

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 23 SEPTEMBER 2014

Title of report	REFUSE WASTE TRANSFER FACILITY (COALVILLE)
Key Decision	a) Financial Yes b) Community Yes
Contacts	Councillor Alison Smith MBE 01530 835668 alison.smith@nwleicestershire.gov.uk Director of Services 01530 454555 steve.bambrick@nwleicestershire.gov.uk Head of Community Services 01530 454832 john.richardson@nwleicestershire.gov.uk
Purpose of report	To seek Cabinet's approval to build a refuse waste transfer facility in partnership with Leicestershire County Council at NWLDC's Linden Way Depot
Reason for Decision	To ensure efficient use of public sector resources through seeking approval to proceed with a joint project to construct a Refuse Waste Transfer Station at Coalville.
Council Priorities	Value For Money Green Footprints Challenge
Implications:	This report highlights potential future operational and financial implications of Waste Disposal for NWLDC as detailed within the report.
Financial/Staff	Efficiency savings will be realised from this development as detailed within the report.
Link to relevant CAT	Green Footprints CAT
Risk Management	Risk assessments will be completed as appropriate
Equalities Impact Assessment	None discernible
Human Rights	None discernible

Transformational Government	Working in partnership across tiers within the Public Sector to generate efficiency savings for both authorities.
Comments of Head of Paid Service	The report is satisfactory
Comments of Section 151 Officer	The report is satisfactory
Comments of Monitoring Officer	The report is satisfactory
Consultees	Corporate Leadership Team Leicestershire County Council
Background papers	Cabinet report 19 November 2013 – Refuse Waste Transfer Facility (Coalville) - http://prod-modgov:9070/documents/s364/Cabinet%20-%2008%20-%20Refuse%20Waste%20Transfer%20Facility%204%20-%2007%2011%202013%20SM%20amends%20doc%202.pdf Planning Application - Ref No 2014/REG3Mi/0175/LCC at www.leics.gov.uk/planning_search.htm
Recommendations	THAT CABINET: 1) APPROVES THE DEVELOPMENT OF A REFUSE WASTE TRANSFER FACILITY FOR COALVILLE AT THE LINDEN WAY DEPOT; AND 2) DELEGATES AUTHORITY TO THE DIRECTOR OF SERVICES IN CONSULTATION WITH THE PORTFOLIO HOLDER FOR AGREEING TERMS AND ENTERING INTO A MEMORANDUM OF UNDERSTANDING, LEASE AND SERVICE LEVEL AGREEMENT WITH LEICESTERSHIRE COUNTY COUNCIL BASED ON THE KEY PRINCIPLES DOCUMENT AT APPENDIX 3.

1.0 BACKGROUND

- 1.1 In November 2013, Cabinet approved the principal of working with Leicestershire County Council (LCC) to build a refuse waste transfer facility (RWTF) at NWLDC's Linden Way Depot site.
- 1.2 This new RWTF will provide capacity to receive, handle and bulk-up waste for onward transfer to waste treatment facilities and would take the form of a building similar in size to the existing garage at the depot. It will have a concrete base to receive the waste to be held short term before re-loading onto larger haulage vehicles. See

Appendix 1 for an example of a similar facility based at Loughborough and Appendix 2 for the proposed site layout at Linden Way.

2.0 KEY BENEFITS

2.1 The key benefits of the project are to provide:

- NWLDC with a centrally located facility for tipping off waste;
- The opportunity for cost savings for NWLDC in terms of travel time, fuel and vehicle wear and tear;
- The opportunity for LCC to divert waste away from landfill in line with the waste hierarchy to more sustainable disposal options and to more cost effective forms of treatment. This would also allow LCC to market test for the treatment/disposal of the waste through a procurement process leading to possible further savings in the cost of disposal on NWLDC's commercial waste collection service;
- More certainty over the long term treatment/disposal of the waste as the current planning consent for landfill at the New Albion site expires at the end of 2014.
The continuation of the landfill site beyond that date being subject to a successful application for an extension of the current planning consent;
- An opportunity to remove dependency on the New Albion landfill site as this is the only location that is currently available in the area for delivery of NWLDC's waste;
- A reduced carbon footprint for the waste collection and disposal services within Leicestershire helping to reduce both Council's greenhouse gas emissions and supporting our corporate priority Green Footprints Challenge;
- An opportunity to improve the competitiveness of the trade waste collection service by reducing current disposal expenditure through redirecting NWLDC's waste to a more cost effective treatment outlet.

3.0 FINANCIAL IMPLICATIONS

3.1 A capital cost of £420,000 is included within LCC's capital programme for 2014/15 for construction of the RWTF building.

3.2 NWLDC has not been asked to contribute to capital costs of the RWTF building as these will be met by LCC.

3.3 The estimated revenue costs of the project are outlined as follows;

Vehicle leasing, maintenance, tyres, insurance	£46,000
1 x Yardman (includes on costs)	£34,000
Fuel	£ 7,000
Additional environmental permit	£ 2,000
Electricity	£ 1,000
Total revenue costs	£90,000*

3.4 The estimated cost savings as a result of the project are outlined as follows:

Reduced fuel consumption	£20,000
Reduced wear and tear on vehicles	£23,000
Total estimated annual savings	£43,000
Annual Revenue contribution from LCC	£50,000
Total net savings estimated for NWLDC per annum	£3,000

3.5 The following funding principles have been agreed between officers from LCC and NWLDC;

LCC will contribute:

- An annual fee of £50,000. This would be a fixed minimum payment that is paid irrespective of annual waste tonnage and is a contribution to the revenue costs as detailed in 3.3.
- For each tonne of NWLDC household waste (i.e. excluding trade waste tonnage) above 20,000 tonnes per annum handled and loaded through the transfer station, LCC will pay NWLDC £2.50 per tonne. Please note that although it is not the intention at present, if necessary at times other WCAs may be directed to use the facility.
- For each tonne of LCC Recycling and Household Waste Site residual or bulky waste items that is handled and loaded through the transfer station, LCC will pay £2.50 per tonne plus any additional costs incurred by NWLDC operating outside the normal working week such as Bank (Public) Holidays. This would be by mutual agreement between NWLDC and LCC.

3.6 Any weekend or Bank (Public) Holiday opening would be subject to prior request and mutual agreement between NWLDC and LCC.

- 3.7 The above rates including the fixed amount will be subject to an annual inflation index based on the retail prices index (RPI), specifically RPIY.
- 3.8 It is also clear that this development will benefit NWLDC going forward in terms of time savings. This would be more significant if all approved planning applications in the district are developed which will see an increase in residential properties and therefore an increase in the demand for the refuse service.

4.0 LEGAL ARRANGEMENTS

- 4.1 Three legal agreements are proposed between LCC and NWLDC subject to Cabinet agreeing with this report's recommendations, which are based on the key principles document in Appendix 3:

(1) Memorandum of Understanding (MOU):

- This will record the Councils' desire and intention to work together jointly on this specific project of building and operating a new RWTF.
- The MOU is currently in a draft form to be agreed by the Councils.

(2) Lease:

- Heads of terms for the lease are to be agreed by respective surveyors and legal teams.

(3) Service Level Agreement (SLA):

- Day to day operations will be managed by NWLDC including vehicle movements, bulking and loading, odour management and general administration including ensuring compliance with environmental and legislative requirements.
- Annual contributions to revenue costs will be paid by LCC to NWLDC as set out in paragraph 3.4 and in the key principles document attached at Appendix 3.
- Initially LCC will be responsible for contracting and paying for haulage of the waste from Linden Way to the appropriate treatment and disposal facility unless otherwise agreed by NWLDC and LCC.
- The SLA for the operation of the site is anticipated to be for a period of up to 5 years unless mutually agreed to terminate earlier; and reviewed annually. Any changes made at the annual review to be mutually agreed by NWLDC and LCC.

5.0 PLANNING PERMISSION

- 5.1 As a waste application the planning application led by LCC has been submitted to their planning team on 18 August 2014 for consideration and the usual LCC consultation

processes will be followed. To date this has included a public notice in the Coalville Times published on 22 August 2014.

- 5.2 It is anticipated that the full Planning Application will be determined in October 2014.
- 5.3 Initial ground site investigations took place between Monday 28 April and Friday 9 May 2014 summary results of which are included in the design and access statement submitted as part of the planning application.

6.0 KEY RISKS FOR NWLDC AND LCC

- 6.1 Failure to deliver a new refuse transfer station would result in the risk of:
- NWLDC having to deliver waste further afield such as Whetstone, Loughborough, Lutterworth or Coventry with increased costs of fuel and staffing to NWLDC, in addition to increased disposal costs to LCC if New Albion landfill site closed;
 - Increased costs of waste disposal for LCC through exposure to continued future annual landfill tax increases;
 - Continued reliance on the use of the New Albion landfill site. A site that does not have guaranteed long term planning consent.
 - Abortive costs from site investigations, planning fees, officer time in preparatory works if planning permission is refused;
- 6.2 Risks associated with proceeding are detailed in 8.0 and are summarised as follows:
- Potential for local residents to be concerned about potential odours, to be mitigated through odour management plan enforced by the Environment Agency
 - Potential for local resident concern over increased vehicle movement to be mitigated in part through instruction for haulage contractor to avoid town centre route
 - Potential for local resident concern over expansion into the Urban Forest Park
 - If LCC withdraw from the site at the end of the term or sooner it could result in NWLDC being responsible for the facilities upkeep and maintenance. Provision for this is to be agreed between respective surveyor and legal teams.

7.0 PROJECT MANAGEMENT

- 7.1 A project team comprising NWLDC and LCC officers has been meeting since November 2013 to progress the project.
- 7.2 Ward Members have been briefed and a site visit undertaken on 19 May 2014 with the Portfolio Holder and Ward Members to the new Loughborough Waste Transfer Station.
- 7.3 A further visit by Ward Members who were unable to attend the previous visit in May was undertaken on 23 June 2014.
- 7.4 During both visits all Members gave their broad support for the project with questions relating to odour management, vehicle movements and noise from operating loading vehicles. Section 8.0 of this report includes measures to mitigate the concerns raised.

8.0 IMPLICATIONS FOR COALVILLE

8.1 ODOURS

- 8.1.1 It is not proposed that the RWTF will be used for the collection of any odourous industrial waste but solely used for the management of household waste, bulky waste, and some types of commercial wastes that are similar in composition to household wastes.
- 8.1.2 The management of odours will be considered as part of the planning application. The following measures are proposed to mitigate against odours emanating from the premises. Loads would be managed in and out in such a way that the transfer facility is cleared out each day or waste stored in a sealed container within the transfer station overnight. It will also be a priority to ensure no waste is left in the facility over the weekend. The management of odours is primarily controlled by having effective transport and site management arrangements in place which will be the responsibility of the District Council.
- 8.1.3 As a further mitigation the transfer facility has been designed to have roller shutter doors which will be down at all times other than when dropping off/loading is taking place therefore reducing the risk of escaping odours.

8.2 VEHICLE MOVEMENTS

- 8.2.1 It is anticipated that an external contractor would be collecting approximately 100 tonnes of waste from the facility a day, that would be 5 articulated lorry loads a day (20 tonnes each). This equates to 10 extra vehicle movements a day (40 a week Tues -Fri) along Linden Way and Ashby Road (the contractor will be instructed to use Ashby Road to the A511 and not through the town centre). LCC highways have been informally approached by LCC waste officers and their initial reaction was that this would not create any traffic related problems but they would consider it in more detail at the planning stage.
- 8.2.2 It is anticipated that on average there will be approximately 56 more vehicle movements from NWLDC vehicles returning to Linden Way to drop off waste, as such there will be 56 less vehicle movements through the district to New Albion, Albert Village.

8.3 URBAN FOREST PARK

- 8.3.1 In order to accommodate the new facility the existing depot site will require extending. This will mean an area covered by trees will need to be used. Various design options have been considered and the proposed site layout and facility design are considered to minimise the impacts on the Urban Forest Park. Further mitigation will be considered as part of the planning process. LCC and NWLDC Tree Officers have been consulted on the proposals and have advised accordingly.

8.4 NOISE

- 8.4.1 A loading vehicle will be required to load waste into bulkers for onward transportation to a treatment facility. Such vehicles are usually fitted with reversing beepers as a safety feature. The reversing beeper sound will be substituted for a 'squelch' or white noise which achieves the same outcome in terms of safety and minimises noise so as not to disturb local residents.

9.0 NEXT STEPS

- 9.1 If Cabinet approve the development the following project timetable is proposed:

Planning application determined	October 2014
Completion of MOU, Lease and SLA	December 2014
Principal contractor appointed by LCC	January 2015
Commence construction	February 2015
Complete construction	May 2015

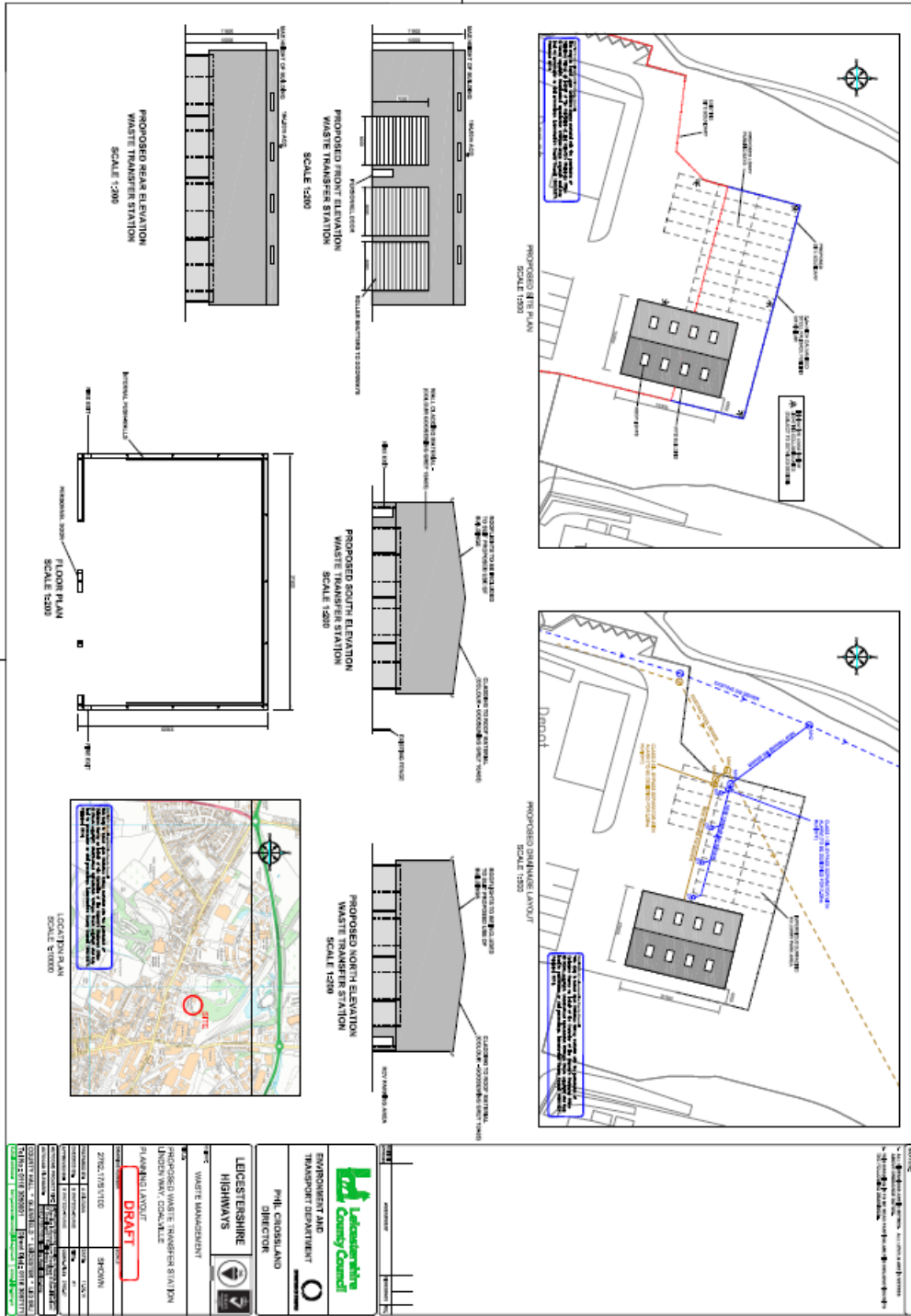
APPENDIX 1

Photos of the Refuse Waste Transfer Station at Loughborough for illustrative purposes



APPENDIX 2

Site plan and location



Site location plan (not to scale)

Proposed Site for Refuse Transfer Facility at Linden Way
Linden Way, off Ashby Road, Coalville, LE67 3JY



-  Proposed Refuse Transfer Facility
-  Existing depot footprint
-  Additional land required at rear of depot

APPENDIX 3

JOINT WORKING BETWEEN LEICESTERSHIRE COUNTY COUNCIL (LCC) AND NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL (NWLDC)

LCC and NWLDC (referred to jointly as the Parties) propose to work together jointly to deliver and operate a new Waste Transfer Station (the Site)

At this stage the information below remains subject to contract, and subject to successful planning permission being granted

Key Principles

The joint working will be documented in three agreements as follows:

1. Memorandum of Understanding;
2. Lease;
3. Service Level Agreement.

In addition LCC intends to procure a construction contract and a haulage contract. NWLDC will not be a party to either of these arrangements.

Further information on each of these documents is provided below.

LCC has submitted a planning application in respect of the Site and therefore the entire scheme is subject to adequate planning consent(s) being obtained.

1. Memorandum of Understanding

- This records the Parties desire and intention to work together to perform their respective waste functions within the district area of North West Leicestershire and sets out the aims they are trying to achieve. It acts effectively to document the scheme of the joint works and envisages further more detailed agreements that sit under it (for which see further below). A copy of this document has been provided to NWLDC.

2. Lease

- NWLDC and LCC to agree between them a lease at a peppercorn rent of the land for the Site. Heads of Terms for the lease including the term are to be agreed by respective surveyors and legal teams.

3. Key Elements of the Service Level Agreement (SLA)

Pricing Schedule

Annual management fee for:

- 0 to 20,000 tonnes per annum of agreed acceptable waste types £50,000*¹
- Additional charge for waste collection authority 'black bag' waste

over the 20,000 tonnes

£2.50 per tonne*¹

- Additional charge made for deliveries of Bulky waste and Recycling and Household Waste Site Waste plus any additional related costs incurred by NWLDC by receiving waste outside of the normal working week. This charge is in addition to the £2.50 and would be by mutual agreement with LCC and NWLDC officers. £2.50 per tonne *¹

*¹ Price is inclusive of labour, plant and fuel and an annual indexation based on RPIY will apply. No charge will be levied to LCC for the cost of handling trade waste materials collected by NWLDC

Opening Hours

Normal Working Week (including Good Friday)

Monday to Friday 07:00 – 17:00
(+ additional hours at NWLDC discretion)

Statutory and Bank (Public) Holidays 09:00 – 17:00*²
Saturday 09:00 – 17:00*²
Sunday 09:00 – 17:00*²

*² Subject to prior request and mutual agreement between the Parties

Waste Types

- The following waste types shall be accepted at the Site for bulking and transfer to Designated Treatment Facilities:
 - Kerbside collected Municipal Waste (WCA), EWC 20-03-01, 20-03-07
 - Municipal Waste (RHWS), EWC 20-03-01, 20-03-07
 - Any other municipal waste approved in writing by LCC.

Period of Agreement

- Initial term of 5 years
- It is intended that there would be provision for onward extension beyond 5 years
Provisions for early termination on notice and by mutual agreement

Service Requirements

- NWLDC shall ensure that only authorised users access the Site
- NWLDC shall ensure that authorised users of the Site have free and unobstructed access to the Site and are allowed to deposit permitted Waste without unreasonable delay during the opening hours.
- All vehicles are weighed in and out over the weighbridge system and details of the collection/delivery are recorded.
- NWLDC will provide at no additional cost to LCC any mechanical Site Plant that is necessary for the adequate provision of the Service at the Site in accordance with the requirements of the SLA.
- Provisions to be included regarding NWLDC liaison with LCC's haulage contractor.

Site Infrastructure and maintenance

- NWLDC will be responsible for repairing damage to the building and infrastructure caused by its own day to day operations.
- LCC will be responsible for rectification of defects arising from the construction works and the applicable defects period.
- Funding of any improvements required to the Site subsequent to the initial full Construction (i.e. after it's been built) shall be jointly agreed between the Parties during the term of the SLA.
- NWLDC will be responsible for the subsequent revenue costs of all services at the Site including electricity, telephone and water supply, used water, surface water and foul water charges. LCC will be responsible for the initial capital costs of installing the necessary services above.
- The SLA will contractually provide for the occupation of the Site by NWLDC during the term of the SLA.

Permit/Site Tidiness

- NWLDC existing EA Site Permit will be varied to incorporate the Site and operation of a waste transfer station functions.
- NWLDC will ensure that the Site is legally compliant environmentally and meets the requirements of the Site Environmental Permit.
- NWLDC shall ensure that all Waste is stored in a designated container or bay prior to its removal from the Site.
- Provision to be included regarding compliance with applicable planning consents.

Data

- NWLDC will provide LCC with data on a monthly basis in accordance with their requirements detailing but not limited to the following information on the deliveries and collections from the Site:
 - Source
 - Destination
 - Tonnage
 - Date/Time
 - Vehicle registration
 - Waste type

Payment

- NWLDC will provide a quarterly invoice and statement to LCC for managing the operations of the Site. The statement shall include the following elements:
 - One quarter of the applicable management fee from the Pricing Schedule;
 - The total cost for any additional site opening hours negotiated for an emergency event; and tonnages handled

Emergency Arrangements

- The Site should be made available in emergency situations where through agreement with NWLDC arrangements are made to allow additional deliveries to be made into the Site. An emergency would constitute the short term or long term closure of a

treatment/disposal facility or transfer station used by LCC that would result in Waste needing to be diverted to alternative outlets.

Commencement Date

- One month following construction completion of the Site unless otherwise agreed between the Parties.

TUPE

The application of TUPE to be kept under review by the parties in preparing the SLA.

4. Additional Documents

Haulage Contract

- LCC intends to procure a contract for the onward haulage of Waste from the Site to Designated Treatment Facilities/Disposal Facilities.
- NWLDC would not be a party to this contract but would liaise with the haulage operator to schedule collections of Waste from the Site and to load the Waste into appropriate vehicles or allow collection of the designated containers. Further terms on such liaison will be included within the Service Level Agreement.

Construction Contract

- LCC intends to procure a construction contract for the construction works.