

South West Devon Waste Partnership

Thursday 27 October 2011

PRESENT:

Councillor Michael Leaves, in the Chair.
Councillor Croad, Vice Chair.
Councillors Bowyer and Thomas.

Observer Members: Councillors Black and Vincent.

Apologies for absence: Councillors Doggett, Hart and Tyerman.

Also in attendance: Barry Keel – Chair of Project Executive, Mark Turner – Project Director, Martin Pollard – Project Manager, Anthony Payne – Director for Development and Regeneration (Plymouth City Council), Ben Jennings – County Waste Manager (Devon County Council), Ian Harrison – Deputy Executive Director of Environment and Culture (Devon County Council), Sally Farley – Service Manager (Torbay Council), Liz Waugh – Communications Consultant, Jenni Doudoulakis – PFI Co-ordinator and Ross Johnston – Democratic Support Officer.

The meeting started at 10.00 am and finished at 11.20 am.

Note: At a future meeting, the committee will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

11. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

12. **MINUTES**

Agreed that the minutes of the meeting of the South West Devon Waste Partnership Joint Committee held on Thursday 28 July 2011 are confirmed as a correct record.

13. **CHAIR'S URGENT BUSINESS**

There were no items of Chair's Urgent business.

14. **PROJECT UPDATE**

The Partnership received a verbal project update from Mark Turner, Project Director. Members were informed that since the last Committee in July –

- (a) the project team continued to focus on assisting MVV with their planning and environmental permit applications;

- (b) with regard to the planning application MVV had submitted a response to the Planning Authority in September 2011 following a request for further information under regulation 19 and this has been subject to additional formal consultation through planners;
- (c) MMV had commenced negotiations with local planners over detailed S106 requirements; these would be formalised before the planning application was heard at Planning Committee;
- (d) the Planning Committee was scheduled to hear MVV's planning application on 22 December 2011;
- (e) with regard to the permit application MVV had recently responded to the Environment Agency following a request for further information under Schedule 5;
- (f) MVV had progressed with their detailed facility design work which was being appraised by the Partnership project team;
- (g) MVV had their planning application for test piling at the site approved;
- (h) Waste collection managers in the three Devon District Councils who will contribute waste to the new facility had been briefed on the project and discussions had started regarding the future changes required. Dialogue with these authorities would continue until transition from current to new arrangements.

15. **OVERVIEW OF PROJECT COMMUNICATIONS**

Liz Waugh, the Partnership's Communication Consultant and Mark Turner, Project Director, presented a Community Engagement Report providing an update on recent and upcoming communication activity. Members were informed that –

- (a) since the last meeting opposition activities had increased with regard to the Buckfastleigh site with adverts being placed in a local newspaper. The adverts had been referred to the Advertising Standards Authority by MVV;
- (b) key communication activities since July had included –
 - ongoing engagement with the Incinerator Liaison Committee (ILC);
 - a trip organised for members of the ILC to visit a Combined Heat and Power (CHP) plant in Sheffield managed by Veolia Environmental Services;
 - a presentation to Devon and Cornwall Business Council;

- a presentation to Team Plymouth;
 - an all Councillor briefing;
 - a MPs briefing;
- (c) it was proposed that the Partnership would brief all councillors, in either one all councillor briefing at the three individual councils' or in individual political group briefings. This was viewed as an important next step with the aim of these briefings to demonstrate the progress of the project and what the potential implications for the project were moving forward;
- (d) the extensive media coverage on the recent High Court decision to overturn planning permission for Cornwall's waste incinerator proposed for St. Dennis, Cornwall, had provided useful learning for the Partnership.

Members commented that they fully supported the proposal for councillors' briefings and commented that the next couple of months were vital in terms of communication activity and the Partnership should proactively communicate and promote the positive facts and benefits of the proposed MVV solution. Project officers would consider how this could be taken forward.

16. **MVV's ENERGY FROM WASTE SOLUTION - RECAP OF ASSOCIATED BENEFITS, COMMITMENTS AND FINANCIAL INFORMATION**

Mark Turner, Project Director, gave a presentation providing a recap and overview of the SWDWP's residual waste solution and the associated benefits, commitments and financial information of the proposed development. Members were informed that –

- (a) the Partnership had been working together now for over four years with a minimum of a further 28 years still contracted;
- (b) the Partnership began with a common goal, which was 'to secure a timely economic, reliable and proven solution to divert the Partnership's residual waste from landfill with reduced carbon impact including Combined Heat and Power (CHP) if possible' and it was recognised that to deliver this goal would require significant political commitment and leadership;
- (c) as a result of the three authorities joining together, the partnership had generated a greater market interest, benefited from an economy of scale, shared cost and expertise and had secured a significant financial PFI grant from the Department for Environment, Food and Rural Affairs (DEFRA);
- (d) at the initial stages of procurement nine international companies expressed an interest in the project with eight submitting a solution;

- (e) the Partnership's preferred solution was by MVV Umwelt, this solution presented a number of significant economic and environmental benefits by delivering a solution partnering with the MoD and Babcock Marine; this potential solution and wider public/private sector partnership had helped the SWDWP to retain the PFI credit support from DEFRA;
- (f) due to the solution proposed by MVV, the economic advantages of selling heat and power to MoD and Babcock Marine had helped the three authorities to jointly realise savings of £389m against the estimated cost originally projected, this saving combined with the £177m PFI Credits had realised a total financial benefit of £566m for the SWDWP;
- (g) if the MVV solution was delayed against the project programme the financial impact on the three authorities was estimated as follows:
- a three month delay equalled an estimated cost of £1.1m;
 - a six month delay equalled an estimated cost of £3.9m;
 - a two year delay equalled an estimated cost of £27.3m;
- (h) failure to deliver the MVV solution was estimated to have a financial impact on the three authorities of £285m as well as an additional impact on the future cost effectiveness to the MoD and Babcock Marine;
- (i) the environmental benefits of MVV's solution included a guaranteed diversion of 97 per cent of waste from landfill which contributes to a net carbon footprint reduction of around 74,000 tonnes per year (approx 5 per cent of Plymouth's carbon footprint) along with a reduction of emissions in Devonport Dockyard by MVV's facility providing electricity and heat directly to the MoD and Babcock Marine;
- (j) other benefits of the MVV solution included –
- a local waste disposal option for commercial and industrial waste;
 - the potential to expand the distribution of heat to a wider network outside of the dockyard;
 - local economic benefits through construction and business opportunities;
 - developments to the local area through Section 106 agreements included in the planning application;

- (i) moving forward the Partnership and MVV faced some significant challenges, most notably securing planning approval and an Environmental Permit as well as improving public perceptions through gaining their acceptance and understanding.

17. **PROJECT PROGRAMME AND NEXT STEPS**

Mark Turner, Project Director presented the latest project programme and informed members that the programme was still on schedule for operational commencement in late 2014.

Members noted the project programme.

18. **DATE AND LOCATION OF NEXT MEETING**

Agreed that the next meeting will be held on Thursday 26 January 2012 at Devon County Council at a venue to be confirmed.

19. **EXEMPT BUSINESS**

Agreed that, under Section 100(A)(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

20. **MVV's ENERGY FROM WASTE SOLUTION - RECAP OF ASSOCIATED BENEFITS, COMMITMENTS AND FINANCIAL INFORMATION**

Martin Pollard, Project Manager, gave a presentation providing an overview of some of the commercially sensitive aspects of the SWDWP's residual waste solution contract.

21. **BEN JENNINGS RETIREMENT**

The Chair thanked Ben Jennings, County Waste Manager, Devon County Council, for all his commitment and hard work to the SWDWP and wished him well in his future retirement.