

# Executive Decision Report

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## **New Household Waste Recycling Centre**

Decision to be taken by: Assistant Mayor  
Neighbourhood Services

Decision to be taken on: 15 July 2013

Lead director: Adrian Russell

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**City Mayor**

### **Useful information**

- Ward(s) affected: Rushy Mead, Humberstone & Hamilton, Charnwood, Belgrave
- Report author: Jonathan Feeley/Steve Weston
  
- Author contact details: Tel/Ext: 01162161914 / 0116 2161904
  
- Report version number: 1.

### **1. Summary**

The purpose of this report is to recommend approval by the Executive of the construction of a new Household & Waste Recycling Centre funded by the Government's Weekly Support Grant and a trial to assess the potential for the reuse of items collected via the bulky waste scheme.

### **2. Recommendations**

The Executive are requested to:-

- a) Subject to the necessary planning permission being obtained, approve the use of the former Brickworks/Allotments on Gypsum Close owned by the Council for the construction of the new facility.
- b) Endorse the use of Leicestershire County Council for the Design and Construction Monitoring of this project following the required waiver approval by the Director of Environmental Services.
- c) Approve the procurement of a competitive contract to build the proposed new Household Waste Recycling Centre.
- d) Approve the re-use trial to evaluate the volume of items that can be re-used from the bulky waste collections across the City.
- e) Receive update reports on the progress of this significant landmark project, especially an options appraisal on the future use of the existing Bridge Road Household Waste Recycling Centre.
- f) Add the scheme to the capital programme, in the sum of £3,533,500.
- g) Authorise the director of Environmental Services to determine the design of the scheme, in consultation with the Assistant Mayor for Neighbourhood Services.

### **3. Supporting information including options considered**

#### **3.1 Report**

- a) The Council has been successful in the award of £3.5m from the Government's Weekly Support Fund to build a new Household Waste Recycling Centre (HWRC) in Leicester. The new facility is to have reception facilities for both household domestic and trade/commercial waste in addition to the salvaging of useful household items for use by the voluntary sector.
- b) The facilities envisaged for the new site include for:-
- Household waste delivered by residents as a replacement site for Bridge Road HWRC. The new site will replace the small, overcrowded site at Bridge Road as this is too small for efficient waste management and the confines of the site present potential health & safety issues to users. As an example, when the containers are loaded for off-site transport and disposal, the site has to be closed to the public, which is very inconvenient to the public and can cause traffic problems on Bridge Rd by queuing traffic. The intention is for the new site to be split level so that customers do not come into contact with the vehicles' servicing the site.
  - Trade/Commercial waste reception and sorting facilities to generate revenue and provide a registered recycling/disposal facility for the smaller businesses in the City, such as landscape gardeners, builders etc. In addition, it may be possible to relocate the Council's Transfer Station currently at Leycroft Road Depot to the new facility as this will improve efficiency.
  - Reuse facility. To work with a local partner/charity to salvage reusable items and for them to either donate or sell them on at discounted costs to disadvantaged individuals/groups. Informal discussions with charities have been positive in using both the new site and a potential dedicated resource centre at Bridge Rd. It is envisaged that there will be a need to advertise for suitable partners for this operation on the site. They will be responsible for their own site costs and may also be paying LCC ground rent for the building/shop.
  - Example photographs of a modern HWRC at Mountsorrel, Leicestershire and a reuse centre at the Shakespeare Hospice shop at Burton Farm HWRC Warwickshire are included at Appendix A.
  - Research by the project team, and visits to salvage/reuse facilities in Warwickshire and Loughborough show that a warehouse type of storage is required. This enables visitors to browse the range of items available and to choose accordingly to their needs and the Bridge Rd site could accommodate such a facility. However, with an anticipated cost of between £750k and £1.1M, it is essential that before a decision is made to provide such a facility, effective research and evaluation is made both for the supply of salvaged suitable household goods and the acceptance by disadvantaged families. The Head of Revenues and Benefits views' the proposed scheme as very beneficial to their work helping disadvantaged families. The resource centre will enable more recycling/re-use of household waste and meet in some way the requirements of the Child Poverty Commission Recommendation 37. This States "*With partner*

*organisations, Leicester City Council should work to ensure a citywide low cost loan/lease service for important domestic goods including white goods, cookers and beds as an alternative to current high interest market place provision".* Such a scheme would also be subject to the availability of capital and revenue funding

- The ethos behind the proposal is that Leicester has significant numbers of residents who are below the official poverty threshold and have very little funds to pay for basic household goods. In parallel to this need is the fact that currently we dispose of perfectly good household goods that can either be reused immediately or made good by simple repairs. In addition, many Leicester residents would be prepared to donate unwanted household goods direct to such a Resource Centre in the knowledge that the distribution will be done in an accountable audit directly to those Leicester families who have such needs.
  - A pilot scheme is proposed to evaluate the potential of such a Resource Centre and specific details are included at Appendix B.
- c) The objective is to build the new facilities on a site of at least 1.2 hectares to accommodate the services required and the Property Team have looked at all feasible sites within Leicester, owned by both the private sector and the Council. All but two have been discounted on the basis of size, accessibility and potential Planning and Waste Management Licensing issues. The final two options are outlined in paragraph 3.2 Site Options below.
- d) It is proposed therefore that the design phase and construction will be co-ordinated through the County Council and a representative has been invited to be part of the programme team. It is also proposed that the construction company shall be appointed through a competitive tender process. Because construction costs have diminished recently we should be able to achieve better value from the grant.
- e) A project team under a designated project manager has been implemented with representatives from the Council's legal, property, procurement and planning teams to manage the programme to ensure completion within budget and time targets.
- f) The draft timetable is as follows:
- Planning Application – Sept 2013
  - Planning Approval (13 weeks)
  - Contract Finalised – Nov/Feb
  - Start on Site – March 2014
  - Completion of Works (estimated 36 weeks) –January 2015

### **3.2 Site Options**

A wide number of sites were initially considered, with the aim of identifying a suitable site in a location complementary to the Council's other HWRC at Islington Road (Freemens Common area), away from residential properties and close to the city's ring road network.

The final two sites have been considered in greater detail and the summaries are:-

### **Former John Ellis School, Corporation Road**

The site is owned by the Council and the size of the site would accommodate the services required of the new HWRC, but Planning indicate the following problems:-

- The area is part of the designated Technology Park development and a HWRC would not be a recommended compatible development and could deter potential investors in the Technology Park
- There is a significant flooding issue
- The development would be very close to residential properties as they form one of the site boundaries. There would be both traffic and noise impact on properties in Corporation Rd, Rose St, Anchor St, Drummond Rd and Robert Hall St.
- There would be significant access issues as all traffic would enter and exit via Corporation Rd causing issues to both residents and visitors to the Abbey Lane Pumping Station and the Space Centre.

The advantages of the site are:-

- It is adjacent to the former site of the Corporation Rd Civic Amenity Site, which was closed in 1999 to make way for the Space Centre Development.
- The site is large and is more than sufficient to accommodate all the proposals for this project
- User access is easy as the site is very close to the Inner Ring Rd.

The recommendation from the Planning team and the HWRC Project Manager is that the John Ellis site is no longer considered.

### **Gypsum Close**

This area of land is owned by the Council and is the site of the former Brick works/Allotments. The advantages of this site are:

- The location is within an existing industrial area and the nearest household properties are in excess of 250 metres.
- The site is very close to the inner ring road and is easily accessible from Barkby Rd, Troon Way, Thurmaston Rd and the A6030.
- The site is of a size to accommodate all three required services, but as an alternative improvement consideration will be given to developing the Bridge Rd site as a purpose built resource centre operated by a suitable partner/charity.
- A locational diagram of the site is included at Appendix C.
- This site has already been identified in the Local Plan as being suitable for waste operations.

The disadvantages of the site are:

- It is smaller in comparison to the former John Ellis School site so the designers will need to be more creative to accommodate all the required facilities.

- It is not adjacent to the Inner Ring Rd, but close to the Outer Ring Rd so access for some residents would be less easy.

#### **4. Details of Scrutiny**

The Neighbourhood Services & Community Involvement Scrutiny Commission will be considering this matter at their meeting on 4<sup>th</sup> July.

#### **5. Financial, legal and other implications**

##### 5.1 Financial implications

##### **Capital Costs**

- The estimated capital costs for the design and construction of a new HWRC were included in the bid for the grant monies and were based on the experiences of the County Council. Until the facilities are designed and those specifications actually costed we shall not know the actual detailed estimates.
- The proposal for a resource centre at a redeveloped Bridge Rd will firstly depend on the materials that could be reused and the viability of the reuse scheme (hence the trial), together with the final designs for the new HWRC at Gypsum Close. Until the Gypsum Close HWRC has been designed and fully costed the capital funding left for potential use at Bridge Rd will not be known but initial estimates indicate that the redevelopment of Bridge Rd should be feasible.
- There will be no direct capital finance implications for the City Council as the new HWRC site and the potential redevelopment of the Bridge Rd site will be designed and constructed within the available £3,533,500m grant from the Governments Weekly Collection Support Fund.
- It should be noted that the grant is subject to a suitable site being located, that planning permission is granted and that the council promotes a firm commitment to weekly collections for a minimum of five years.

##### **Revenue Costs**

- Indicative annual operating costs for the proposed new HWRC are approximately £250k with the actual dependent on the final design and operational regime. The revenue implications for operating the site when built will be met from both existing budgets for Bridge Rd HWRC, Leycroft Rd Transfer Station, contributions from the successful voluntary sector partner and income generated from the trade waste service.
- Following the trial of the Reuse Scheme, an options report will be provided for the Executive in relation to the future use of Bridge Rd. The operating budget for the Bridge Rd HWRC is currently tied in with the waste PFI contract and this would be

transferred to the new Gypsum Close site when completed. The revenue operating costs of a Bridge Rd Resource Centre will be addressed, if there is a potential to develop it, but it will be a mixture of existing revenue and benefits expenditure, savings in landfill tax, voluntary sector involvement and revenue from the sale of items.

- Colin Sharpe, Head of Finance, extension 29 7390

## 5.2 Legal implications

With regard to the centre itself it will need not only planning permission but also a Pollution Prevention Control licence. The Centre as built and run will need to comply with both.

As regards the procurement of Leicestershire County Council as designers of the Centre and construction administrators of the construction contract the value of the procurement is estimated to be below the EU threshold and therefore the Public Contracts Regulations 2006 do not apply. Being below the threshold, provided the Council is satisfied this contract is not of cross border interest (which would import the EU Treaty obligation of transparency, fairness and non-discrimination) the applicable legal constraints are the application of the Council's Contract Procedure Rules in this case a requirement that there be a competitive tender process.

This requirement can be waived if there is a sufficient business case supported by evidence and that the Executive, COO or a Chief Officer is satisfied this is the case following consultation with the Monitoring Officer and Procurement.

## 5.3 Climate Change and Carbon Reduction implications

As part our aims to reduce the area wide carbon footprint of Leicester, the Climate Change Programme of Action has a milestone target of achieving 48% of household waste being recycled by 2015, with further targets planned to be set for 2025. This is echoed by the proposed new EMAS target to reduce the environmental impact of household and Council waste and minimise its landfill. The construction of a new household waste recycling facility in Leicester will be more energy efficient than the previous site, increase participation in recycling efforts through the provision of better facilities and encourage the re-use of household items – all of which will reduce the carbon emissions of the city.

As waste does not currently form part of the carbon footprint calculations for the city council's own operations, there will be no impact these emission levels.

Charlotte Wood, Senior Environmental Consultant (Climate Change), Environment Team, 29 8174”

#### 5.4 Equality Impact Assessment

A specific Equality Impact Assessment will not be required because the site will be available to all Leicester City residents. For those site users who may have difficulties in using the on-site disposal facilities will be assisted by the site personnel, and, for those residents without transport to the facility, the bulky waste collection scheme will still be available on request free of charge.

#### 5.5 Other Implications

Both a Traffic Impact Assessment and an Environmental Impact Assessment will be required as a condition of the planning application process.

#### **6. Background information and other papers:**

Member Briefing dated 27<sup>th</sup> February 2013 – New HWRC Development

Member Briefing dated 12<sup>th</sup> June 2013 – Future Use of Bridge Rd HWRC

#### **7. Summary of appendices:**

- A. New Leicestershire County Council HWRC in Mountsorrel and the Shakespeare Hospice re use shop at Burton Farm Warwickshire County Council.
- B. Community Support Grant Issues and trial details.
- C. Site plan for Gypsum Close.

#### **8. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?**

No

#### **9. Is this a “key decision”?**

Yes

#### **10. If a key decision please explain reason**

Spending of over £1m is to be committed on a scheme that has not been specifically authorised by Council.







# Shakespeare Hospice shop at Burton Farm HWRC Warwickshire



1. To enable the community support grant policy to operate on a sustainable level and to future proof the policy objectives, where the funding from DWP will diminish, the council is proposing to work with waste management to undertake a pilot exercise. This will ascertain whether the up-cycling of waste goods from doorstep collections, which currently go to land fill, will meet the essential needs of the clients accessing community support grants for furniture, white goods and household items. Action Homeless are keen to be recipients of the goods for our 'bring empty homes back into use' model.
2. The Community Support grant scheme currently has funding which is targeted, through its policy objectives to support individuals returning to the community and in so doing we, the council, provide a grant ( they don't pay the monies back) where we supply goods to make the accommodation a home. We currently do this by supplying new goods. However the funding is not ring fenced and can be used to support other initiatives supporting the policy objectives.
  - i. The applicants in general ask for beds, sofas, carpets, curtains and curtain poles, cookers, fridges, washing machines, bedside cabinets, tables, chairs. Also household items such as crockery and cutlery, kettles, irons, bed linen etc.
  - ii. The currently monthly spend on such items is approximately £36K with delivery and approved installation/fitting included. The administration of these goods is £8 per item. Each claim could have upwards of 5 items.
  - iii. The aim of the pilot is to ascertain if this model can be facilitated to the same level of delivery/installation through upcycling of waste goods from residents recycling in the city.
  - iv. The process would be:
    - Customer services call centre staff take the call to collect furniture for recycling or in our case re-use. They take calls of this nature now and adding an additional question about items re-use could be accommodated reasonably easily.
    - The customer indicates whether the items is re-usable or for the tip.
    - Collection is arranged – we do not differentiate from a collection. The van will collect whatever is to be collected be it a fridge and/or garden waste.
    - The van (a transit Luton) collects the item and deposits its load in the appropriate waste management site.
    - The furniture which is suitable for up-cycling goes to a staging post where the stock is reviewed, pat tested, cleaned and made fit for re-use/purpose.

- It is then (or could be the same location) made available for 'sale'. CSG applicants will have first pick and could go along to the site to select their goods. Thus offering choice which is not there under the current model.
- It may be we offer new goods for larger families to ensure the longevity of the goods given the extra wear and tear they will experience.
- Delivery and installation, if appropriate is arranged. This standard would need to apply to cookers, fridges, washing machines where the plumbing is there and carpets. The procedures for this are to be determined.
- Any residual stock goes to 'public' sale.
- We could operate a 'shop' offering other recycled goods such as household items, crockery and cutlery, kettles, irons, bed linen
- Funding could cover such items as:
  - the lease of at least one Luton van,
  - a driver,
  - management cover of the facility for up-cycling which would be 7 days a week,
  - Training on equipment for up cycling and the kit to up-cycle.
  - Housing has offered (tentatively) to install the goods on the councils behalf at a cost.
- The service has reserved some monies from the CSG fund to invest in such a pilot scheme, to ascertain if the objectives can be achieved through this model and the advantage is its council ran pilot. There is a need to check what limitations procurement may have on this idea.

It has been suggested the facility is supported through volunteer work from probation, people carrying out community service obligations, apprenticeships.



