.	<ul style="list-style-type: none"> • In comparing options A, B and C the financial modelling included an analysis of risk and optimism bias. • The cost of operating the Waste Transfer Station is based on a combination of the Council's in house knowledge of running Waste Transfer Stations and external consultancy advice. • It is worth noting that in all options a Waste Transfer Station is required therefore this risk, if it does occur, will be the same for all options but it will 3 years later in option B and C.
9	<p>Waste Treatment is more expensive than anticipated. For example:</p> <ul style="list-style-type: none"> • Gate fee higher than anticipated • Increased exposure to market fluctuations • Increased exposure to haulage cost fluctuations i.e. fuel price. 	<ul style="list-style-type: none"> • In comparing options A, B and C the financial modelling included an analysis of risk and optimism bias. • The Waste Treatment costs are based on market knowledge, Scotland Excel prices and advice from external consultants. • Development of robust Waste Treatment Contracts with support from Council's procurement department and legal services. • Robust contract monitoring and management. • It is worth noting that under all options further treatment is required therefore this risk if it does occur will be for an additional 3 years in option A compared to the other options.
10	The current Waste Transfer Station will need to be repurposed.	<ul style="list-style-type: none"> • When the new Waste Transfer Station is constructed it will no longer be required for its current use. • The old Waste Transfer Station could be repurposed as follows: <ul style="list-style-type: none"> ○ Potential expansion of the Community Recycling Centre ○ Potential to develop into a Re-Use site for furniture, bikes etc. ○ Contingency Waste Transfer Station should any of the Council's other facilities be out of action.

Appendix 7 – Stage 1 Equality Impact Assessment – Start Up

Scottish Borders Council

Stage 1 Equality Impact Assessment – Start Up

(For Early Proposals, Project Initiation, Start Up)

1.	Title of Proposal:	Landfill Options Appraisal
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(Please enter the title or reference for your proposal)

2.	Service Area:	Waste Services
	Department:	Neighbourhood Services

(Please enter the department/service area submitting the proposal)

3.	Description:	<p>To determine the implications of the Council's decision to terminate the Waste Treatment Contract on Easter Langlee Landfill Site and the recommended way forward.</p> <p>Preferred option:</p> <p>Option A- Close the landfill in Summer/Winter 2017 when current capacity has been reached. Construct a waste transfer station at Easter Langlee, on the old NES site, in time for the transfer of waste from all regions onto alternative facilities from Summer/Winter 2017.</p>
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(Please enter a full description of your proposal including its aims and objectives)

4.	Relevance to the Equality Duty.	
	Do you believe your proposal has any relevance to the following duties of the Council under the Equality Act 2010?	
	(If you believe that your proposal may have some relevance – however small please indicate yes)	
	Duty	Yes/No
	Elimination of discrimination (both direct & indirect), victimisation and harassment. <i>(Could your proposal discriminate? Or help eliminate discrimination?)</i>	Yes
Promotion of equality of opportunity? <i>(Could your proposal help or hinder the Council with this)</i>	Yes	
Foster good relations? <i>(Could your proposal help or hinder the council s relationships with those who have equality characteristics?)</i>	Yes	

5.	Which groups of people may be impacted (both positively and negatively) if the proposal is advanced?	
	(Please x all that apply).	
	Equality Characteristic	Impact
		Description

	No Impact	Possible Positive Impact	Possible Negative Impact	<p><i>Where you have identified a potential impact, please detail what you perceive this to be.</i></p> <p><i>Where an equality characteristic is potentially negatively affected, please explain how and the extent to which they may be negatively affected. If you are unsure of the answer please state this and recommend further investigation.</i></p>
Age (Older or younger people or a specific age grouping)	x			
Disability e.g. Effects on people with mental, physical, sensory impairment, learning disability, visible/invisible, progressive or recurring		x		The closure of the landfill and replacement with a Waste Transfer Station has the potential to make it easier for all disability groups to access and egress the site as it does not require vehicles to be driven onto uneven ground (i.e. the landfill).
Gender (Males, Females, Transgender or Transsexual people)	x			
Race Groups: including colour, nationality, ethnic origins, including minorities (e.g. gypsy travellers, refugees, migrants)	x			

and asylum seekers)				
People with Religious or other Beliefs: different beliefs, customs (including atheists and those with no aligned belief)	x			
Sexual Orientation, e.g. Lesbian, Gay, Bisexual, Heterosexual	x			
Carers (those who have caring responsibilities for someone with an equality Characteristic)	x			
Poverty (people who are on a low income including benefits claimants, people experiencing fuel poverty, isolated rural communities etc)		x		<p>The long term future of the landfill site is uncertain due to a ban on biodegradable municipal waste to landfill from 2021 in accordance with the Waste (Scotland) Regulations 2012.</p> <p>The development of a new waste transfer station provides alternative waste disposal facilities in the Scottish Borders. This likely to be beneficial not only to the Council in discharging its statutory duties but also to third party waste collectors that operate in the Borders area. The development of a waste transfer station may enable the Council to minimise disposal and haulage costs for third party waste collectors which in turn may help minimise the cost of disposal for waste producers including those in the Poverty Equality Characteristic.</p>

	Employees (those employed by the Council including full time, part time and temporary)		x	x	<p>The long term future of the landfill site is not certain due to a ban on biodegradable municipal waste to landfill from 2021 in accordance with the Waste (Scotland) Regulations 2012.</p> <p>The development of a new waste transfer station will provide employment opportunities, with the priority given to those staff currently employed on the landfill site.</p> <p>Staff will be retained or redeployed wherever possible. However, there is a risk that those staff employed at the landfill site will be at risk for future employment if suitable alternative work cannot be found.</p>

6.	Mitigation	
	Where you have identified a potential negative impact, please detail what mitigations will need to be put in place in order for your proposal to progress. If you are unsure of the answer please state this and recommend further investigation.	
	Characteristic	Mitigation
	Employees	Where possible redeploy staff into new roles across waste services including the new Waste Transfer Station offering training and support where necessary. If not possible to find work within Waste Transfer Station, then look at redeployment elsewhere in the council, offering training and support where necessary.

7.	How certain are you of the answers you have given?
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	Answer	Tick One
	Certain - I have populated the evidence base to support my answers.	
	Fairly Certain – but don't have concrete evidence to support my answers so would recommend further assessment is conducted if the proposal is progressed.	x
	Not Certain – further assessment is recommended if proposal is progressed.	

Completed By			
Name	Ross Sharp-Dent	Service Area.	Waste Services
Post	Waste Manager	Date	21 st July 2015

This assessment should be presented to those making a decision about the progression of your proposal.

If it is agreed that your proposal will progress, you must send an electronic copy to corporate communications to publish on the webpage within 3 weeks of the decision.

For your records, please keep a copy of this Equality Impact Assessment form.

Appendix 8 – Sustainable Development Checklist

Report Title: Landfill Options Appraisal			
Author/Responsible Officer: Ross Sharp-Dent			
Does the project or activity:			
		Yes	No
1	Economy and Work		N/A
	Create new jobs or safeguard existing employment	x	
	Benefit small and/or locally-based business	x	
	Increase employment/vocational training opportunities		x
	Link local production with local consumption	x	
	Improve local business environmental awareness	x	
2	Community and Participation		
	Involve the community in developing and implementing the project		x
	Take into account under-represented or excluded groups		x
	Take into account equal opportunities	x	
	Encourage volunteering		x
	Improve community facilities		x
	Improve community quality of life	x	
	Improve community capacity		x
	Encourage local action and decision making		x
3	Transport		
	Encourage walking or cycling		x
	Encourage use of public/community transport		x
	Improve access to facilities for those without a car		x
	Reduce travel requirements or encourage mode shift to more sustainable forms of transport		x
4	Pollution		
	Reduce/ prevent pollution, e.g. noise, air, water, land	x	
	Reverse negative impacts of pollution, e.g. restore polluted environments		x
5	Energy		
	Maximise energy efficiency		x
	Generate energy from waste or renewable resources	x	
	Contribution to carbon reduction targets		x
		Yes	No
6	Waste and Resources		N/A
	Reduce waste and/or maximise resource use	x	
	Encourage re-use and/or repair	x	
	Encourage recycling and/or use of recycled materials	x	
	Does a 'whole life costing' assessment support the favoured option		x

7	Buildings and Land Use			
	Provide or improve local amenities		x	
	Re-use/conserv e buildings		x	
	Improve disabled access	x		
8	Wildlife and Green/ Open Spaces			
	Encourage use of green/open spaces for community benefit		x	
	Increase public access to green/open space		x	
	Improve access to green space where it is currently most limited		x	
	Encourage environmentally sensitive / sustainable land use and/ or land management	x		
	Increase or enhance semi-natural habitats	x		
	Increase biodiversity	x		
	Is a Strategic Environmental Assessment required under the EU SEA Directive	TBC	TBC	TBC
9	Integration			
	Seek to combine social, economic and environmental issues into integrated solutions	x		
	Seek to use and nurture local talent and resources where possible	x		