

# *Dealing with Soil and Stone Waste since the Building Upturn*



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## ECONOMIC ENVIRONMENT

- ▶ The economy continues to grow strongly with **real growth** projected to be **4.3 % in 2017** and **3.5 % in 2018**.
- ▶ **Unemployment** is now at its lowest level since 2008, at **6.1 %** and is forecast to fall to 5.7 % on average in 2018.
- ▶ **The value of construction output in 2017 is expected to exceed €18 billion** (6.1% of GDP/7.4% of GNP).

## ECONOMIC ENVIRONMENT

- ▶ The overall volume of construction output is forecast to **increase by 14.6 % in 2017**, followed by 12.7 % in 2018 and 7.9 % in 2019.
- ▶ **The average annual growth rate in the period 2017-2020 is projected at 8.5 %.** The volume of construction output by 2020 is forecast to reach €22.2 billion in 2016 prices or around 7.1 % of GDP (8.7% of GNP).
- ▶ **Gross voted expenditure is up 4.6 % in the year, reflecting the Government's commitment to investing in public services and infrastructure.**

## POPULATION & INVESTMENT

- ▶ Between now and 2040, the Irish population is likely to increase by **1 million**
- ▶ At least **500,000 extra homes will be required**
- ▶ Government will have to target investment to remedy existing bottlenecks especially in areas such as health and education
- ▶ Public investment has not kept pace with demographic changes and population growth

## BUDGET 2018

- ▶ Budget increased voted capital expenditure by €790 million from €4.54 billion this year to just over €5.3 billion in 2018.

This is an increase of over 17 %.

It includes:

- ▶ €750 million housing finance through HBFI.
- ▶ €500 million for an additional 3,000 new build social houses by 2021
- ▶ €75m for a second phase of the Local Infrastructure Housing Activation Fund (LIHAF)
- ▶ Various capital investment increases across transport, health, education and heritage.

## CAPITAL EXPENDITURE

- ▶ Capital expenditure will double between 2015 and 2021 - from €3.7 billion to €7.8 billion Gross Voted Capital.
- ▶ During the review the of Capital Plan, proposals for increased investment received from Departments amounted to approximately €11 billion - greatly exceeding the €4.1 billion available for allocation.
- ▶ Highlights the necessity for sustaining a substantial level of public capital investment under the **10 year National Investment Plan** (NIP).

## REQUIREMENTS

- ▶ CIF seeking:
  - A published pipeline of planned investment in infrastructure
  - The introduction of active annualised programme management of projects to provide certainty for investors and the supply chain, as well as helping forecast future skills needs required to deliver on planned infrastructure.

## CONSTRUCTION SECTOR

- ▶ The construction sector is one of the key sectors in the Irish economy employing well in excess of 140,000 people directly.
- ▶ The construction sector needs “certainty”
- ▶ Government can provide certainty by emphasising its commitment to the capital programme, which will give local employment in the broad industry a pipeline of work and some much needed confidence to face into the next few years.



## CIF MARKET REVIEW OF SOIL WASTE MANAGEMENT IN THE DUBLIN AREA (Aug 2016)

- ▶ Purpose was to quantify the scale of the problem facing members in management of soil waste
- ▶ Conclusion – Soil Recovery Capacity Issue
- ▶ By 2023, a capacity gap of over 2m tonnes estimated
- ▶ Capacity situation fluid – new licensed facilities anticipated to come on stream

## DATA SOURCED

- ▶ Figures sourced from National Waste Collection Permit Office
- ▶ Strong growth in construction and demolition waste including soil
  - With particular reference to Greater Dublin Area
  - Significant growth 2013 – 2015
- ▶ Absence of regular data reporting on this waste stream resulting in minimal monitoring of the capacity shortfall situation developing

## CONCLUSIONS OF MARKET REVIEW

- ▶ Waste facility permits and CORs are not long term solutions for capacity issues
- ▶ High volume large scale construction activity areas require secure and long term capacity outlets
- ▶ Ability of permitted facilities and CORs to address capacity issues is limited (100,000 tonnes and 25,000 tonnes respectively over 5 year life of facility)

## CONCLUSIONS OF MARKET REVIEW

### Permitted Facilities

- ▶ More suited to serving needs of construction activities at a local level with a moderate activity level
- ▶ Not suited to long term needs of construction activity in high density urban and sub-urban areas

### Preferred Solution:

- ▶ Through waste licensing system
- ▶ Sites favour locations such as exhausted quarries / pits

# 2016

- ▶ Early 2016 closure of the 2 largest soil recovery sites serving Dublin City
- ▶ Need to bring additional capacity on stream to alleviate current shortfall
- ▶ Option open to existing licensed sites to increase their annual capacity limits

## ACTIONS

- ▶ Raised greater awareness of capacity shortfall of soil and stone waste with both members and with regulatory stockholders – Government Departments, EPA, CCMA, Waste Management Office
- ▶ Annual update of available waste licence market capacity to be completed

## CIF RECOMMENDATIONS

- ▶ Article 27: Names the EPA as the decision maker for by-product and end of waste. Responsibility should shift to local authorities
- ▶ Note: EPA Guidance 24 November 2017 on clarification and notification of soil and stone as a by-product
- ▶ De-classifications of crushed concrete and stone as a waste
  - CIF supportive of application by ICF for declassification of material
- ▶ If and when declassification is approved, communication of suitability of uses for this material required to professional bodies
- ▶ Current practice of tying the intake at licensed soil recovery sites located at discontinued quarries to the previous annual rate of extraction should be reviewed

## CIF RECOMMENDATIONS

- Extend the capacity of waste permits from 100,000 tonnes to a lifetime capacity of 500,000 tonnes, with maximum annual intake 100,000
  - Improve the effectiveness of waste permitted sites to serve the market
  - Widen the landscape of soil recovery facilities which is heavily reliant on licensed sites
  - Provide long term, secure and compliant destinations for market operators
  - Reduce the number of smaller sites which will reduce impacts on land, recovery environment and support better implementation of consistent regulatory practices



## CIF RECOMMENDATIONS

- Modify Article 27 By product mechanism to support waste prevention through re-use of clean soil materials
- Nominating bodies for processing applications should include local authorities
- Suggested local application limit of 25,000 tonnes with local authorities overseeing the notification and approval process
- Requests above 25,000 level to revert to existing system with applications processed by the EPA

## CIF RECOMMENDATIONS

- ▶ Potential benefits of modifying the Article 27 process include:
  - Improve the scale of re-use of clean soil materials and avoiding waste generation
  - Provide local contractors with practical mechanism for the re-use of clean materials
  - Share the management burden of the Article 27 process
  - Encourage local contractors to improve the management of soil resources generated on site
  - Extend available solutions for the re-use of by-product materials

# CIF RECOMMENDATIONS

## ► Consistent Enforcement

- Illegal activities hamper the development of authorised capacity
- Authorisation conditions regulating acceptance of soil wastes at permitted and licensed sites are not consistent
- Licensed operators required to undertake testing regime to intake materials, similar required at permitted sites accepting the same type of waste
- Continuing monitoring of the soil recovery capacities in the Market is required

## CIF RECOMMENDATIONS

- ▶ Mobile concrete crushing equipment – requirement for waste facility permit
  - Possibility of permitting cross local authority boundaries v exclusive local authority permitting system
  
- ▶ Declassification of crushed concrete and blocks as waste
  - Supportive of approach
  
- ▶ Establishment of Construction Waste Resource Group
  - Representative of all stakeholders including regulators

THANK YOU