

**ROBERTO TAMBINI  
CHIEF EXECUTIVE**

**PLEASE NOTE THE LATER  
START TIME**

*Please reply to:*

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Our ref: LP/OSCTTEE  
Date: 25 October 2010

**NOTICE OF MEETING**

**OVERVIEW AND SCRUTINY COMMITTEE**

**DATE: TUESDAY 2 NOVEMBER 2010**

**TIME: 8.30PM** (*or at the conclusion of the Crime and Disorder Committee Meeting*)

**PLACE: COUNCIL CHAMBER, COUNCIL OFFICES, KNOWLE GREEN, STAINES**

**TO: ALL MEMBERS OF THE OVERVIEW AND SCRUTINY COMMITTEE**

Ms P.A, Broom (Chairman)  
S.J. Rough (Vice-Chairman)  
Miss M.M. Bain  
Mrs E.M. Bell  
S.E.W. Budd

K. Chouhan  
A.P. Hirst  
H.R. Jaffer  
D.L. McShane  
Mrs I. Napper

Mrs C.E. Nichols  
L.E. Nichols  
Jack D. Pinkerton  
Mrs M.W. Rough  
G.F. Trussler

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**EMERGENCY PROCEDURE**

In the event of an emergency the building must be evacuated. All Members and Officers should assemble on the green adjacent to Broome Lodge. Members of the public present should accompany the Officers to this point and remain there until the Senior Officer present has accounted for all persons known to be on the premises.

**THE LIFT MUST NOT BE USED**

If you would like a copy of this agenda or the attached reports in a larger print please contact Liz Phillis (01784) 446276 or Email [l.phillis@spelthorne.gov.uk](mailto:l.phillis@spelthorne.gov.uk)

## IMPORTANT PUBLIC NOTICE

### **MOBILE TECHNOLOGY – ACCEPTABLE USE**

Use of mobile technology (e.g. mobile telephones, Blackberries, XDA's etc.) at this Committee can:

- Interfere with the Public Address [PA] and Induction Loop systems;
- Distract other people at the meeting;
- Interrupt presentations and debates;
- Mean that you miss a key part of a decision taken.

#### **PLEASE:**

Either switch off your mobile telephone, Blackberry, XDA etc. **OR** switch off its wireless/transmitter connection and sound for the duration of the meeting.

***THANK YOU FOR YOUR CO-OPERATION IN THIS MATTER***

## A G E N D A

Timing		Agenda item	Lead
8.30pm	1.	<b>APOLOGIES</b> To receive any apologies for non attendance	Chairman
	2.	<b>DISCLOSURES OF INTERESTS</b> To receive any disclosure of interests from members in accordance with the Overview and Scrutiny Procedure Rules.	Chairman
	3.	<b>MINUTES Page Nos 4 - 7</b> To confirm the minutes of the meeting held on 9 September 2010 (Copy <b>attached</b> ) and the minutes of the special meeting held on 20 October 2010 <b>To follow.</b>  <i>If any member of the committee has any issues arising from the minutes of the meetings that they wish to raise at the meeting please inform Brian Harris the Assistant Chief Executive 24 hours in advance of the meeting.</i>	Chairman
8.40pm	4.	<b>MATTERS ARISING FROM THE MINUTES</b> Special Overview and Scrutiny Committee meeting – Proposed development of an Eco Park at Charlton Lane, Shepperton	Chairman
	5.	<b>CALL IN OF CABINET DECISIONS</b> No decisions have been called in for review.	Chairman
8.55pm	6.	<b>2010 – 11 REVENUE MONITORING REPORT</b> To consider the report of the Chief Finance Officer <b>To follow</b>	Adrian Flynn Chief Accountant
9.20pm	7.	<b>2010 – 11 CAPITAL MONITORING REPORT</b> To consider the report of the Chief Finance Officer <b>To follow</b>	Adrian Flynn Chief Accountant
9.45pm	8.	<b>RECYLING UPDATE</b> To consider the report of the Head of Sustainability and Leisure on current recycling rates. <b>To follow</b>	Dr Sandy Muirhead Head of Sustainability and Leisure
10.00pm	9.	<b>CORPORATE DEBT POLICY</b> To consider the report of the Chief Finance Officer on a corporate approach to debt management and collection <b>To follow</b>	Terry Collier Chief Finance Officer
10.15pm	10.	<b>CABINET FORWARD PLAN</b> A Copy of the latest Forward Plan is <b>attached</b> for consideration  If any members of the committee have any issues contained in the Cabinet Forward Plan they wish to look at please inform Brian Harris, the Assistant Chief Executive 24 hours in advance of the meeting with reasons for the request.	Brian Harris Assistant Chief Executive

10.20pm	<b>11.</b>	<b>WORK PROGRAMME 2010/11</b> A draft work programme is <b>attached</b>	Chairman
10.25pm	<b>12.</b>	<b>ANY OTHER BUSINESS</b> If any member wishes to raise an issue at the meeting could you please notify Brian Harris, Assistant Chief Executive on 01784 446249 or email <a href="mailto:b.harris@spelthorne.gov.uk">b.harris@spelthorne.gov.uk</a> 24 hours prior to the meeting otherwise the request may not be accepted	Brian Harris Assistant Chief Executive

# MINUTES OF THE OVERVIEW AND SCRUTINY COMMITTEE

9 SEPTEMBER 2010

**Present:**

Councillor Ms P.A. Broom (Chairman)

Councillor S.J Rough (Vice-Chairman)

Councillors:

Miss M.M. Bain

H.R. Jaffer

Jack D. Pinkerton

Mrs E.M. Bell

Mrs I. Napper

Mrs M.W. Rough

S.E.W. Budd

L.E. Nichols

G.F. Trussler

A.P. Hirst

**Apologies:** Councillors K. Chouhan, D.L. McShane and Mrs C.E. Nichols.

Councillor G.E. Forsbrey the Cabinet Member for the Environment, Councillor Mrs D.L. Grant the Cabinet Member for Young People and Councillor Mrs J.M. Pinkerton the Cabinet Member for Communication gave their apologies.

## **262/10 DISCLOSURE OF INTERESTS**

No disclosures of interested were made

## **263/10 MINUTES**

The minutes of the meeting held on 6 July 2010 were approved as a correct record

## **264/10 MATTERS ARISING FROM THE MINUTES**

### **(1) Draft Crime and Disorder Scrutiny procedure Rules**

The Committee noted that the Safer Stronger Partnership would be meeting on 16 September 2010 and at that meeting would be considering the draft Crime and Disorder Scrutiny Procedure Rules. The outcome of the discussion would be sent to members of the committee as soon as possible.

### **(2) Performance Information**

The Committee noted that the Performance information was no longer a standard item on the agenda but would be circulated separately to members with an invitation to submit questions / comments.

## **265/10 IMPROVEMENT AND DEVELOPMENT COMMITTEE MINUTES**

The minutes of the Improvement and Development Committee meeting held on 24 March 2010 were approved as a correct record.

**266/10 CALL IN OF CABINET DECISION**

No Cabinet decisions were called in

**267/10 OUTCOME OF ANY REPORTS / RECOMMENDATIONS TO THE CABINET**

The Committee noted that the recommendation on the remit of the Overview and Scrutiny Committee had been approved at the Council meeting held on 22 July 2010.

**268/10 BUSINESS TRANSFORMATION PROGRAMME UPDATE**

The Committee received a presentation from the Business Improvement Manager on the progress to date of the business transformation programme which covered the following projects:

- Document Management and Scanning (SharePoint)
- Customer Relationship Management (CRM)
- Website upgrade
- Remote Working (Pilot)
- Housing Options Systems Review
- Programme Governance

A Copy of the presentation is **attached**

The Committee noted that the programme was well underway and once completed would deliver significant cashable savings as well as significant efficiency savings across most areas of the Council.

The Committee acknowledged how important the work of the programme was and the need to ensure any short term resource savings would not jeopardise the programme.

During the debate the committee requested that further information be provided giving details of the Programme Level risk log and benefits log.

**RESOLVED** to receive the presentation and for progress reports to be submitted to the committee on a regular basis.

**269/10 SPELTHORNE BOROUGH YOUTH PLAN**

The Committee received a presentation from the Borough Council's Youth Officer on the progress made with the Youth Plan 2008 – 2012 which was set out in six categories, five of which were linked in with the national 'Every Child Matters' standards. The presentation highlighted the key areas of success and where further work was required.

During the discussion the officers agreed to provide additional information on the national standard 'every child matters' and statistics on leisure events.

**RESOLVED** to receive the presentation and note the progress made with the Spelthorne Borough Youth Plan 2008-2012

**270/10 WORKFORCE MONITORING**

The Committee discussed the report of the Head of Human Resources on the diversity of the workforce and recruitment monitoring for the year 2009/2010

During the discussion the Head of Human Resources agreed to provide additional information on sickness levels over the past year.

**RESOLVED** that the report on workforce monitoring, trends and actions be noted.

**271/10            STREETSCENE SERVICES**

The Committee discussed with Jackie Taylor, the Head of Streetscene her briefing paper outlining the work of the service, which covered Enforcement, Refuse Collection, Street Cleansing and Refuse and Recycling

**RESOLVED** that the briefing paper from the Head of Streetscene be received.

**272/10            2010 – 2011 REVENUE MONITORING REPORT**

The Committee discussed with the Senior Accountant the report covering the current spend and income figures for the period April to July 2010 which revealed that £2.302m had been spent against the original budget of £13.851m

**RESOLVED** that the Revenue Monitoring report be received.

**273/10            2010 – 2011 CAPITAL MONITORING REPORT**

The Committee discussed with the Senior Accountant the monitoring report on the current spend at month 4 and noted that approximately £487k had been spent against an original budget of £2,204 and against a revised budget of £2,767k

**RESOLVED** that the current spend position be noted.

**274/10            PROPOSED ECO PARK UPDATE**

The Committee received and noted a briefing paper outlining the consultation arrangements on the proposed eco park at Charlton Lane, Shepperton as well as the arrangements being put in place for the committee to consider the matter at a special meeting. It was noted that to assist the committee residents and other interested parties would be invited to submit their questions/concerns in advance of the meeting and these would be raised at the meeting via members of the committee. The committee went on to discuss the arrangements for categorising and allocating the questions to committee members.

**RESOLVED** that the arrangements being put in place for the special meeting be noted and that authority be given to the Chairman to categorise the questions and allocate the questions to members of the committee to ask at the special meeting.

**275/10            CABINET FORWARD PLAN**

The Committee received the Cabinet Forward Plan covering the period up to 15 February 2011

**276/10            WORK PROGRAMME 2010 – 2011**

The Committee discussed their work programme and noted that the Chairman in consultation with the Lead Officer would continue to review the work programme and identify issues for future meetings.

During the course of the meeting various topics were identified for inclusion in the work programme including progress reports on the Business Transformation Programme, the long term vision for streetscene services and a further update on Leisure Services

In addition the Chairman reminded the committee that if they have any topics they wish to be considered for inclusion in the work programme details should be sent to the Chairman and Brian Harris, Assistant Chief Executive.

**RESOLVED** that the work programme be approved and the action being taken by the Chairman and Lead Officer be noted.

**277/10            ANY OTHER BUSINESS**

No notification of further business was received.



# MINUTES OF THE SPECIAL OVERVIEW AND SCRUTINY COMMITTEE

20 OCTOBER 2010

## Present:

Councillor Philippa Broom (Chairman)

Councillor S.J Rough (Vice-Chairman)

## Councillors:

Miss M.M. Bain

D.L. McShane

Jack D. Pinkerton

Mrs E.M. Bell

Mrs I. Napper

Mrs M.W. Rough

A.P. Hirst

Mrs C.E. Nichols

G.F. Trussler

H.R. Jaffer

L.E. Nichols

**Apologies:** Councillors S.E.W. Budd and K. Chouhan

## Attendance:

### Surrey County Council

Councillor Lynne Hack – Cabinet Member for the Environment

Trevor Pugh – Director for Environment and Infrastructure

Richard Parkinson - Waste Operations Manager

Ian Boast – Head of Waste and Sustainability

### SITA

Emma Beal - Project Manager

Alison Bennett – Communications Manager

Gareth Phillips – Planning Manager

Gareth Swain – Regional Manager

Tina Wolter –Technology Specialist

Jean Claude Sartenaer – Advanced Thermal Treatment Technology Specialist

### Consultants

Stephen Othen - Fichtner

Matthew Colledge – Studio E

Nick Roberts - Axis

Andrew Bell – Axis

### Independent Expert Witnesses

Dean Hodson – Director of Transport

Dr Mark Broomfield – Technical Director

Professor Adam Read – Chartered Waste Manager

### Spelthorne Borough Council

Roberto Tambini – Chief Executive

**262/10 DISCLOSURE OF INTERESTS**

The Chairman, Councillor Philippa Broom, reported that some members of the Overview and Scrutiny Committee were also members of the Borough Council's Planning Committee which at some point would be consulted on the planning application from Surrey County Council. Advice had been obtained from the Council's Head of Legal Services who had confirmed that there was no reason why members of the Planning Committee could not participate in the proceedings provided that they take into account the advice set out in the Borough Council's Planning Code and kept an open mind.

No disclosures of interest were made. However Councillor Mrs C.E. Nichols reported that she was also a Surrey County Councillor.

**263/10 ECO PARK PROPOSALS FOR CHARLTON LANE, SHEPPERTON**

The Chairman, Councillor Philippa Broom, opened the meeting by explaining that she had called this formal meeting due to the high level of interest from residents and other interested parties on the proposed Eco Park Development at Charlton Lane, Shepperton. This proposal was from Surrey County Council and its partner Surrey Waste Management Limited.

The Chairman confirmed that this was a meeting of the Overview and Scrutiny committee in public but not a public meeting and therefore only members of the committee and those invited to give a presentation would be able to speak at this meeting. The questions that would be raised by the committee members would be based on the questions/concerns received from residents.

The Chairman expressed her thanks and appreciation to those residents who had submitted questions and had taken the time to attend the meeting. Over 200 questions had been submitted to date.

The Chairman confirmed that the scrutiny committee had a broad remit to consider all matters which affected the borough and the well being of residents. Therefore it would be looking at all aspects of the proposed development including issues relating to waste management generally, the County Council's strategy for dealing with waste, the technologies involved in the processes and the wider issues about the effects on the borough environmentally and economically.

The Chairman invited County Councillor Lynne Hack to introduce those Officers and representatives from Surrey County Council, SITA and their consultants.

To assist Committee members, residents and other interested parties to have a clearer understanding about the plans for a proposed Eco Park at Charlton Lane, Shepperton Ian Boast, Head of Waste and Sustainability at Surrey County Council gave a powerpoint presentation summarising the proposal and outlining the benefits of the proposed development. A Copy of the presentation is **attached**.

The proposed Eco Park would include

A batch oxidation gasification facility that would treat 60,000 tonnes of household waste each year.

An anaerobic digestion facility that would treat 40,000 tonnes of Surrey's food waste.

Facilities to manage recyclable waste such as paper, glass and plastics.

A community recycling centre (retain existing facility)

A visitor education centre

Additional land around the site had been obtained for landscaping and to encourage biodiversity.

Establish a fund for local environment projects

During the discussion and to help understand the complex waste technology it was explained that the batch oxidation gasification system enabled waste to be heated to produce a gas, which could then be burned cleanly at high temperatures to provide energy. Anaerobic digestion was a treatment by which food waste was broken down in the absence of oxygen to produce a biogas which is used to produce energy.

At the conclusion of the presentation the Chairman invited members of the Committee to introduce themselves. The Chairman advised the meeting that three independent expert witnesses were in attendance with a role to give independent advice to the committee on technical matters. The three experts were invited to introduce themselves and the meeting was reminded of the background information on the three witnesses which had been circulated with the agenda. During the introduction Dr Mark Broomfield reported that he had in the past worked for Enviro Consultants, who had undertaken work for Surrey CC. Dr Broomfield now worked for AEA a completely separate company.

At the conclusion of the presentation the Committee asked questions based on the questions/concerns received from residents. To enable a focus to be given to the questions these had been divided into six categories as follows:

Site Selection and Planning Policy

Visual Impact and Scale

Traffic

Waste Disposal Authority Cost and Contractual Issues

Pollution, Health and Technology

Others

### **1. Site Selection and Planning Policy**

**Question.** *Please can you tell us the justification for the selection of Charlton Lane site versus alternatives in Surrey? Is it correct that Charlton Lane was not the first choice?*

**Answer:**

It is understood that the selection of the Charlton Lane site for the proposed Eco Park is a matter of public concern. Therefore I have addressed this issue at some length to ensure that councillors and the public understand how the

decision was taken and that there has been, and will continue to be, substantial provision for consultation with local residents.

In January 2006, the county council's Executive approved a draft Waste Disposal Authority Action Plan. The Council subsequently adopted this plan later that year. At that time the Waste Disposal Authority's preferred method of dealing with residual waste was through energy from waste incineration technology.

The Action Plan identified the preferred sites for energy from waste technology as Clockhouse Brickworks, Capel; land at Trumps Farm, Longcross and Charlton Lane, Shepperton. The report to the Executive in January 2006, went on to recommend that two energy from waste plants be developed to deal with residual municipal waste. The smaller of the two plants, some 100,000 tonnes per annum capacity, should be developed at Capel in the south of the county. A larger plant of 160,000 tonnes capacity should be developed in the north of the county at either Trumps Farm or Charlton Lane.

At the time the preference was to site the northern energy from waste incineration plant at Trumps Farm. Both the Charlton Lane and Trumps Farm sites had planning considerations. In addition, as the Executive report of January 2006 states, there were also 'some clear operational benefits in choosing the Trumps Farm site over the Charlton Lane site'. Those 'clear operational benefits' related to the existing operational use of the Charlton Lane waste transfer station and community recycling centre and the fact that if a 160,000 tonne per year energy from waste facility were to be developed on the Charlton Lane site, it would be necessary to close the site to the public and to local authority and trade customers for the duration of the building works.

The council's World Class Waste Solution proposes further reduction of waste arising as well as increased levels of recycling. This means that there will be less residual waste to be disposed of than was anticipated when the Waste Disposal Authority Action Plan was first drawn up in 2006. Some 160,000 tonnes per year instead of the 270,000 tonnes per year originally proposed.

The emergence of batch oxidation system gasification technology as a viable alternative to energy from waste incineration enables plant to be constructed on a much smaller scale. The plant proposed for Charlton Lane will deal with only 60,000 tonnes of waste per year rather than the 160,000 tonnes proposed for the energy from waste plant at Trumps Farm. The configuration of the plant also allows for a much smaller building to house the process. The maximum building height proposed for the Eco Park is just over 18 metres, compared with a height of around 40 metres that would be required for an energy from waste incineration plant. The height of the stack is also significantly less, 49 metres as compared to 80 to 90 metres for an energy from waste incineration plant.

The reduced scale of the buildings also means that it would be possible to continue to operate the Charlton Lane facility during the construction of both the gasification plant and anaerobic digestion plant. In addition the council has managed to secure short-term capacity for Spelthorne's residual waste at the

Lakeside energy from waste facility at Colnbrook and therefore the operational pressure on the Charlton Lane site, during construction, is reduced.

Since the scale of the buildings, types of processes and footprint of the proposed Eco Park are very different to that of a 160,000 tonne per year energy from waste incineration facility and since there had been significant changes to the adopted Waste Plan as a result of the removal of Capel as an allocated site, Waste Disposal Authority officers considered that it was necessary to undertake a new planning assessment for the proposed Eco Park. A firm of planning consultants, Enviros were therefore commissioned to undertake this assessment and this was used to inform the report to cabinet on the 'World Class Waste Solution' in February this year. The report, which was produced in November 2009 has been published on the council's website.

As a result of this detailed analysis, the Waste Disposal Authority believes that the Charlton Lane site is the most appropriate site for the development of an Eco Park. The principle of using the Charlton Lane site for waste processing, including thermal treatment, was subject to extensive public consultation during the development of Surrey Waste Plan.

The council adopted the Waste Plan in May 2008 following an examination in public, with the inclusion of Charlton Lane as an allocated site. The planning application that is being developed by Surrey Waste Management will include a thorough and up to date alternative site assessment. The planning application will be subject to public consultation and residents will be able to make their views known with regard to all aspects of the application, including the suitability of the Charlton Lane site for the Eco Park.

The demonstration of the suitability of the site is a material consideration for the council's Planning and Regulatory Committee when they consider the planning application. Therefore there has been and will continue to be further consultation with residents in relation to the principle of a waste processing facility at Charlton Lane

**Question:** *Will this mean that all of Spelthorne's waste will be dealt with locally?*

**Answer:**

All of Spelthorne Borough Council's residual waste would be dealt with at the proposed Eco Park, together with any kitchen waste that is collected separately by the borough council in the future. Spelthorne Borough Council make their own arrangements for other recyclable material and it is likely that recyclable material collected in door to door collections will continue to be taken to the Grundon materials recycling facility at Colnbrook. Spelthorne's garden waste is currently being taken to a composting site near Virginia Water. Any future decision about a destination for green waste will be a matter for Spelthorne Borough Council. The Community Recycling Centre element of the Eco Park will continue to deal with waste brought into the site by Surrey residents, the majority of whom are from Spelthorne.

**Question:** *We understand that it is proposed that 40,000 tonnes of Surrey's food waste out of an estimated 100,000 tonnes will be dealt with in the Eco*

*Park, is the 100,000 tonnes a realistic figure and, if so, where will the balance of 60,000 tonnes be dealt with?*

**Answer:**

A household waste analysis undertaken in November 2007 and March 2008 identified that kitchen waste comprised 40% of the weight of residual municipal waste. In 2007/8, district and borough councils collected 271,000 tonnes of residual waste and therefore if kitchen waste comprised 40% of this then there would be about 108,000 tonnes of kitchen waste in the household waste stream. Initially it is estimated that about 40 % of the 100,000 tonnes of kitchen waste will be captured by separate kerbside collections. However if capture rates and participation rates increase, then there may be the need for additional facilities to deal with this waste in which case the council and SITA Surrey would consider the appropriate sizing and location of such a facility.

***Question:** If there is capacity at other nearby energy for waste sites such as the Veolia plant in Hampshire - Why do we need to build one in Surrey? Has Surrey County Council looked at other options for sharing waste facilities with other local authorities?*

**Answer:**

The Surrey Joint Municipal Waste Management Strategy (Policy 1) states that Surrey authorities will plan for net self sufficiency for dealing with waste in Surrey, through the provision of waste management capacity equivalent to the amount of municipal waste arising. The WCWS projects the need for 160,000 residual waste treatment capacity even after reducing waste further and recycling at 70%. In the short term SCC is sending 20,000 waste to the Lakeside facility at Colnbrook, but this capacity is only available for two more years. SCC also has an interim contract in place for 100,000 at Allington EFW in Kent which can last until 2019. The only other reasonably local option is Hampshire and we have been told in very clear terms that they have no capacity available for Surrey's waste. Therefore long term capacity at nearby facilities cannot be relied on and the Eco Park is the first step in addressing this issue. The WDA will continue to assess need and capacity and will bring recommendations to members in the future. The fall back position would be reliance on landfill which may not be available locally, is environmentally unsustainable, and would cost Surrey taxpayers around £11m a year in landfill tax alone within four years if we did not develop new solutions.

***Question:** If the Eco Park goes ahead what are the plans for other waste collection sites in Surrey?*

**Answer:**

The proposed Eco Park is just one of a number of developments across Surrey that will be needed to handle Surrey's municipal waste. Waste is currently collected at fifteen community recycling centres and four waste transfer stations across Surrey and this number will increase as we develop more facilities to treat waste in Surrey.

We are currently sending our green garden waste out of county for treatment and we have identified in our plans that we require a site or sites to compost up to 80,000 tonnes of green waste. We also have plans to develop new

facilities at Guildford including a new community recycling centre, waste transfer station and a materials recycling facility for the dry recyclables currently delivered to the site. We are also looking to develop the existing site at Earlswood, Redhill to incorporate a new waste transfer station and bulking facility. We will also continue with our programme of refurbishment and improvements to the existing community recycling centres across the county to improve the service provided to customers and increase the recycling potential.

**Question:** *If this Eco Park development does not go ahead what is Plan B? What are the implications for waste disposal in Surrey?*

**Answer:**

If the Eco Park development does not proceed then the waste disposal authority would need to reassess how it will deal with the waste that will continue to be produced by Surrey residents. It is very likely that we would have to continue to rely on landfill, which has both environmental impacts and cost implications. Within four years, this would lead to £11m per year in landfill tax alone.

At the conclusion of this section of questions covering site selection and planning policy the Chairman invited the Independent experts to comment in particular why Charlton Village was a suitable place for the Eco Park. Professor Read indicated that with 228 sites looked at a very thorough investigation had been undertaken and Charlton Lane was already a waste facility. In his view everything had been done in line with 'best practice' to show that Charlton Lane was the most appropriate place to develop. However, it would be the Planning Committee to assess and determine if mitigation measures were appropriate.

## **2. Visual Impact and Scale**

**Question:** *The Charlton Lane site was originally rejected from the Waste Disposal Authority plans for Energy from waste site due to visual impact, why is it suitable for an Eco Park?*

**Answer:**

The emergence of batch oxidation system gasification technology as a viable alternative to energy from waste incineration enables plant to be constructed on a much smaller scale.

The plant proposed for Charlton Lane will deal with only 60,000 tonnes of waste per year rather than the 160,000 tonnes proposed for the energy from waste plant at Trumps Farm. The configuration of the plant also allows for a much smaller building to house the process. The maximum building height proposed for the Eco Park is just over 18 metres, compared with a height of around 40 metres that would be required for an energy from waste incineration plant. The height of the stack is also significantly less, 49 metres as compared to 80 to 90 metres for an energy from waste incineration plant.

The overall visual impact of the Eco Park is therefore substantially less than that of an energy from waste incineration plant.

The reduced scale of the buildings also means that it would be possible to continue to operate the Charlton Lane facility during the construction of both the gasification plant and anaerobic digestion plant. In addition the council has managed to secure short-term capacity for Spelthorne's residual waste at the Lakeside energy from waste facility at Colnbrook and therefore the operational pressure on the Charlton Lane site, during construction, is reduced.

Since the scale of the buildings, types of processes and footprint of the proposed Eco Park are very different to that of a 160,000 tonne per year energy from waste facility and since there had been significant changes to the adopted Waste Plan as a result of the removal of Capel as an allocated site, Waste Disposal Authority officers considered that it was necessary to undertake a new planning assessment for the proposed Eco Park. A firm of planning consultants, Enviros were therefore commissioned to undertake this assessment and this was used to inform the report to cabinet on the 'World Class Waste Solution' in February this year.

The report, which was produced in November 2009 has been published on the council's website.

As a result of this detailed analysis, the Waste Disposal Authority believes that the Charlton Lane site is the most appropriate site for the development of an Eco Park. The principle of using the Charlton Lane site for waste processing, including thermal treatment, was subject to extensive public consultation during the development of Surrey Waste Plan.

**Question:** *What is the justification for the scale of the building and height of the stack?*

**Answer:**

The height of the eastern elevation of the gasification building is 13.5m, rising to the highest western elevation of 18.5m and the proposed stack is 49m.

The height of the process buildings and the stack are determined by technical assessments and the technology infrastructure inside the buildings.

The height of the stack is a balance between the visual impact (a taller stack has more impact) and the air quality impact (a taller stack leads to lower ground level concentrations of pollutants). The stack needs to be a certain minimum height to ensure that the dispersion of emissions is not affected excessively by the disturbance of the air caused by the facility buildings. Above this height, we modelled the impact of a number of different stack heights.

Due to the high levels of nitrogen dioxide which have been recorded in some parts of Spelthorne, the whole of the Spelthorne borough area has been declared an Air Quality Management Area (AQMA). This is an area where the air quality objective (which is set in the National Air Quality Strategy and European Directives) is at risk of being exceeded. Because of this, we aimed to reduce the impact of nitrogen dioxide so that the concentrations at ground level due to the facility would be no more than 1% of the air quality objective within the AQMA, and so would be defined as "insignificant" by the Environment Agency.



Initially, we modelled the impact based on the gasifiers operating at the maximum permissible level under the Waste Incineration Directive. This led to a stack height of 70 metres, which was not considered to be acceptable. Therefore, we discussed the design of the facility with the technology providers and agreed that the emissions of nitrogen dioxide would be limited to 100mg/Nm<sup>3</sup>, which is half the permitted level.

We also reduced the emissions of nitrogen dioxide from the gas engines. As a result of these changes, the required target of 1% of the air quality objective will be achieved with a 49m stack.

The length of the building is determined by the primary BOS gasification compartments, which sit in a long line. In this case there will be twelve compartments in which the waste is heated in a batch system. Behind these are the three secondary compartments where the syngas is ignited and towards the back of the building and the centre of the site are the boilers. The boiler is the piece of equipment that sits tallest in the building bringing the height to 18.5 metres.

The BOS gasification process enables us to keep the building low in height in comparison to traditional energy from waste and makes it suitable in a setting such as Charlton Lane where minimising the visual impact is important.

**Question:** *What measures will be put in place to mitigate the visual impact?*

**Answer:**

Because the Eco Park buildings are proposed to be higher than the existing buildings on the site and because this is a green belt setting, we have deliberately designed the site structure and the buildings on site to mitigate the visual impact of the proposal from surrounding views. We wanted to produce a design which reflects the function and importance of the site as a world class facility but one which does not draw undue attention to itself by:

- Positioning the tallest piece of process equipment in the centre of the site away from the boundary to reduce its visual impact
- Making the buildings as small as they can be, given the size of the equipment inside.
- Positioning the lowest building elevation facing the most sensitive eastern boundary
- Curved eaves to the roof which slope up away from the eastern boundary to avoid shadows created by overhangs. As the roof slopes away towards the sky it will reflect the sky colour and merge with its backdrop
- One simple, un-fussy, slim stack finished in polished/bright annealed stainless steel to reflect surroundings and sky. It will reflect the sky colour and merge with its backdrop
- An Eco Park which is a single entity within its setting. The buildings and structures complement each other and fit the landscape
- A building form which favours soft edges over hard lines

- Increased landscaping and a 3.5m bund to the east to break up views towards the main process buildings
- The eastern length of the building screens site activities to the west
- Positioning solar panels on the buildings on the west side of the site so they have no additional effect on the visual impact

During the design stage we considered many different architectural forms and different site layouts. To give you an idea of the work that went into finding the current design, we considered stepping the main process building up to its height but the visual impact assessments showed that this created shadow and drew attention to the building. We considered a different layout with the buildings positioned in reverse but this drew attention to the highest roofline when placed in a different part of the site. We considered green roofs to the buildings but found that this made the buildings taller, which is not appropriate in this setting.

The architectural design of the Eco Park was consulted upon with the Commission for Architecture and the Built Environment (CABE). In their formal consultation response dated 19<sup>th</sup> August CABE stated that they “applaud the commitment to commission a well designed building. This scheme strikes us as a successful piece of architecture. It has the potential to become an exemplary facility and to offer an interesting visitor experience”. CABE also stated that, “This site seems appropriate for a waste management facility”.

There are three ways in which the visual impact of a development can be addressed, the design of the site, the architecture of the buildings on the site and the use of landscaping and geography to shield the site from view. Charlton Lane is quite an open site that has mature landscaping around it. We carried out a Landscape and Visual Impact Assessment to understand how visible the development would be and to identify the sensitive viewpoints. The result of this assessment enabled us to draft a mitigation scheme and consult upon it with Surrey and Spelthorne Landscape and Biodiversity Officers. The purpose of the landscape mitigation scheme, which will form part of the planning application, is not to try and hide the proposed Eco Park but to break up the views to minimise the visual impact. A diagram of this was shown during the presentation.

**Question:** *Will there be light pollution given the site will operate overnight? and If so how will it be managed so that residents' lives are not affected?*

**Answer:**

The offices and visitor centre are designed to make the best possible use of natural light. All overnight operations will be undertaken solely within the gasification and anaerobic digestion (AD) building. There is no need for vehicular access in and out of these buildings during the night. Therefore external lighting will only be standard safety and security lighting with lights being standard down lights fitted with cowls to prevent light spill.

At the conclusion of this section of questions relating to visual impact and scale the Chairman invited the independent experts to comments. Dr Mark Broomfield who specialised in air quality and health issues responded. He indicated that the procedures being discussed were well established. With

regard to the height of the stack (49m) he confirmed that the taller the stack the lower the impact on air quality due to disposition although the flue gas cleaning equipment did meet EU standards and more.

### **3. Traffic**

**Question:** *Please can you confirm what the operating hours for the new Eco Park are?*

#### **Answer:**

The community recycling centre will be open:

Mon-Fri 07:30 – 1800

Sat 07:30 – 18:00

Sun 08:00 – 17:00

The refuse bulking facility will be open:

Mon-Fri 07:30-18:00

Sat 07:30-18:00

Sun 07:30 – 17:00 (for CRC waste only)

Bank Holidays 07:30 – 18:00

Gasification facility will be open:

Mon-Fri 07:30-18:00

Sat 07:30-18:00

Sun 07:30-17:00

Bank holidays 07:30 18:00

NB Gates will be opened to HGVs at 07:00 to ensure no off-site queuing but they will not be allowed to enter the building until 07:30

The anaerobic digestion facility will be open:

Mon-Fri 07:00 – 17:30

Sat 07:00-12:00

Sun No deliveries

Bank Holiday 07:00 – 17:30

There will be no deliveries Christmas Day / Boxing Day / New Year's Day

The opening hours of the site are different to when the site is open to the public. This is to enable site staff to ensure the site is safe before customers and the public enter the site in the morning as well as to ensure that the final daily checks are completed before the site closes for the evening.

The processes on site do run 24 hours a day but waste reception and processing only takes place during allowed operational hours.

**Question:** *Currently heavy lorries are a big area of concern for residents - can you explain how the Eco Park will lead to reduced lorry movements?*

**Answer:**

At present Charlton Lane is used as a bulking facility. This means that waste is taken into the site on one vehicle and deposited in a holding area. This vehicle then leave the site empty. The waste is bulked and a bigger, empty vehicle comes to the site and is loaded with this waste before leaving again. This means that all waste received at the Charlton Lane site at present is ultimately exported from the facility by road. i.e. 100% of what comes to the site, will go back out again.

The proposed Eco Park scheme will include for waste processing on site in future, which will break down the received waste inputs and therefore deliver a reduction in the amount of final end product waste materials required to be exported from the facility. Just over two thirds of all waste to be received at the Eco Park will be subject to waste processing activities.

The proposed BOS gasification and anaerobic digestion facilities at the Eco Park will process waste and reduce received waste mass by 77% and 50% respectively. Therefore only 54% of all waste mass received at the site will be required to be exported, with a consequent reduction in vehicle movements.

In addition to the effects of waste processing, the Eco Park proposals are also anticipated to result in a further reduction in heavy good vehicle movements as a result of:

- i) a reduction in trade waste levels received at the site, and;
- ii) ceasing the receipt of waste associated with the Hounslow kerbside recycling fleet, which is currently using the site as a temporary waste reception area.

The reduction / removal of these existing waste streams from Charlton Lane as part of the Eco Park proposals will further help to reduce overall lorry movements.

The planning application for the Eco Park proposal scheme will be supported by a detailed Transport Assessment report, which has been prepared to accord with Department of Transport guidelines and which was scoped with both the Local Highway Authority (Surrey County Council) and the Trunk Road Authority (Highways Agency). The results of these assessments suggest that the development of the Eco Park scheme is anticipated to lead to a 49% reduction in the number of lorries travelling to / from the Charlton Lane site on weekdays.

At weekends, it is predicted that there will likely be a slight decrease in overall lorry movements on Saturdays and a slight increase in lorries on Sundays, when compared to current site operation. Any such weekend increases would be very low, being of the order of less than 20 a day, or equivalent to two additional lorry movements per hour (in+out).

**Question:** *With the increased drive to recycling, What are the expected increases in private vehicle movements?*

**Answer:**

The modelling of private vehicle movements for the Eco Park scheme has included for the following additional elements over and above current operation of the Charlton Lane site:

- Additional staff vehicle movements reflecting the increased staffing levels proposed at the Eco Park;
- Visitor movements associated with the visitor / educational facility at the Eco Park;
- 3% growth in observed public community recycling centre movements between 2010 – 2016;

In fact, over the past few years the number of private vehicles accessing the existing Charlton Lane community recycling centre has actually been falling, reflecting the impact of the Surrey County Council's resident scheme and van permit initiatives in discouraging unauthorised use of the site and the effects of greater kerbside recycling in reducing the need for residents to regularly visit community recycling centres. We would anticipate this trend to continue. Notwithstanding this, in order to ensure a 'worst case' appraisal of highway network impact and capacity within the formal Transport Assessment report, we have included a small level of growth in our traffic modelling of the community recycling centre.

**Question:** *Can you guarantee to local residents that waste vehicles going to and from the facility will not go through Upper Halliford or Charlton Lane?*

**Answer:**

Waste management activities have been taking place at the Charlton Lane site since the 1950's, with associated levels of heavy goods vehicle traffic movements. Indeed, the existing waste management facility creates of the order of 350 heavy good vehicle (HGV) movements per day (weekday) with much lower levels of HGV traffic at weekends. Some of the current HGV traffic movements are known to route via Charlton Road through Charlton Village (of the order of 20-30% of total site HGV traffic, based on our surveys of May / June 2010). Very little waste related traffic is anticipated to route via Upper Halliford Village except when serving local frontage properties.

The development of the Eco Park proposals will result in a substantive reduction in HGV movements to / from the Charlton Lane site, which will in turn result in a reduction in HGV movements on the immediate local network including through Charlton Village. The Transport Assessment report identifies that the development of the Charlton Lane Eco Park scheme would likely result in a 10.5% reduction in total HGV movements (including other non-waste related HGV traffic) through Charlton Village on weekdays.

As the Eco Park scheme will be operated to serve Surrey County Council municipal waste inputs it is anticipated that there will potentially be greater opportunities for the control of vehicle routing in future. Furthermore, the existing large vehicle routing strategy at the Charlton Lane site would be

retained and strictly enforced to ensure that no large (bulk) transfer vehicles use Charlton Road / New Road to the west of the site.

**Question:** *Have the proposed plans been examined in conjunction with Surrey's Minerals Plan to ensure that the said waste traffic reductions are not offset by increases in minerals traffic?*

**Answer:**

The Eco Park proposal is supported by a detailed Transport Assessment report, the scope of which was discussed and agreed with both the Local Highway Authority (Surrey County Council) and the Trunk Road Authority (Highways Agency). These scoping negotiations identified that the Transport Assessment should follow best practice and therefore directly include for the traffic effects of the following as part of network traffic modelling:

- 'Committed' major local development projects i.e. those schemes that have either received planning permission, but have yet to be constructed;
- Those schemes that are currently the subject of a formal planning submission, but yet to be determined.

Under this approach, the Transport Assessment for the Eco Park scheme has directly incorporated the predicted traffic effects of the approved Shepperton Studios re-development scheme.

In addition to the direct modelling of this local major committed development scheme, the Transport Assessment for the Eco Park development also includes for increases in total observed background traffic levels in order to model predicted future network traffic growth. The methodology adopted within the Transport Assessment for the modelling of such growth is highly robust, using growth factors in excess of typical growth levels to ensure a 'worst case' capacity assessment.

Given the above, the Transport Assessment does not directly include for the traffic effects of local 'allocated' sites (including minerals site). Scoping discussions with the formal highways consultees identified that direct modeling of allocated sites would be inappropriate, as they did not represent permitted sites and there could be no certainty as to when, or indeed if, such sites would ultimately be brought forward. Furthermore, little information is available as to how such facilities might operate in future, if permitted, and what planning or highways related restrictions would be placed upon such schemes.

It is important to note that traffic volumes associated with the operation of waste management facilities at the Charlton Lane proposal site are already part of existing network traffic volumes and therefore inherent within existing observed baseline traffic flows. Given that the proposed Eco Park scheme is predicted to result in a reduction in traffic volumes when compared to current site operation, the proposals will actually result in a general improvement in local traffic conditions and therefore are unlikely to impact on the future viability of any local allocated site.

Ultimately, the assessment of the transport suitability of an allocated site is best undertaken at the planning application stage, when each proposal can be

assessed on its own merits, when viewed against the prevailing highway conditions at the time.

**Question:** *Is it possible to access the site from the M3? What other options are there to transport the waste? Rail?*

**Answer:**

SITA UK wrote to the Highways Agency requesting permission to build a slip road off the M3 to the site. However, they replied refusing us permission as it goes against national Government policy.

The Highways Agency's letter stated: "There is a general presumption that there will be no additional accesses to motorways and other routes of strategic national importance, other than the provision of service areas, facilities for the travelling public, maintenance compounds and, exceptionally, other major transport interchanges. Access from other types of development to motorways and other routes of strategic national importance will be limited to existing junctions with all-purpose roads. Modifications to existing junctions will be carried out only where traffic flows and safety will not be adversely affected. Connections to slip roads and/or connector roads will not be permitted."

In terms of potential rail access, the railway line near the Charlton Lane facility is a busy commuter route which is highly unlikely to have the capacity to transport waste by rail. Furthermore, an exporting railhead would need to be constructed to load the waste material onto rail in the first place. Rail works well with economies of scale transporting bulk materials over long distances. Those economies of scale would not be available for transporting relatively small quantities of waste within Northern Surrey by rail. The land that sits alongside the railway to the east of the Charlton Lane site is greenfield land within the Green Belt.

At the conclusion of this section of questions relating to traffic the Chairman invited the independent expert to comments. Dean Hodson indicated that a robust and thorough assessment had been made on the levels of traffic including assessments made on the site access, queuing systems and in his view a thorough investigation had been undertaken. The increased capacity to be put in place on the site itself would also lessen the impact of traffic on the public highway.

#### **4. Waste Disposal Authority Cost and Contractual Issues**

**Question:** *What is the updated cost projection for the construction and commissioning of the facility should it be given the appropriate planning permission?*

**Answer.**

SITA will shortly be going to market for the construction of the Eco Park. The exact cost will be known following completion of the construction tendering process. The Estimated capital cost for the construction of the Eco Park is circa £50 million. It is important to emphasise that the cost of continuing to rely on landfill will far outweigh the cost of developing the Eco Park.

**Question:** *Are Surrey residents paying for the entire cost of the project from their council tax payments? If not how will it be funded?*

**Answer:**

The financial responsibility for disposing of municipal waste and providing community recycling centres rests with Surrey County Council.

The contract between Surrey County Council and SITA Surrey requires SITA Surrey to provide and operate infrastructure to deal with municipal waste. The cost of providing and operating these waste facilities is recharged to Surrey County Council over the life of the contract. Surrey County Council's sources of funding are the general government grant, PFI grant and council tax

**Question:** *Who bears responsibility for ensuring the project comes in on budget if approved? Who would pay for any cost overruns?*

**Answer:**

SITA UK is responsible for ensuring that the project is delivered within the agreed timescale and budget. In general, any cost overruns will be the responsibility of SITA UK or the sub contractor.

**Question:** *Who will actually own the plant? Surrey County Council?*

**Answer:**

The plant will be built, owned and operated under lease by SITA until the end of their contract with Surrey County Council in 2024. The facility will then become the property of Surrey County Council.

**Question:** *Did this go out to tender? If so, why were Sita successful?*

**Answer:**

In 1999, SITA Surrey, which was then called Surrey Waste Management were awarded a 25 year Public Finance Initiative contract to deal with Surrey's municipal waste. The contract was awarded following an extensive tendering exercise.

**Question:** *As I understand the process, there are three by products going to be produced that have a commercial value; compost, hardcore ash that can be used by the construction industry, and electricity. Who will get the income (not the profit) generated by these three commercial by products? Surrey County Council or Surrey Waste Management?*

**Answer:**

Income from sales of electricity, digestate and any value from ash will be collected by SITA Surrey and be used to reduce the operating costs of the plant. This will in turn reduce the amount Surrey County Council has to pay SITA Surrey for operating the plant.

**Question:** *We keep hearing that similar gasification and anaerobic plants elsewhere in the UK have had problems in their operation, how can we be assured that similar situations will not arise at these plants, and have the relevant detailed risk assessments been completed? Has the Health and Safety Executive granted its approval in respect of the plant proposals?*



**Answer:**

SITA UK employs industry experienced consultants and contractors to design, project manage and construct its new waste treatment facilities. SCC and SITA recognise that they have a legal duty under the Construction (Design & Management) Regulations 2007 (CDM) to satisfy themselves that any teams that they engage or appoint are competent. This code is produced by the Health and Safety Executive (HSE) and has been approved by the Health and Safety Commission, with the consent of the Secretary of State.

Prior to engaging any contractors SITA UK will rigorously evaluate the tenders to assure itself of their competency in the field for which they will be employed. In order to provide consistency in the way in which competency assessments of companies are carried out "core criteria" have been agreed between the Construction Industry and the HSE.(House and Safety Executive)

In preparing or modifying a design, designers must reduce or eliminate hazards which may cause foreseeable risks to the health and safety of those constructing, maintaining or working in the structure, as far as reasonably practicable. A form of risk assessment should identify what hazards have been created by the change that may affect personal safety, and what action can be implemented to reduce or eliminate the risk.

Hazard and Operability Studies (HAZOP) have been used for many years as a formal means for the review of chemical process designs and are a quantitative risk assessment technique. A HAZOP study is a systematic search for hazards which are defined as deviations within these parameters (Hazard and Operation) that may have dangerous consequences. In the process industry, these deviations concern process parameters such as flow, temperature, pressure etc.

Before construction work begins SITA UK will check to ensure that the construction phase plan has been prepared by the Principle Contractor. The plan should set out the way in which key health and safety issues will be managed (i.e. risk assessments, detailed method statements, etc) and should include the applicable site safety rules.

The Health and Safety Executive (HSE) will be a consultee for the planning application for an Eco Park at Charlton Lane. The Eco Park proposals do not need prior approval from the HSE before being submitted to the planning authority and the HSE do not undertake such as approval process for sites of this type. However, the HSE has stated to Surrey County Council Planning Authority that once the application has been submitted and they are formally consulted that they would normally defer to the comments of the Environment Agency.

At the conclusion of this section of questions relating to cost and contractual issues the Chairman invited the independent experts to comment. Adam Read confirmed that industry best practice had been followed

**5) Pollution and Health and Technology**

**Question:** *We have been informed that at another site in Dumfries the plant is not operational; would you propose to open something here that does not work?*

**Answer:**

SITA UK is not the operator of the Dumfries site but it is the reference site for the BOS gasifier proposed for the Eco Park at Charlton Lane, Shepperton. SITA UK follows the operation at Dumfries very closely and has a good relationship with Scotgen, the plant's operators.

The Scottish plant has been operating successfully but inevitably there will be issues that need to be resolved during the commissioning phase. This is quite common with commissioning of a new plant. The main issue at Dumfries was that the facility did not have the correct type of boiler. The boiler was reconfigured last winter and used as a 'cooler' before a new type of boiler is installed. Since March 2010, Scotgen has been adjusting the plant and processing thousands of tons of waste. The commissioning period ended on 1 November 2010.

SITA UK technical experts consider that there is no concern with the actual gasification process and we are confident that BOS gasification is a sound technology and is the right facility for Surrey.

SITA UK's experts have extensive experience of thermal waste treatment methods and have thoroughly assessed the suitability of the technologies proposed for Surrey

**Question:** *What other examples are there of putting waste facilities together like this development? How does this benefit Spelthorne?*

**Answer:**

Although this is the first Eco Park of its kind in the country, the technologies proposed are in use elsewhere. SITA UK has extensive experience of older style Eco Parks with co located facilities of different types. These include:

- SITA Kirklees, which is in an urban setting and co-locates energy from waste and material recovery facility technologies;
- Londonwaste Eco Park (where SITA was a 50% shareholder) is in an urban setting and co-locates energy from waste, in vessel composting and bulky waste recycling;

It is SITA UK's intention to develop other Eco Parks across the country to modernise existing sites as well as at new sites to provide the UK with much needed infrastructure to recycle and recover energy from waste.

The benefits to Spelthorne of developing the Eco Park are that it secures a reduction in heavy goods vehicle traffic in the local area and it also secures the presence of the community recycling centre, which is a very important and busy local asset. Were the Eco Park not to be developed then the waste transfer station and material recovery facility would need to be retained for wastes to be bulked locally and transported somewhere else for recovery and disposal. Therefore there would be no reduction in heavy goods vehicle traffic

**Question:** *What is an Anaerobic Digester - What does it do?*

**Answer:**

Anaerobic digestion (AD) has been used in the waste-water industry for decades and almost every big sewage treatment plant in the UK has an AD

plant as part of the water treatment. AD of solid and semi-liquid waste streams (e.g. food waste) is a more recent development, but has been used for around 15 years now. Germany alone has more than 4,000 AD plants and the number of plants in the UK is growing continuously. SITA Surrey Ltd, through SITA UK and Suez Environnement, has considerable technical expertise and our technical experts have thoroughly assessed the suitability of the technologies proposed

Anaerobic digestion is a process in which biodegradable material – e.g. food waste – is broken down by micro organisms in a sealed container in the absence of oxygen. This produces a gas (known as biogas) consisting of methane and CO<sub>2</sub>, which can be converted into electricity, heat and digestate.

The process also produces what is known as a “digestate”. This product is dewatered and the solid part is similar to compost and can be used on land to replace artificial fertilisers.

**Question:** *What exactly is batch oxidation? What does it do and is it safe?*

**Answer:**

BOS gasification is a process where waste is heated in reduced levels of oxygen to temperatures above 650 degrees but not set on fire, to produce a gas. The gas (known as synthetic gas or syngas) is then used as fuel and burned at high temperatures to provide energy in a similar way to natural gas. A flue gas treatment system cleans the gas before it is released to atmosphere by a chimney or stack. BOS gasification is proven and safe, as is recovering energy from waste. Waste thermal treatment plants are amongst the most strictly regulated industrial processes in Europe and are closely monitored in England by the Environment Agency. SITA UK operates three thermal waste treatment plants safely and efficiently across the UK and Suez Environnement, our parent company, operate 50 in Europe.

Before the Eco Park can operate it must have an Environmental Permit from the Environment Agency (EA), which is the industry regulatory body. This permit will set out conditions of operation and if these are breached the EA can – and does – shut down sites. We would not be issued with an Environmental Permit if this site posed an unacceptable risk to safety.

**Question:** *There are concerns from residents about potential pollutions Can you tell us what are the emissions and health effects for water – bearing in mind 20% of Spelthorne is water.*

**Answer:**

The gas engines connected to the anaerobic digestion units will release oxides of nitrogen, carbon monoxide and sulphur dioxide while the batch oxidation system gasifier will release products of combustion (nitrogen dioxide, carbon monoxide, volatile organic compounds), acid gases (sulphur dioxide, hydrogen chloride), particulate matter, heavy metals and trace elements including dioxins and furans.

Gas cleaning systems will be installed to ensure that the levels of any emissions from the plant comply with all the relevant European emissions standards. In addition the Eco Park will have a chimney-stack to effectively disperse emissions and this will be 49 metres tall.

A number of the reservoirs and other water bodies in Spelthorne Borough are protected as part of a Special Protection Area (SPA) and/or as Sites of Special Scientific Interest (SSSIs). In order to assess the impact on these sensitive areas, dispersion modelling was used to predict the concentrations of oxides of nitrogen and sulphur dioxide above them and compared this with the air quality objective for the protection of sensitive ecosystems. This showed that the impact would be insignificant.

According to the Environment Agency guidance, the impact can be screened out as insignificant if the concentration is less than 1% of the acceptable level on a long term basis and less than 10% on a short term basis.

As part of the Human Health Risk Assessment, we also considered the potential for pollutants to land on the water, accumulate in the water and contribute to concentrations in drinking water. It was assumed that residents of Spelthorne took all of their drinking water from the closet reservoir. The additional ingestion of pollutants through this route was found to be insignificant.

Both Surrey County Council and SITA UK are committed to ensuring that emissions from the Eco Park are as low as possible. For example, the EU standard for Nitrogen Oxide is 200 mg/Nm<sup>3</sup> but the clean up technology for the proposed gasification plant will reduce the emissions of Nitrogen Oxide to 100 mg/Nm<sup>3</sup>, which is a significantly lower level.

**Question:** *There are concerns from residents about potential pollutions Can you tell us what are the emissions and health effects for air bearing in mind Heathrow and the motorways impact?*

**Answer:**

The exhaust gases from the Eco Park will mainly consist of nitrogen, oxygen, carbon dioxide and water vapour, but there will also be small amounts of potential pollutants. The gas engines connected to the anaerobic digestion units will release oxides of nitrogen, carbon monoxide and sulphur dioxide. The BOS gasifier will release products of combustion, (nitrogen dioxide, carbon monoxide, volatile organic compounds), acid gases (sulphur dioxide, hydrogen chloride), particulate matter, heavy metals and trace elements including dioxins and furans. Emissions will be minimised by various flue gas treatment methods.

However, merely stating that pollutants are released is not sufficient. We also need to consider how much is released and how much, if any, reaches humans to have a health effect. This is worked out using dispersion modelling to predict concentrations at ground level, which are then compared with acceptable levels, including air quality objectives.

For those pollutants that are not screened out further detailed assessment, including background concentrations, has been carried out and this confirms that the impact is negligible.

**Question:** *There are concerns from residents about potential pollutions \_ can you tell us what are the emissions and health effects for noise and how will this be managed bearing in mind the proximity of the M3 to the proposed Eco Park.*

**Answer:**

A detailed noise assessment has been undertaken taking existing background noise levels and adding predicted operational noise levels on top of background levels. This noise assessment has shown compliance of the proposed Eco Park not only with British Standard BS4142 noise levels, but also the much more stringent Surrey County Council noise guidelines.

**Question:** *Can you categorically confirm there is nothing about operations of the site which will be detrimental to health?*

**Answer:**

The waste management industry is strictly regulated by the Environment Agency. We would not be allowed to operate any facility that poses a significant risk to human health. The Environment Agency can – and does – shut down non-compliant sites.

The risk to human health has been assessed in detail and has been found to be insignificant. This is worked out using dispersion modelling to predict concentrations at ground level, which are then compared with acceptable levels, including air quality objectives.

For those pollutants that are not screened out, further detailed assessment including background concentrations, has been carried out and this confirms that the impact is negligible.

**Question:** *How will these emissions be monitored? Will the public have access to the data?*

**Answer:**

There will be a continuous emissions monitoring system installed for the gasifier, which will monitor nitrogen oxides, sulphur dioxide, hydrogen chloride, volatile organic compounds, carbon monoxide and dust. Other pollutants are released in such low concentrations that continuous monitoring is not practical, so samples are extracted from the exhaust gases every three months for analysis.

The results of the monitoring will be sent to the Environment Agency, where they will be made publically available.

Recent tests at the batch oxidation system gasification plant in Dumfries indicated that dioxin levels were well below that permitted under the environmental permit.

**Question:** *At the last Area Surrey Councillors meeting at Knowle Green it was stated that the residue from the anaerobic digester process will be 20 K tonnes a year which will be sold onto farmers for soil improvement. I want to know the process envisaged to store and transport this material away from the site as it is likely to have a very strong smell?*

**Answer:**

All operations at the anaerobic digestion plant will be undertaken within the proposed buildings or within the sealed vessels, to minimise any possibility of odour. There will be air extraction within the buildings to hold them in negative

air pressure, so that air is drawn in rather than any potential odorous air escaping out.

There will also be fast acting roller shutter doors to enable vehicles to go in and out but no air will be able to escape whilst this is taking place. This extracted air is fed through a biofilter to remove odour.

The process also produces what is known as a “digestate”. This product is dewatered and the solid part is similar to compost and can be used on land to replace artificial fertilisers. This will be stored on site inside a building under negative air pressure for a period of two weeks to allow it to mature and to ensure that the organic process has completed and produced a stabilised, processed material.

An odour management plan is being compiled in support of the Environmental Permit application, which will be submitted to the Environment Agency in November 2010. If the permit were granted then the Environment Agency would monitor the site through regular unannounced site inspections.

Digestate from the anaerobic digestion plant would be matured for a period of time within an enclosed building. It would then be transported from the site in covered vehicles.

**Question:** *Why are you intending to build the facility so close to houses? What are the risks and how will they be managed?*

**Answer:**

There are examples of thermal treatment plants being installed close to or in the middle of towns. These include:

- SITA Kirklees, which is in an urban setting and co-locates EfW and MRF technologies;
- Londonwaste Eco Park (where SITA was a 50% shareholder) is in an urban setting and co-locates EfW, IVC and bulky waste recycling;
- There is a plant in the centre of Paris on the banks of the river Seine;

Our technical experts have thoroughly assessed the suitability of the technologies proposed and we know that we would not be issued with an Environmental Permit if our facility posed an unacceptable health risk.

Waste treatment plants are amongst the most strictly regulated processes in Europe and are closely monitored in England by the Environment Agency. SITA UK operates three thermal waste treatment plants safely and efficiently across the UK and our parent company Suez Environnement operates approximately 50 in Europe.

Should we receive planning permission for the Eco Park, SITA UK will perform a Hazard and Operability study (HAZOP). This is an in depth assessment that evaluates and identifies possible issues that may arise. This assessment will take place during the detailed design stage of the project and will review all issues in order to guarantee that the facility is safe to operate. Going forward, the plant will be subject to 24 hour monitoring by trained, professional staff.

**Question:** *Will there be any hazardous materials or by products of the process stored at the site? If so how will this be managed?*

**Answer:**

The BOS gasification process produces what is known as a fly ash, which is a by-product of the flue gas treatment and is classed as hazardous waste. This is collected in specially designed bags during the gasification process and is removed from site to a specialist disposal facility. The facility at Charlton Lane would generate around 2,500 tonnes of this material per year.

**Question:** *How will a major fire and consequent toxic gas explosion at the site be prevented? How will you manage health and safety?*

**Answer:**

Hazard and Operability Studies (HAZOP) have been used for many years as a formal means for the review of chemical process designs and are a quantitative risk assessment technique. A HAZOP study is a systematic search for potential hazards such as flow, temperature and pressure.

The BOS gasification and anaerobic digestion processes will have already been subject to individual HAZOP studies and if we receive planning permission for the Eco Park, SITA UK will perform a HAZOP on the combined operations.

This assessment will take place during the detailed design stage of the project and will review all issues in order to guarantee that the facility is safe to operate. Once operating, the plant will be subject to 24 hour monitoring by trained, professional staff.

**Question:** *What is the difference between Energy from Waste and BOS Gasification?*

**Answer:**

Batch Oxidation System (BOS) gasification and energy from waste (EFW) are two different processes. With BOS gasification waste is treated in batches rather than burnt continually. It involves waste being heated with little air in a compartment to produce a gas. This gas is then set alight in a secondary compartment, to produce energy. BOS gasification allows for a lower building height, such as standard low-level industrial use buildings.

Alternatively, energy from waste (EfW) burns waste in the presence of lots of air. This means there is full combustion in only one compartment and the waste is fed continuously on a moving grate. EfW is cost effective on a larger scale than BOS gasification, for example 450,000 tonnes per year as opposed to 60,000 tonnes per year. This means that the facilities tend to be bigger.

**Question:** *What will be done to mitigate odour?*

**Answer:**

The Batch Oxidation system (BOS) gasification building will be run under a slight negative air pressure, as a way to mitigate any potential odours. This is a standard operational practice to control odour egress on facilities where odour could be produced. There are also odour suppressant fans spraying odour neutraliser onto the waste during loading operations as and when operations require. These fans can be left to run on timers throughout the night. An odour management plan is being compiled in support of the

Environmental Permit application to be submitted in November and this will then be regulated by the Environment Agency during their regular unannounced site inspections.

Food waste would be delivered to the plant in sealed containers which would be emptied inside the enclosed reception building of the anaerobic digestion plant. The anaerobic digestion reception, process and maturation buildings are run under deliberate negative air pressure with three air changes per hour and a biofilter to treat the waste air.

At the conclusion of this section of questions relating to pollution, health and technology the Chairman invited the independent experts to comment in particular was the site going to be detrimental to the health of residents. Reference was made to the issues that occurred at the Dumfries site.

Dr Mark Broomfield confirmed that he believed that all waste materials and gases had been assessed and was satisfied with how these were being dealt with. He did suggest to ensure coverage of all issues further assessments on potential deposition to water and ultra fine particles were covered.

## **6) Other**

**Question:** *Will the scout hut need to be moved?*

**Answer:**

The proposed planning application for the Eco Park does not include the area that is currently occupied by the Scout hut. The Scout group can therefore continue to occupy these premises during the construction and operation of the proposed Eco Park.

**Question:** *Will this affect house prices? If so, what will SCC do about it?*

**Answer:**

The proposed Eco Park is designed to be an attractive facility, including a carefully designed stack, which would reduce its visual impact. There would also be benefits of enhancements to the local landscape and a reduction in heavy goods vehicle traffic compared with the existing operation.

We therefore do not believe that the Eco Park will affect house prices in the area.

**Question:** *What will be the benefits for Spelthorne Residents?*

**Answer:**

Spelthorne residents will benefit from the following:

- A reduction in Heavy Goods Vehicle traffic associated with the site
- Access to an attractive landscaped area adjacent to the eco Park
- Improvements to the community recycling centre access to reduce queuing
- Improved recycling facilities including a reuse centre on the site
- Attractively designed iconic buildings to replace those currently on site



1. **The committee resolved:**
  - a. To note the main concerns expressed by residents via the questions submitted on the proposed development of an Eco Park at Charlton Lane, Shepperton; and
  - b. To note the advice provided by the three independent expert witnesses.
2. **The Committee recommended that** the County Council should provide accurate baseline assumptions for both air and water-borne pollutants, and to establish satisfactory monitoring procedures with publically available results, if, the facility is developed.
3. **The Committee further:**
  - a. Identified the need to ensure that a rigorous process was established to monitor traffic/vehicle movements against assumptions made at the time of the Planning application;
  - b. Arrange for written answers to be obtained for all questions submitted by the residents and be published via the Borough Council's website - Questions submitted after the meeting to be processed in the same way;
  - c. Consider that appropriate penalties for non compliance to achieving environmental contributions should be established and enforced; and
  - d. That Surrey County Council hold a further open forum for all members of the public to attend.

The findings were agreed by the majority of committee members with Councillor Mrs E.M. Bell abstaining and Councillors Mrs C.E. Nichols and L.E. Nichols voting against.

At the conclusion of the meeting the Chairman placed on record her thanks and appreciation to all concerned including Councillors, residents of the Borough who attended the meeting and submitted questions, representatives from the Surrey County Council, Sita, the Independent expert witnesses and Halliford School for hosting the meeting

The Chairman also confirmed that the views already submitted by residents and any late submissions would be forwarded to Surrey County Council for a response. These together with the answers received to date would be placed on the Council's website with any other relevant information and sent to the residents concerned.

**2010-11 Revenue Monitoring  
Projected Outturn Report  
Overview and Scrutiny 2 November 2010**

**Resolution Required  
Report of the Chief Finance Officer  
EXECUTIVE SUMMARY**

**How does the content of this report improve the quality of life of Borough Residents**

This report shows the Authority's revenue spend figures and how resources were spent on providing services for residents for the six month period, April to September 2010.

**Purpose of Report**

To provide Members with the revenue spend figures

**Key Issues**

- The actual spend to date, at net expenditure at service level, shows that we have spent £4.816m against the year to date budget of £7.158m.
- The interest earnings for the period amounted to £209k and the full year earning's forecast is £391k.
- Loss of Government grants totalling £149,000, affecting planning development control and economic development.
- Despite the loss of the above grants, the forecast projected outturn variance is currently estimated as a £273k underspend.

**Financial Implications**

As set out within the report and appendices.

**Corporate Priority**

All 12 Priorities.

**Officer Recommendations**

**Contact: Terry Collier, Chief Finance Officer (01784 446296)**

**Cabinet Member: Cllr Vivienne Leighton**

## MAIN REPORT

### 1. BACKGROUND

- 1.1 The purpose of this report is to update Members on the revenue spend position as at the 30 September 2010.
- 1.2 To inform Members of the reasons for the variances identified against the budget agreed in February 2010.
- 1.3 In the budgets agreed for Heads of Service, it is always anticipated that there will be budget variances from the original budget. This ensures that the Authority meets any change in the needs of the service to adapt to any unexpected changes which happen in the period.

### 2. KEY ISSUES

- 2.1 In [Appendix A](#) the actual spend is £4.816m against the full year budget of £13.851m.
- 2.2 [Appendices B1](#) to [B9](#) gives a summarised breakdown of the revenue spend by portfolio Area, firstly in overall terms and then breaking each portfolio down by cost centres
- 2.3 Major provisional outturn variances, to the original budget together with officer comments on more significant expenditure/income variances are as follows:

(a) Economic Development

Cost Centre	Comment	Significant Variance
Car Parks	Costs of temporary staff to cover vacant permanent positions exceed vacant post savings.	£100k adverse
	Increased pay and display, season ticket and on and off street enforcement income.	£50k favourable
Staines Town Centre	Income better than budget	£55k favourable
Economic Development	Loss of Government grant	£49k adverse

(b) Planning and Housing.

Cost Centre	Comment	Significant Variance
Building Control	Income budgets were increased for 10/11, but activity levels are lower than in previous years, resulting in lower fee income.	£27k adverse

Housing Benefits admin	Vacancies for five months of the year.	£29k favourable
Housing Benefits Payments	Better overpayments recovery than anticipated.	£200k favourable
Private Sector Leasing (PSL)	The present PSL scheme has come to an end, resulting in no spend for 10/11.	£76k favourable

Land Charges	Higher income due to more activity.	£74k favourable
Development Control	Predominantly due to loss of housing/ planning delivery grant and lower fee income, as not many large applications being received.	£112k adverse

(c) Health and Independent Living

<b>Cost Centre</b>	<b>Comment</b>	<b>Significant Variance</b>
Meals on Wheels	Temporary staff to cover long term sickness.	£11k adverse
Spelride	Increased fuel and maintenance costs plus expenditure incurred on setting up of the partnership with Elmbridge. Increased use of the service.	£27k adverse  £13k favourable
Environmental Health admin	Staff vacancies.	£47k favourable

(d) Environment

<b>Cost Centre</b>	<b>Comment</b>	<b>Significant Variance</b>
Streetscene Management and Support	Staff vacancies. Contribution from A2D towards Stanwell community warden costs (see community safety).	£49k favourable £18k favourable
Refuse Collection	Staff Vacancies. Lower consultant, leasing and hired transport costs. Increased hire of green waste	£35k favourable £156k favourable £100k favourable

	bins.	
Depot	Costs of security patrols and increased business rates.	£14k adverse
Street Cleaning	Staff vacancies. Hired transport and plant costs.	£20k favourable £29k favourable
Recycling	Lower collection costs.  Lower recycling credits.	£89k favourable  £96k adverse

(e) Young People and Cultural Services

<b>Cost Centre</b>	<b>Comment</b>	<b>Significant Variance</b>
Grounds Maintenance	Staff vacancies - changes to the structure of the nursery.  Savings on verges, lifebelts and non-contract works costs.	£60k favourable  £58k favourable
Parks Strategy	Drop in football, lettings, licences and Lammas car park income.	£38k adverse

(f) Communications and Engagement

<b>Cost Centre</b>	<b>Comment</b>	<b>Significant Variance</b>
Business Improvement	Staff vacancy.	£18k favourable
Taxi Licensing	Fewer applications received.	£13k adverse

(g) Community Safety

<b>Cost Centre</b>	<b>Comment</b>	<b>Significant Variance</b>
Community Safety	A2D contribution £16k now reflected within Streetscene management and support.	£23k adverse
Knowle Green	Airtrack public inquiry income, partly offset by increased income from Surrey Police and SCC Local Director.	£13k adverse
Responsive Maintenance	Increased maintenance.	£20k adverse

(h) Resources

<b>Cost Centre</b>	<b>Comment</b>	<b>Significant Variance</b>
Audit	Staff vacancies. Loss of partnership income from Surrey Heath Borough Council.	£16k favourable £33k adverse
Legal	Higher legal and court costs. Increased fee income.	£21k adverse £23k favourable
Customer Services	Temporary post made permanent.	£12k adverse
Assistant Chief Executives	Redundancy costs.	£33k adverse
Accountancy	Full year savings due to early retirement originally proposed not achievable due to covering long term sickness.	£20k adverse
Corporate Management	Valuation fees relating to Stanwell New Start. Venue hire and funding from Surrey, Safer, Stronger communities board.	£21k adverse £12k favourable
Council Tax	Reimbursement of legal costs. Temporary staff costs and overtime payments to cover increased workload.	£28k favourable £36k adverse

- 2.4 Taking into account the above variances the projected outturn at net service expenditure level (see Appendix A) is projected to be an underspend of £297k. Investment income to date is £209k, with projected outturn income of £391k, an adverse variance of £24k.
- 2.5 Taking account of the investment variance total net variance for the year is projected to be £273k underspend. This would be used to strengthen reserves.

### 3. PROPOSALS

Management Team are asked to note the current revenue spend and projected outturn position.

#### **4. BENEFITS AND SUSTAINABILITY**

- 4.1 Careful monitoring of the budgets enables greater transparency of budget problems and action to be taken, when required, on areas identified as areas of concern
- 4.2 A systematic approach to budget monitoring will hopefully alleviate problems of major discrepancies not being highlighted until year end.
- 4.3 Constant monitoring of the budgets enables Heads of Service to be held more accountable for their budgetary spend and any major unidentified variations which occur.

#### **5. FINANCIAL IMPLICATIONS**

- 5.1 As set out within the report and appendices.

#### **6. LEGAL IMPLICATIONS / OTHER CONSIDERATIONS**

- 6.1 There are none

#### **7. RISKS AND HOW THEY WILL BE MITIGATED**

- 7.1 A projected balanced outturn depends on Management Team (MAT), Heads of Service and all Budget Managers, managing their budgets within the parameters that were originally agreed and achieving, where necessary, corresponding growth and savings within those budgets. Careful monitoring of the budgets on a monthly basis ensures that any problems or anomalies are identified and investigated at an early stage.
- 7.2 Any necessary corrective action on major budget variations, which cannot be remedied within the Service, are reported to MAT immediately in order to ensure that as much time and opportunity is had to enable the position to be rectified quickly within the current financial year.

#### **8. TIMETABLE FOR IMPLEMENTATION**

- 8.1 Bi-monthly reports are produced for Management Team.

**Report Author:** Adrian Flynn 01784 444268

**Background Papers:** There are none

## **2010/11 Capital Monitoring and Projected Outturn Report**

### **Overview and Scrutiny Committee**

**2 November 2010**

### **Resolution Required**

### **Report of the Chief Finance Officer**

### **EXECUTIVE SUMMARY**

#### **How does the content of this report improve the quality of life of Borough Residents**

Money spent on capital schemes enables the Authority to ensure that residents are able to have an improved standard of living and facilities.

#### **Purpose of Report**

To provide Performance Management and Review Committee with the spend figures, for the period April to September 2010 on the Capital Programme.

#### **Key Issues**

- The current position shows that we have spent £742 k to date against an original budget of £2,204k and against a revised budget of £2,767k.
- The spend for the period of 742k is 34% of the original budget and 27% of the revised budget. The corresponding figures for the previous year covering the same period was a spend of 778k, which was 38% of the original budget and 31% of the revised budget.

#### **Financial Implications**

As set out within the report and appendices

#### **Corporate Priority**

All six priorities.

#### **Officer Recommendations**

**Overview and Scrutiny Committee are asked to note the report.**

**Report Author: Adrian Flynn Senior Accountant (01784 444268)**

**Contact: Terry Collier, Chief Finance Officer (01784 446296)**

**Cabinet Member: Cllr Vivienne Leighton**



## MAIN REPORT

### 1. BACKGROUND

- 1.1 The purpose of this report is to update Cabinet on the capital spend against the budget position of schemes which have been included in the capital programme.
- 1.2 To inform Cabinet of the reasons for variances.

### 2. KEY ISSUES

#### 2.1 Capital

- (a) Attached, as **Appendix A**, is the current spend to date on capital covering the period April to September 2010.
- (b) For the period ending 30 September 2010, capital expenditure £0.742m (34%) of the original budget and (27%) of the revised budget.
- (c) The equivalent spend in the corresponding period of the previous year was £0.778m.

#### 2.2 The following significant variances are worth noting:

- (a) Verge maintenance equipment actual spend £63k against budget of £60k, excess spend to be funded from virement from wheelie bins provision.
- (b) Business transformation projects (Internet (GOSS); document management; mobile working and customer relationship management (CRM) project initiation is in progress of being completed and approved by the Business Improvement Board to ensure there are clear, measurable deliverables and resources available to deliver, hence the reason for the very limited spend to date. Due to resource constraints the CRM solution (£160k) will need to be scheduled for 2011-12.
- (c) Area Regeneration projects whilst only £14k spend/committed in first four months, the delivery of the project works to be undertaken in the autumn are anticipated to bring the spend up to Budget.
- (d) The HR/Payroll system £60k is unlikely to be spent in 2010/11, due to ongoing investigations into joint working with other authorities for either payroll services or joint working

### 3. PROPOSALS

- 3.1 Overview and Scrutiny to note the current spend position.

### 4. BENEFITS AND SUSTAINABILITY

- 4.1 Careful monitoring of the budgets enables greater information on the likely outturn position which enables improved treasury management interest forecasts as predicted underspends or slippages can be incorporated when calculating the likely outturn position for investment income.

### 5. FINANCIAL IMPLICATIONS

- 5.1 Any underspend on the approved capital programme enables the Authority to invest the monies to gain additional investment income, or can be used to fund additional schemes identified.

**6. LEGAL IMPLICATIONS/OTHER CONSIDERATIONS**

- 6.1 Schemes which are currently incomplete and requiring a budget carry forward, may have contractual obligations which could leave us liable to litigation if they are not allocated the funds to complete the works.

**7. RISKS AND HOW THEY WILL BE MITIGATED**

- 7.1 Projected outturns are based on the best knowledge of the Heads of Service at a given point in time and may alter if there is a major change in circumstances. Regular monitoring and updating of the projections will enable these changes to be picked up and corrective action taken in a timely manner to ensure that necessary corrective can be taken.

**8. TIMETABLE FOR IMPLEMENTATION**

- 8.1 Bi-monthly monitoring reports are prepared for Management Team and incorporate revised actual and projected outturn figures.

**Report Author: Adrian Flynn Senior Accountant (01784 444268).**

**Background Papers: There are none.**

**Recycling Update**  
**Overview and Scrutiny Committee: 2 November 2010**  
**Resolution required**  
**Report of the Assistant Chief Executive**  
**REPORT SUMMARY**

**How does the content of this report improve the quality of life of Borough Residents**

Rubbish and recycling collections are a very visible element of the Council's services and given environmental and cost drivers we need to provide an efficient and customer friendly service to deliver the long term Word Class solution to Surrey's waste issues

**Purpose of Report**

To cover the performance of the AWC scheme since its introduction in September 2007.

**Key Issues**

- Participation
- Green waste
- Future opportunities

**Financial Implications**

Increasing recycling rates of dry recyclables and green waste could positively benefit the financing of the service

**Corporate Priority** A Cleaner and Greener Environment,

**Officer Recommendations**

The Committee is asked to note the report

**Report Author: Sandy Muirhead Head of Sustainability and Leisure**  
**Area of Responsibility: Liz Borthwick**  
**Cabinet Member Councillor Gerry Forsbrey.**

## MAIN REPORT

### 1. BACKGROUND

- 1.1 In autumn 2007, the alternate weekly collection scheme was introduced to households in the Borough. Householders were provided with two 240 litre wheeled bins for the collection of residual waste on the alternate week to co mingled recycle (paper, card, glass, plastic bottles and cans).
- 1.2 The Council also provides a chargeable garden waste service using 240 litre wheeled bins collected on an alternate weekly basis from February to end of November.
- 1.3 Since 2006/7 the Borough's recycling rate has increased from 17.9% to 34.6% in 2009/10 and in the first quarter of 2010/11 it was 36%.
- 1.4 However, the Surrey Joint Municipal Waste Management Strategy adopted a target of 40% recycling by December 2011 and this target was incorporated into the Borough wide Corporate Plan.
- 1.5 With various changes in legislation and the adoption by Surrey Strategic Partnership of the World Class solution on waste, it was considered appropriate to update the Joint Municipal Waste Management Strategy and provide greater emphasis on waste reduction and aspire to a 70% recycling target.
- 1.6 Since the rollout of AWC residents have asked about food waste collection. Seven out of 11 Surrey waste collection authorities now operate food waste collection (one has a pilot only) and Runnymede will start food waste collection in February.
- 1.7 Surrey CC is now developing facilities within Surrey to process food waste and deal with residual waste.

### 2. KEY ISSUES

- 2.1 **Maximising Participation** – from a waste composition analysis, recently undertaken across Surrey, it is evident that local residents are still putting dry recyclates in their residual waste bin rather than the recycling bin. The size of the residual bin 240 litre provides plenty of space for that to occur. A suggestion to address this in the future is to provide 180 litre bins for residual waste and 240 litre recycling bins. If we can introduce food waste then the necessity of a large residual waste bin will be reduced even further.
- 2.2 **Policies** Enforcing policies on no side waste and avoiding contamination of dry recyclates is key to help boost recycling rates. Through the collection process systems should be tightened to ensure residents are aware of reasons their bins will not be collected through contamination presentation of side waste etc. This can be addressed with residents through the appropriate use of stickers identifying the issue. If problems persist then visits can be undertaken to try and educate residents. Increasing recycling has financial benefits to Spelthorne in terms of receiving recycling credit paid by SCC for each tonne of dry recyclables collected
- 2.3 **Green waste** – increasing the size of this chargeable scheme has resulted in increased uptake in the last year, such that the scheme is running at about breakeven. However, there is still scope to increase the service by about 1400 residents. Therefore, in spring the scheme will be promoted further.
- 2.4 **Difficult properties** the Borough has a considerable number (about 8000) of flatted properties. Many of these could and have been moved over to the alternate weekly scheme (about 3,700). However, there are challenges from educating the residents, labelling of bins and size and design of bin areas. There are financial benefits from

moving flats over to the AWC system in terms of freeing up the “difficult” property vehicle to undertake other streetscene activities.

- 2.5 **Schools** are offered a chargeable service for bin collection and over half are on the alternate weekly scheme. Encouraging and educating children to recycle can have the added positive effect of taking the information home and ensuring the family recycle. We already undertake a considerable amount of work with schools and the litter free schools competition in particular is being widened to involve issues such as recycling.
- 2.6 **Waste reduction** To date this has not been an area of focus but will be increasingly become so as the avoidance of waste production is the most cost effective and environmentally friendly way of dealing with waste! This is particularly important in relation to food waste. From the waste composition analysis undertaken there is a considerable proportion (30%) of food waste in the residual bin which is unused and uneaten. The results from the composition analysis for Surrey clearly show that where food waste is collected at the kerbside then both the concentration and amount of residual food waste is significantly reduced.
- 2.7 **Reuse** There are opportunities to maximise reuse. Bulky household waste e.g old cabinets or sofas can be collected and if in reasonable condition reused. Reusing rather than recycling or burning the materials reduces carbon emissions on a larger scale and avoids the items being disposed of into landfill. Reuse would also contribute to our overall recycling tonnages. Surrey as a whole is looking at this issue. If we allowed a furniture reuse group to collect higher quality material, we would avoid material going to landfill with associated disposal costs. However, we do charge for collection of bulky waste and as a result there may be an initial impact to SBC in terms of reduced income. To mitigate this in the medium term options can be examined for redirecting the bulky use collection vehicle or joining up with other authorities to collect material that cannot be reused. A business case is being developed on this aspect.
- 2.8 **MRF** The MRF SBC uses at Grundons was burnt down in 2009 and since then they have been rebuilding the MRF with new and improved technology. It is expected the rebuilt site will open soon and we are awaiting direction from Grundons as to whether they will be able to take mixed plastics, aerosols and foil in addition to the current recyclables.
- 2.9 **Bring sites.** As part of the Surrey Waste Partnership we are undertaking a review of Borough and District Bring sites. As kerbside schemes expand bring sites can become less used but also provide opportunities for providing facilities for materials that cannot be recycled via the kerbside. Currently we have 5 tetrapak collection facilities in the Borough but there may be opportunities to expand these and possibly for other materials as well. The review is expected to be completed later this year at which point we can define a way forward.
- 2.10 **Resources** are limited for activities to boost recycling rates but to do so will become increasingly important to help assist with cost reduction. For example increasing our recycling tonnage by 1000 tonnes would increase income by £49,000. Although we still have a gate fee to pay of £23/tonne SBC would still have an extra £26k to help deliver the service.
- 2.11 **Food Waste** The Borough would very much like to follow in the footsteps of neighbouring authorities to introduce kerbside food waste collection. However, introducing food waste would be a costly addition to the service and currently we are looking in detail at vehicle costs to determine if we can move forward with the scheme. If the finances can be addressed then such a scheme is likely to be introduced in September 2011,
- 2.12 **Surrey First** Waste is being examined under the Surrey Waste Partnership and the first stage of the work on looking at improving services and efficiency has been completed. A summary of suggestions is provided in appendix 1. In terms of joint procurement a

number of authorities are already developing a tender for disposal of green waste. Recent joining up by 5 authorities on a 6 month basis until the formal tender is introduced has meant a reduction in the gate fee for garden waste from £38/tonne to £28/tonne.

### **3. OPTIONS ANALYSIS**

- 3.1 Currently limited resources are available to put into improved recycling rates. As a result of a recent Surrey Waste Partnership report business cases are being developed on a range of activities to fully identify opportunities in relation to increasing participation, bulky waste and joint procurement of disposal for green waste

### **4. PROPOSALS**

- 4.1 To develop policies on enforcement to maximise participation

### **5. BENEFITS AND SUSTAINABILITY**

- 5.1 Diverting waste from landfill has both environmental and financial benefits. For example the government currently taxes Surrey £48 for every tonne of household waste land filled. It is expected this will cost Surrey residents £7m in the current year. Landfill tax will increase to £80 per tonne in four years therefore Surrey will pay over £11m unless more waste is diverted from landfill. That is around £1m per month.

### **6. FINANCIAL IMPLICATIONS**

- 6.1 To increase recycling will help improve costings for rubbish and recycling collections e.g for every tonne of recyclables collected we receive a net income of £26.

### **7. LEGAL IMPLICATIONS / OTHER CONSIDERATIONS**

- 7.1 Waste management is not only a visible activity to our residents but it has major environmental and cost implications for the Borough. Therefore, it is important we maximise participation in our schemes and look in the future at new ways of working both to encourage residents to reduce waste production and reduce the Borough's costs in the future. .

### **8. RISKS AND HOW THEY WILL BE MITIGATED**

- 8.1 Raising education and awareness should minimise reaction from the public
- 8.2 Lack of resources to deliver effectively.

### **9. TIMETABLE FOR IMPLEMENTATION**

- 9.1 Implementation of policies dependent on December/January decision on food waste.

**Report Author: Sandy Muirhead Head of Sustainability and Leisure**

**Background Papers:  
There are none**



## Improved Joint Working Project Report from AEA: Officers' report to Surrey Waste Partnership

### Background

In 2009 Surrey Waste Partnership agreed a series of Partnership Projects using pooled funding. One of these projects was the Improved Joint Working Project. In March 2010, having identified waste as a high priority for efficiency savings, the Surrey Chief Executives and the Surrey First Task Group (now Joint Committee) asked the Surrey Waste Partnership (SWP) to look into the optimum partnership model(s) for waste management in Surrey, consistent with the achievement of efficiencies, and report back to them by the end of the year.

This coincided with the SWP's Improved Joint Working Project that aimed to identify how to achieve sustainable efficiencies in Surrey whilst delivering its revised joint municipal waste management strategy (JMWMS), now known as a Plan for Waste Management, associated Action Plans and World Class Waste Solutions (WCWS).

The project objectives were:

- To establish the 'picture' of current and planned waste management services in Surrey
- To establish desired outcomes
- To identify the optimum model for a Surrey partnership to deliver the desired outcomes
- To establish barriers to implementation and identify mitigating actions to overcome
- To enable options for delivery to take into account objectives 2 and 3
- To recommend actions to implement by November 2010

Project outcomes:

- An understanding of the range of options for improved joint working in waste management in Surrey, including an understanding of the relative advantages and disadvantages of the different models
- An understanding of optimum joint working models available to Surrey
- A recommendation on optimum deliverable solutions for Surrey

After implementation of project recommendations, Surrey will be an exemplar of delivering waste management by achieving world-class targets and achieving sustainable efficiency savings.

Project structure:

The Partnership allocated a budget for this project and a project steering group (consisting of two sponsors, the partnership programme manager and the project manager) was set up to ensure focus and give direction to the project. The project team consisted of officers from across the partnership and was supported by consultants from AEA who were appointed to advise on the matter and bring their knowledge, experience and expertise of similar projects as well as provide us with external challenge.

### **Summary and Purpose**

The purpose of the report is to inform SWP Members of the view of their officers in receiving the recommendations of AEA's report. In summary your officers support the conclusions of the report.

### **Process and methodology**

Your officers recognise that the project team adopted a process of effective project governance and management, including stakeholder management and access to information on practices from other local authorities and waste partnerships.

The project process consisted of:

- a wide-ranging data gathering exercise, collecting waste management data from all SWP authorities
- a first stakeholder workshop that presented best practice and agreed opportunities and priorities
- analysis of the data by AEA, using the list of opportunities and established priorities as filters in developing proposals
- a second workshop presenting the results of the analysis back to stakeholders for endorsement

Members have been involved in both workshops coordinated by AEA and also involving senior officers from across the SWP plus representatives from HR, legal, procurement, trades union, and finance Surrey-wide networks.

The first of these workshops discovered stakeholders' priorities in relation to waste management. Accepting that 'customer service' is an overarching priority across all opportunities the next clear highest priorities were 'perceived value for money', 'cost', and 'environmental benefits'.

The second workshop was used to demonstrate the range of opportunities available to the partnership, over a range of periods of time, with a range of resultant savings. Best practice was referenced, particularly in respect of the wish to achieve 70% recycling with world-class service delivery.



Your officers concur that the project has established a strong knowledge base and that the process followed with stakeholders, including Members, was a robust process in determining collective priorities and developing the opportunities and associated savings presented in AEA's report. The potential savings of c£19m over seven years and proposed service improvements demonstrate clear opportunities for Surrey arising out of improved joint working.

The Chairman and Vice Chairman of the Surrey Waste Partnership have also undertaken an information gathering tour, accompanied by Partnership officers, of the four counties of Kent, Buckinghamshire, Gloucestershire and Dorset, including meetings with lead officers and Members. These four partnerships were chosen as they are at various stages of development towards closer and more integrated joint working. All of them are at various stages in improved joint working. The useful information gained on these series of visits has enabled a greater understanding of the issues and potential benefits associated with improved joint working.

It is also important to the validity of AEA's report that the baseline information was collected by two officers (from Guildford BC and Surrey CC), and these same officers are able to agree with the veracity of the calculations and figures contained in the AEA Report.

### **AEA's report key recommendations**

Your officers are supportive of the way in which recommendations are phased as short term opportunities (over the next 1 to 2 years), medium term opportunities (2 to 7 years) and long term opportunities (7 to 10 years).

The key recommendations are as follows:

#### Short Term Opportunities (1-2 years)

- Data sharing between the Partnership to inform contract negotiations for the current and future sale of recyclable materials
- Negotiation of 'best price' with all current contractors and service providers
- Benchmarking for each authority to identify local efficiency gains
- Maximising recycling by increasing the Partnership's recycling rate by at least 5% per year to 2015 and encouraging waste reduction to achieve a 2% per annum reduction in total waste arising
- Optimise recycling collections through the introduction of new materials at the kerbside including batteries, textiles and food waste (where appropriate and feasible)
- Investigation of joint infrastructure arrangements and alignment or integration with street scene services
- Considering a more developed funding arrangement that includes the redistribution of some savings from the WDA to WCAs in addition to achieving efficiencies
- Development of recyclables materials consortia for key recyclable materials including paper.

- Development of an Intermediate Inter Authority Agreement (IIAA) to encourage joint working through the sale of recyclable materials.

### Medium Term Opportunities (2 - 7 years)

- Movement towards harmonised collection systems with all authorities on an Alternate Weekly Collection, weekly food, dual stream, collecting a wide range of high quality recyclable materials, with strong policy and enforcement.
- Continued efforts to maximise recycling and minimise overall waste arisings with a focus on hard to reach areas and flats.
- Contract Alignment
- Development of joint services for bulky waste and clinical waste.
- By the end of the medium term the development of an Inter Authority Agreement (IAA) to supersede the IIAA and to firm up a more developed funding arrangement that includes the redistribution of some savings from the WDA to WCAs
- Development of a suite of model contract documents that the Surrey Waste Collection Authorities (WCAs) can use.
- Joint contracting of services for adjoining authorities, utilising in-house or external service providers.
- Maximised recycling and recovery from new waste treatment infrastructure coming online.

### Long Term Opportunities (7 - 15 years)

- Joint collection authorities (horizontal alignment structure).
- Maximised recycling and recovery from new waste treatment infrastructure coming online (continued).

It is clear that the short term opportunities can be achieved without wholesale upheaval and reorganisation of waste management in Surrey. This will create the opportunity for the Partnership to do some genuine partnership working with tangible results, whilst at the same time developing the ability to work together, and the skills needed to take on more challenging opportunities.

### **Redistribution of savings**

Your officers are pleased the report is explicit, both in its text and in its recommendations, about the issue of the redistribution of savings across the partnership in addition to achieving efficiencies. The report states the need to recognise that savings will normally occur to the Waste Disposal Authority through the saved costs of disposal. It goes on to propose that this should be recognised financially in the form of a transfer of some of the savings to the Waste Collection Authorities and the Waste Disposal Authority has been explicit about acknowledging this principle.

### **High-level plan to delivery**

The report from AEA delivers its brief as a strategic overview of the range of opportunities available to Surrey through improved joint working. Your officers are aware of the impending need, following approval of the report, to translate the high level plan into delivery on the ground through a short-term and medium-term Action Plan.. It will need to be mutually agreeable to the Partners, with no sense of compulsion or coercion, but with signed-up Partners being held to account and supported by each other, in order to be able to measure, monitor and ensure delivery. It will also need to set out what is required to be delivered, by whom, and when. Key barriers to change will also need to be included in the Action Plan; they will need to be fully considered and robustly addressed. Some additional short term opportunities may be added to the Action Plan: for instance, the five existing Surrey contracts with one waste management contractor may produce an opportunity that is only covered under a high-level 'joint contracting of services' section in the AEA report.

The report is explicit that “the partnership should consider resource issues” and that “a Partnership Manager is required...who can provide an overview and prompt action” to help deliver the recommendations.

The report also indicates “... the Partnership has made fantastic progress to date, and is ready for the challenges and greater efficiencies that improved joint working will bring.” This will reassure Members that the SWP is on the right track.

### **Surrey Chief Executives and Surrey First**

The SWP is due to report to the Surrey Chief Executives on the 12<sup>th</sup> of November 2010 and Surrey First Joint Committee on the 16<sup>th</sup> of December 2010. The conclusions and recommendations of the AEA report will be raised at these meetings.

### **Conclusions**

It is concluded that AEA have discharged their brief with their final report. Officers are content with its proposed direction, and proposed speed, together with its explicit proposals for looking into a more developed funding arrangement that recognises the redistribution of some savings from the WDA to WCAs. Your Officers are keen to build on existing processes and current successes, especially with democratic engagement. It is proposed that the Surrey Waste Partnership invite Surrey Chief Executives and Surrey First to endorse the Partnership as the vehicle to progress work to implement the key recommendations of the AEA Report through a sequential Action Plan, and to report progress to both Surrey Chief Executives and Surrey First on a regular basis.

### **Recommendations**

It is therefore recommended that Surrey Waste Partnership:

1. Agrees and adopts the Report “Improving Joint Working Project” October 2010 from AEA together with its conclusions and recommendations
2. Commends the AEA Report to Surrey Chief Executives and to Surrey First

3. Invites Surrey Chief Executives and Surrey First to endorse the Partnership as the vehicle to progress work to implement the key recommendations of the AEA Report, and
4. Supports the production of a sequential Action Plan by the Partnership to translate the agreed high-level implementation plan from the AEA report into operational delivery.

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**Corporate Debt Policy**  
**Overview and Scrutiny 2 November 2010**  
**Cabinet 23/11/10**  
**Resolution required**  
**Report of Assistant Chief Executive**  
**REPORT SUMMARY**

**How does the content of this report improve the quality of life of Borough Residents**

Spelthorne Borough Council provides a wide range of services for the community and raises a significant amount of income from a number of sources. The Council's enforcement policy must also take into account the need to recover all monies efficiently whilst responding to a diverse population within Spelthorne.

**Purpose of Report**

To establish a Corporate Debt Policy setting out clear guidelines and responsibilities with respect to sharing debt information and managing multiple debts across services in order to maximise the cost effective collection of debts owed to the Council.

**Key Issues**

- Monitor the level and age of debt on a monthly basis and report to the Corporate Debt Management Group
- Set clear targets for the recovery of debt
- Have clear written recovery procedures across all service areas
- Set priorities for specific areas of debt
- Assess recovery methods to ensure maximum recovery of debt
- Regularly review irrecoverable debts for write off
- Use debt collectors to recover Sundry and Housing Benefit overpayment debt where appropriate
- Have regard for the needs of more vulnerable customers when recovering debt

**Financial Implications**

A budget of approximately £28,000 will be required to be used corporately for tracing absconders, paying county court fees and commission due. This amount will be transferred from legal where savings have been previously identified.

**Corporate Priority All**

**Officer Recommendations**

**The Committee is asked to advice the Cabinet to adopt the attached Policies for implementation from 1 December 2010**

**Report Author: Linda Norman, Revenues Manager Ext 6375**

**Area of Responsibility: Terry Collier Assistant Chief Executive Ext 6296**

**Cabinet member: Councillor Vienne Leighton.**

## **MAIN REPORT**

### **1. BACKGROUND**

- 1.1 The Corporate Debt Group (with representatives from Legal; Finance; Housing Options; Benefits; Revenues; Parking; Audit) was set up to eliminate inefficient debt management processes, double handling, misunderstanding and delay.
- 1.2 The Chief Financial Officer set up a project brief to establish a Corporate Debt Policy setting out clear guidelines and responsibilities with respect to share debt information and managing multiple debts across services in order to maximise the cost effective collection of debts owed to the Council.
- 1.3 The Revenues Manager was assigned as the Project Manager to align existing policies, review current recovery methods, develop process maps, standardise procedures for recovery across different service areas and implement secure data transfer to debt collection agents and report on collection rates.
- 1.4 The Revenues Manager looked at several other corporate debt policies including Waverly, Epsom & Ewell, Surrey Heath, Ashford, Rushmoor, London Borough of Harrow, and East Hampshire to ensure best practice was followed whilst having regard for Spelthorne's priorities.

### **2. KEY ISSUES**

- 2.1 To monitor collection rates on monthly basis and compare year on year targets with a view to increasing collection rates corporately.
- 2.2 To review existing policies and align where appropriate for:
  - (a) Revenues.
  - (b) Parking.
  - (c) Sundry Debt.
  - (d) Housing Benefit Overpayments.
- 2.3 Develop process maps for each service area to ensure recovery is maximised and in accordance with relevant regulations.
- 2.4 Ensure irrecoverable debt is written off in a timely manner.
- 2.5 Use debt collectors as an effective recovery method for Sundry and Housing Benefit overpayment debts.
- 2.6 Ensure the needs of more vulnerable clients are taken into account whilst maximising collection for the Council.

### **3. PROPOSALS**

- 3.1 Adopt the appended Corporate Debt Policy. The Corporate Debt Group has discussed and agreed the Policy.
- 3.2 Adopt the appended Insolvency and Charging Order Policy to maximise use of different recovery methods.
- 3.3 Trial debt collectors for a 12 month period on Sundry Debt and Housing Benefit Overpayments instead of referring cases to legal in the first instance.
- 3.4 Use two bailiff firms for a 12 month period on Sundry Debt, Housing Benefit Overpayments and Parking to compare performance.
- 3.5 Employ an online tracing firm to trace absconders for all debts.

- 3.6 Housing Benefit overpayment staff to take responsibility for the recovery of the debt through the county court.
- 3.7 Create a corporate debt budget to pay for tracing, court fees and commission on monies collected.

#### **4. BENEFITS AND SUSTAINABILITY**

- 4.1 By aligning policies, The Council aims to be transparent and will explain to debtors what is expected of them and what they should expect from the Council. This will also provide for a more efficient recovery process across the authority.

#### **5. FINANCIAL IMPLICATIONS**

- 6. A budget of £28,000 is required for the administration of the proposed corporate debt approach to pay for tracing, court fees and commission on monies collected and funding has previously been identified from legal as recovery of Sundry or Housing Benefit overpayment work will no longer be undertaken by legal team.

#### **7. LEGAL IMPLICATIONS / OTHER CONSIDERATIONS**

- 7.1 The billing and recovery of the statutory debts is tightly governed by regulations but the Council's enforcement policy must also take into account the need to recover all monies efficiently whilst responding to a diverse population within Spelthorne.

#### **8. RISKS AND HOW THEY WILL BE MITIGATED**

- 8.1 The Council is currently in a primary contract with Chandlers Bailiffs for the collection of Council Tax and Business Rates liabilities and by using two Bailiff firms (Chandlers and Ross & Roberts), the Council can compare the performance of the new firm with the existing supplier.
- 8.2 By limiting the trial to a period of 12 months gives the Council sufficient time to compare the two firms' performance but does not tie the Council to either firm through protracted contract arrangements.
- 8.3 The Corporate Debt Policy and implementation of new procedures will reduce the risk of losses as a result of weak management of the debt.

#### **9. TIMETABLE FOR IMPLEMENTATION**

- 9.1 1 December 2010.

**Report Author: Linda Norman, Revenues Manager 6375**

#### **Background Papers:**

Corporate Debt Policy  
Insolvency and Charging Order Policy  
Process maps

## **Spelthorne Borough Council**

### **Insolvency and Charging Orders Policy**

#### **1. Purpose of policy**

This policy covers debts owed to the Council although it is designed initially to recover Council Tax, Benefit Overpayment debt and Business Rates. The Council is committed to using the most effective recovery methods available to it. This policy will ensure that the use of insolvency is consistent and complies with the relevant legislation and best practice.

#### **2. Insolvency (Bankruptcy and Winding Up proceedings)**

2.1 The legal requirements are contained within the Insolvency Act 1986. Essentially, bankruptcy action can be taken against any debtor who owes in excess of £750 to creditors and who, for whatever reason, is unable to satisfy his creditor's claims in full. In addition, a debtor may initiate action by petitioning for their own bankruptcy.

Winding Up proceedings are used against Limited Companies. Insolvency frees a debtor from overwhelming debts so they can make a fresh start, subject to some restrictions, and makes sure the assets belonging to the debtor are shared out fairly among all the creditors. However the consequences can be severe and can involve the loss of the debtor's home or business and considerable legal and Trustee costs. The level of costs will reflect the complexity of the matters involved and the extent to which the debtor cooperates with the Trustee who is administering the estate.

Insolvency action takes place in the County Court or the High Court if the debtor resides in London.

2.2 The Council will refer appropriate cases to a solicitor to carry out insolvency work on the Council's behalf. These solicitors are fully authorised to deal with all matters connected with insolvency from the issue of the Statutory Demand to dealing with contested matters.

2.3 The Council will consider using insolvency proceedings under the following circumstances (the list is not exhaustive):

- Where the debt exceeds £1,500 (or a lower limit of £750 in certain circumstances including where fraud is involved) and the debtor has sufficient assets or equity to ensure the debt is recoverable by the Official Receiver or the Trustee.
- Where the debtor is not making regular and mutually agreed payments that are sufficient to clear accruing debt and the arrears within an acceptable timescale.
- Where insolvency action is considered most effective in recovering from a particular debtor.
- Where the debt has arisen as a result of fraud.



- Where specific assets cannot be identified but there are indicators that the debtor is one of high material worth for example, renting high value property/has a high salaried profession.
- Where bankruptcy action would encourage payment from specific groups of debtors where their credit rating is important to them, for example company directors, self employed people and those people needing finance.

2.4 The Council will consider withdrawing proceedings if made aware of the following circumstances prior to a Bankruptcy Order being obtained.

- Where a debtor, as a result of age, severe mental illness or serious learning difficulties cannot deal with their affairs.
- Where the debtor is currently in receipt of 100% Council Tax Rebate with no accruing debt.

2.5 Prior to commencing bankruptcy proceedings, a decision proforma will be completed by the Recovery team for consideration by either the Recovery Manager, Principal Revenues Officer or the Revenues Manager.

As part of the consideration as to whether bankruptcy action is appropriate in an individual case, officers will consider the overall debt position, the financial position including income and equity, personal circumstances and the level of engagement including previous payment history.

The more information held about the debtor the more efficient the decision making process will be in terms of selecting the most effective enforcement option. As part of the decision making process the Council officer will seek to build a picture of the debtor and their circumstances and will achieve this in various ways, including some or all of the following activities. The list is not exhaustive.

- Demanding financial information in writing following a Liability Order being granted whilst stating bankruptcy is an option to be considered.
- Checking all Council Tax records and if possible any other records to see if there is any reason bankruptcy would not be appropriate as in Section 2.4.
- Checking with the Benefits Service to ensure that all Council Tax Benefit due to the debtor has been posted to the Council Tax account and that their records do not indicate that the debtor lies within the criteria mentioned in Section 2.4.
- Checking H.M. Land Registry to confirm property assets.
- Checking with a Credit Reference Agency for information on outgoings, requests for finance, mortgages and other financial information.
- Checking known or potential employment details.
- Checking Benefit Overpayment records and Business Rates records (and including all debts in the bankruptcy action).
- Checking with Private Sector Housing contacts-see Section 3.3.
- Checking Companies House records for business information.

In all cases, before sending a case to a solicitor the Council will send a pre-bankruptcy warning letter together with the bankruptcy advice leaflets. This will give 14 days notice of the Council's intention to commence bankruptcy proceedings.

2.6 When a Bankruptcy Order is granted the administration of it lies with the Official Receiver (OR) or an Insolvency Practitioner (IP). The fact that the order has been granted is advertised in the London Gazette and in a local newspaper. The OR/IP will also notify other bodies such as local authorities, utility suppliers, land registry, National Savings and Investments etc. to give them an opportunity to submit claims of their own and to prevent illegal disposal of assets.

### **3. Charging Orders**

3.1 If the aggregated balance on Council Tax Liability Orders for a property is over £1,000 then an application may be made for a Charge to be placed on the same property only, to secure the debt owed to the Council. Charging Orders are not a method of enforcement in that the debt remains unpaid until the property is sold and the Charge extinguished by the payment of the debt from the proceeds. The property may never be sold or not for a considerable time and if no further action is taken then the Charge will be extinguished after twelve years in any event. If the debt is to be actively recovered then following a Charging Order being obtained, an application has to be made to the Court for an Order of Possession and Order for sale.

Charging Orders may only be used for Business Rates debt with the agreement of the ratepayer and therefore such action will not be taken without the written consent of the ratepayer.

3.2 The Council will refer appropriate cases to a solicitor to carry out insolvency work on the Council's behalf. These solicitors are fully authorised to deal with all matters connected with Charging Orders, Orders for Sale and Possession and contested matters.

3.3 The Council will consider using a Charging Order in the following circumstances (the list is not exhaustive):

- Where the property is currently for sale voluntarily and a Charging Order is used as a way of securing the debt by agreement with the Council.
- Where the property is owned by a debtor who resides outside UK jurisdiction.
- Where a debtor, as a result of age, severe mental illness or serious learning difficulties cannot deal with their affairs.
- Where the debtor's whereabouts are unknown making service to allow bankruptcy action difficult.
- Where a payment arrangement has been agreed on the basis that the debt is secured via a Charging Order.
- Where there is Council Tax debt and a Charging Orders is obtained to assist the Council's Private Sector Housing Enforced Sale Procedure

to address the issue of urban blight caused by empty derelict properties.

3.4 Prior to commencing charging orders, a request will be submitted to either the Recovery Manager or the Revenues Manager will consider each case on its own merits being mindful of all the facts and the level of arrears.

#### **4. Management Checks**

Prior to the insolvency contractor being instructed the Council will complete the proforma and obtain approval from the Revenues Manager. The form is attached at Appendix 1 and explains how the decision to use bankruptcy/charging order has been arrived at.

#### **5. Reporting Arrangements**

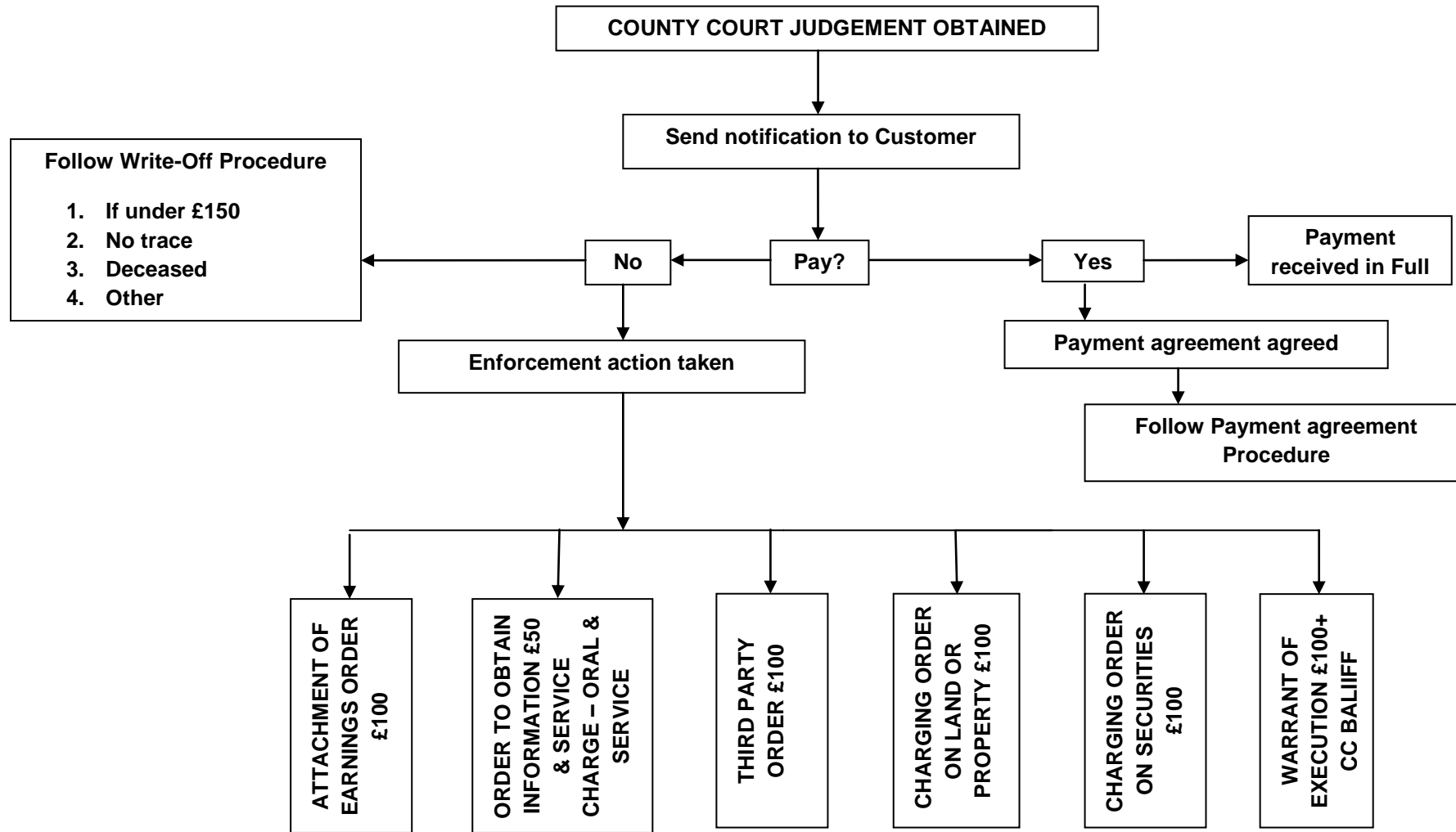
The solicitors contracted to the Council will supply reports on a monthly basis covering all aspects of the work being undertaken. Details of all activity is included in the monthly recovery team meeting review.

#### **6. Policy Review**

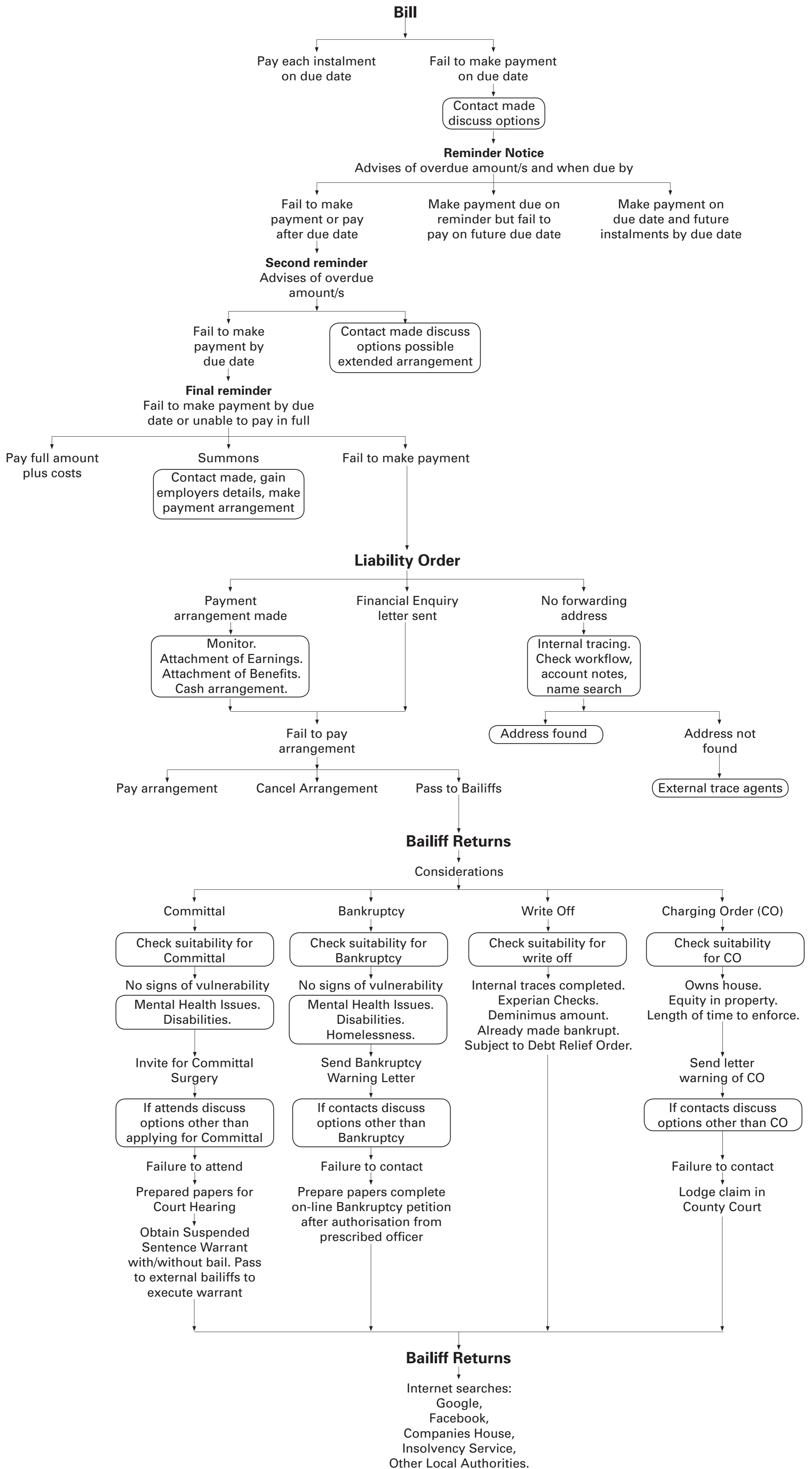
This procedure will be reviewed on an annual basis in order to ensure it remains valid, effective and relevant.

L.NORMAN 250610

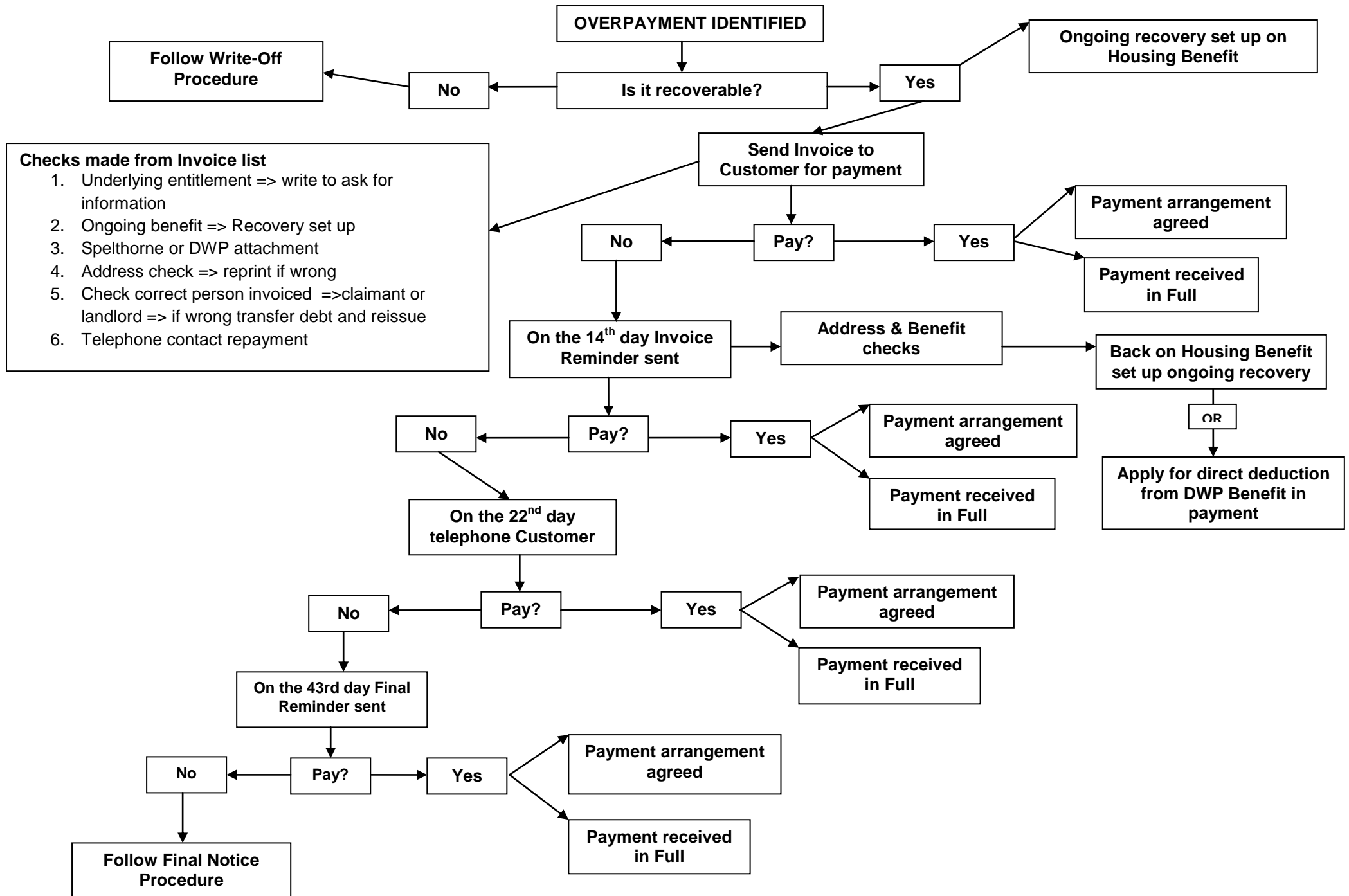
OVERPAYMENT RECOVER PROCESS



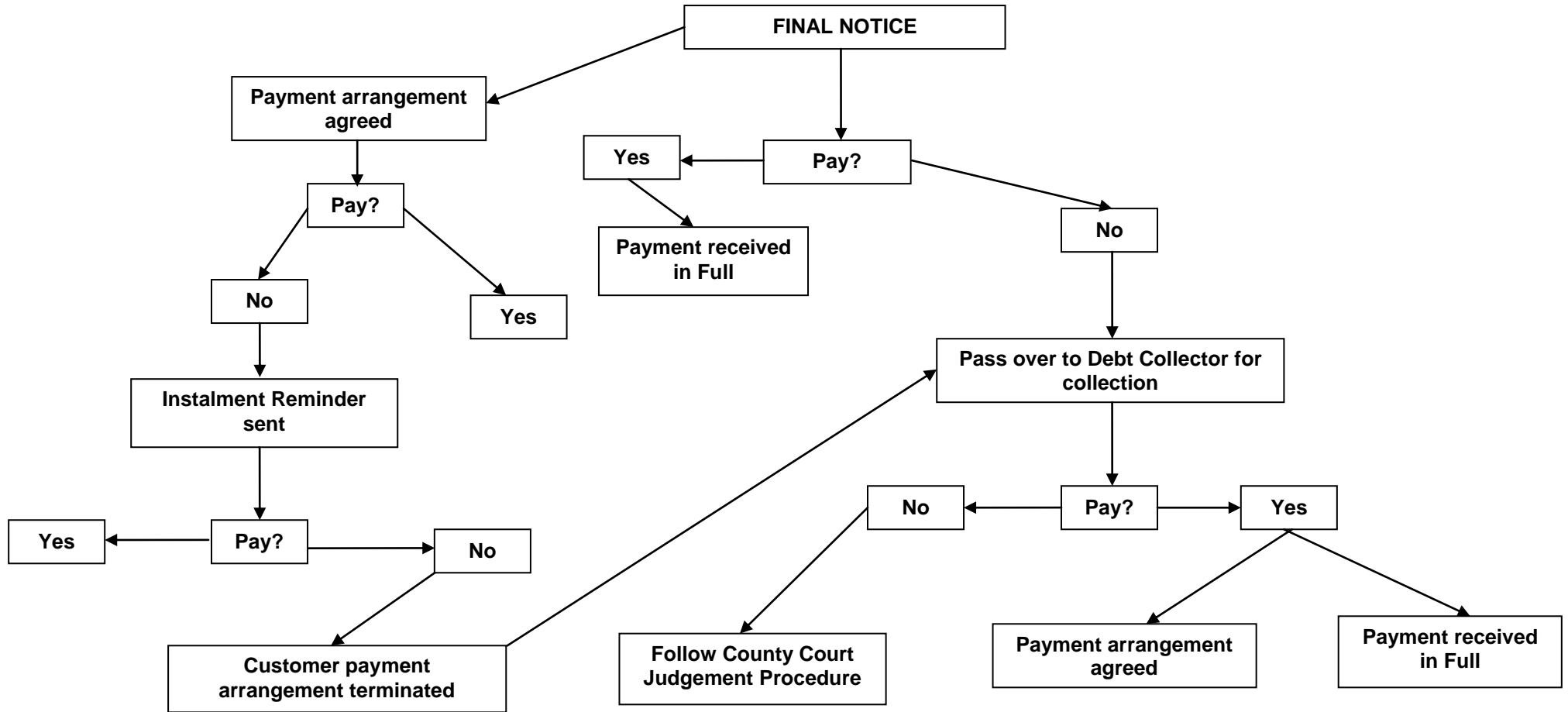
# Recovery Journey Map



# OVERPAYMENT RECOVERY PROCESS



OVERPAYMENT RECOVERY PROCESS



**OVERVIEW AND SCRUTINY COMMITTEE**

**WORK PROGRAMME**

Meeting date	Topics
2 November 2010  Crime and Disorder Scrutiny Committee	Review the Spelthorne Stronger, Safer Partnership Board and Action Plan
1 February 2011	Procurement Action Plan  Capital and Revenue Monitoring reports  Partnerships  Update on Leisure Services  Streetscene Services long term vision  Business Transformation Programme Update  Reports from Task Groups  Cabinet Forward Plan  Work Programme
5 April 2011	Capital and Revenue Monitoring reports  Reports from Task Groups  Cabinet Forward Plan  Work Programme