



Council 30 June 2014

Project to Investigate Relocating the Depot to a Potential New Shared Facility near to Bury St Edmunds

1. Summary and reasons for recommendations

- 1.1 As part of the second phase of the Public Service Village project (phase 1 being West Suffolk House) , an opportunity exists to relocate the depot facilities at Western Way to a new site close to Bury St Edmunds. Subject to a business case and planning consent, co-locating these facilities with other public sector operations could yield significant benefits and efficiencies in the medium to long term. It will also allow the current depot site and adjacent land to be developed.
- 1.2 Resources are required to secure an option on a suitable piece of land and instigate a project to confirm the feasibility and deliverability of such a proposal.

2. Recommendations

- 2.1 It is **RECOMMENDED** that Council:
 - (1) Approve funding from reserves to a maximum of £100,000 to secure a land option and to resource project delivery, as detailed in Section 4 of Report F51; and
 - (2) Delegate the allocation and management of these funds to the Head of Waste Management and Property Services and the Head of Resources and Performance in consultation with the Leader of the Council, and the Portfolio Holders for Resources and Performance and Waste and Property.

Contact details

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3. Strategic priorities

3.1 The recommendations meet the following, as contained within the West Suffolk Strategic Plan:

Priority 1 – Increased opportunities for economic growth (beneficial growth that enhances prosperity and quality of life / vibrant attractive and clean streets).

Priority 3 – Homes for our communities (improved waste and cleansing operations to meet future housing growth).

4. Key issues

Western Way Depot

4.1 It is five years since West Suffolk House opened as a joint facility managed by St Edmundsbury Borough Council (SEBC) and Suffolk County Council (SCC). Co-locating local public services at this building has proven to be both cost effective for the taxpayer and provide more joined-up service delivery to our residents.

4.2 When the Public Sector Village (PSV) was originally conceived, the scope included the potential to develop the entire Western Way site including the area currently occupied by the depot. However, this was contingent on other potential public sector partners joining the project which, at that time, they were unable to commit to.

4.3 Ownership of the adjacent site currently occupied by DHL / NHS supplies recently changed. This has prompted renewed consideration of the potential for wider development of the site, including the area currently occupied by the SEBC depot and storage hub (but excluding the site occupied by the skate park). Whilst investigations are still at an early stage, it is clear that the full potential for the site is only likely to be realised if the waste and cleansing depot operation were to relocate elsewhere.

Waste Infrastructure

4.4 Waste collection and disposal services in Suffolk are undergoing a period of significant change. Under the two tier arrangements for managing waste in Suffolk, SCC is the Waste Disposal Authority (WDA) and the District and Borough Councils are Waste Collection Authorities (WCAs). The disposal of residual (black bin) waste is in the process of switching from landfill to being disposed of at the new Energy from Waste facility at Great Blakenham. This PFI funded facility has been delivered in partnership between SCC and the waste company Sita.

4.5 In preparation for this switchover in residual waste treatment, SCC is establishing a new network of waste transfer stations across Suffolk. These will receive and bulk residual waste for onward transportation and processing at the new Energy from Waste facility in Great Blakenham. Planned locations for transfer stations are at Lowestoft, East of Ipswich and at Bury St Edmunds. This network of SCC owned transfer stations can be augmented by further commercially owned and operated transfer stations subject to this being in the best interest of the taxpayer in terms of their cost and benefit.

- 4.6 The current planned location for a transfer station in Bury St Edmunds is at the site of the Household Waste Recycling Centre (HWRC) at Rougham Hill. SCC plan to expand the current site and co-locate a new transfer station and HWRC operation. SCC, as the Waste Planning Authority, granted planning consent for the new facility on 17 October 2013. However, this decision has been met with some local opposition and is subject to a Judicial Review which is to be heard on 9 and 10 July 2014.

Potential Alternative Sites

- 4.7 When the possibility of relocating the SEBC depot at Western Way became apparent, SEBC started to look at other sites close to Bury St Edmunds for a new facility. A new site could conceivably become an operational hub for a range of public services. These would include the waste collection, street cleansing, grounds maintenance and fleet operations currently undertaken from the Western Way depot. However, a new site could also potentially provide an alternative site for the waste transfer station and HWRC that SCC is seeking to develop and the opportunity to co-locate other public sector operational services and achieve economies of scale and efficiencies. SCC has indicated a willingness to evaluate with SEBC the possibility of a new location for their proposed transfer station and HWRC and preliminary evaluation is underway. SCC maintains its view that the Rougham Hill site is suitable but they are willing to consider whether a co-located solution could be deliverable and better value.
- 4.8 Whilst a number of potential alternative sites have been identified close to Bury St Edmunds, none of these currently fall within the Local Development Plan and are all currently designated as 'countryside'. It would therefore be necessary to demonstrate a clear public need, through a sequential planning test, that one or more of these sites would be a suitable alternative location for these operations.
- 4.9 It will also be necessary to demonstrate that operational savings and efficiencies in the medium to long term would justify the investment in developing a new site in the short term. This would require a detailed business case with potential partners based upon a defined proposition.

Project to Ascertain Feasibility and Deliverability

- 4.10 It is proposed that SEBC, and any potential partners, embark upon a project to assess the feasibility and deliverability of a site to provide a West Suffolk operational hub. The feasibility element of the project will focus on a business case that is based upon a site design, land and construction costs along with operational and asset based savings or income. The deliverability element will, subject to a satisfactory business case, aim to deliver a planning consent for the site following a process of consultation and further site design development.
- 4.11 In order to be able to fully investigate the feasibility of a site it will be necessary to firstly secure an option on land, subject to planning consent, which locks the land value down to an agreed sum. Securing an option will require the payment of some consideration to the landowner.
- 4.12 An outline programme for project delivery has been prepared. The programme has 6 key stages as follows:-

Strategic definition and establish project team	Now to mid Jul 14
Secure an option on land	Now to mid Jul 14
Concept design and business case	Mid Jul to late Aug 14
Design development	Early Sep to late Oct 14
Development brief	Late Oct to early Dec 14
Seek Planning consent	Early Dec to early Mar 15

4.13 In order to move this project forward it will be necessary to allocate some resources to it. Specifically these will be used to employ a Project Manager to organise and drive the project forward, appoint external technical support like site design, structural engineering, highways engineering, site services and planning support as well securing the land option. The cost of these elements will be shared appropriately with other potential partners.

4.14 It is estimated that SEBC should make an allocation of £100,000 from reserves to cover its proportion of costs to secure a land option and resource the project to determine feasibility and deliverability of an alternative site for public sector operational services in West Suffolk. Recouping this initial investment will be factored into the business case for this project, and the next phase of the PSV.

5. Other options considered

5.1 A range of options will be considered as part of the feasibility process.

6. Community impact

6.1 **Crime and disorder impact** *(including Section 17 of the Crime and Disorder Act 1998)*

6.1.1 Crime and disorder impacts will be considered as part of the design development process in consultation with other public sector partners.

6.2 **Diversity and equality impact** *(including the findings of the Equality Impact Assessment)*

6.2.1 An Equality Impact Assessment will be carried out as part of the project feasibility process. This will include the impact on staff and the public of moving operational facilities from their current location.

6.3 **Sustainability impact** *(including completing a Sustainability Impact Assessment)*

6.3.1 Any new facilities will be designed with sustainability foremost in terms of energy efficiency and safekeeping of natural resources. The proposals will be subject to a full Environmental Impact Assessment as part of a Development Brief.

6.4 **Other impact** *(any other impacts affecting this report)*

6.4.1 A major impact to the progression of this project will be around the engagement of other public sector partners. The potential for including other partners and the impact to the feasibility and deliverability of the project will be assessed during this project.

7. Consultation (what consultation has been undertaken, and what were the outcomes?)

7.1 Public consultation will be undertaken as part of the Development Brief and Planning Consent stages of the project.

8. Financial and resource implications (including asset management implications)

8.1 Initial funding to a maximum of £100,000 from reserves will be required to investigate the feasibility and deliverability of this project. The cost of delivering this stage of the project will be shared appropriately with potential partners. The initial investment will be factored into the business case for this project, and the next phase of the PSV

9. Risk/opportunity assessment (potential hazards or opportunities affecting corporate, service or project objectives)

Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
Non-availability of land in an appropriate place and capable of achieving planning / permitting.	Medium	Detailed search with a number of options available. Soft engagement with planners and other stakeholders on suitability.	Medium
Lack of engagement from other potential public sector partners		Continue to communicate developing plans and opportunities to a range of potential partners.	
Business case not made and initial costs unrecoverable		Seek to minimise expenditure during early stages of feasibility.	

10. Legal and policy implications

10.1 Legal implications will be taken fully into account during the feasibility stages of this project and the legal team will remain engaged as part of the project team. All expenditure will be carried out in accordance with the necessary Contract Procedure Rules and in compliance with the contracting rules of our partners.

11. Wards affected

11.1 All

12. Background papers

12.1 None

13. Documents attached

13.1 None