2024-5

### REPLY BY THE PRESIDENT OF THE STATES' TRADING SUPERVISORY BOARD TO QUESTIONS ASKED PURSUANT TO RULE 14 OF THE RULES OF PROCEDURE BY DEPUTY JOHN DYKE

#### **Question 1**

What initiatives is the Committee currently pursuing to encourage local provision of more environmentally friendly and economic provision for the disposal of its various waste streams?

#### Answer

The States has agreed a Waste Management Plan ["the Plan"] that identifies the Best Practical Environmental Option(s) ["BPEO"] for the management of the island's various waste streams. That is based on an evidence-based assessment of the relative merits of available treatment methods and technologies, measured against a range of criteria including cost, environmental performance, and technical feasibility. In other words, they have been identified as the optimum "environmental and economic provision" for Guernsey, based on a robust and objective evaluation.

Both the Plan and the BPEO assessment are legal requirements under the Environmental Pollution (Guernsey) Law, 2004 ["the EP Law"]. The States' Trading Supervisory Board [STSB], as Waste Disposal Authority [WDA], has a legal duty to ensure provision of facilities for the management of the island's waste, and to comply with the Plan.

The STSB has no mandate, nor the WDA a legal duty, to "encourage" the provision of local solutions, as opposed to identifying which treatment options satisfy the BPEO requirements. Nevertheless, the STSB is naturally supportive of local enterprise and when awarding contracts is open to approaches for potential on-island solutions, subject to properly robust tendering procedures.

This was evidenced in the recent procurement of a new contract for the treatment of food waste. That began with an open invitation for expressions of interest from any parties that wished to receive some or all of the island's food waste, which was advertised and widely promoted locally. An independent expert adviser was engaged to conduct a BPEO assessment of proposals that did not involve 'anaerobic digestion or similar' (previously identified as the BPEO), to consider whether a different system or method could be adopted, potentially involving local provision. So the procurement process was specifically designed to provide a means by which that could practically be achieved.

The procurement timetable was also designed to provide the opportunity for a potential new operator to establish a local facility, should that be required.

Had any local solutions compared favourably in a full BPEO assessment, the WDA could propose to the Committee *for the* Environment & Infrastructure their inclusion in the Waste Management Plan (subject to agreement by the States). The current Plan itself therefore presents no obstacle to local solutions being developed, or indeed adopted in future if they prove viable and beneficial. Nor has the procurement approach adopted by the STSB been an impediment to local solutions. However the independent expert adviser found that no local provider was able to evidence they had a sufficiently proven approach for dealing with food waste.

Nevertheless, conscious that interest has been expressed in this regard, the STSB has made provision in the new contract for some food waste to be diverted to support suitable trials of local solutions, should it be required.

It is through adopting such practical measures, within the legal and regulatory framework that applies to the island's waste management, that the STSB can and does support innovation in local solutions. Whether or not they are "more environmentally friendly and economic" can only be determined through a full, evidence-based evaluation.

## Question 2

What are the current contractual arrangements are currently in place for the handling of the various waste streams, in particular:-

- Contractor.
- Price per tonne.
- Term of contract/termination provisions.
- Minimum tonnage requirements if any.
- Other material provisions in outline.

#### Answer

Guernsey Waste has around 40 contracts and/or supply agreements for processing and supply of materials or services for managing the island's various different waste streams. Excluding export and treatment of general waste (as there is no realistic prospect of an on-island solution in the foreseeable future), these total around £6.5 million a year. Not including States Works' contracts for the operation of the waste facilities at Longue Hougue and other waste sites, around 93% of spend is with local businesses and/or local supply chains.

The terms of each contract prohibit release of information considered confidential to either party. Clearly that applies to individual contract values, costs per tonne, or other key pricing information. Publishing such details could undermine the States of Guernsey's commercial interests in future procurements, and the commercial interests of the contractor if disclosed to its competitors. Financial details of this nature also have no material benefit in isolation (except to the company's competitors), as it is not possible to assess value for money without specific knowledge of the contract requirements and other received tenders.

Therefore in regard to the specific details requested for each individual contract:-

Contractor:	Detailed in table below.	
Price per tonne:	Commercially confidential to contractor, and not in the States commercia interest to publish.	
Term of contract:	Detailed in table below.	
Termination provision	<b>ns:</b> Standard contractual provisions for either party to terminate in event of non-compliance with terms of agreement by other party.	

Min. tonnage requirement: None of Guernsey Waste's processing contracts specify minimum tonnage.

Other material provisions, in outline: The provisions in each contract reflect the services being contracted. They were negotiated and agreed with advice from the States of Guernsey commercial team and St James Chambers. A blanket summary of specific provisions for more than 40 contracts would be extremely lengthy and onerous, but the States' commercial and legal advisers will have been satisfied the terms reflect best value and agreed through sound procurement practice.

Waste stream	Contracted service	Supplier	End date
Food waste	Transport, processing & energy recovery	Biogen (UK)	31/12/2028
General waste/ RDF	Transport, processing, energy recovery & disposal	Geminor UK	31/03/2029
Glass	Recycling *	URM	31/12/2024
	Transport	Profreight	31/12/2024
All above	Operating contract **	States Works	31/12/2028

#### Waste Transfer Station operations

\* Contract provides net income from processor

\*\* Includes Household Waste & Recycling Centre

#### Other waste sites

Waste stream	Contracted service	Supplier	End date
Non-RDF waste disposal; inert waste recovery/disposal; green waste collection & processing; waste sites monitoring, etc.	Waste sites operating contract	States Works	Ongoing Service level agreement
Inert waste recycling	Sorting of incoming waste at Longue Hougue	Paul Rouget	April 2027

# **Recycling waste streams**

Waste stream	Contracted service	Supplier	End date
Batteries – car	Processing, export & recycling	Wastenot	31/12/2024
Batteries - household	Processing, export & recycling	Wastenot	31/12/2024
CDs & DVDs	Recycling	CTR Group	Tender - 2024
	Transport	Profreight	Tender - 2024
Dive tanks & soda gas cylinders	Decommissioning	Sarnia Skin Divers	***
End of life vehicles & bulky items (e.g. oil tanks)	Processing, export & recycling	GRG	31/12/2024
Fire extinguishers	Processing, export & recycling	G4S	29/08/2027
Fridges / cooling equipment	Processing, export & recycling	GRG	31/12/2024
Gas bottles (camping, heating etc)	Processing, export & recycling	Guernsey Gas	***
Gas cylinders - 'BOC' type	Processing, export & recycling	Bougourd & Harry	***
Hazardous chemicals	Export and disposal	GRG	***
Kerbside - clear & blue bags	Sorting, processing & export	Mayside Recycling	31/12/2028
Light bulbs/lamps	Processing, export & recycling	Wastenot	31/12/2024
Mattresses	Processing & recycling	SSSI	31/12/2024
	Transport	Profreight	N/A
Oil	Processing, export & recycling	Waste Oil Recycling	31/12/2037
Plasterboard	Processing & recycling	Island Waste	***
Printer cartridges	Processing, export & recycling	Wastenot	Tender - 2024
PVC/uPVC	Processing & recycling	Island Waste	03/03/2026
'Rigid' plastics	Processing & recycling	Haulaway	15/10/2028
	Transport	Profreight	15/10/2028
Scrap metal & large appliances	Processing, export & recycling	GRG	31/12/2024
Small domestic appliances	Processing, export & recycling	GRG	31/12/2024
TVs, monitors & display screens	Processing, export & recycling	Mayside	31/12/2024
Vapes	Processing, export & recycling	Galaxy Cl	Tender - 2024

\*\*\* Rolling agreement, no formal contract

# **Consumables/containers**

Materials	Contracted service	Supplier	End date
Glass recycling bags	Production	Weir & Carmichael	***
Kerbside bags (blue & clear)	Production	Cromwell Polythene	***
Kitchen & kerbside food caddies	Production	Straight Manufacturing	***
Kitchen food caddy liners	Production	Global Trading UK	31/08/2024
"Pay-as-you-throw" stickers	Production	Labels Direct	***
"Pay-as-you-throw" stickers and recycling bags	Storage & distribution to stores	A1 Distribution	31/12/2027
Stickers and recycling bags	Freight & storage	Ferryspeed	***

\*\*\* Rolling agreement, no formal contract

# <u>Other</u>

Service	Contracted service	Supplier	End date
Waste Composition Analysis	Survey and report	ISL	Ad-hoc
www.gov.gg/mybinnight	Address database/look-up	ISL	Ad-hoc
Weighbridge management software	Maintenance and support	Access Group	Being tendered

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Date of Reply: 14 March 2024