

Strategic Investment Group Business Case

Central Highways Depot

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|---|--|
| 1 | Business Case |
| 2 | Appendix A - New Depot Budget Estimate |
| 3 | Appendix B - Proposed Service Change – Central Depot |
| 4 | Appendix C - Wellbeing Impact Assessment |
| 5 | Appendix D – Proposed Design Layout |

STRATEGIC INVESTMENT GROUP

BUSINESS CASE – CAPITAL INVESTMENT

This Business Case provides justification for undertaking a project. The completed form will be reviewed by the Strategic Investment Group who will make a recommendation to Council whether the bid should be approved and included within the Capital Plan. All sections should be completed and evidence of costs will need to be supplied.

For details of Strategic Investment Group meetings and deadlines for the submission of this form, please contact Richard Humphreys, Capital & Technical Finance Team on ext 6144.

| | |
|---------------------------|------------------------|
| Project Name: | Central Highways Depot |
| Project Reference: | TBC |
| Project Manager: | Peter Clayton |
| Workstream: | |

| | | | |
|--|-------------|----------------------|------------------|
| Head of Service/Project Sponsor | Tony Ward | Lead member: | Cllr Brian Jones |
| Service: | H,F&E | LM Portfolio: | Environment |
| Form completed by: | Eric Price | Date: | 6/12/2019 |
| Service Accountant: | Martyn Dodd | Date: | |

PROJECT TYPE

*Please categorise your project type. Mark **one** box only.*

| | | |
|---------------------------------------|--|--|
| SMALL <input type="checkbox"/> | MEDIUM <input type="checkbox"/> | LARGE <input checked="" type="checkbox"/> |
|---------------------------------------|--|--|

| | |
|----------------------------------|---|
| DECISION SOUGHT FROM SIG: | Recommend approval of preferred option to Cabinet |
|----------------------------------|---|

EXECUTIVE SUMMARY

Highlights the key points in the Business Case to include:-

- what the project will achieve / important benefits
- estimated costs
- how the project will be funded

This report concerns the need to amend the arrangements of where and how materials are stored and disposed of. There is strict legislation with regards to tipping and waste handling, with this legislation having increased in recent years. This is set out in Section 34 of the Environmental Protection Act 1990 (EPA 1990) and also governed by the EU Waste Framework Directive and the Environmental Permitting Regulations 2015. In a recent case Natural Resources Wales (NRW) closed down a neighbouring Local Authority operation and instigated prosecution due to the Authorities non-compliance with the Duty of Care Code of Practice Regulation (Issued under Section 34 of the EPA 1990). Denbighshire County Council has stopped its present waste handling operation and has implemented interim measures for the handling of highways waste and materials to ensure compliance with NRW requirements. This report will consider the long term solution and discuss present and future requirements. It will consider costs and provide long term and collaboration recommendations. Salt storage is not being included in this report as this will be submitted as a separate business case as the proposals cannot be implemented until the new central waste facility is operational.

Denbighshire County Council (DCC) is required to implement measures to ensure compliance with the relevant legislation to avoid any reputational or financial risk to the council. Whilst interim measures have been implemented, they are costly and reduce efficiency.

This report provides detail on how implementation of the proposals discussed in this report will ensure ongoing compliance with legislation, improve efficiency and reduce costs in the long term.

The Council has an obligation to maintain its highways to an appropriate standard with all activities being undertaken legally with due regard to the environment. This report gives detail of procedures which need to be addressed to ensure the Council can continue its activities of highway maintenance and winter gritting.

Background

DCC has historically stored street sweepings, gully waste arising's, siding, and waste verge material, hedge and grass cutting and grounds maintenance waste at various legacy storage sites throughout the county. A loading shovel has been employed to push the material up into stockpiles on a regular basis to make space for more material to be deposited,

Interim measures have been put in place to close all the legacy sites and short term arrangements have been put in place to handle the waste at the Councils Depots. Whilst this goes some way towards complying with present legislation it is a very costly and inefficient operation. The costs for the interim measures are estimated at £803,765 and after taking into account the present budget allocation for haulage and disposal of £369,800 per annum it leaves a service pressure of £433,965. Inefficient working due to tip locations or inflation is not included in this cost. Facilities are very close to legally compliant using this method. This cost is a service budget pressure.

Licence Requirements

Natural Resources Wales (NRW), is empowered by Welsh Government (WG) to license and inspect all waste facilities and to take necessary legal action if non-compliance with legislation is found. All activities require relevant permits, which can take up to eighteen months to obtain and are issued once the facility has been inspected for compliance. Following the issue of the permit, the site is inspected on an annual basis by the NRW for which a fee is paid. Records of activities and testing have to be kept for review by the inspecting officer by the Council's responsible officer.

Depot locations

The council have five depots of varying sizes. These are used for various operations and include: -

| Depot | Licence Status |
|---------------------------|---|
| Barkers Well, Denbigh | No Licence |
| Botanical Gardens, Rhyl | No Licence |
| Corwen Depot | No Licence |
| Kinmel Depot, Bodelwyddan | Licensed but not fully compliant. Licence to be surrendered upon completion of waste re-organisation. <i>Note: If the new highways waste depot is not developed alongside the waste transfer station, the licence must be maintained until completed.</i> |
| Lon Parcwr, Ruthin | No Licence. |

Table 1: Depot locations / licence status

Waste streams / storage

The types of waste material that has been considered within the interim measures include: -

- Sidings
- Sweeping
- Gully waste
- Highways maintenance arisings
- Vegetative waste materials

Due to lack of records a best guess quantity estimate was prepared and used to implement the interim measures. The quantity will vary dependent on operations but as all material require both transfer notes and weighbridge records an accurate picture can be produced after two years of operation. Table 2 is the estimate quantity of waste material produced for each depot in tonnes.

| | Botanical Gardens, Rhyl | Kinmel Depot, Bodelwyddan | Barkers Well, Denbigh | Lon Parcwr, Ruthin | Corwen Depot | Total |
|------------------------------|-------------------------|---------------------------|-----------------------|--------------------|--------------|--------------|
| Gully Waste | 0 | 240 | 0 | 0 | 0 | 240 |
| Sweepings | 500 | 4000 | 1200 | 1750 | 1750 | 9200 |
| Sidings | 1718 | 1600 | 0 | 800 | 800 | 4918 |
| Highway maintenance arisings | 225 | 350 | 0 | 200 | 100 | 875 |
| Total | 2443 | 6190 | 1200 | 2750 | 2650 | 15233 |

Note: 52 tonnes deposited in Barkers Depot, the rest taken by brush direct to Saron

Table 2: Estimated quantities (tonnes) of waste to be disposed of by depot

Options

Several options have been investigated to determine the most cost effective method with regards to dealing with the waste materials.

Option 1 – Do nothing

Continue with the interim measures of storing waste materials in skips and bays at several depots, including Kinmel Depot, Bodelwyddan; Botanical Gardens Depot, Rhyl, Barkers Well Depot, Denbigh, Lon Parcwr, Ruthin and Corwen Depot.

To comply with current legislation this option involves the placement of low sided skips at all depots except Bodelwyddan. The sweepers discharge directly into the skips until full, ensuring waste does not touch the ground. The full skip is then taken to a licensed tip facility by a licensed waste carrier. Other highways materials are tipped in separate stock piles to reduce cross contamination and taken for local recycling. This process is expensive and both and costly and difficult to manage. In the case of the Barkers Well Depot, this cannot be made compliant due to site constraints and certain activities would need to be curtailed or the depot closed.

This option is not recommended.

Option 2 – Upgrade depots

Upgrade of the depots to manage the waste at each site. Both the location of the depots and lack of infrastructure, makes this option difficult to deliver, whilst meeting all legislative requirements. The costs would be prohibitive to fully upgrade the depots and obtain the necessary licenses. In the case of the Barkers Well Depot, Denbigh and Corwen Depot, this would not be possible due to site constraints. There would then be an ongoing and increased cost for administrating the sites.

This option is not recommended.

Option 3 – Centralised highways recycling centre

There is an opportunity as a waste reorganisation project to site a new facility on the proposed recycling centre at Colomendy Depot- Denbigh, with all gully and sweeper waste is deposited in purpose built bays at this central location. The new facility would be fully permitted under the waste licence with the present planning application allowing for future expansion to include the highways depot. This option would allow Barkers Well, Denbigh to be closed and existing Streetscene operations relocated to this new facility. The current Barkers Well Lane Depot is no longer fit for purpose.

Place a new central highway centre for recycling waste materials at central depot at Colomendy Waste Depot – Denbigh. **Costs are detailed in Appendix A**

This option is recommended.

The headline costs of the preferred option based on development of a new single depot are:

| Costs - Option 3 | Separate Scheme (later date) | As part of new depot construction |
|--------------------|-------------------------------|-----------------------------------|
| New buildings | £ 517,998 | £ 395,149 |
| External works | £ 553,632 | £ 553,632 |
| Project management | £ 160,745 | £ 70,000 |
| Contingencies | £ 298,589 | £ 81,502 |
| Total | £ 1,530,964 | £ 1,100,283 |

Funding

Whilst there will be efficiency savings and also a saving against the cost of the interim measure against the interim arrangements it is proposed that scheme cost (up to) £1,530,965 is met by DCC via Prudential Borrowing against the revenue saving that this preferred single central depot option offers of £85,873 excluding any prudential borrowing. Even factoring in the cost of the prudential borrowing the revenue saving is £23,157, assuming this is developed alongside the waste transfer scheme.

The potential revenue savings required are summarised in the table below:

| Amount of PB required: | Annual cost of PB (over 25 years): | Saving after PB | Central depot option |
|------------------------|------------------------------------|-----------------|----------------------------|
| £1,530,965 | £87,265 | -£3,265 | Separate scheme |
| £1,100,283 | £62,716 | £23,157 | With waste transfer scheme |

BUSINESS OPTIONS

Analysis and reasoned recommendation for the base business options of: do nothing / do the minimal or do something

| | | | | | |
|---|--|----------|-----------------|---------------------------|----------|
| Option title: | Option 1 - Do nothing – continue using interim measures | | | | |
| Please provide brief details: | | | | | |
| Continue with the interim measures of storing waste materials in skips and bays at several depots, including Kinmel Depot, Bodelwyddan; Botanical Gardens Depot, Rhyl; Lon Parcwr, Ruthin and Corwen Depot. | | | | | |
| To comply with current legislation this option involves the placement of low sided skips at all depots except Bodelwyddan and Botanical Gardens. Barkers Well cannot be The sweepers discharge directly into the skips until full, ensuring waste does not touch the ground. The full skip is then taken to a licensed tip facility by a licensed waste carrier. Other highways materials are tipped in separate stock piles to reduce cross contamination and taken for local recycling. | | | | | |
| This would meet all legislative requirements, however is expensive and costly to manage and would require licences at Kinmel Depot. | | | | | |
| Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits: | | | | | |
| Costs | Costs more | | Time | Takes longer to deliver | |
| | Costs the same | X | | Takes the same to deliver | x |
| | Costs less | | | Is quicker to deliver | |
| Quality | Improves the quality | | Benefits | Improves benefits | |
| | Is the same quality | X | | No impact on benefits | X |
| | Is a lower quality | | | Worsens benefits | |
| What is the main reason this option has not been selected? | | | | | |
| This option has not been selected for the following reasons: | | | | | |

Revenue – This option complies with current legislation, however results in forecast service revenue pressures for FY20/21 are £803,765 for haulage and disposal costs.

Due to methods used, a significant proportion of the cost is the haulage of waste material, whilst paying a premium for waste disposal costs. In the longer term it is anticipated that the cost of disposal will only increase (due to increases in the UPM gate fee). This will require retendering every two years and is next due for April 2021. These costs are likely to increase with each cycle.

Benefits – This enables Denbighshire County Council to remain compliant

Dis-benefits - this option does nothing to address existing issues with ageing and inadequate facilities

Option title: Option 2 - Upgrade Depots

Please provide brief details:

This proposal involves an upgrade of the depots to manage the waste at each depot individually.

Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:

| | | | | | |
|----------------|----------------------|----------|-----------------|---------------------------|----------|
| Costs | Costs more | X | Time | Takes longer to deliver | X |
| | Costs the same | | | Takes the same to deliver | |
| | Costs less | | | Is quicker to deliver | |
| Quality | Improves the quality | | Benefits | Improves benefits | X |
| | Is the same quality | | | No impact on benefits | |
| | Is a lower quality | X | | Worsens benefits | |

What is the main reason this option has not been selected?

This option has not been selected for the following reasons:

The location of the depots are lacking in the infrastructure to be able to deliver this option whilst meeting all legislative requirements. It would therefore not be possible to upgrade the depots and obtain the necessary licenses.

There is also the need to employ a manager with the relevant qualifications to administer the licences and run the depots. To upgrade the depots salt storage and COSHH compliant storage would also need to be addressed.

Benefits - This option would only go part way towards upgrading ageing and inadequate facilities, or realising savings.

Dis-benefits

- The facilities would not fully address the inadequate facilities and it may not be possible to sufficiently upgrade the meet legislative requirements.
- Additional staff required to manage depots in addition to Colomendy Depot.

Option title: Option 3 - Centralised highways recycling centre

Please provide brief details:

There is an opportunity as a part of the waste reorganisation project to site a new facility on the proposed recycling centre at Colomendy Depot- Denbigh, with all gully and sweeper waste is deposited

at this central location without being tipped in skips. This can be constructed at the same time as the construction of the main depot giving both a lower construction cost and giving an earlier reduction in budget pressure.

Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:

| | | | | | |
|----------------|----------------------|----------|-----------------|---------------------------|----------|
| Costs | Costs more | | Time | Takes longer to deliver | |
| | Costs the same | | | Takes the same to deliver | |
| | Costs less | X | | Is quicker to deliver | X |
| Quality | Improves the quality | X | Benefits | Improves benefits | X |
| | Is the same quality | | | No impact on benefits | |
| | Is a lower quality | | | Worsens benefits | |

What is the main reason this option has not been selected?

Place a new central highway centre for recycling waste materials at central depot at Colomendy Waste Depot – Denbigh.

Construction of the highways waste recycling centre could be undertaken alongside the construction of the main waste transfer station, as this has already been included in the planning process as proposed future development. **This option is the preferred solution.**

Benefits include:

- Waste will be more centrally located, with suitable infrastructure
- Depot will be licenced and fully compliant
- Reduction in haulage costs
- No additional staff costs to manage various sites.

Associated costs are detailed in Appendix A and the proposed design layout shown within Appendix D.

EXPECTED BENEFITS

The benefits that the project will deliver expressed in measurable terms against the situation as it exists prior to the project

Benefits of utilising this method include: -

- Developed in conjunction with waste transfer station will maximise cost savings.
- Planning application for a highways depot already included in the central depot application (future proofing)
- Will be administered under the depot waste license, reducing administrative costs.
- Will share depot facilities i.e. weighbridge, jet wash, loading shovels etc.
- Will reduce downtime travelling to tip sites.
- Will be able to accept waste from satellite depots.
- Barkers Well Depot will be closed and the land made available for redevelopment with a value of £50k
- Welfare facilities will be fully compliant with H&S requirements.
- Due to central location less travel time to tip at the facility.
- Would improve recycling figures.
- Will reduce revenue cost.
- Enables future reorganisation and efficiency savings to be realised

Future benefits include providing the potential of collaborative working with adjacent counties to procure a processing plant to enable recycling of road sweepings to further reduce costs (subject to a separate business case).

EXPECTED DIS-BENEFITS

Outcomes perceived as negative by one or more stakeholders

Planning permission would be required to install a Siltbuster in the future if such a facility could be justified as viable

Without collaborative working with adjacent counties or the private sector there may be insufficient waste to enable the Siltbuster (if installed) to operate financially.

Streetscene personnel require additional training to ensure segregation of waste is implemented to maximise recycling outputs.

Some satellite arrangements will be required in the future, with haulage required from the furthest extents of the authority.

Does not address salt or COSHH material stores.

TIMESCALE

Over which the project will run (summary of the Project Plan) and the period over which the benefits will be realised

| Date | Milestone |
|------------|--|
| 21/01/2020 | Approval of Business Case by Cabinet |
| 18/10/2019 | Pre-planning application |
| 29/11/2019 | Full planning application |
| 01/06/2020 | Construction commences |
| 01/09/2021 | Construction complete - depot operational |
| NOTE: | Construction to be undertaken in conjunction with new waste depot. |

CAPITAL COSTS – BUSINESS DEVELOPMENT PROJECTS

**COMPLETE ALL THREE TABLES BELOW FOR BUSINESS DEVELOPMENT PROJECTS
LEAVE BLANK/DELETE SECTION FOR CONSTRUCTION PROJECTS**

The capital cost of a project is an important consideration in terms of whether or not it should proceed. Note that even some Business Development Projects may have a requirement for capital costs, for example to fund the acquisition of new ICT hardware or undertaking alterations to buildings.

- Any costs relating to ICT infrastructure and equipment should have been provided by ICT department
- Any costs that relate to construction should have been provided by Design & Development or Building Services

| Please provide details of any capital funding that has already been spent on the project: | |
|---|-------|
| Enter details of cost element below: | Total |
| | |
| | |
| | |
| TOTAL | |

| Please provide details of the capital funding requirement (not including amount already spent): | | | | |
|---|---------|---------|--------------|-----------------|
| Enter details of cost element below: | 2018/19 | 2019/20 | Future Years | All Years Total |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| TOTAL | | | | |

| Please provide details of proposed capital funding sources | | | | | |
|--|---------|---------|---------|--------------|-------|
| Enter details of funding source | Status: | 2018/19 | 2019/20 | Future Years | TOTAL |
| | | | | | |
| | | | | | |
| TOTAL | | | | | |

NOTE: For funding status, please only use the following categories:

- **Approved** – written approval for the funding exists
- **Applied** – no written approval exists but an application has been made
- **Approached** – initial approach to or by funding body has been made but no application submitted
- **None** – no contact or approach has been made to or by the funding body

CAPITAL COSTS – CONSTRUCTION PROJECTS

**COMPLETE ALL THREE TABLES BELOW FOR CONSTRUCTION PROJECTS
LEAVE BLANK/DELETE SECTION FOR BUSINESS DEVELOPMENT PROJECTS**

The capital cost of a project is an important consideration in terms of whether or not it should proceed.

- Any costs relating to ICT infrastructure and equipment should have been provided by ICT department.
- Any costs that relate to construction should have been provided by Design & Development or Building Services.

| Please provide details of any capital funding that has already been spent on the project: | |
|---|-------|
| Enter details of cost element below: | Total |
| | |
| | |
| TOTAL | |

| Please provide details of the capital funding requirement (not including amount already spent): | | | |
|---|-----------------|-----------------|-------------------|
| Enter details of cost element below: | 2020/21 | 2021/22 | All Years Total |
| Construction | £660,170 | £440,113 | £1,100,283 |
| TOTAL | £660,170 | £440,113 | £1,100,283 |

| Please provide details of proposed capital funding sources | | | | |
|--|---------|-----------------|-----------------|-------------------|
| Enter details of funding source | Status: | 2019/20 | 2021/22 | TOTAL |
| DCC Prudential Borrowing | Applied | £660,170 | £440,113 | £1,100,283 |
| TOTAL | | £660,170 | £440,113 | £1,100,283 |

REVENUE COST IMPACT

TO BE COMPLETED FOR ALL PROJECTS

In considering whether a project should be developed due regard should be made to the potential impact on revenue budgets.

| If the activity will result in a requirement for additional revenue funding, please provide details below: | | | |
|--|---|---|---------------------------|
| What is the impact of this project in terms of the <u>annual</u> revenue requirement for: | Existing Revenue Budget – Baseline | Post-project Revenue Budget Central Depot Option (preferred) | Increase/ Decrease |
| At present there is a budget pressure of £433,965 per annum for the haulage and disposal of highways waste. By tipping at the central depot an immediate reduction to the haulage costs. <i>NOTE: The savings achieved in creating a central depot have not been included as they are a reduction in a service pressure. Also the cost benefits of closing Barkers Well Depot and improved recycling due to having more bays for material separation and a more central location have not been included as there is no base line for considering savings.</i> | Nil | Nil | Nil |
| Prudential Borrowing (£62,716 - rate from Finance end September 2021 based on 25 years) | | 62,716 | 62,716 |
| OVERALL REVENUE REQUIREMENT | Nil | Nil | 62,716 |

Please provide brief details of the revenue impact of this project

- *Where revenue savings are forecast, you should detail what is proposed for the saving (e.g. reduction of an existing revenue budget, re-allocation of revenue to alternative services area, etc)*
- *Where revenue increases are forecast, you should provide details of how the revenue shortfall will be addressed. In this instance you should also append a three year surplus/deficit forecast.*
- *Details of any one-off revenue cost requirements that may be required post-project implementation (e.g. recruitment, redundancies, etc.). DO NOT include any costs detailed in the capital section of this Business Case*

To enable the Authority to continue its highways operation in accordance with waste handling legislation whilst minimising costs, it is recommended that funding is made available to expand the Colomendy Waste Facility, Denbigh to include the construction of a centralised highways recycling depot.

PROJECT MANAGEMENT

Please provide details of proposed project management – Establishment of Project Board etc.

A Project Board was set up in May 2018 to oversee development of the Business Case and subsequent implementation of the Waste Reorganisation Project following successful approval of said Business Case.

The Board meets at least monthly or more frequently as required dependent upon decisions / issues at hand. The Board consists of:

- Project Executive HoS for HES – Tony Ward,
- Lead Member – Cllr Brian Jones
- Finance Member – Cllr Julian Thompson-Hill,
- CET Representative - Graham Boase
- Waste & Recycling Manager – Tara Dumas,
- Streetscene Manager - Andy Clark (will be invited going forward if this BC approved)
- Service Accountant – Martyn Dodd
- WRAP Representative

Day to day Project Management is being undertaken by Peter Clayton

Internal Audit have also attended specific Board meetings and are undertaking an ongoing Audit of the Project at present

It is proposed this Board also oversee the Highways Central Depot Project

STATUTORY REQUIREMENTS / HEALTH & SAFETY

This section should identify how the activity will help Denbighshire meet any of its statutory requirements. Please include any Health & Safety Issues that the activity will address in this section. Please leave blank if not applicable.

Development of a new single central depot will ensure that waste operatives have access to suitable accommodation under the Health and Safety at Work Regulations 1992.

The site will also be fully permitted for the activities therein with the NRW subject to a full Permit application process to be led by Waste Operations Manager

Will enable Barkers Well depot to be closed and sold off or developed removing an H&S and operating issue.

CARBON MANAGEMENT IMPACT

Please consult with Denbighshire's Principal Energy Manager before completing this section.

Denbighshire has committed to reducing its carbon emissions by 15% by 2020. The Business Case requires you to make a forecast for the anticipated carbon emissions impact of the project. Please mark a cross in the appropriate box.

| Forecasts: | Annual (current) | Carbon Equivalent | Annual (Post Project) | Carbon Equivalent | Carbon Variance |
|---|------------------|-------------------|-----------------------|-------------------|-----------------|
| Energy consumption: (UNIT = kWh) | | | | | |
| Mileage of Denbighshire Fleet vehicles: (UNIT = miles travelled) | | | | | |
| Tonnes of waste produced going to landfill: (UNIT = tonnes) | | | | | |
| Tonnes of waste produced being recycled: (UNIT = tonnes) | | | | | |
| Mileage of Business Travel (personal vehicles): (UNIT = miles travelled) | | | | | |
| TOTAL CARBON EMISSIONS | | | | | |

Please provide brief details of the carbon impact of this project, and detail specific actions that will be taken to reduce carbon emissions. If carbon emissions are expected to increase as a result of this project, please provide details of proposed actions to compensate for this increase in other areas of the Service's activity.

The works to implement the proposals in this Business Case will be rolled into the existing plans for the development of a new Waste Transfer Station / Depot so will exploit the carbon reduction approach being applied to those wider plans.

The new depot will meet latest Build Regulations regards energy / efficiency. This will include for PV to roof area to generate electricity potentially meeting full electricity requirement for site and rainwater harvesting for re-use to feed to vehicle wash, WC's, any Highways equipment / plant based at / from the site.

New Vehicles purchased will be latest, most fuel efficient models replacing a number of the existing older, less efficient Waste Vehicles already in the fleet.

The sharing of the central depot with waste, will reduce vehicle movements, improve recycling and reduce plant requirements to operate it.

Allowance for limited number of electric charging points but capacity to expand as e-cars and fleet vehicles introduced.

Intention to explore and use ground or heat source for heating / HW requirement for accommodation on site.

BIODIVERSITY IMPACT

Please consult with Denbighshire's Biodiversity Officer before completing this section:

joel.walley@denbighshire.gov.uk

The Council has a statutory duty to ensure compliance and enforcement of the habitats regulations (as amended in 2007) and the NERC Biodiversity Duty (2006). At this pre-feasibility stage, what is the anticipated impact on biodiversity of the project? Please mark a cross in the appropriate box.

| | | | | |
|--|------------|---|-----------|--|
| Will this project impact on a habitat that supports living organisms (plant or animal)? | Yes | X | No | |
|--|------------|---|-----------|--|

If you have answered yes to the above question, please complete all the following biodiversity sections. If answered no please leave blank

| | | | | |
|---|------------|---|-----------|--|
| THREATENED/PROTECTED SPECIES Will this project impact on any protected or threatened species as defined in Denbighshire's Local Biodiversity Action Plan (LBAP)? | Yes | X | No | |
|---|------------|---|-----------|--|

| ALL SPECIES (including threatened/protected) Forecasts: | Current number | Post-project number | Variance (+/-) |
|--|----------------|---------------------|----------------|
| Number of plant species present: | | | |
| Number of animal species present: | | | |
| TOTAL NUMBER OF SPECIES PRESENT | | | |

Please provide brief details of the action you will be taking in association with this project to protect or enhance biodiversity. Specific reference should be made to the mitigation strategy if the project impacts on any protected or threatened species as defined in Denbighshire's Local Biodiversity Action Plan (LBAP).

| |
|--|
| <p>All biodiversity has been considered as part of the development of the waste depot and mitigation measures are being put in place. These include Newt mitigation and enhancement proposals discussed with NRW; development of a landscaped / ecology strip of land which will include habitat for birds, bats and newts and will be managed via Countryside Services via an indexed linked annual sum plus a further one off commuted sum will be paid to support habitat / newt enhancement elsewhere in the County. Existing mature hedges and trees will be retained and infilled with any losses kept to an absolute minimum.</p> |
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MAJOR RISKS TO THE PROJECT

A summary of the key risks associated with the project together with the likely impact and plans should they occur (*Please also add to your project risk register*)

| Key Risk | Likely Impact | Mitigating Action |
|---------------------------|---------------|--|
| Tight Programme | High | The design needs to be undertaken in time to meet the waste transfer depot programme |
| Planning delay | Medium | The silt buster was removed from the waste planning application due to risk. A future planning application will be required if collaboration proceeds. |
| NRW | High | Early engagement with NRW on proposed site during design stage and preplanning consultation process to ensure relevant licences / permits are obtained in time for operation. To be undertaken as part of waste licencing process. |
| Unions | Medium | The unions or staff have not been consulted on the Central Depot option, or closure of Barkers Well Depot. Whilst it is not anticipated to cause issues, there could be some resistance due to the impact on individuals who may travel further to work. |
| Improving recycling rates | Medium | Operatives to be trained to separate materials on site to minimise potential for contamination, improve recycling rates and reduce overall disposal costs. |
| Tipping re-organisation | Medium | Work to be re-programmed to ensure tipping is undertaken direct to central depot rather than tipping into skips at various depots which would attract haulage costs. |

SUPPORTING INFORMATION

Please list any supporting documents that accompany this Business Case

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|--|
| <p>Appendix A – Cost (capital breakdown of short listed options)</p> <p>Appendix B – Proposed Service Design</p> <p>Appendix C – Wellbeing Impact Assessment</p> <p>Appendix D- Proposed Design Layout</p> |
|--|

ANNUAL CAPITAL BIDS – BLOCK ALLOCATIONS

Please provide details of expenditure and commitments for allocations received in the current financial year.

| |
|-----|
| N/A |
|-----|

COUNTY LANDLORD STATEMENT

Please provide a statement from the County Landlord and where applicable the recommendation of the Asset Management Group

The proposal to include a centralised highways depot as part of the wider Waste Service remodelling plans is sound, ensuring the service is provided with modern, fit for purpose and legally compliant facilities in a central location for the council. Further consideration needs to be given to the current sites that will be impacted on by these proposals, particularly in relation to addressing any legacy contamination issues and consideration of future use, but overall the benefits outweigh the uncertainties around the future of these sites. In light of the council's declaration of a climate and ecological emergency in July 2019, we would expect the development to be undertaken in a manner which will minimise carbon emissions and introduce measures to enhance biodiversity.

Supplied by: Tom Booty

Date: 20/11/2019

CHIEF FINANCE OFFICER STATEMENT

For the avoidance of doubt there are no budget savings available from the service in order to pay for the prudential borrowing. If the project is approved a budget pressure will need to be put forward.

If SIG approve the project in principle then it seems clear that the most cost effective way of delivery is that the build is completed as part of the wider Waste Depot project rather than at a later date.

Supplied by: Steve Gadd:

Date: 13/12/2019

VERIFICATION:

| | | | |
|-------------------------|------------------------------------|------------------|-----------------------|
| Project Manager: | Peter Clayton | | |
| Project Sponsor: | Tony Ward | | |
| Name: | Tony Ward | Position: | Head of Service – H&E |
| Signature: | <i>Insert electronic signature</i> | Date: | |

For use by Finance:

| | |
|--------------------------------|--|
| Result of S.I.G. Review | |
| Date of Meeting | |
| Approval | |
| Code | |

Appendix A

New Depot Budget Estimate

Appendix A – Colomendy Industrial Estate – New Depot Budget Estimate

Colomendy Industrial Estate - New Depot

Budget Estimate

New Buildings

Highways and Green Waste Shed £270,253.63

Covered Storage Bays in Yard & Green waste £124,895.00

New Equipment £0.00

External Works

General site works - earthworks and fencing £30,120.94

Gas main crossing & protection (north) £30,000.00

Road markings and signs £2,000.00

Site earthworks £202,188.00

Streetlighting and yard floodlighting £10,300.00

Drainage £119,953.00

Miscellaneous works £40,000.00

Utilities £0.00

Main Contractor's Preliminaries £119,070.03

Management and Fees £70,000.00

£1,018,780.60

Land Acquisition £0.00

Contingencies £81,502.45

£1,100,283.05

Appendix B

Proposed Service Change

Appendix B – Proposed Service Change – Central Depot

Many factors affect the consideration of changing the service and whilst some are fixed, others are dependent on the outside pressures i.e. emergencies, political pressures, geographical location, weather, seasonal work etc. The consideration of cost and saving is further complicated by the fact the majority of highways waste is still being tipped at Saron Tip whilst the interim measures are implemented. (approx. 16,000 tonnes). Whilst there will be an increase in operating efficiency if a Central Depot is constructed and also a reduction in the service pressure for future licencing and administration costs this has not been considered due to lack of a tangible base line.

Another saving will be the reduction in the haulage and tipping costs, but again this is not included as there are no firm baselines figures until the interim arrangements have been running for twelve months.

Therefore the Costs which have been considered in the preparation of this business case are based on the tender sums for the haulage and disposal once the interim measures are implemented and the saving which can be made on the service pressure if the central depot is constructed with the saving being made by material which were to be tipped in Ruthin into skips for forward transportation to Kinmel being tipped direct into bays in Denbigh removing this cost. It is considered 50% of waste will be able to be taken direct to Denbigh and the figure for the saving has been based on this.

At present the footway/road brush based at the Botanical Gardens generates around 52 tonnes including a large amount of litter which due to lack of space and its bulk weight (0.35 tonnes per cubic meter) is loaded onto a skip wagon and taken to Saron to be tipped. As this is a definite cost it has been included within the savings.

| | Current Annual Haulage & Disposal | Future Annual Haulage Costs (Central Depot) | Future Annual Haulage Savings | Comments |
|---------------------------------|-----------------------------------|---|-------------------------------|--|
| Botanical Garden's Depot | £ 42,200 | £ 42,200 | £ - | |
| Kinmel Depot | £ 462,900 | £ 462,900 | £ - | |
| Barkers Well Dept | £ 4,265 | £ 2,392 | £ 1,873 | No haulage costs to Saron. Disposal rate at Colomendy reduced from £58/tonne to £46/tonne |
| Lon Parcwr Depot | £ 182,200 | £ 98,200 | £ 84,000 | If all sweeping waste north of Ruthin are deposited at Denbigh, then approximately half of all waste will no longer require mass haulage, resulting in net savings |
| Corwen Depot | £ 112,200 | £ 112,200 | £ - | |
| Totals | £ 803,765 | £ 717,892 | £ 85,873 | |

Present Disposal Budget and Service Pressure

A review has been undertaken of the streetscene disposal costs to date and projected costs to the end of the financial year to understand the scale of the budget pressure. This review gave an estimated budget for the 19/20 financial year of £369,800 giving a budget pressure going forward of £803,765 minus £369,800 giving a service pressure before considering potential savings of £433,965. As this sum is a service pressure rather than a request for a budget to implement the project it has not been included within the request for a budget to implement the scheme.

Potential achieved by developing a Central Depot

Whilst there are clear savings, compliance with legislation and future proofing in developing a central depot there will be efficiencies in operation and savings. These are:-

1. Reduces travel time. An example is the gully emptier travels to Kinmel Depot to tip from all over the county. Reducing the travel time means more gullies can be emptied in the same period,
2. Reduced time and cost clearing out substandard drainage systems,
3. All waste generated within the Elwy and North of Ruthin will be able to tip direct at the Central Depot,
4. Bay sizes will be bigger and roofed allowing material to dry out reducing bulk weight (sweeper waste has 40% water content and only 0.35 tonnes per cubic meter bulk weight),
5. All material can be monitored to ensure waste is separated correctly to reduce tipping costs (an example is all fly tipping at present goes to landfill at £45/tonne plus travel time, by sorting it much of the material can be recycled).
6. Vehicles will be weighed and tipping frequency monitored which will identify any issues and potential efficiencies in operation.
7. Gully tankers and sweepers can use water from the rainwater harvesting system rather than purchasing and using potable water, increase costs savings and recycling rates
8. Reduction in haulage and disposal costs.
9. Closure of Barkers Well depot.
10. The sale or redevelopment for social housing of Barkers Well Depot (valued at £50k).
11. Allows for future improvements ie. Siltbuster.

Appendix C

Wellbeing Impact Assessment

Central Depot, Colomendy, Denbigh - Highways Waste

Well-being Impact Assessment Report

This report summarises the likely impact of the proposal on the social, economic, environmental and cultural well-being of Denbighshire, Wales and the world.

| | |
|--|---|
| Assessment Number: | 731 |
| Brief description: | Highways waste recycling facility at centralised location |
| Date Completed: | Version: 0 |
| Completed by: | |
| Responsible Service: | Highways & Environmental Services |
| Localities affected by the proposal: | Whole County, |
| Who will be affected by the proposal? | Denbighshire County Employees |
| Was this impact assessment completed as a group? | Yes |

IMPACT ASSESSMENT SUMMARY AND CONCLUSION

Before we look in detail at the contribution and impact of the proposal, it is important to consider how the proposal is applying the sustainable development principle. This means that we must act "in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs."

Score for the sustainability of the approach

★ ★ ★ ☆ (3 out of 4 stars) Actual score : 29 / 30.

Implications of the score

.

Summary of impact

Well-being Goals

A prosperous Denbighshire

A resilient Denbighshire

A healthier Denbighshire

A more equal Denbighshire

A Denbighshire of cohesive communities

A Denbighshire of vibrant culture and thriving Welsh language

A globally responsible Denbighshire

Positive

Positive

Neutral

Positive

Neutral

Positive



Main conclusions

.

Evidence to support the Well-being Impact Assessment

- We have consulted published research or guides that inform us about the likely impact of the proposal
- We have involved an expert / consulted a group who represent those who may affected by the proposal
- We have engaged with people who will be affected by the proposal

THE LIKELY IMPACT ON DENBIGHSHIRE, WALES AND THE WORLD

A prosperous Denbighshire

| | |
|---------------------------------|--|
| Overall Impact | Positive |
| Justification for impact | Increase job opportunities Increase training Reduce budgetary pressures to the council Reduce carbon footprint by recycling waste and minimising landfill |
| Further actions required | Not applicable |

Positive impacts identified:

| | |
|---|---|
| A low carbon society | Improve recycling rates of highways waste, sweeping and gully waste |
| Quality communications, infrastructure and transport | Centralised depot reduces transport costs |
| Economic development | Single site to manage |
| Quality skills for the long term | Job creation and further training to operate new equipment |
| Quality jobs for the long term | Job creation and further training to operate new equipment |
| Childcare | Not applicable |

Negative impacts identified:

| | |
|---|----------------|
| A low carbon society | Not applicable |
| Quality communications, infrastructure and transport | Not applicable |
| Economic development | Not applicable |
| Quality skills for the long term | Not applicable |
| Quality jobs for the long term | Not applicable |
| Childcare | Not applicable |

A resilient Denbighshire

| | |
|---------------------------------|---|
| Overall Impact | Positive |
| Justification for impact | Utilise opportunities to enhance biodiversity in Denbighshire |

| | |
|---------------------------------|----------------|
| Further actions required | Not applicable |
|---------------------------------|----------------|

Positive impacts identified:

| | |
|---|--|
| Biodiversity and the natural environment | As part of the waste scheme and the location of the depot, there will be landscaping strip to encourage biodiversity and mitigation planting |
| Biodiversity in the built environment | As part of the waste scheme and the location of the depot, there will be landscaping strip to encourage biodiversity and mitigation planting |
| Reducing waste, reusing and recycling | Improve recycling rates of highways waste, sweeping and gully waste, reducing landfill |
| Reduced energy/fuel consumption | Centralised depot will require less haulage overall, reducing energy by using less depots. |
| People's awareness of the environment and biodiversity | Educational talks |
| Flood risk management | SuDS will be incorporated into the design for surface water management, using the seven principles. |

Negative impacts identified:

| | |
|---|----------------|
| Biodiversity and the natural environment | Not applicable |
| Biodiversity in the built environment | Not applicable |
| Reducing waste, reusing and recycling | Not applicable |
| Reduced energy/fuel consumption | Not applicable |
| People's awareness of the environment and biodiversity | Not applicable |
| Flood risk management | Not applicable |

A healthier Denbighshire

| | |
|---------------------------------|---|
| Overall Impact | Neutral |
| Justification for impact | This scheme is the construction of a waste processing plant, designed to minimise highways waste being sent to landfill. It has no overall effect on food, healthcare or leisure opportunities. |
| Further actions required | This scheme is the construction of a waste processing plant, designed to minimise highways waste being sent to landfill. It has no overall effect on food, healthcare or leisure opportunities. |

Positive impacts identified:

| | |
|---|----------------|
| A social and physical environment that encourage and support health and well-being | Not Applicable |
| Access to good quality, healthy food | Not Applicable |
| People's emotional and mental well-being | Not Applicable |
| Access to healthcare | Not Applicable |
| Participation in leisure opportunities | Not Applicable |

Negative impacts identified:

| | |
|---|----------------|
| A social and physical environment that encourage and support health and well-being | Not Applicable |
| Access to good quality, healthy food | Not Applicable |
| People's emotional and mental well-being | Not Applicable |
| Access to healthcare | Not Applicable |
| Participation in leisure opportunities | Not Applicable |

A more equal Denbighshire

| | |
|---------------------------------|---------------------------------------|
| Overall Impact | Positive |
| Justification for impact | Increased employability and education |
| Further actions required | Not applicable |

Positive impacts identified:

| | |
|---|--|
| Improving the well-being of people with protected characteristics. The nine protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation | Not applicable |
| People who suffer discrimination or disadvantage | Not applicable |
| Areas with poor economic, health or educational outcomes | Improving recycling rates to reduce waste and increase cleanliness. Provide educational opportunities |
| People in poverty | Increase in job opportunities |

Negative impacts identified:

| | |
|---|----------------|
| Improving the well-being of people with protected characteristics. The nine protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation | Not applicable |
| People who suffer discrimination or disadvantage | Not applicable |
| Areas with poor economic, health or educational outcomes | Not applicable |
| People in poverty | Not applicable |

A Denbighshire of cohesive communities

| | |
|-----------------------|---------|
| Overall Impact | Neutral |
|-----------------------|---------|

| | |
|---------------------------------|---|
| Justification for impact | . |
| Further actions required | . |

Positive impacts identified:

| | |
|---|---|
| Safe communities and individuals | Efficiencies will enable more sweeping etc to be undertaken |
| Community participation and resilience | Work identified through local MAGS, Councillors etc |
| The attractiveness of the area | Well maintained roads improved attractiveness of areas |
| Connected communities | Efficiency will improve |
| Rural resilience | The efficiency produced by the time savings will increase the opportunity to for additional cleansing |

Negative impacts identified:

| | |
|---|----------------|
| Safe communities and individuals | Not Applicable |
| Community participation and resilience | Not Applicable |
| The attractiveness of the area | Not Applicable |
| Connected communities | Not Applicable |
| Rural resilience | Not Applicable |

A Denbighshire of vibrant culture and thriving Welsh language

| | |
|---------------------------------|---------------------------|
| Overall Impact | Positive |
| Justification for impact | Signage will be bilingual |
| Further actions required | Not applicable |

Positive impacts identified:

| | |
|-------------------------------------|--|
| People using Welsh | Signage will be bilingual Staff encouraged and supported to increase use of Welsh as per DCC policy |
| Promoting the Welsh language | Signage will be bilingual DCC staff will have access to Welsh language trainings |
| Culture and heritage | Signage will be bilingual DCC will endeavour to appoint local employees. |

Negative impacts identified:

| | |
|-------------------------------------|----------------|
| People using Welsh | Not applicable |
| Promoting the Welsh language | Not applicable |
| Culture and heritage | Not applicable |

A globally responsible Denbighshire

| | |
|---------------------------------|--|
| Overall Impact | |
| Justification for impact | Improvement on present activities |
| Further actions required | Collaboration to further improve waste recovery. |

Positive impacts identified:

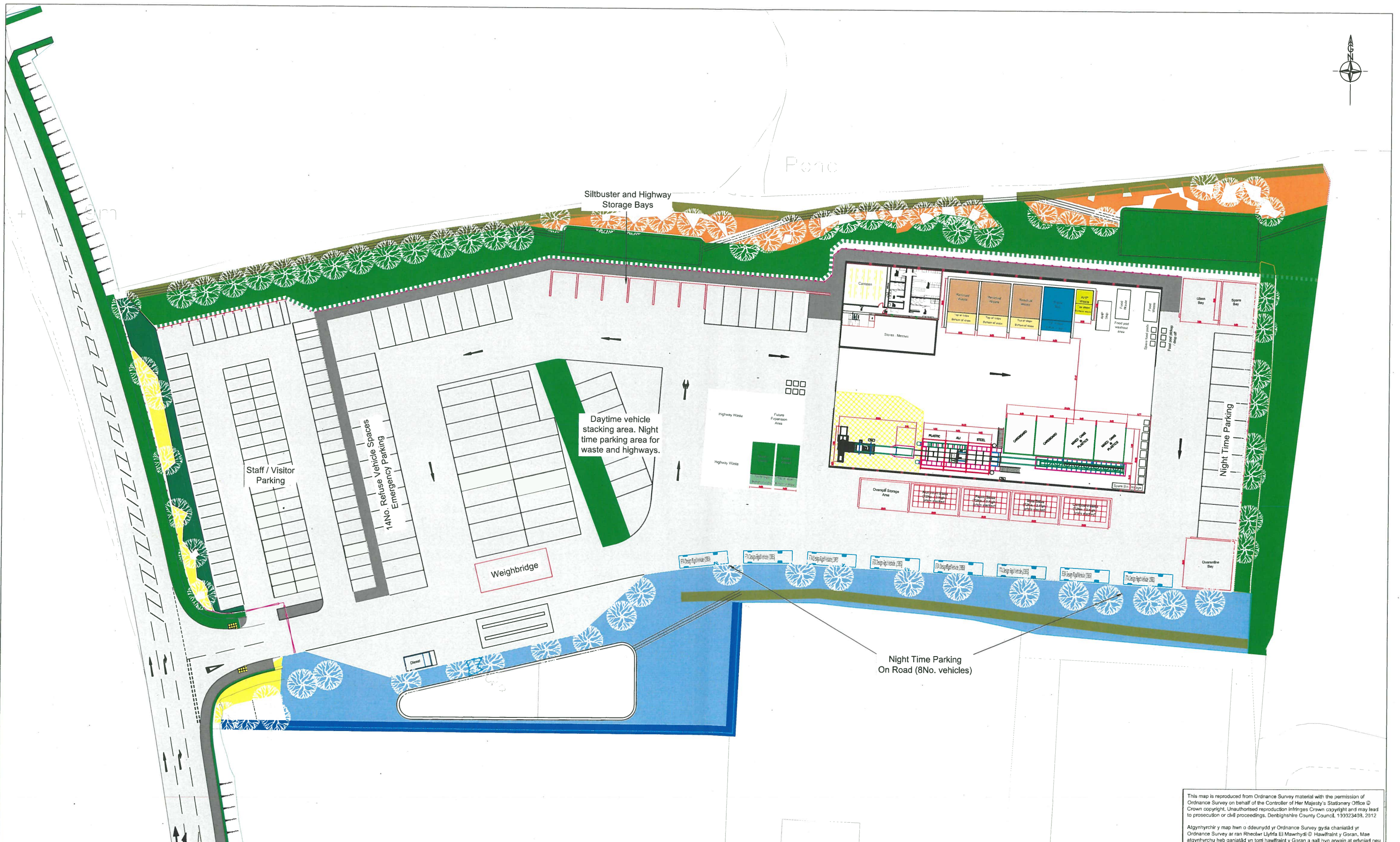
| | |
|--|---|
| Local, national, international supply chains | Disposal of waste materials will be tendered through sell2wales to encourage local suppliers. |
| Human rights | All tender applicants will be monitored for human rights |
| Broader service provision in the local area or the region | Collaborative working considered with neighbouring local authorities. |

Negative impacts identified:

| | |
|--|----------------|
| Local, national, international supply chains | Not Applicable |
| Human rights | Not Applicable |
| Broader service provision in the local area or the region | Not Applicable |

Appendix D

Proposed Design Layout



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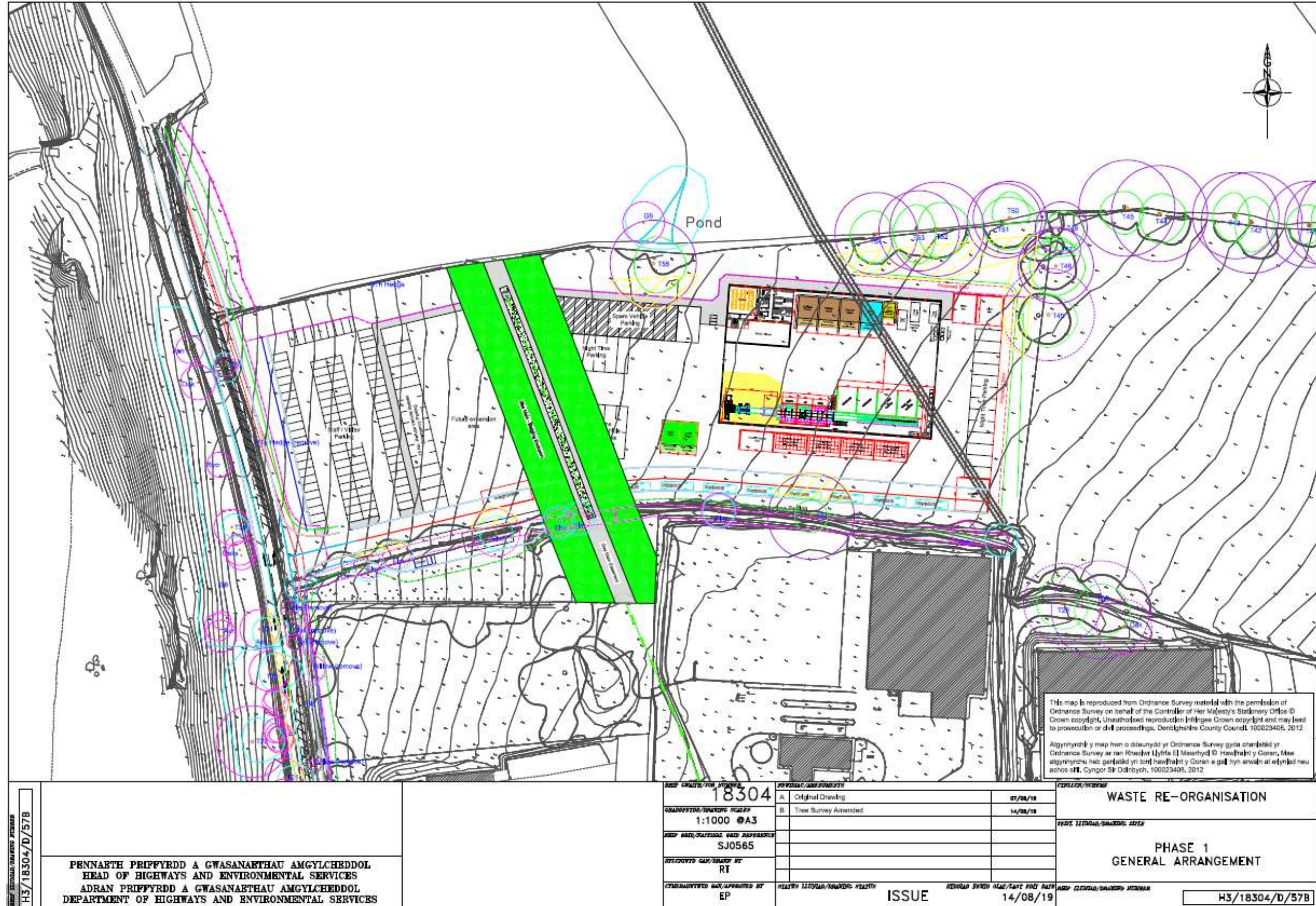
H3/18304/D/65C



PENNAEH PRIFYRDD A GWASANAETHAU AMGYLCHEDDOL
 HEAD OF HIGHWAYS AND ENVIRONMENTAL SERVICES
 ADRAN PRIFYRDD A GWASANAETHAU AMGYLCHEDDOL
 DEPARTMENT OF HIGHWAYS AND ENVIRONMENTAL SERVICES

| | | |
|---|---|--------------------------------|
| RHIF GWAITH/JOB NUMBER 18304 | NEWIDIADU/AMENDMENTS | CYLLUN/SCHEME |
| GRADDFEYDD/DRAWING SCALES 1:500 @A2 | A Original Drawing B Minor Amendments C Landscaping Added | WASTE RE-ORGANISATION |
| RHIF GRID/NATIONAL GRID REFERENCE SJ0565 | | TITEL LLUNIAD/DRAWING TITLE |
| DYLUNIWDYD CAN/DRAWN BY RT | | PHASE 2 GENERAL ARRANGEMENT |
| CYMERADWYD CAN/APPROVED BY EP | STATWS LLUNIAD/DRAWING STATUS ISSUE | RHIF LLUNIAD/DRAWING NUMBER |
| | DYDDIAD NEWID OLAF/LAST EDIT DATE 22/10/19 | H3/18304/D/65C |

Appendix A - Drawings
A.1 Proposed Site Layout



A.2 Future Expansion- H3/18304/D/56C



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ADRN PRIFYRDD A GWASANAETHAU AMGYLCHRDDOL
HEAD OF HIGHWAYS AND ENVIRONMENTAL SERVICES
ADRN PRIFYRDD A GWASANAETHAU AMGYLCHRDDOL
DEPARTMENT OF HIGHWAYS AND ENVIRONMENTAL SERVICES

| | | |
|--|---|--------------------------------------|
| IDY WRWIR/DIGITOL/STUNIA 18304 | A Original Drawing B Silt Buster Omitted C Recycled Added | 07/08/18 16/09/18 17/09/18 |
| MALLS/PLUN/MAWEN/SCALEP 1:1000 @A3 | | |
| IDY WRWIR/DIGITOL/STUNIA S.J0565 | | |
| IDY WRWIR/DIGITOL/STUNIA RT | | |
| IDY WRWIR/DIGITOL/STUNIA EP | IDY WRWIR/DIGITOL/STUNIA ISSUE | IDY WRWIR/DIGITOL/STUNIA 17/09/19 |

| |
|--|
| IDY WRWIR/DIGITOL/STUNIA WASTE RE-ORGANISATION |
| IDY WRWIR/DIGITOL/STUNIA FUTURE EXPANSION |
| IDY WRWIR/DIGITOL/STUNIA H3/18304/D/56C |