

Corporate Scrutiny Committee

Agenda

Date:	Monday, 14th September, 2009
Time:	2.00 pm
Venue:	The Capesthorne Room - Town Hall, Macclesfield SK10 1DX

The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and at the foot of each report.

PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT

1. **Apologies for Absence**

2. **Declarations of Interest**

To provide an opportunity for Members and Officers to declare any personal and/or prejudicial interests and for members to declare the existence of a party whip in relation to any item on the agenda.

3. **Public Speaking Time/Open Session**

In accordance with Procedure Rules Nos.11 and 35 a total period of 10 minutes is allocated for members of the public to address the Committee on any matter relevant to the work of the Committee.

Individual members of the public may speak for up to 5 minutes but the Chairman will decide how the period of time allocated for public speaking will be apportioned where there are a number of speakers.

Note: In order for officers to undertake any background research it would be helpful if questions were submitted at least one working day before the meeting.

4. **Call - In of Key Decision 09/10-24 Joint Waste Treatment PFI Project - Acquisition of Site for Waste Transfer Station Facilities (Pages 1 - 14)**

For any apologies or requests for further information, or to give notice of a question to be asked by a member of the public

Contact: Mark Nedderman

Tel: 01270 529640

E-Mail: mark.nedderman@cheshireeast.gov.uk

To consider the call-in of the above decision

5. **Exclusion of the Press and Public**

The reports relating to the remaining items on the agenda have been withheld from public circulation and deposit pursuant to Section 100(B)(2) of the Local Government Act 1972 on the grounds that the matters may be determined with the press and public excluded.

The Committee may decide that the press and public be excluded from the meeting during consideration of the following items pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1 and 2 of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

PART 2 – MATTERS TO BE CONSIDERED WITHOUT THE PUBLIC AND PRESS PRESENT

6. **Call - In of Key Decision 09/10-24 Joint Waste Treatment PFI Project - Acquisition of Site for Waste Transfer Station Facilities Exempt Report (Pages 15 - 18)**

To note Appendix A of the report considered by cabinet on 11 August 2009

CHESHIRE EAST COUNCIL

CORPORATE SCRUTINY COMMITTEE

Date of meeting: 14 September 2009
Report of: The Borough Solicitor and Monitoring Officer
Title: Call In of Cabinet Decision Joint Waste Treatment PFI Project – Acquisition of site for Waste Transfer Station Facilities

1.0 Report Summary

This report sets out the procedure for the Call In of the Cabinet Decision Joint Waste Treatment PFI Project – Acquisition of site for Waste Transfer Station Facilities taken on 11 August 2009.

1.1

2.0 Recommendations

- 2.1 That the Scrutiny Committee considers whether or not it wishes to offer advice to Cabinet in response to the Call In.

3.0 Wards Affected

- 5.1 Broken Cross, Macclesfield Town and Macclesfield West

4.0 Local Ward Members

- 4.1 All Members for the above Wards.

5.0 Policy Implications

- 5.1 Contained within the attached report.

6.0 Financial Implications for Transition Costs

- 6.1 Contained within the attached report.

7.0 Financial Implications for 2009/10 and beyond

- 7.1 Contained within the attached report.

8.0 Legal Implications

- 8.1 Contained within the attached report.

9.0 Risk Assessment

- 9.1 Contained within the attached report.

10.0 Background and Options

- 10.1 In accordance with Scrutiny Procedure Rule 12.3, any 8 or more Councillors can call in a decision. In this case, 9 Members have called in the above decision for the reasons identified in Appendix 1
- 10.2 In accordance with Scrutiny Procedure Rule 12.6 the Scrutiny Committee has two options in respect of any further action. The Committee may decide to offer no advice, in which case the decision may be implemented. Alternatively, the Committee may decide to offer advice, in which case, the matter must be referred to Cabinet in order for a decision to be made upon it. In accordance with Scrutiny Procedure Rule 12.8 , Cabinet is not bound to accept any advice offered to it and will have sole discretion on any further action to be taken, such action may include:
- (1) Confirming with or without amendment the original decision; or
 - (2) Deferring the matter pending further consideration; or
 - (3) Make a different decision.
- 10.3 Where the Scrutiny Committee decides to offer advice, this must be clearly documented in the minutes
- 10.4 If the Scrutiny Committee decides not to offer any advice, then the decision of Cabinet can be implemented immediately.
- 10.5 Full details of the Call In Procedure can be found at Scrutiny Procedure Rule 12
- 10.6 The appropriate Cabinet Member and Officer will attend the meeting to explain the background and reasons for the decision and to answer any questions the Committee may have.
- 10.7 The following wording records the Cabinet Member decision of 11 August 2009:
- ‘That Following separate consideration of the Part 2 item at minute 81 and for the reasons set out in the report: -
- 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. That alternative site options continue to be explored with a view to ensuring that a Waste Transfer Station at Hulley Road provides best value. ‘
- Minute 81 is as follows :
- ‘For the reasons set out in the report and as now discussed: -
- That Appendix A be noted.’
- 10.8 The Cabinet Member report is attached at Appendix 2.

10.9 A response to the issues raised in the Call In Notice is attached at Appendix 3. A site plan is also attached

11.0 **Appendices**

Appendix 1 – Call In Notice

Appendix 2 – Cabinet Member Report

Appendix 3 – Response to the issues raised in the Call In Notice

For further information:-

Officer: Mark Nedderman

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Email: mark.nedderman@cheshireeast.gov.uk

Background Documents:-

The Councils Constitution

Documents are available for inspection at:

Legal and Democratic Services, Westfields, Middlewich Road, Sandbach, CW11 1HZ

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Appendix 1

**Call - In of Key Decision 09/10-24 Joint Waste Treatment PFI Project -
Acquisition of Site for Waste Transfer Station Facilities**

We the undersigned wish to call in the cabinet decision to site the northern waste transfer station on Hurdsfield Industrial Estate Hulley Road Macclesfield, for the following reasons:

1. Appropriateness of the site and its closeness to a housing estate, and in front of Astra Zeneca, the largest employer in town.
2. The Hurdsfield Industrial estate has always been primarily for white industries. The siting of the waste transfer station so close to High Tec and ultra clean Pharmaceutical Industries could seriously affect future investment by Astra Zeneca and other companies who may wish to invest in Macclesfield.

Councillor David Neilson

Councillor A Arnold

Councillor J Narraway,

Councillor C Tomlinson

Councillor S Broadhurst

Councillor M Hardy

Councillor D Beckford

Councillor Derek Hough

Councillor J Goddard

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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.

Appendix 2

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

Appendix 2

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:

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Designation: Waste PFI Project Director and Joint Team Manager

Tel No: 01244 973559

Email: harold.collin@cheshirewestandchester.gov.uk

Name: Phil Sherratt

Designation: Head of Environmental Services

Tel No: 01270 529685

Email: phil.sherratt@cheshireeast.gov.uk

**RESPONSE TO CALL-IN OF KEY DECISION 09/10-24 JOINT WASTE TREATMENT PFI PROJECT –
ACQUISITION OF SITE FOR WASTE TRANSFER STATION FACILITIES****INTRODUCTION**

1. The provision of waste treatment facilities at a central location in Cheshire or the closure of Danes Moss landfill site requires a waste transfer station in Macclesfield to allow refuse collection vehicles to continue to tip locally before the waste is bulked up for transfer to the waste treatment plant. Failure to provide a waste transfer station would require the refuse collection vehicles to travel direct to the treatment facility. This would impact on the collection rounds and greatly increase costs.
2. A site has been identified at Hulley Road on the Hurdsfield Industrial Estate after many years of searching. The appendix to the Cabinet Report sets out the alternative sites considered and the reasons why they have been discounted. This Appendix addresses the reasons given for the call-in which were:
 - The appropriateness of the site close to a housing estate
 - The proximity to Astrazeneca
 - The suitability of the Hurdsfield Industrial Estate and the impact on future investment by Astrazeneca or other companies

SITE

3. The site off Hulley Road is located on the Hurdsfield Industrial Estate. This well established industrial estate contains a variety of employment uses. Hulley Road has direct access off the By-Pass, The Silk Road. Vehicles would access the site without passing any houses.

PLANNING POLICY

4. The development of the site for a waste transfer station could only take place if planning permission was granted. The planning process would assess in detail the suitability of the proposed use of the site and its impact on the site and the surrounding area. Consultation would take place with nearby properties.
5. The adopted Cheshire Replacement Waste Local Plan allocates a large part of the Hurdsfield Industrial estate for waste development. Potential uses identified are Material Recycling Facility; Mechanical Biological Treatment; Anaerobic digestion; Bulking Facility and In-vessel composting. The proposed site lies within this allocation.
6. The Hurdsfield Industrial Estate is allocated for employment use for General Industry (B2); Warehousing (B8); High Technology (B1b) and Light Industry (B1c).
7. Detailed policies in the Development Plan are designed to protect the environment and the amenity of local residents.

Appendix 3

POTENTIAL IMPACT ON HOUSING

8. The proposed Waste Transfer Station site lies to the north of nearby housing at Balmoral Crescent, Hurdsfield. The site is surrounded by other industrial premises, Hulley Road and a garage. The distance from the boundary of the site to the nearest house is about 80m and the distance from the proposed waste transfer station building is about 160m.
9. Vehicular access to the site is off Hulley road and virtually all vehicles would access the site direct from the By-Pass, The Silk Road. The only exception may be the occasional RCV that was collecting household waste locally. It is estimated that there would be approximately 30 vehicles accessing the site per day of which 5 would be heavy goods vehicles and most of the others refuse collection vehicles. This equates to about 60 vehicle movements.
10. The site would be operational during weekdays between normal working hours though there may be some weekend use but with very few movements as refuse collection vehicles normally do not operate at weekends.
11. The Waste Transfer Station building is to be sited to the rear of the site furthest away from the housing. All unloading and loading of waste would take place within the building. The building would have doors which would open on the approach of a vehicle and shut when they were inside. The building would be under slight negative pressure so that air would be drawn in. Air from the building would be treated before passing back to the atmosphere. These measures will ensure that there is no detrimental impact on any nearby properties arising from noise, dust or odour. These aspects would be closely examined through the planning process.

POTENTIAL IMPACT ON ASTRAZENECA

12. The Astrazeneca facility lies to the north of the proposed site. There are a variety of buildings the nearest being 80-100m from the boundary of the site. The site lies at a lower level than Astrazeneca and there are a number of mature trees between the site and Astrazeneca.
13. The measures described in Para 11 above should equally ensure that there is no detrimental impact on Astrazeneca. Again the potential impact would be closely examined through the planning and permitting process.
14. Astrazeneca currently own the site. They are aware of the intended use of the site and have not so far indicated that they have any concerns. They clearly control whether the site is sold and it is hard to believe that they would agree to sell the site if they thought it would have a detrimental impact on their business.

SUMMARY

15. Cheshire East Council needs a site in the Macclesfield area for a Waste Transfer Station when Danes Moss Landfill Site is full or a waste treatment facility introduced. The site at Hulley Road is one of only a few potential sites identified. It is allocated for waste uses in the Development Plan. It has access off the Macclesfield By-pass. Measures should ensure that there is no detrimental impact on either nearby housing or other employment uses on the Hurdsfield Industrial Estate.

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