

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Executive Member – Environment and Transport
Date:	6 March 2012
Title:	Marchwood Former Incinerator Site – Ground Conditions Cost Settlement
Reference:	3568
Report From:	Director of Economy, Transport and Environment

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1. Executive Summary

1.1. The purpose of this paper is to set out the final costs generated by the aborted development of the former Marchwood Incinerator site for a new Waste Transfer Station.

1.2. This paper seeks to:

- set out the background to the costs and demonstrate the process undertaken to assess them;
- consider the costs and the budget impacts; and
- outline the next steps of the redevelopment of the Former Incinerator Site.

2. Contextual information

2.1. On 11 September 2008 the Executive Member for Policy and Resources approved a report that recommended that £1.6 million be made available from the Household Waste Recycling Centre (HWRC) Capital budget to deliver an engineered solution to improve the ground conditions at the Marchwood former incinerator site to enable development to proceed.

2.2. The intention at that point was to deliver a new Waste Transfer Station (WTS) that would have the ability to shred material and pre-process others for bulking up prior to haulage to recycling and processing facilities.

2.3. The need for this scheme became redundant in February 2010 as the business case for the extended WTS was no longer valid due to a reduction in domestic waste flows and development of a nearby merchant facility.

2.4. The former incinerator building and two Hampshire County Council owned dwellings were demolished after this decision to meet the timetable that had been communicated to Marchwood residents and the parish council with an

agreement that the long term development proposals for the site would be reviewed in due course.

- 2.5. It is proposed to redevelop the existing HWRC, to provide a new split level facility for Marchwood residents, and resolve the temporary nature of the Waste Transfer Operation over the next two years.

3. Previous Payments

- 3.1. When redevelopment of the former incinerator site was first discussed the issue of the unstable and contaminated ground conditions was raised as the area, and the land bordering the site, was landfilled prior to its use by Hampshire County Council or Veolia.
- 3.2. Hampshire County Council owns the freehold of former incinerator site and as such will take ownership of any disposal infrastructure on the site at the end of the contract. The County Council agreed to fund the costs associated with the ground conditions as these occurred prior to Veolia undertaking their operation on site.
- 3.3. A paper was brought to EMET/DMT on 6 September 2011 for discussion and agreement regarding the costs associated with the demolition of the former incinerator building.
- 3.4. The demolition of the former incinerator building was undertaken by Veolia on instruction from Hampshire County Council. This was always intended to be paid for by the County Council and £500,000 was set aside during the Pass Through Costs negotiation for the Marchwood Energy Recovery Facility to cover this work.
- 3.5. The total cost of the demolition was £369,000 and this was paid in July 2011 following an extended period of challenge and negotiation over the various compensation events that occurred. The compensation events were primarily related to the additional asbestos that was found once demolition had commenced and the delays associated with the discovery of a kestrel's nest on site.

4. Finance

- 4.1. The financial information is detailed in the confidential Appendix, item 15 on the Agenda.

5. Future direction

- 5.1. In January 2011 approval was given by the Executive Member for Policy and Resources to redevelop the existing Marchwood HWRC to provide a new, modern split level facility, removing the need for residents to access the bins using steps at an estimated cost of £1.3 million.
- 5.2. Detailed design and ground testing work is currently underway to inform the construction approach required with respect to the ground conditions. Testing is well underway and based on the initial findings it should be possible to

reduce the currently approved budget allocation of £1.3 million through alternative construction techniques.

- 5.3. Veolia have submitted a planning application to extend the use of the temporary waste transfer station for a further 3 years to allow for development of a scheme (1 year) and delivery of the two facilities (2 years).
- 5.4. If redevelopment goes ahead to deliver a new WTS on this site then a further report will be brought forward outlining the full costs associated with the ground conditions of both the HWRC and WTS developments. This report will relate solely to the future redevelopment and not the previous redundant redevelopment.

6. Recommendation

- 6.1. That the payment of the final settlement of the costs associated with the aborted development and demolition of the Marchwood former incinerator site be approved.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	no
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	no
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Improvement plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u> Project Appraisal: Redevelopment of Marchwood Household Waste Recycling Centre	<u>Reference</u> 2287	<u>Date</u> 26/01/2011
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. There is no direct impact from the decision, however this decision will enable the redevelopment of the former incinerator site to progress.
- 1.2. The proposed redevelopment of Marchwood HWRC has 30 customer parking spaces, two of which are designated for disabled drivers. These spaces are located close to, and within sight of, the site staff hut to ensure that if help is requested it can easily be provided.
- 1.3. An 'Accessibility Audit' was undertaken across the HWRC network in 2004 and a variety of issues were raised with the aim of improving access to the site for the benefit of all customers. The design of the redeveloped Marchwood HWRC has taken these findings into account with the aim of safeguarding the health and safety of all customers using the site.
- 1.4. Assessment of the Race Relations (Amendment) Act has been considered in the development of this proposal. No adverse impact has been identified in terms of race, creed or gender.

2. Impact on Crime and Disorder:

- 2.1. There is no direct impact from the decision, however this decision will enable the redevelopment of the former incinerator site to progress.
- 2.2. The preliminary design for the proposed redevelopment of Marchwood HWRC features a 2.4 metre high boundary fence and entrance gates. The site will be fully staffed during opening hours and the entrance gates will be locked when the site is closed.
- 2.3. There will be an information sign at the entrance to the site giving details of an emergency contact telephone number in the event of vandalism or any similar event needing to be reported.
- 2.4. Automatic Number Plate Recognition (ANPR) will be in operation at the site. ANPR supports trade waste controls by identifying unusually frequent site users who are likely to be traders illegally attempting to enter the site by using non-commercial vehicles such as cars.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint/energy consumption?

The completion of this work will allow Hampshire County Council to progress with the redevelopment of the site to provide a new split level HWRC and a new waste transfer station to maximise recycling and minimise landfill of household waste therefore reducing our carbon footprint. In addition it will allow us to divert more bulky residual waste to energy recovery maximising the generation of energy from waste.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

A work package assessing the impact of the HWRC Service on climate change as well as ensuring it is climate change resilient is being completed as a part of the HWRC Service Provision Review. The outputs from this work will be implemented in 2011/12 across the HWRC network.