



Belfast City Council

Report to:	Health and Environmental Services Committee
Subject:	Northern Ireland Landfill Allowances Scheme and Recycling Rate Updates
Date:	4 th August, 2010
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Relevant Background Information

This report provides the Committee with an update on the Council's NILAS and recycling rate over the past quarter. This report also provides Members with some indicative projections arising from the introduction of new recycling and waste diversion schemes which are likely to be needed up to 2020. These schemes are being developed in conjunction with arc21 in order to address the emerging requirements of the EU Waste Framework Directive which has identified 2020 as the target year. At this time, councils will be required to have achieved a 50% recycling and composting rate.

The EU Waste Framework Directive (EU WFD) is in the process of being transposed into national legislation this year both in Great Britain and Northern Ireland, and two consultation exercises are currently underway at present on this legislative process.

Key Issues

NILAS

Members will be aware that the Service has been providing regular updates on the Council's performance against the Northern Ireland Landfill Allowances Scheme (NILAS) targets. These were set by the Department of the Environment (DOE) for each council on an annually reducing basis between 2006 and 2020. These allowances incorporate the step change reductions in the amount of biodegradable municipal waste (BMW) permitted to be landfilled by each council in 2010, 2013 and 2020 in accordance with the EU Landfill Directive (LFD) target years.

Since the introduction of NILAS in 2005/06, the Council has until 2009/2010 met its annual NILAS obligations. This has been achieved by the Council delivering substantial changes in its waste collection and management operations in order to divert annually increasing volumes of waste from landfill through the development of new facilities and the introduction of various recycling schemes over the past five years.

In addition, the municipal waste growth rate has exhibited a slowdown in more recent years.

The Council's compliance with NILAS changed in the target year 2009/10, with the Council exceeding its allowance by 1,376 tonnes; an overshoot of 1.9%. The primary reason for this exceedence was the step change in the level of allowances between 2008/09 and 2009/10 (see Appendix 1) rather than any decrease in recycling performance. The tonnage recycled continues to grow and, at 34,417 tonnes, it was 0.3% greater than the equivalent tonnage achieved last year. This means the Council will need to transfer in NILAS allowances from each of the arc21 constituent councils in order to meet its obligations. The Council is working with arc21 to implement the methodology for these transfers. The completed transfer request must be submitted to the DOE by Thursday 30 September 2010.

Concerning the NILAS projections in Appendix 1, it is anticipated that due to the introduction of food waste into the brown bins from April 2010 onwards the Council will meet its NILAS obligations for 2010/11 and 2011/12 before returning to a deficit situation from 2012/13 onwards.

The projections in relation to the Council are based on a number of key assumptions:

- A waste growth rate of 0.4% per annum has been applied from 2010/11 onwards. This is the same rate used by arc21 in its recent modelling exercises for the residual waste project.
- Performance of the food waste in the brown bins being sustained throughout the three winter months in spite of a reduced monthly collection frequency.
- No MBT capacity being available in the 2012/13 target year.
- The Council adopting a "*single council*" approach towards NILAS, rather than an arc21 collective one.

Modelling carried out by arc21 shows that by adopting a collective approach in the region towards NILAS, the constituent councils will collectively meet their NILAS obligations up to 2012/13. After this time, and should mechanical-biological treatment (MBT) capacity not be available to the region, arc21 collectively will not meet its NILAS obligations. Hence the need for arc21 to expeditiously and successfully conclude the current residual waste tender using the EU Competitive Dialogue process.

Members will be aware that the NILAS figure is obtained using a relatively complex mass balance formula covering a wide range of waste streams. The template used by the Council to calculate these projections seeks to mirror this model but is ultimately subject to verification by the DOE through the WasteDataFlow software.

In this regard, Members should note that the DOE is conducting a series of audits on NILAS data returns from councils and, consequently, the above provisional figures for Belfast may change.

Members should also note that, as stated in the background section above, the DOE has launched several consultation papers, two of which relate to (i) changing the definition of Municipal Solid Waste (MSW) and (ii) introducing new restrictions to increase the amount of waste diverted from landfill for recycling or other purposes. These consultation exercises are called:

- "*Meeting the EU Landfill Diversion Targets*" and
- "*The Introduction of Restrictions on the Landfilling of Certain Wastes*".

As discussed in previous Committee meetings, the introduction of these pieces of legislation, and potentially other DOE policies to increase recycling, will continue to require amendments to how the Council provides its waste management operations.

The Waste Management Service is working with arc21 to prepare appropriate responses and these will be submitted to the Committee for consideration next month.

For the purpose of projecting the Council's NILAS performance in the years ahead, the projections in Appendix 1 are based on the present scheme.

Recycling Rate

As stated above, the Council's recycled tonnage continues to grow and reached 34,417 tonnes at the end of March. This was 0.3% greater than the equivalent tonnage last year and means the provisional recycling rate for the financial year 2009/10 is 26.6%, subject to ratification by the DOE.

The Departmental Plan's target in 2009/10 for household waste recycled and composted as a percentage of total municipal waste arisings was 27%. Members should note that the recycling target could have been achieved by an earlier introduction of food waste into the brown bins, but licensing and operational issues resulted in a subsequent delay of many months to the provision of this service in Belfast.

Now that the food waste is being captured in the brown bins, it is projected that the recycling rate for the City will increase to around 30% for the current financial year as a result of the first full year's tonnage (see Appendix 2).

Members may recall that in previous Committee meetings, discussions have been held regarding the transposition of the EU WFD. This has set a target of 50% recycling and composting by 2020 for all councils across Europe. Locally, the DOE is in the process of transposing this Directive into legislation, as predicted in the Departmental Plan and considered at the March Committee meeting.

Consequently, Appendix 2 has been updated to reflect this longer-term horizon, and the results from the projected recycling rate arising from including food waste in the brown bins have been plotted. Further proposals, such as the impact of the bids which the Service submitted under the DOE's recently launched "*Rethink Rubbish Grant*" have not been included at this time.

Members may also care to note that the Environment Minister, Mr Poots recently wrote to councils to congratulate them on their "*excellent progress...to date in boosting recycling activity*". In this letter, the Minister also highlighted an intention to revise the recycling policy in Northern Ireland and he stated he was "*convinced that a municipal recycling rate of 60% by 2020 is achievable and fully justifiable*".

The Council is working with arc21 to identify initiatives to divert suitable tonnages from landfill for recycling purposes in order to achieve the EU WFD and close the gap between the current recycling rate and the target of 50%. These initiatives are being closely examined in terms of their economic viability and their potential impact on the guaranteed minimum tonnages needed by arc21 for the current residual waste tender process. It is proposed to submit a further report on this topic to a Special Committee meeting later this month.

Resource Implications

Financial

In view of the Council's breach of its NILAS obligations in 2009/10, it will be reliant on the transfer of allowances in accordance with the agreed arc21 methodology from each of the arc21 councils in order to avoid liability to financial penalties. This transfer of allowances will be concluded and registered with the DOE by 30 September 2010. There will therefore be no financial penalty.

It is likely that new initiatives will be identified as critical for the Council in terms of reaching the 50% recycling rate and these will require appropriate resourcing. As stated above, these potential initiatives are presently being considered to determine their contribution to the Council's recycling rate and assist in the Corporate Objective of a "*Improving Belfast's Environment*" while, at the same time, demonstrating value-for-money .

Human Resources

No human resource implications are associated with this report.

Asset and Other Implications

No other implications are associated with this report.

Recommendation

The Committee is requested to note the NILAS and recycling rate updates.

Key to Abbreviations

NILAS – Northern Ireland Landfill Allowance Scheme
DOE – Department of the Environment
EU WFD – EC Waste Framework Directive
MSW – Municipal Solid Waste
MBT – Mechanical Biological Treatment
EU LFD – EC Landfill Directive

Documents Attached

Appendix 1 – NILAS Projections

Appendix 2 – Household Recycling Rate Projections