

# CHESHIRE EAST COUNCIL

## REPORT TO: CABINET

---

**Date of Meeting:** 11 August 2009  
**Report of:** Strategic Director - Places  
**Title:** Joint Waste Treatment PFI Project – Acquisition of site for Waste Transfer Station Facilities  
**Portfolio Holder:** Councillor Peter Mason

---

### 1.0 Report Summary

- 1.1 The report provides details of work carried out to identify and acquire a site for Waste Transfer Facilities in the Macclesfield area as part of the Waste Treatment PFI procurement (see Appendix A). The facility would provide for the bulking-up of residual household waste for transport to the Waste Treatment Facility. Details of alternative sites and their merits are provided. A site at Hulley Road, Macclesfield is recommended for acquisition (see Appendix B).
- 1.2 Cheshire West and Chester Council is currently the lead Authority with regard to Joint Waste Contracts and are therefore leading on the acquisition of a site in consultation with Cheshire East Council. Cheshire West and Chester Council's Executive Member for Environment has approved the acquisition, and under the terms of the relevant Inter Authority Agreement, the views and support of Cheshire East Council are now sought.

### 2.0 Decision Requested

- 2.1 That the purchase of a site at Hulley Road be approved in order to enable a Waste Transfer Station in Macclesfield to be included within the scope of the Waste Treatment PFI Contract.
- 2.2 That alternative site options continue to be explored with a view to ensuring that a Waste Transfer Station at Hulley Road provides best value.

### 3.0 Reasons for Recommendations

- 3.1 To enable officers to progress the acquisition of the Waste Transfer Station site for the Macclesfield area as part of the Waste Treatment PFI Contract. This will enable the procurement process to continue to progress expeditiously.
- 3.2 To ensure that other potential options continue to be investigated.

#### **4.0 Wards Affected**

- 4.1 The following Wards are affected by the proposals:  
Broken Cross, Macclesfield Town and Macclesfield West

#### **5.0 Local Ward Members**

- 5.1 Local Ward Members for these Wards are:  
Cllr Ainsley Arnold, Cllr John Goddard, Cllr John Narraway,  
Cllr Stephen Broadhurst, Cllr David Neilson, Cllr Christine Tomlinson  
Cllr Darryl Beckford, Cllr Sandy Bentley and Cllr Martin Hardy

#### **6.0 Policy Implications including**

- 6.1 The provision of a Waste Transfer Station in Macclesfield will reduce both vehicle miles and the carbon impact of the proposals. This will significantly benefit climate change.
- 6.2 There are not considered to be any impacts on health. Potential impacts will be assessed and taken account of in the planning and permitting process.

#### **7.0 Financial Implications for Transition Costs (Authorised by the Borough Treasurer)**

- 7.1 There are no transitional financial implications.

#### **8.0 Financial Implications 2009/10 and beyond (Authorised by the Borough Treasurer)**

- 8.1 The cost of acquiring the site is affordable and within the approved capital budget held by Cheshire West and Chester Council for the purpose of Waste Transfer Site acquisition.
- 8.2 The availability of a Waste Transfer Station in the Macclesfield area will mean that Cheshire East waste collection vehicles will not need to travel to the Waste Treatment Facility. This is likely to result in significant cost savings over the long-term. The Hulley Road site has been demonstrated to be sufficient to provide for a bulking-up facility for recyclable waste if required.
- 8.3 Any costs and income associated with the site would be shared in accordance with the Inter Authority Agreement between the Councils. Any additional costs arising from use of the site for the storage of recycle would be borne by Cheshire East Council.

## **9.0 Legal Implications (Authorised by the Borough Solicitor)**

- 9.1 A legal contract will need to be signed for acquisition of the site. This will be done by Cheshire West and Chester Council, who would then hold the site in trust on behalf of itself and Cheshire East Council.

## **10.0 Risk Management**

- 10.1 The purchase of this Waste Transfer Site addresses a key corporate risk. If information on the Authorities' preferred Waste Transfer Sites is not available, this could well lead to them being excluded from the PFI final tender documents. This could have some significant adverse impacts, including the potential to cause delay in establishing waste treatment facilities. This would then result in high costs arising from breach of landfill allowances, as well as increased landfill charges and landfill tax liability.
- 10.2 The subsequent need to establish separate arrangements for a Macclesfield Waste Transfer Station would require a further procurement exercise and increase interface risks, which would be likely to increase costs and compromise value for money. In addition to the significant additional risks and financial impact, there could also be associated poor performance and negative publicity implications. There will continue to be a planning risk until planning permission has been obtained. This risk will vary depending on the site.

## **11.0 Background and Options**

- 11.1 The Waste Treatment PFI Contract will provide waste treatment facilities for Cheshire West and Chester and Cheshire East Council's. The provision of a Waste Transfer Station for the Macclesfield area is integral to the development and implementation of the contract. It will provide one of the two waste delivery points needed within Cheshire East.
- 11.2 A site for a Waste Transfer Station for the Macclesfield area has proved very difficult to identify. After a lengthy search over several years, a suitable site has been identified and the Council's Property Officers have had detailed negotiations with the vendor. Detailed draft contract documents have been received from the vendor's solicitors, reflecting the agreed Heads of Terms.
- 11.3 Cheshire West and Chester Council is the Lead Authority procuring shared waste facilities on behalf of itself and Cheshire East Council. Cheshire West and Chester would acquire the site as a shared 'Project Asset' and hold it in trust for both Councils in accordance with the agreed Inter-Authority Agreement. Associated costs and income would be shared in accordance with the Inter Authority Agreement.
- 11.4 The details of the proposed acquisition are confidential by virtue of their commercially sensitive nature. They constitute exempt information as defined in Schedule 12A to the Local Government Act 1972 in relation to the financial or

business affairs of any particular person (including the Authority holding that information). The author of this report considers that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, which is set out in the confidential appendices attached to this report.

- 11.5 The Joint Waste Board, which comprises of members of Cheshire West and Chester and Cheshire East Councils, has considered and supported the need for a Waste Transfer Station in the Macclesfield area. Cheshire West and Chester Council's Executive Member for the Environment has approved the acquisition.
- 11.6 Alternative site options have been explored at Danes Moss Landfill Site; Land at Lyme Green, south of Danes Moss; Lyme Green Highways Depot and Land off Moss Lane. All of these sites are subject to significant risk and uncertainty. Recognising the significant benefits of including a Waste Transfer Station in Macclesfield within the scope of the Waste Treatment PFI Contract, the Joint Waste Board at its meeting on 26 June 2009 supported the purchase of the site at Hulley Road. It has requested that alternative site options continue to be explored alongside this. If it transpires that an alternative site can be demonstrated to provide better value for money this could be 'swapped' with Hulley Road, which would then become available for resale.

## **12.0 Overview of Year One and Term One Issues**

- 12.1 The acquisition and availability of a Waste Transfer Station in the Macclesfield area would address key cost risks as set out in paragraphs 4.2 and 6.1 above.

## **13.0 Access to Information**

- 13.1 The background papers relating to this report can be inspected by contacting the report writer:

Name: Harold Collin  
Designation: Waste PFI Project Director and Joint Team Manager  
Tel No: 01244 973559  
Email: [harold.collin@cheshirewestandchester.gov.uk](mailto:harold.collin@cheshirewestandchester.gov.uk)

Name: Phil Sherratt  
Designation: Head of Environmental Services  
Tel No: 01270 529685  
Email: [phil.sherratt@cheshireeast.gov.uk](mailto:phil.sherratt@cheshireeast.gov.uk)