

Bath & North East Somerset Council				
MEETING	Cabinet			
MEETING	20 July 2021	EXECUTIVE FORWARD PLAN REFERENCE:		
		E 3306		
TITLE:	Waste Infrastructure relocation & modernisation programme			
WARD:	All			
AN OPEN PUBLIC ITEM				
List of attachments to this report:				
None				

1 THE ISSUE

- 1.1 The Waste Infrastructure programme includes the development of previously acquired land at Pixash Lane, Keynsham, to relocate and consolidate Council waste & recycling operations and modernise the existing public Recycling Centre there. Significant progress has been made in recent years, and final approval of capital is now required in order to progress into the final stages of construction and enable relocation in early 2023.
- 1.2 Proposals for re-providing household waste and recycling centres in Bath continue to be developed and appraised so that Bath residents will have uninterrupted access to recycling centres local to them, aligned with the Council's climate and nature priorities. The Council is committed to keeping the public recycling centre at Midland Road open until an alternative is in place for residents of Bath. A supplementary paper outlining more detail on providing at least one recycling centre in the city of Bath is intended to be tabled at the meeting.

2 RECOMMENDATION

The Cabinet is asked to:

- 2.1 Fully approve the total capital of £29.9m needed to deliver the construction phase, in order to complete and relocate according to programme in early 2023. This requires an uplift of £13.6m on the current provisional programme item of £16.3m, with the additional borrowing costs implied of £522k to be funded from the revenue budget contingency.

2.2 Agree that further development and appraisal studies are progressed on options proposed for waste & recycling centres in Bath, in order to deliver agreed facilities by 2023. This will become a new and emerging capital item to be considered for approval in the Council's Budget Setting for 2022/23.

3 THE REPORT

3.1 The depot consolidation and modernisation programme is a longstanding council project, to create purpose-built infrastructure to increase recycling and reuse opportunities for our residents, and is required for the council to fulfil its statutory obligations with respect to waste management services. It is intended that this site be operational in 2023 for our operational functions.

This centralised operational depot, the Keynsham Recycling Hub, also creates opportunities to design and construct an operational facility which incorporates key council objectives, under the Climate and Nature Emergency, to reduce and mitigate carbon emissions. Full details are publicly available and outlined in the planning application which is due to be considered at a future Planning Committee. This has been subject to extensive public consultation.

3.2 The provision of new facilities provides enhanced capacity for the future housing growth within the district supporting our policies for sustainable new homes to meet local needs and deliver in line with national housing trajectories.

3.3 The vacation of the current Midland Road depot releases brownfield land to build new homes, including affordable housing, and gains the benefit of Homes England grant funding to help delivery. We will ensure there will no interruption in public recycling centre provision in the city of Bath and will keep the public recycling centre here open until alternatives are in place.

3.4 Residents' experiences will be enhanced when using the new public Reuse and Recycling Centre at Keynsham. The site includes modern staff welfare and operational facilities to allow new ways of working to improve operational efficiencies and consistency of services to residents.

3.5 The new site will increase Highways' salt storage capacity to Department for Transport guidelines and enable more efficient Winter service operations for the Bath and Keynsham road networks.

3.6 Road improvements and alterations to Worlds End Lane, Pixash Lane and the A4 Bath Road, help facilitate future Transport planning infrastructure objectives to address traffic congestion and increase pedestrian and cycle routes.

3.7 The vehicle workshop for legal compliance including servicing, repairs & maintenance of the Council's vehicle fleet, will ensure roadworthy and reliable vehicles to increase service consistency to residents. This workshop will also be open to the public.

3.8 In summary, the proposed consolidated depot, incorporates purpose-built facilities for: A new public Reuse and Recycling Centre (RRC) including a shop for reuse items, Material Recovery Facility (MRF), Waste Transfer Station (WTS), a facility for small traders, Transfer Station (TTS), Fleet Maintenance and a public MoT & servicing centre, Street Cleansing, Park and Grounds

Maintenance (tbc), Highways Winter Service satellite and extra salt storage facility.

- 3.9 Land assembly was completed in 2019, and the delivery programme has progressed to submission of a full planning application in January 2021. Demolition of existing redundant buildings has been completed earlier this year, and the procurement of a construction contractor began its first stages in June 2021.
- 3.10 Funding was committed to take the project up to the award of the construction contract. The additional funding must be allocated to ensure the contractor can be appointed. A detailed technical survey and development work has been carried out, external QS cost plans have been created and updated at each stage to inform the capital allocation now required.

4 STATUTORY CONSIDERATIONS

- 4.1 The council is the Waste Collection and Disposal Authority with statutory responsibilities under the Environmental Protection Act (1990). Our waste and recycling infrastructure needs to be redeveloped in line with forecast growth in population and households detailed in the core strategy, and to adapt to further changes in waste, environmental and health and safety legislation.
- 4.2 The government's Environment Bill 2020 sets out how it plans to protect and improve the natural environment in the UK; it is making its way through Parliament this year. It has been prepared through consultations with the public on numerous measures, including environmental governance; the clean air strategy; biodiversity net gain; trees; conservation covenants; extended producer responsibility for packaging; increasing recycling quality and levels; a Deposit Return Scheme for drinks containers. Other elements that may have significant implications for local authority waste & recycling services are consistent recycling services across the country, extended food and garden waste collections and tackling waste crime.
- 4.3 The site will be operated in accordance with an Environmental Permit issued by the Environment Agency. The permit will only be granted once the Environment Agency are satisfied that the operations on site will not cause a nuisance to any nearby receptors. All operations will be carried out in strict accordance with the permit and any compliance issues will be dealt with through enforcement from the Environment Agency.
- 4.4 The waste & recycling industry is high-risk in health & safety terms, and the site will deliver suitable operational buildings and work areas where compliant HSE working practices can be fully implemented and maintained to keep our staff and the public safe.
- 4.5 Our use of vehicles is heavily regulated. All council vehicles, from 3.5t GVW upwards, are controlled through our Operators licence, from the Traffic Commissioner who is responsible for the licensing and regulation of those who operate heavy goods vehicles, buses and coaches, working with the DVSA, on driver testing and other traffic & road safety matters.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

5.1 Approved Waste Relocation Budgets to date are £7.644m as follows:-

	£m	Decision Reference
Street Cleansing Relocation	0.858	E2849, E2940
Pixash Lane – Land Acquisition	3.728	E2891, ODD Aug 18
Project Plan & Design	2.604	E3131, E2849
Pixash Land Demolitions	0.255	ODD Dec 20
Total	7.445	
<u>Funded by :-</u>		
Borrowing	4.576	
HE Grant	1.491	
CIL / S106	1.378	
Total	7.445	

5.2 The forecast amounts for the scheme delivery are £29.898m, profiled by financial year along with associated funding. This is an uplift from the current provisional capital of £16.262m.

	21/22 £m	22/23 £m	23/24 £m	Total £m
Construction, Equipment and Passenger Transport / Taxi Licensing relocations	9.629	19.625	0.644	29.898
<u>Funded by</u>				
Borrowing	4.570	19.625	0.644	24.839
HE Grant	4.509			4.509
CIL	0.550			0.550
Total	9.629	19.625	0.644	29.898

The costs of construction have been assured by a Cost Consultant and are subject to the current tender process. Cost increases have been due to complex ground conditions, the extent of biodiversity net gain needs, highways works and detailed design & development reports.

5.3 The net revenue growth required of the proposals by financial year

	To Date £'000	21/22 £'000k	22/23 £'000	23/24 £'000	24/25 £'000	Total £'000
Existing Borrowing – land / design	173	4	11	2		190
New Borrowing from proposals		56	379	760		1,195
Additional Waste			163			163
Depots Costs		60		(30)		30
Rent Savings			(130)	(149)		(279)
Haulage Savings				(150)		(150)
PV Energy Savings				(54)		(54)
Total Net Growth Requirement	173	120	423	379		1095
<u>Provide for by :-</u>						
Existing Provision	173	120	280	0		573
Smoothing Reserve			143	379	-522	0
Growth from revenue budget contingency					522	522

The development facilitates the release of savings from rented depots and efficiencies from changing haulage arrangements and energy from Photovoltaics. Whilst not cash-releasing, there is also a reduction in property repair and maintenance liabilities at outdated facilities, which have lacked investment for many years and have significant repair back-log.

5.4 Revenue growth of £1,650K was provided for both Service Redesign and Service Relocation in Council Budget-setting, 2018/19 £1,380k & 2019/20 £270k. Of these sums, £1,077K has been committed to Service Redesign, leaving a balance of £573K for relocation proposals. The increased growth of £522K from the proposals, initially comes from set aside sums in a Smoothing Reserve but on-going budget from 2024/25 is provided from the Revenue Budget Contingency.

5.5 The business case has been updated regularly to reflect current financial positions; project scope and estimated costs; housing growth projections; accessibility of grants to reduce borrowing; local and national policies and objectives; strategic fit and the case for change; economic case and

procurement considerations; management, delivery and governance arrangements; risks, constraints and dependencies.

- 5.6 The business case provides the corporate assurance that the investment is justified and financially robust and provides a management tool for evidence-based and transparent decision making.
- 5.7 Approximately 200 operational staff will be based at the new Keynsham Recycling Hub, supported by management and technical support staff, in modern welfare and office facilities, tailored to our operational needs and in accordance with our Health, Safety & Wellbeing policies.

6 RISK MANAGEMENT

- 6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision-making risk management guidance.
- 6.2 Delivery of the Keynsham Recycling Hub project includes comprehensive risk management procedures and project and quality assurance through supervision of the design development and construction phases. This will include contract administration, inspection and approval of works.

7 EQUALITIES

- 7.1 As a front-facing service with significant touch points with all residents and households across the district, waste & recycling collections and public reuse and recycling centres have a core focus of equality and accessibility. Equalities Impact Assessments are carried out using the EIA/Equalities analysis template at the time of service delivery changes, and that will be incorporated as part of the design and construction process and prior to the site opening.

8 CLIMATE CHANGE

- 8.1 Solar installations on roofs and canopies, rain-water collection and reuse for vehicle washing and watering planted ecology areas, energy efficient buildings, tree-planting, ecology and landscaping are examples of the features built-in through the design process.
- 8.2 The future replacement of refuse and recycling vehicles to electric powered vehicles is being factored in and infrastructure to future-proof the site has been of key importance.
- 8.3 We use specialist route planning software for the refuse, recycling and garden waste rounds to minimise distances travelled, whilst collecting from every household in the district, and to avoid local community impacts wherever possible.
- 8.4 The Keynsham Recycling Hub is on the strategic road network for access to the ring road and motorway for the bulk haulage of waste and recycling to treatment and reprocessing sites in the West of England and across the UK. This will allow us to maximise the highest payload forms of transport, and so reduce carbon emissions for this part of the operation.

9 OTHER OPTIONS CONSIDERED

- 9.1 Do nothing: This entails a high risk of service failure. The existing sites are no longer fit for purpose, they are on the limit of the tonnage they can manage, have been underinvested for many years and have no expansion potential.
- 9.2 Lease sites and re-develop so fit for purpose: This entails high financial and operational risk. There are no sites of sufficient size and capacity within the district, nor close by in neighbouring districts that will suit our objectives. We would need to invest in constructing on leased land and indicative financial and property benchmarking costs show more capital growth would be required.

10 CONSULTATION

- 10.1 This report has been approved by the S151 Officer and Monitoring Officer
- 10.2 Comprehensive site-specific pre-planning application consultation was carried out in December 2020. This was alongside a free-text response consultation seeking ideas for Bath sites and future recycling generally. The planning process also included a 6-week consultation period in February and March.
- 10.3 The construction contractor will be responsible for a community communication and engagement plan for local residents and businesses, which will be supported by the Project team and the council's Communications & Marketing team.

Contact person	Carol Maclellan, Assistant Director, Environmental Services 01225 394204
Background papers	The table in Section 5.1 details previous decision reports with reference numbers. Planning Committee 28 th July 2021 details full planning application for the new Recycling Hub
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