



Comhairle Ceantair
Lár Uladh
Mid Ulster
District Council

Tullyvar Landfill Site AGM
Wednesday 11th October 2023, 10.00 am
Tullyvar (and via MS Teams)

A G E N D A

1. Election of Chair
2. Election of Vice-Chair
3. Annual Financial Review
4. Frequency of AGMs
5. AOB

TULLYVAR JOINT COMMITTEE – 11th OCTOBER 2023

ANNUAL FINANCIAL REVIEW

1. Overview Summary for 2022/23

During this period some further minor site mothballing and landscaping works were carried out including the final grading of the Cell 4 banks and cleaning of the surface water settlement pond. Capping works which had been officially completed in June 2020 allowed for a significant portion of the site to be planted with 8,800 trees. This tree planting was aided by a grant from the Forest Expansion Scheme with a further £2,298 received during the year to cover Year 2 maintenance and some replacement planting costs.

Approx. 4,000 tonnes of leachate were treated and discharged to Cookstown Sewage Treatment Works, with a further approx. 5,200 tonnes treated through the sites Integrated Constructed Wetlands.

Approx. 2.29 GWhrs of electricity was produced using the sites landfill gas, resulting in a royalty payment of £54,591.50 from Renewable Power Systems.

2. Profit & Loss Account

Draft accounts for the 2022/23 financial year have been prepared with the main points summarised below. Please note that some figures may be subject to minor changes as they are currently with auditors for review.

- Total income of approx. £63,782 was received, the majority of which was the royalty payment for the sites electricity generation. This compares to a budget of £89,698 with the variation of £25,916 due to the reduction in income from electricity generation. Following the closure of the site in October 2008 landfill gas production has fallen steadily but at a faster rate than originally predicted.
- Operational expenses (not including depreciation and provisions) for the year were approx. £162,073 compared to a budget of £184,748. This underspend of £22,675 can mainly be attributed to reduced spending on leachate tankering and treatment. The top 5 expenses are listed below:
 - Salaries & Wages - £33,881
 - Leachate Tankering & Treatment - £26,075
 - Heating & Light - £21,670
 - Environmental Monitoring - £19,814
 - Fees - £11,697

3. Balance Sheet

The balance sheet figures as of the 31st of March 2023 are presented below:

Current Assets	-	£753,104.88
Current Liabilities	-	£133,264.64
Net Current Assets / Liabilities	-	£619,840.24

Other Items:

Cash on Account	-	£688,780.18
Projected Discounted Gas Income	-	£88,293.82
Projected Discounted C & A Costs	-	£449,485.64



Tullyvar Landfill Site Joint Committee Meeting
Wednesday 11th October 2023, 10.00 am
Tullyvar (and via MS Teams)

A G E N D A

1. Confirmation of the Minutes of the Meeting on Wednesday 29th March 2023.
2. Matters arising from the Minutes.
3. Update from Assistant Director Environmental Services / Site Managers Report
4. Date of next meeting to be agreed:
 - Suggested date Wednesday 14th February 2024.
5. AOB

**MINUTES OF TULLYVAR JOINT COMMITTEE MEETING HELD ON WEDNESDAY
29th MARCH 2023 AT 2.00PM AT TULLYVAR**

PRESENT:

COUNCILLORS: Councillor Graham (MUDC), Councillor McGuigan (MUDC)

OFFICERS: M McAdoo (MUDC)
K McGowan (MUDC)
S McAvoy (FODC)
P Bradley (MUDC)

APOLOGIES: Councillors McAleer (MUDC), Thompson (FODC), Garrity (FODC)
AM Campbell (MUDC), J News (FODC).

Meeting commenced at 2.10pm and was chaired by Cllr Graham.

**1. CONFIRMATION OF MINUTES – AGM/ORDINARY MEETINGS –
TUESDAY 4th OCTOBER 2022**

The minutes of the above meetings were adopted.

Proposed by Councillor Graham
Seconded by Councillor McGuigan and agreed.

2. MATTERS ARISING FROM THE MINUTES

None.

3.0 FINANCIAL MATTERS

3.1 6-month Financial Review 2022/23 & 2023/24 Budget Report

The Site Manager presented the 6-month Financial Review 2022/23 and the proposed 2023/24 budget.

It was noted that neither Council would be expected to make any additional financial contribution in the short term as there are adequate reserves. From 2030 a minimal contribution may be required.

By 2038 the site would be in a state that the licence could be surrendered. There are enough funds in reserves to 2030 and then there will be minimal expenses to 2038.

4.0 UPDATE REPORT FROM ASSISTANT DIRECTOR ENVIRONMENTAL SERVICES / SITE MANAGERS REPORT

The Site Manager's report, copy previously circulated, was considered, reference being made to the undernoted:

4.1 Site Operational Update

4.1.1 Leachate Treatment

It was confirmed that between September 2022 and February 2023 approximately 70 tonnes of leachate per week was discharged to Cookstown Sewage Treatment Works.

4.1.2 Annual NI Water compliance report

The Annual NI Water compliance report for 2022 was received in January and Tullyvar was deemed compliant.

4.1.3 Electricity Generation

A further year of electricity generation was completed at the end of May 2022 in which the site generated 2.29 GWHrs of electricity. A further royalty payment of £54,591.50 was received in March from Renewable Power Systems, bringing the total income to date from landfill gas to approximately £1,440M.

4.2 Closure & Aftercare Provisions

The Site Manager summarised the Closure & Aftercare Provisions.

Cllr McGuigan enquired about the Local Authority Deed. It was noted that the Local Authority Deed was originally signed with NIEA so that if Council walked away then NIEA had the right to remediate the site. At the start the site was to be maintained for 60 years and the Local Authority Deed was a figure of £3m, this was basically an insurance policy for NIEA. In 2019 the maintenance period was revised to 2038 and the Deed value was revised to £1.396m. This has now been revised again to a Deed value of £585k. This was done through MUDC but also had to go through FODC for approval. The Addendum for Tullyvar states that MUDC and FODC have 50% joint responsibility.

4.3 Adoption of the Report

The Site Manager's report was adopted.

Proposed by Councillor Graham
Seconded by Councillor McGuigan and agreed.

5.0 DATE OF NEXT MEETING

It was agreed to convene the next meeting on **Wednesday 13th September 2023**. Venue to be confirmed.

6.0 ANY OTHER BUSINESS

None.

TULLYVAR JOINT COMMITTEE – 29th MARCH 2023

SITE MANAGER'S REPORT

1. Site Operational Update

Between September 2022 and February 2023 approx. 70 tonnes of leachate per week was discharged to Cookstown Sewage Treatment Works. The Annual NIWater compliance report for 2022 was received in January and Tullyvar was deemed compliant, the main results of which are detailed in the table below:

Parameter	Annual Average	Limit	Compliance Score
Ammoniacal Nitrogen	63 mg/l	400 mg/l	100%
Chemical Oxygen Demand	538 mg/l O ₂	2000 mg/l O ₂	100%
Suspended Solids	65 mg/l	500 mg/l	100%
pH	Min 5.28 / Max 8.15	Min 5 / Max 10	100%

A further year of electricity generation was completed at the end of May 2022 in which the site generated 2.29 GWhrs of electricity. A further royalty payment of £54,591.50 was received in March from Renewable Power Systems, bringing the total income to date from landfill gas to approx. £1,440M.

2. Financial Matters

A budget has been prepared by Officers for the 2023/24 period, the projected operational expenditure for the coming financial year is £170,070, a decrease of approx. 8% to reflect the further winding down of site operations. The major costs in the next financial year are £37,884 for leachate haulage, salaries and wages of £37,884, environmental monitoring costs of £19,200, electricity at £16,000, and management charges of £11,000. Some costs have increased due to the increase in energy costs, salaries and wages but have been offset from reduced leachate haulage and fees.

Site income for the year is estimated at £52,620 from the predicted electricity generation royalties. This gives a net expenditure for the year of £117,450 which will be funded from the sites reserves.

The full budget and details first 6 months expenditure of the 22/23 financial year are detailed in Appendix 2. At the end of the first 6 months of the current financial year the site had £796,052.37 in its bank current account / reserves so additional funding from the two Councils will not be necessary for the foreseeable future.

3. Closure & Aftercare Provisions

Due to the potential environmental impact of large waste facilities it is necessary to model the long term financial liabilities and make provision for this liability in the Councils annual audited accounts. These models were reviewed in 2019 by the consulting engineers, WDR & RT Taggart with a view to more accurately predicting the number of years that the site must be managed for. This resulted in a reduction in the number of years from 60 to 19 with the permit being surrendered in 2038. The sites must meet a number of closure criteria before the PPC Permits may be surrendered and a detailed computer model of the site is developed to predict when these criteria are likely to be achieved. The modelling takes into consideration the

surrounding geology of the site, its lining system and the types and volumes of waste accepted at the site among other things. Council officers have carried out updated reviews annually since this, with the latest one submitted to the NIEA in June 2022.

It is also a regulatory requirement for large waste facilities to have a financial bond in place to safeguard against operators going bankrupt or otherwise abandoning the site post closure. This would leave the Northern Ireland Environment Agency (NIEA) responsible for any clean-up or aftercare of the site. Local authorities are able to use a Local Authority Deed Agreement in lieu of a financial bond and at previous reviews the 2 councils established a joint Local Authority Deed Agreement with the NIEA. The value of these bonds / local authority deed agreements are typically based on the financial models generated for each site.

The value of the Deed is currently £1,396,596 and has decreased significantly to £585,524 as a result of the most recent review. In practice the NIEA will be very unlikely to exercise this Deed as Tullyvar is well provisioned for restoration and aftercare and both Councils are keenly aware of their environmental responsibilities at the site. The revised deeds have signed and sealed by Mid Ulster District Council and will be forwarded to the NIEA once they have been countersigned and sealed by Fermanagh & Omagh District Council.

Appendix 1 – Interim Financial Review

1. Income & Expenditure

Interim accounts for the first 6 months of the 2022/23 financial year have been prepared with the main points summarised below. Please note that some figures may be subject to minor changes before being submitted to auditors.

- There was no income in the first 6 months, however, £54,591.50 has since been received as a gas royalty payment from Renewable Power Systems.
- Operational expenses for the first 6 months totalled £70,813.29 compared to a budget of £96,624.00. The main apparent underspends were for leachate related expenses and NIEA permit fees, however, some costs in these categories are due before the end of the year so any underspend at year end will not be as significant. The top 5 expenditure items are listed below:

▪ Salaries & Wages	£16,166.00
▪ Environmental Monitoring	£9,640.34
▪ Rates	£8,418.81
▪ Leachate Tankering & Treatment	£8,013.12
▪ Heating & Light	£7,927.38

2. Balance Sheet

The balance sheet figures as of the 30th September 2022 are presented below:

Current Assets	-	£881,052.37
Current Liabilities	-	£183,734.63
Net Current Assets / Liabilities	-	£697,317.74

Other Items:

Cash on Account	-	£796,052.37
Closure & Aftercare Provision	-	£203,720.32

Appendix 2 – 6 Month Accounts and Proposed 2023/24 Budget

Account Code	Expense Description	2022/23 6 Mts TD*	2022/23 Budget	2023/24 Budget
2176	SALES	0	0	0
2991	DEPOSIT A/C INTEREST	0	0	0
2501	GAS GENERATION INCOME	0	(89,698)	(52,620)
4990	MISC INCOME	0	0	0
	1 Total	0	(89,698)	(52,620)
2004	SALARIES & WAGES	16,166	31,500	33,886
2006	LEACHATE TREATMENT	8,013	57,658	37,884
2009 & 2117	MANAGEMENT CHARGE	5,500	11,000	11,000
2010	RATES	8,419	8,500	8,500
2011	INSURANCE	5,220	10,500	10,500
2012	HEAT & LIGHT	7,927	12,000	16,000
2018	REPAIRS & RENEWALS GENERAL	1,922	5,000	5,000
2021	REPAIRS VEHICLES	140	1,500	1,500
2024	BANK CHARGES	13	50	50
2029	TELEPHONE	0	300	300
2031	ADVERTISING	0	0	0
2030 & 2032	POST & STATIONERY	0	50	50
2033	COMPUTER SOFTWARE	0	0	0
2039	HIRE OF EQUIPMENT	0	4,340	4,800
2040	PROTECTIVE CLOTHING	0	300	300
2041	BLINDING MATERIALS	0	0	0
2035 & 2048	FEES & LEGAL FEES	420	12,500	9,000
2054	FUELS & OILS	4,377	4,000	6,000
2060	TRAVEL & SUBSISTENCE	0	1,000	1,000
2061 & 2145	TRANING & CONFERENCES COURSES	(20)	750	0
2070	CHEMICALS	660	2,000	2,000
2072	WATER	118	500	500
2073	SITE ENGINEERING	2,298	2,000	2,500
2081	LANDFILL TAX ON BLINDING	0	0	0
2104	SAMPLES	9,640	19,200	19,200
2300	MISCELLANEOUS	0	100	100
8100	BAD DEBT WRITE-OFF/RECOVERED	0	0	0
8102	PROVISION FOR BAD DEBT	0	0	0
	2 Total	70,813	184,748	170,070
	Grand Total	70,813	95,050	117,450

TULLYVAR JOINT COMMITTEE – 11th OCTOBER 2023

SITE MANAGER'S REPORT

1. Site Operational Update

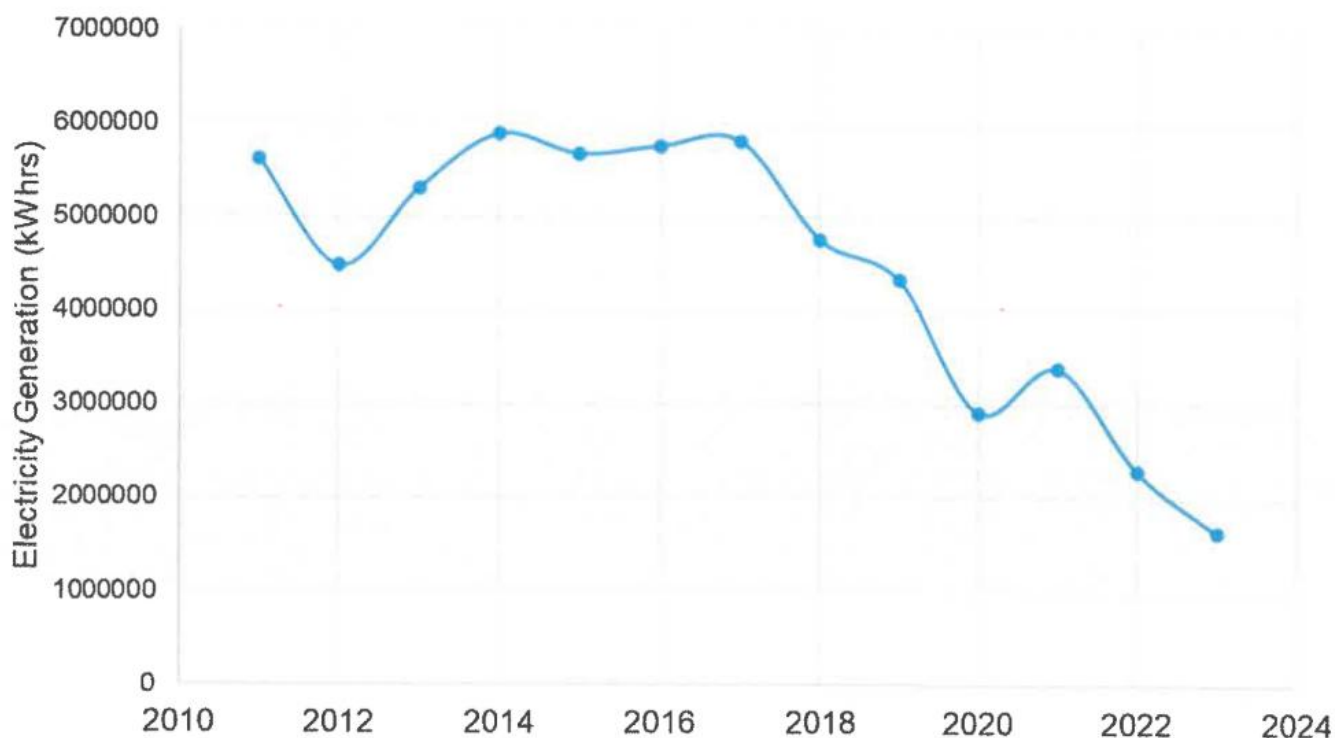
Between March and September 2023 approx. 85 tonnes of leachate per week was discharged to Cookstown Sewage Treatment Works. The Annual NIWater compliance report for the first 6 months of 2023 was received in July and Tullyvar was deemed compliant, the main results of which are detailed in the table below:

Parameter	Annual Average	Limit	Compliance Score
Ammoniacal Nitrogen	47 mg/l	400 mg/l	100%
Chemical Oxygen Demand	409 mg/l O ₂	2000 mg/l O ₂	100%
Suspended Solids	47 mg/l	500 mg/l	100%
pH	Min 6.27 / Max 7.65	Min 5 / Max 10	100%

Some further minor site mothballing and landscaping works were carried out over the summer including the final grading of the Cell 4 banks and cleaning of the surface water settlement pond. Indiwoods were on-site over the summer to carry out maintenance on the new woodlands which included hand weeding and the replacement of any dead trees. This work was grant aided from the Forest Expansion Scheme with a further £2,100 due to be received for Year 3 maintenance.

A further year of electricity generation was completed at the end of May 2023 in which the site generated approx. 1.64 GWhrs of electricity. The royalty payment from Renewable Power Systems is calculated at £61,155.55, bringing the total income to date from landfill gas to approx. £1.52M. The graph below shows the historical gas generation since electricity generation began on-site in May 2010.

Electricity Generation Chart



2. Review of Financial Provisions

Due to the potential environmental impact of large waste facilities, it is necessary to model the long term financial liabilities and make provision for this liability in the Councils annual audited accounts. The modelling takes into consideration the costs of leachate treatment, environmental monitoring and landfill gas management, among other things. The latest review was submitted to the NIEA in June 2022.

It is also a regulatory requirement for large waste facilities to have a financial bond in place to safeguard against operators going bankrupt or otherwise abandoning the site post closure. Local authorities can use a Local Authority Deed Agreement in lieu of a financial bond and this deed is currently valued at £585,524. The revised deeds have now been signed and sealed by both Councils and approved by the NIEA.

During the preparation and audit of the sites accounts it was felt that there should be discussion at the Joint Committee Meeting on funding of the sites long term environmental liabilities. To inform these discussions site Management will prepare projections of the sites future spending prior to the next meeting in February to be reviewed and discussed in conjunction with the 23/24 annual budget.

3. Approach by OPES MRF 2013 Ltd.

The Council has received correspondence from SC Legal on behalf of OPES MRF 2013 Ltd. with a proposal to acquire Tullyvar Landfill Site, along with the other 2 Mid Ulster Landfill Sites, Magheraglass and Ballymacombs. They has been initially informed that any decision on this would have to considered/agreed by the Tullyvar Joint Committee prior to Environment and Council approval by both Councils as joint owners.

The proposal is for OPES MRF 2013 Ltd. to purchase the site for a nominal amount of £1 and assume all current and future site liabilities. They further propose a royalty of £3 per tonne for all waste that goes into the site over the weighbridge as monitored by monthly reports. They will be solely responsible for all costs associated with obtaining the relevant planning permissions and dealing with all permitting matters including the setting up of any required financial provisions need to establish the site as a usable landfill. They will also bear the costs of cell engineering including lining, installation of leachate systems and gas infrastructure as well as capping and restoration to include planting schemes together with all other relevant operating costs.

OPES MRF 2013 Ltd is a UK supplier of integrated waste management and environmental services. The company owns and operates a range of treatment facilities, including Finmere Quarry Landfill and MRF in Buckinghamshire and have recently purchased another landfill and recycling business in Colchester. The company was established in 2013 and has 30 direct employees with an annual turnover of approx. £22 million.

Approval is requested to engage with SC Legal and provide the initial documents requested i.e. site permits, ownership documents etc... for their review. The Committee will be kept apprised of any further developments on this issue at future meetings along with a more detailed assessment of the merits of the offer.