

Report to: Cabinet

Date: 10 February 2020

Title: Avis Way Waste Vehicle Depot – Revised Funding

Report of: Director of Regeneration and Planning
Director of Service Delivery

Cabinet member: Cllr Julie Carr, Cabinet member for recycling, waste and open spaces

Ward(s): Newhaven Valley, Newhaven Denton & Meeching

Purpose of report: To approve a request for additional funding to construct the previously approved new waste depot and vehicle servicing facility at Avis Way, Newhaven

Decision type: Key Decision

Officer recommendation(s): (1) That Cabinet allocates an additional £800k funding to the £4.1m already approved to deliver the new waste vehicle depot facility

(2) Cabinet allocates up to £200k from the £4.1m already approved to enable early demolition of the derelict, unsafe and unlettable buildings at 9/10 Avis Way

Reasons for recommendations: To enable the new waste vehicle depot and vehicle servicing facility in Newhaven to be built, so that we can vacate the outdated Robinson Road facility.

To enable short term letting of the cleared site and free the site for construction to commence once finally approved.

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1 Introduction

1.1 On 2 July 2018 Cabinet allocated up to £4.1m within the Capital Programme to deliver a new waste vehicle and workshop facility on council owned land at units 9 & 10 Avis Way Newhaven, and gave delegated authority to the Director of Regeneration and Planning to deliver this.

- 1.2 The project has commenced and site surveys have identified that the proposed location would need more intensive deep piling which consequently displaces a larger volume of contaminated soil than allowed for in the original £4.1m budget. It should be possible to contain most of the contaminated spoil on site using a 'cut and fill' technique however the overall budget will increase; we are seeking an additional £0.8m to cover the increase in costs and a small contingency
- 1.3 The cut and cover proposal will save around £2m compared to off-site removal and any filled ground can be landscaped to promote biodiversity,

2 Proposal

- 2.1 Request a maximum of £800k additional funding from Cabinet to meet the costs for construction of a new Waste Vehicle Depot now further information is known on the ground and site condition. The overall cost of the project will be a maximum of £4.9m with sustainability elements incorporated as an integral part of the design.

3 Outcome expected and performance management

- 3.1 Moving the depot to Avis Way would enable opportunities for the service to expand and to explore new revenue streams. Additionally, there are likely to be running costs savings for a new facility and it will remove the need for an expensive upgrade of the Robinson Road facilities to maintain operations and improve the site health and safety issues.

4 Consultation

- 4.1 Consultation will take place as part of the planning process. The design of the new depot has been undertaken with the service team from Environment First as the client to ensure full consultation with the staff and management team. The Environment First team will be an ongoing key member of the design and delivery team in developing the new depot.

All designs are still subject to planning, so may change during stage 2.

5 Corporate plan and council policies

- 5.1 This supports the Council's policy for delivering a quality environment.

6 Business case and alternative option(s) considered

- 6.1 There have been extensive assessments to ensure there are no other sites available for the depot across the public sector estate and private land holdings. Soft soil conditions prevail over most of the Newhaven area. Sites located within the industrial areas, where a waste depot could be built are also likely to suffer similar contaminated soil conditions. The Council does not currently own any other suitable land holdings where a waste depot could be relocated and so Avis Way remains the best option.

6.2 The only other possible option would be to do nothing and for the depot to remain at Robinson Road however this is not a viable option as the depot is too small and awkward to meet the current needs of the service; it has reached the end of its useful life and will require significant investment to meet health & safety and business requirements.

6.3 By developing the derelict Avis Way site for LDC use, there is a loss of rental revenue for that site, however the new building is likely to deliver running cost savings compared to the existing facility and it will have the opportunity to develop and grow new revenue streams. Also, the Robinson Road depot will be vacant which can either be leased for a rental income or redeveloped, which will again bring in an income or capital receipt to net off against capital outlay.

7 Financial appraisal

7.1 The overarching reason for the recommendations is to enable the new waste vehicle depot and vehicle servicing facility in Newhaven to be built, so that the Council can vacate the outdated Robinson Road facility. The additional funding of £800k (including a contingency) required to meet the site conditions additional costs which brings the project overall cost to £4.9m.

7.2 Any additional capital proposals affecting the General Fund/capital programme over and above the existing approved budget will need to be considered on a case by case basis as part of the business case process for any new/ongoing schemes.

8 Legal implications

8.1 A Report on Title will be commissioned to ensure that the site is not subject to any title matters which would restrict development. Vacant possession of the leased area has been obtained.

8.2 The initial design stages have been taken forward by the Council's Clear Sustainable Futures joint venture. The contract with Clear Sustainable Futures was procured in compliance with the Council's Contract Procedure Rules and so can be used in accordance with its terms without the need for a further competitive process to take the project forward.

8.3 All transactions will be on market terms and so no issue of State Aid will arise.

9 Risk management implications

9.1 The project manager has a risk management matrix with identified actions and mitigations. Any remaining risks are reported through regular project management updates.

10 Equality analysis

10.1 There is no change from the initial assessment, which indicates that there will be only either positive or neutral impacts upon equalities.

11 Environmental sustainability implications

- 11.1 As previously noted, sustainability elements have been integral to the design and the current scheme includes a wind turbine to provide a significant proportion of the sites electrical needs and air source heat pumps to provide the majority of the sites heat needs. There is a provision for a gas-based heating system for the workshop (as it is a problematic area to heat) however at the next stage of design this will be reviewed so that the site can be gas free.
- 11.2 The next design stage will confirm the roof area available for the installation of Photo Voltaic panel's, which will further increase the on site electric generation.
- 11.3 Four electric charging points are to be installed (for the current van fleet) and trunking will be installed across the yard passing in close proximity to all parking bays to enable additional vehicle electric charging points (including HGVs) at a later date.

12 Appendices

- None

13 Background papers

- [Original Cabinet Paper - Asset Development Avis Way July 2018 v2](#)
- [July 2nd Cabinet minutes](#)