

South West Devon Waste Partnership

Thursday 7 April 2011

PRESENT:

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

Observer Members: Councillor Doggett

Apologies for absence: Councillor Vincent

Also in attendance: 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), Charles Uzzell – Environment Commissioner (Torbay Council), Paul Carey – Managing Director, MVV Environmental Devonport Ltd, Niranjana Patel – Department for Environment, Food and Rural Affairs, Rachel Galbraith – PFI Co-ordinator and Ross Johnston – Democratic Support Officer.

The meeting started at 2.00 pm and finished at 3.10 pm.

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.

38. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

39. **MINUTES**

Agreed that the minutes of the meeting of the South West Devon Waste Partnership Joint Committee held on Thursday 16 December 2010 are confirmed as a correct record.

40. **CHAIR'S URGENT BUSINESS**

There were no items of Chair's Urgent business.

41. **PROJECT UPDATE**

The Partnership received a Project Update report from Mark Turner, Project Director. Members were informed that –

- (a) in January 2011 it was announced that MVV Umwelt had been approved as the preferred bidder;
- (b) the Final Business Case was finalised and signed off by the three authorities Cabinet's in early February and subsequently submitted to the Department for Environment, Food and Rural Affairs (DEFRA);
- (c) DEFRA approved the Final Business Case in late March and confirmed the award of £95M PFI credits;
- (d) the contract was finalised and signed by the partnership and MVV Umwelt on 25 March 2011 following an intensive week of final negotiations in London;
- (e) MVV were now finalising the planning application for submission.

Agreed that the Partnership convey its special thanks for all the hard work dedicated to the project and the intensive final negotiations by Mark Turner, Project Director and Martin Pollard, Project Manager and all of the wider partnership team involved.

42. **OVERVIEW OF PROJECT COMMUNICATIONS**

Mark Turner, Project Director presented a report on recent and upcoming communication activity. Members were informed that –

- (a) there had been many communication activities over the past three months which included –
 - meetings with Incineration is Wrong (IIW);
 - MP's briefings;
 - all councillor briefings;
 - nine public roadshows;
 - stakeholder briefings;
 - dockyard staff briefing;
 - meeting with Affinity Sutton Housing Association;
- (b) there had been an increased public interest over the past three months with 56 written queries being received since January 2011; all of them had been answered;
- (c) at the Guildhall roadshow there was a protest march which was attended by approximately 200 people.

Following questions by members it was reported that –

- (d) the roadshow in Buckfastleigh was organised solely through MVV and did not include the Partnership and hence had been modified from the other roadshows to incorporate a section about the Buckfastleigh Ash Recycling facility, a site where bottom ash would be processed;
- (e) MVV would be the applicant submitting the planning application.

43. **MVV'S ENERGY FROM WASTE SOLUTION - BACKGROUND AND TECHNICAL OVERVIEW**

The Partnership received a presentation from Paul Carey, Managing Director of MVV Environmental Devonport Ltd about MVV Umwelt and MVV Environment. The presentation also included detail on their Energy from Waste solution at North Yard, Devonport. Members were advised that –

- (a) MVV Energie was the parent company of MVV Umwelt, a waste management, Combined Heat and Power (CHP) and biomass company. MVV Umwelt were the German parent company of MVV Environment, a UK based Waste Management company who had created a subsidiary company, MVV Environment Devonport Ltd;
- (b) MVV Environment Devonport Ltd were the company selected as the preferred bidder by the SWDWP and officially signed the contract with the partnership on 25 March 2011;
- (c) MVV Umwelt had worked in Energy from Waste (EfW) for over 45 years having created their first EfW and CHP plant in Mannheim, Germany in 1965;
- (d) MVV Environment Devonport Ltd was committed to create an efficient, sustainable and innovative waste solution in Devon and this was fully supported by MVV Energie;
- (e) MVV Environment Devonport Ltd offered a sustainable and deliverable solution which aimed to provide a long term waste management solution over 25 – 40 years with a highly efficient CHP facility;
- (f) the solution would be situated in the North Yard, Devonport and would provide CHP as soon as it was operational;
- (g) an agreement was in place to provide heat and energy to the Ministry of Defence (MOD) for 25 years;

- (h) the site location was close to a major road network, which would ensure that once the facility was operational the traffic impact in the area would be minimised;
- (i) MVV considered the proposed site was in compliance with local planning policies and MVV aimed to improve the local community by developing Blackie's Wood into a nature reserve;
- (j) the plant had the capacity to manage 245,000 tonnes of waste per annum and deliver a highly efficient production of energy and heat;
- (k) KIER Group, building and civil engineering contractor would construct the building, which would use modern aesthetic architecture;
- (l) when in operation the plant would be environmentally compliant and would be significantly below the mandatory safe emission levels, additionally the plant's emissions would be published daily on MVV's website;
- (m) the solution offered by MVV Environment Devonport Ltd was a very cost effective deal for the SWDWP and was, in fact, £388.8m below the partnership's reference case estimate;
- (n) the reason for the cost effectiveness of the solution was due to MVV Environment Devonport Ltd using other sources of income including, amongst other things, heat and power revenues from the MOD, power revenues from the National Grid and income from processing commercial and industrial waste;
- (o) the next stage in the process was for MVV Environment Devonport Ltd to submit a planning application in spring 2011; as part of this process MVV had held pre-application consultations with local residents, stakeholders, Planning Officers and briefed the Environment Agency;
- (p) the solution would not only manage the Partnership's waste but MVV would seek to build trusting relationships with local communities, deliver jobs, economic benefits and offer training and educational opportunities;
- (q) MVV Environment Devonport Ltd had already started to develop relationships with local communities by establishing a Local Liaison Committee which met on 31 March 2011; these relationships would continue, assuming planning permission was granted, during the construction and operation of the facility.

In response to questions it was reported that –

- (r) when the facility was shut down for maintenance, the waste would be baled and stored; typically the facility could store waste like this for approximately one month;
- (s) the planning application was still being finalised as changes to the architecture design and other studies were being finalised and was hoped to be submitted soon but would not be available publicly until registered – likely sometime in May;
- (t) rail and marine facilities to transport waste were not part of the current solution but the possibility to use these transport methods would be looked at in the future. MVV had experience of these transport methods in Germany;
- (u) the Local Liaison Committee had met informally but did not yet include any councillors although the public members did request whether a councillor, such as Plymouth City Council's Cabinet Member for Community Services (Street Scene, Waste and Sustainability), could sit on the committee at future meetings.

The Chair thanked Paul Carey, Managing Director of MVV Environmental Devonport Ltd, for his attendance and the detailed presentation.

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

Agreed that the next meeting will be held on Thursday 28 July 2011 in Torbay at a venue and time to be confirmed.

45. **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.

46. **MVV'S ENERGY FROM WASTE SOLUTION - COMMERCIAL AND FINANCIAL OVERVIEW (E3)**

The Partnership received a presentation from Paul Carey, Managing Director of MVV Environmental Devonport Ltd about MVV Umwelt and MVV Environment. The presentation also included detail on their Energy from Waste solution at North Yard, Devonport Dockyard.

(See minute 43 above).

47. **PROJECT PROCUREMENT PROGRAMME AND NEXT STEPS (E3)**

Mark Turner, Project Director presented the latest procurement programme. Members were informed that –

- (a) the procurement phase had been concluded following the contract award to MVV Umwelt on 25 March 2011 and the programme had now entered the planning and delivery phase;
- (b) the next project programme would include updated milestones to reflect key features of the planning and delivery phase;
- (c) the programme remained on target for operational commencement in 2014.

Agreed that the latest procurement programme is noted.