

Update on Waste Services move

Cabinet Member Cllr Neal Davey
Responsible Officer Andrew Jarrett - Head of Finance

Reason for Report: To provide an update to members on the current position and progress on the re-location of our Waste Services operation.

RECOMMENDATIONS: That member's note the contents of this report.

Relationship to Corporate Plan: Waste Services are one of the Council's most frontline services and therefore it is imperative that any re-location project is well planned with as minimal disruption to ongoing service provision as possible.

Financial Implications: The 2016/17 budget for Waste was based on a continued operation from Station Yard and Unit 16, Foundry Yard. Clearly, there will be additional one-off costs of re-locating to the new site and there will be a change to annual running costs associated with the new premises. On the basis that a re-location of Recycling was likely in 2016/17 we had already allocated a sum of £100k towards these potential costs.

Legal Implications: Our Legal Team have reviewed and completed on the lease for the new premise.

Risk Assessment: A project team (involving officers from a number of key services) and 2 Cabinet Members, has been formed to ensure the re-location goes to plan, with regard to both time and budget.

1.0 Introduction

- 1.1 In late January 2016 we were given notice from the landlord of Unit 16, Foundry Estate (our current Recycling depot). This notice period would effectively end mid-June 2016.
- 1.2 Due to the short/medium term tenure of this premise the Property Services Manager, Waste & Transport Manager and the Head of Finance have for the past 12-18 months been investigating other suitable locations within the District. However, due to the very specific requirements of this operation, a site that would ideally suit all of our technical, size, staffing and location demands was proving to be a significant challenge.

2.0 Unit 3, Carlu Close, Hitchcock's Business Park, Uffculme

- 2.1 In late September 2015 the Estates Manager and the Head of Finance were returning from a Parish Council meeting and took the opportunity to call in at Hitchcock's Business Park to review some new premises that were being constructed. One of the units that was due to be completed in the next couple

of months, appeared to be ideally suited to most of the requirements of our overall Waste operation.

- 2.2 Due to the location and size of this unit (see Power Point presentation showing lay out/plans/pictures, etc.), we were able to consider whether to simply re-locate the Recycling part of the Waste service, or make a more strategic decision to merge all of our Waste/Street-scene operations under one roof. After a number of meetings to consider these operational considerations, officers felt that the advantages of providing a totally joined-up service would be far more beneficial in the medium/long term.
- 2.3 Unit 3, Carlu Close is a large industrial unit with a significant concrete parking area. From an operational perspective it is effectively a “blank canvas” that will require a complete “fit out” in order to continue our existing operations. This will require the re-location of operating equipment, i.e. the bailer system, dog kennels, the fuel tanks, the bays (these were designed in such a way to make re-location relatively straightforward), the transfer of circa 90 operational staff from waste, recycling, cleansing and the District officers. In addition we will require 9 porta cabins to house all the staff and provide offices, washroom facilities, meeting space, dog kennels, etc.
- 2.4 Due to the challenging timetable for this move, the lack of any suitable alternatives and the need to provide continuity of service provision, officers have had to act quickly to secure the new premises and have already had to commission a number of contractors/suppliers to assist with this move. For members information a summary of the key information is shown below.

3.0 Unit 3 Carlu Close – key information

- 3.1 Hitchcock’s Business Park is situated on the B3181 road between Uffculme and Willand and therefore provides easy access to the M5 and is served by public transport.
- 3.2 15 year lease – completed on the 15/4/16 @ £110k per annum + service charges – with a break at 10 years
- 3.3 Total fit out costs are currently estimated at circa £310k - members should note an estimate of £100k was included in the 2016/17 revenue budget as a provision for the costs of a potential recycling depot move.

4.0 Summary of one-off moving costs

Offices/Porta Cabins	£114k
Stamp duty on lease transaction	£15k
Electrical work	£20k
Ventilation system	£15k
Transfer and re-configuration of baler, bays and fuel tank	£41k
Additional steelworks – incl. design costs	£29k
CCTV, internal floor protection, furniture	£20k
Fire system, alarms, forecourt lining, IT equipment	£17k
Additional staffing costs + van hire for move	£15k
Miscellaneous extras	£24k
Total one-off costs	£310k

- 4.1 Operational service delivery will not be affected during the move and it is intended to commence from mid-June 2016 from this new location.
- 4.2 Due to the extremely challenging timetable of this relocation and the additional one-off funding required of circa £200k an urgent decision form was signed by the Leader, Chair of Scrutiny and the relevant Cabinet Members in order for certain works which had specific lead in times to be commissioned.

5.0 Conclusion

- 5.1 Entering into a 15 year lease to co-locate all of the Council's Street Scene operations under "one roof" is a crucial and long term strategic decision which will provide not only long term security of tenure for this key frontline service but will also help provide other operational and financial benefits to the service. Operating from one central base will allow for better supervision, a greater uniformity of operation, the ability to re-deploy resources more effectively and create a closer "team" culture.
- 5.2 Both the short and longer term future of our surplus depot at Station Yard will need to be considered as soon as the relocation project is completed.

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Background Papers: None

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