



# **Research HUB**

Compost and Biofertiliser Certification Schemes

Renewable Energy Assurance Limited

## **How it works**

Version 2

Issued: October 2020

# Introduction

Renewable Energy Assurance Ltd (REAL) carries out a range of certification and consumer protection activities, which promote renewable energy and circular economy principles. REAL's certification schemes encourage the use of waste-derived products and ensure that a range of organics recycling sector participants comply with the relevant quality standards and end of waste criteria.

REAL is the owner and administrator of the Compost Certification Scheme (CCS) and Biofertiliser Certification Scheme (BCS) (the Schemes). The Schemes provide assurance to consumers, farmers, food producers and retailers that compost produced from composting processes and biofertiliser produced from anaerobic digestion processes are safe for human, animal, and plant health. For more details about the Schemes please visit the CCS web site on [www.qualitycompost.org.uk](http://www.qualitycompost.org.uk) and BCS web sites on [www.biofertiliser.org.uk](http://www.biofertiliser.org.uk)

The Research Hub is a mechanism to fund research designed to ensure that the Schemes are robust and fit for purpose. It has been introduced on 1<sup>st</sup> January 2019.

## The role of the Research Hub

It was vital to keep the Schemes relevant and in line with the technical and scientific progress made by the industry. The quality standards (BSI PAS100 and PAS110) and laboratory test methods must be reviewed and updated on a regular basis to reflect changing legislation and relevant scientific developments. Among other actions, this is achieved through continuous stakeholder engagement and revision of the Scheme documents. REAL recognises that there is a need for new, accessible research and evidence to support innovation and improve the robustness of the Schemes. To this, REAL has established a fund to which certified plants contribute.

## The benefits of the Research Hub

Research based evidence is essential for continuous development. Without research & development (R&D) work the industry may stall or even be perceived as going backwards, and struggle to maintain its reputation.

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## 1. The objectives of the Research Hub

The Research Hub's objectives are to:

- I. Maintain and improve the robustness of the Schemes and related Standards.
- II. Reinforce confidence in the compost and anaerobic digestion markets; and
- III. Contribute to development of new markets, including identifying barriers.

The objectives will be achieved by commissioning a wide range of research projects and industry data gathering, the costs of which the Research Hub will either fully fund or contribute towards.

## 2. Governance of the Research Hub

The Research Hub is managed by REAL for which it charges an administrative fee equal to 10% of the Research Hub's annual income. The administration fee covers the management of the Research Hub, as well as the IT, marketing, and communications costs.

To ensure that the work of the Research Hub is transparent and in line with its objectives, REAL have established two panels: Governance Committee, Research Panel, and a Project Management Team for each project.

### Governance Committee

The Research Hub's operation is overseen by a Governance Committee (the Committee). The Committee is responsible for the governance of the Research Hub, and manages the funds, reviews progress of Research Hub projects and monitors the composition of the Research Panel. The first meeting of the Committee took place on 19<sup>th</sup> September 2018. Please refer to Attachment I for Terms of Reference for the Committee.

| <b>Members of the Research Hub Governance Committee</b> |
|---|
| Chair – Michael Chesshire                               |
| Justyna Staff   |
| Toyin Owadayo   |
| Virginia Graham   |
| Stephen Lister  |

## Research Panel

The Research Panel (the Panel) is responsible for deciding the research that the hub funds and once selected, for overseeing the management of the Research Projects.

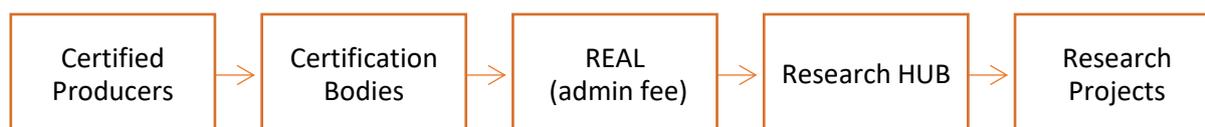
The Panel decides which projects funds and determines the ways in which the results from the projects may be used and shared with Scheme Participants and the wider organics recycling community. The Panel comprises representatives of the composting and AD industries drawn from academia, the environmental regulators, and operators. Please refer to Attachment II for more details.

| Members of the Research Panel |  |
|-------------------------------|--|
| Chair – Pamela Taylor         | Chair                                  |
| Olivia FursseDonn             | REAL's representative                  |
| Jo Chapman/Nicola Frost       | BCS Producers Representative           |
| Gregor Kennan                 | CCS Producers Representative           |
| Fiona Donaldson               | Scottish Environment Protection Agency |
| Alison McKinnie               | Zero Waste Scotland                    |
| Mat Davis                     | Environment Agency                     |
| Samuel Hare                   | WRAP/Defra                             |
| Emily Nichols                 | REA Organics Recycling Group           |

### 3. Research fees

The Research Hub is funded through the Research fee paid by the Scheme Participants.

The research fees were first introduced on 1<sup>st</sup> January 2019. From that date all Scheme Participants have been required to pay the research fees as part of their annual fee for being a Certification Scheme Participant. Invoices are sent by the Certification Bodies to operators at renewal or initial application, together with the invoice for certification services. REAL then recovers the research fee from the Certification Bodies (please see the diagram below) and ring-fences them.



The Research Hub is managed independently and in a transparent manner, separate from the Schemes. REAL issues a statement with a summary of recent developments and an update on the accounts in the form of an annual report.

The research fee charged to each operator is based on the plant’s annual tonnage. The research fees are a percentage of the certification fees for each input category. The groups based on annual inputs tonnage and corresponding research fees (excluding VAT) are shown in the table below. The fees are reviewed on a regular basis, and at least every two years.

| <b>Groups</b> | <b>CCS Input (tpa)</b> | <b>BCS Input (tpa)</b> | <b>Annual research fee<br/>(VAT excl.)</b> |
|---------------|------------------------|------------------------|--|
| <b>I</b>      | 0-3,000                | 0-6,000                | £100                                       |
| <b>II</b>     | 3,001-6,000            | 6,001-15,000           | £300                                       |
| <b>III</b>    | 6,001-12,000           | 15,001-25,000          | £600                                       |
| <b>IV</b>     | 12,001-20,000          | 25,001-50,000          | £800                                       |
| <b>V</b>      | 20,001-50,000          | 50,001-75,000          | £1,200                                     |
| <b>VI</b>     | >50,000                | >75,000                | £1,500                                     |

The research fees are used for:

- I. REAL’s administration fee which equals to 10% of the Research Hub annual income including IT, marketing, and communications costs.
- II. Project management which is equivalent to 10% of the Research Hub annual income. Funds may be allocated to assist the industry in developing project proposals for presentation to the Research Panel, technical support, and project appraisal, up to a total of 10% of the annual Research Hub income.
- III. At least 70% of the Research Hub’s annual income is available for research projects.

#### **4. Management of the Research Projects**

The Panel is responsible for selecting, commissioning, and managing the Research Projects. The Panel decides which projects should be funded, oversees the research process, and disseminates the outcomes.

## A. The method for identifying projects – 2021 and onwards

### 1. **Phase 1 – Project Proposal Submission** (*January-February*)

- REAL invites Scheme participants and other stakeholders to put forward Research Project Proposals. The submission period will run for approximately six weeks.
- Any Scheme participant or party with a material interest in the Schemes, including but not limited to Defra, the Environmental Regulator, academics, trade associations and Panel members can put forward a suggestion for a research project.

### 2. **Phase 2 – Submission Follow-up** (*March-April*)

- The Research Hub Secretariat collects Research Project Proposals submitted and sorts them according to similar topics and themes they cover.
- Stephen Nortcliff, Advisor to REAL, contacts organisations or individuals who submitted research project ideas to obtain further information where needed.
- Stephen Nortcliff pulls together a summary for each distinct research project idea (which could be an amalgamation of several, if more than one idea submitted covers the same topic or theme). The summary should contain sufficient but not excessive level of detail (description of the work, the desired outcomes and the project's relevance and benefits to the compost/and or the digestate sectors) to allow for initial evaluation and ranking of the idea.

### 3. **Phase 3 – Survey** (*May*)

- Secretariat runs a SurveyMonkey poll inviting BCS and CCS Scheme operators to provide a score and a ranking for each summary, together with any comments.

### 4. **Phase 4 – Initial Evaluation** (*May-June*)

- The Research Panel meets to discuss the research project summaries, considering the results of the SurveyMonkey poll. The Research Panel uses the Phase 1 Evaluation Criteria to assess the research project summaries and shortlists those scoring the highest.
- Stephen Nortcliff further develops each of the shortlisted research project summaries.

### 5. **Phase 5 – Final Evaluation** (*July*)

- The Research Panel meets for a second time to decide which of the shortlisted and further developed research project summaries should go forward to tender. In taking this decision, they consider the available budget, the feasibility of achieving meaningful outcomes and the topic's relevance to the sectors. In practice, this is likely to be a minimum of one and a maximum of two research projects.

## 6. Phase 6 – Project Announcement & Feedback (*August*)

- Each research Project Brief is finalised and announced publicly. REAL will respond with feedback to those who suggested shortlisted projects that were not selected for funding.

## B. Project Management

### 1. Appointment of the Project Management Team

The project management is the responsibility of the Project Management Team (PMT). The PMT is led by a representative from REAL with other members appointed by the Panel. For more information on the PMT please refer to Attachment III.

### 2. Appointing a contractor

The contractor is appointed by the PMT through the tender process or as agreed with the Panel. The tender process includes but is not limited to the following steps:

- a. A Tender Invitation Document (TID) is prepared by the PMT and uploaded onto the Research Hub website.
- b. Questions are invited from prospective tenderers on the TID until the deadline date set by the PMT, with the Q&A document made publicly available on the Research Hub website.
- c. The tenders are evaluated and scored by the PMT against five assessment criteria: cost; methodology; authority, skills, and technical capability of nominated personnel; corporate environmental commitment; and relevant experience.
- d. Clarification or additional information is sought from the tenderers if necessary.
- e. Tenderers are invited to an interview by the PMT. They are evaluated and scored against five assessment criteria: understanding of the project; explanation of the methodology; competency; enthusiasm and interest in the project; and relevance of questions posed to the PMT.
- f. The PMT meets to review the interview(s) and taking the entire process into account, selects the successful tenderer.

### 3. Contracting & Project Delivery

- a. The Contract is drafted and agreed between REAL, the PMT and the contractor.
- b. The Contract, including the objectives, milestones, costs, and payment terms is signed by both parties.

- c. The PMT is responsible for the day-to-day management of the project and ensuring that the objectives of the project have been met.
- d. The PMT will agree the final draft of the Project Report and circulate it to the Research Panel for a final review. The purpose of the review is to assess whether the contractor has met the objectives and performance criteria as set out in the Research Project TID.

### C. Dissemination of the project reports

Project reports are made available via the Research Hub website to all Scheme participants free of charge. Non-participant organisations may obtain the Project Report from REAL for a fee.

## 5. Queries

For more information about the Research Hub please visit the Research Hub website:

[www.realresearchhub.org.uk](http://www.realresearchhub.org.uk)

If you have any questions about the Research Hub, please do not hesitate to contact us on:

[info@realschemes.org.uk](mailto:info@realschemes.org.uk)

# Attachment I

## Terms of reference for the Governance Committee

1. The Governance Committee (Committee) is the body authorised by Renewable Energy Assurance Limited and will be responsible for the governance of the Research Hub (Hub).
2. The Committee will comprise of at least five people. The secretariat will be provided by REAL and the meetings will be chaired by a person appointed by REAL.
3. The Committee will provide the governance for the Hub. Its remit will include:
  - a. Reviewing progress of the Hub development.
  - b. Approving annual budget and managing the funds.
  - c. Monitoring the composition of the Research Panel.
4. The Committee will meet at least three times a year. Papers will be circulated at least one week in advance.
5. The Committee representatives have an obligation to ensure confidentiality of information arising from the Committee meetings.

# Attachment II

## Terms of reference for the Research Panel

1. The Research Panel (Panel) is set up by the Research Hub Governance Committee. It is responsible for deciding which research projects will be funded and for overseeing the management of the research projects once selected. These Terms of Reference should be read alongside the Terms of Reference for the Research Hub Governance Committee.
2. The Panel carries out its functions to ensure that the Research Hub meets its objectives in an efficient and effective manner.
3. The Panel is chaired by an individual who is independent from the organics recycling industry. It is comprised of stakeholders with expertise in assessing research needs in the compost and anaerobic digestion sectors, including representatives from:
  - I. Environmental Regulators
  - II. Government Representatives
  - III. Scheme Participants
  - IV. Trade Bodies
  - V. Academia
4. Panel Members are nominated for their expertise of the sector and knowledge of stakeholders' interests. In carrying out the Panel functions, Panel members will act impartially and in the best interests of the Research Hub.
5. The Panel Members are required to:
  - I. agree criteria against which to evaluate Research Project Proposals;
  - II. review and evaluate Research Project Proposals against the agreed criteria, considering the current situation in the sector;
  - III. draw up a shortlist of Research Project Proposals that best meet the evaluation criteria and consider the views of the scheme operators;
  - IV. decide which Research Project Proposal(s) are put out to tender, considering their further assessment of the shortlisted Research Project Proposals;
  - V. appoint members to the Project Management Team for each funded research project;
  - VI. review the report(s) produced by the selected project contractor, before it is signed off by the Project Management Team.

The Research Panel will not be responsible for any findings, conclusions or opinions expressed in a contractor's report nor for any methodology, assumption, data, facts, or other approaches used in carrying out the Research Project, for which the contractor will have sole responsibility.

6. Panel members may nominate an alternate in their absence by giving prior notice of two weeks to the Chair.
7. Panel Members and the Chair are appointed by REAL for a term of three years. Members can be re-appointed to the Panel for a further term by mutual agreement. If a representative from one of the stakeholder bodies listed in paragraph 3 (above) changes role, their successor will automatically be eligible to be appointed as a Panel Member.
8. Either party can end this agreement with one month's notice. REAL may remove a Panel member with immediate effect if they breach these ToR.
9. The Panel will meet at least twice a year.
10. To facilitate open and constructive debate, meetings will be held under Chatham House Rules. Outcomes of Panel Meetings will be recorded as necessary in summary and published; views will not be attributed to specific individuals or organisations.
11. The decisions of the Panel will be taken by consensus. If a consensus cannot be reached, the decision will be taken by simple majority in a voting process facilitated by the Chair. In the event of a split vote, the Chair will work with the secretariat and other Panel Members to determine the way forward. All Panel Members have the right to vote, excluding the Chair.
12. The Panel is quorate if at least four of Panel Members (including the Chair) are present.
13. Panel Members have an obligation to ensure confidentiality of information arising from the Panel meetings.
14. It is incumbent upon Panel Members to declare any financial or other interest or circumstance that gives, or could give, rise to a conflict of interest. Panel Members must not participate in the evaluation, decisions, or part of a meeting on their own initiative or at the request of the Chair if any material conflict of interest has been identified.

# Attachment III

## Terms of reference for the Project Management Team

1. The Project Management Team (PMT) is the body authorised by the Research Hub's Research Panel and is responsible for the management of a specific project. These Terms of Reference should be read alongside the Terms of Reference for the Research Panel.
2. The PMT is typically led by a representative from REAL and consists of:
  - I. No less than 3 people with a minimum of 1 person represented from the Research Panel;
  - II. No more than 5 people with a minimum of 2 people represented from the Research Panel.

The PMT may include external members, so long as the minimum number of Research Panel members are counted.

3. The PMT provides the management for a project. Its remit includes:
  - I. Signing off the Project Brief, project objectives and the project timeline as developed by REAL.
  - II. The development of tender documents, participation in evaluation meetings, attendance at tenderer interviews and the appointment of the successful contractor. Assisting in finalising the project contract.
  - III. Reviewing the report(s) produced by the contractor to whom the PMT awards a research project. The purpose of the review is to assess whether the contractor has met the objectives, performance criteria and milestones as set out in the research project tender. The PMT shall not accept or assume responsibility for any findings, conclusions or opinions expressed in the contractor's report, nor for any methodology, assumption, data, facts, or other approach used in the performance of the research project, for which the contractor shall have responsibility.
  - IV. Signing off the final report from the contractor, following a review by the Research Panel.
  - V. Providing updates to the Research Panel or wider industry about a specific project.
4. The PMT meets as necessary; the meeting dates will be agreed in advance.
5. The PMT members have an obligation to ensure confidentiality of information arising from the PMT meetings.