

**CABINET – 23 JULY 2013**

**ITEM 4(b) - PROCEDURAL MATTERS**

**Public Questions**

**Question (1) from Ms Debbie Pullen,**

Are you aware of the fiasco regarding Wallace Fields Junior (WFJS) and Infants (WFIS) schools' admissions over the past four years (please refer to letter emailed from Marsha Mclean-Anderson) and that as a result of this several local children (for whom WFJS is their closest school and within 740m) are highly likely to be displaced to their 13th nearest school after they leave WFIS and will be forced to leave the supportive school community that they are a part of? Are these six and seven year olds just expected to pay the price of the mistakes of Surrey Local Authority by jeopardizing their education and well-being or can something be done to help them, for example a guaranteed place in WFJS or a financially supported increase in the pan of WFJS for September 2014?

**Reply:**

The determination by the Office of the Schools Adjudicator in 2012 related to admission arrangements for 2013.

For 2013, of the 59 children that we have registered at Wallace Fields Infant School, 52 have been allocated a place at Wallace Fields Junior School. Of the remaining 7 children, the following applies:

No application submitted for any school	1
Late application including WFJS	1
Did not apply to WFJS	1
Offered a higher preference school to WFJS	1
Offered a lower preference school to WFJS	1
Offered Danetree - not named as a preference	2

This demonstrates that only two children currently show as having been offered an alternative school that they did not apply for. While it is the case that for one of these families the school offered was the 13th in distance to their home address, only 4 of the schools that were closer admitted children at Year 3. For this family, Danetree was 3.2 km (2 miles) from the home address and this was still considered to be a reasonable distance.

The principles set out in the arrangements for 2013 apply to 2014 onwards and therefore the local authority has not re-visited the decision in order to propose any further changes. The Principle Manager for Admissions has explained the local authority's legal position fully in that regard in a letter to Mrs McLean Anderson.

Currently there are no plans to expand the junior school as the forecast data for school organisational planning indicates that there is no basic need requirement in the area overall. A group of parents have submitted an objection to the Schools Adjudicator regarding the admission arrangements at Wallace Fields Junior School, and we shall await the outcome of that objection.

**Linda Kemeny**  
**Cabinet Member for Schools and Learning**  
**23 July 2013**

**Question (2) from Mr Chris Netherclift,**

We have always said that the Charlton Lane site is too small for an efficient thermal treatment plant. Despite the specification in SiTA's tender advertisements being for a 60,000 tonne per year gasifier the selected design and build company could not come up with a proposal that could match that specification. The site is therefore clearly not large enough to accommodate an efficient ATT plant.

- (i) How small would the throughput of an incinerator on the Charlton Lane site have to be before SCC admitted that they have chosen a site that is too small?
- (ii) Any arguments from such places as Wisley that pollution will harm the plants cannot be considered valid as SiTA contend that there is negligible pollution. Will SCC now re-examine their site selection process to ensure that a site is chosen that is of sufficient size to be able to handle a significant amount of waste on one site using an incinerator that can actually do its job efficiently whilst actually providing heat and power to the local infrastructure?
- (iii) Alternatively, are SCC determined to put an incinerator on the Charlton Lane site no matter how efficient it is?
- (iv) The 2010 JMWMS includes the following "Table 4.3.1 Key Strategic Policies Policy 5 We will adhere to the waste hierarchy, with residual waste treatment preferred to landfill. Recovery and disposal facilities will be delivered to ensure compliance with the Landfill Directive. We will restrict the use of landfill to 0% by 2013/14". How can this Key Strategic Policy fit with the current proposed incinerator which by design will send approximately 8,000 tonnes per year back to landfill?
- (v) If Mott MacDonald's concerns are correct and the incinerator cannot be classified as a gasifier will Surrey County Council accept that they have yet again selected the wrong incinerator for the wrong site?

**Reply:**

The Council's waste strategy identifies gasification as its preferred technology for dealing with residual waste. The gasification plant at Charlton Lane is sized appropriately to deal with the residual municipal waste that is produced within the local area and the Council's waste strategy does not advocate the use of a single plant to deal with all of Surrey's residual waste in one location. The site selection process was rigorously tested as part of the planning application and through the requirement of the applicant to produce an assessment which looked at the suitability of alternative sites for the development. The planning authority concluded that the Charlton Lane site was the most appropriate location for this development.

SITA has made an assumption that, initially at least, the ash from the gasifier and any non-combustible material that is separated at the fuel preparation stage may have to be sent to landfill. This is in line with ensuring that the risks are adequately dealt with in the financial analysis. However it would be both SITA's and the Council's intention to find or develop recycling markets for some or all of this material, for example in road construction.

The proposed plant at Charlton Lane is designed to operate as a gasification plant with the production of a syngas and its subsequent combustion. The Council's technical advisors Mott MacDonald concur that the plant has been designed to operate as a gasification plant but rightly point out that the contractor constructing the plant will need to demonstrate to Ofgem that the plant qualifies for Renewables Obligations Certificates by measuring the quality of the Syngas produced. Both the building contractor and SITA are confident that this is achievable.

**John Furey**  
**Cabinet Member for Transport, Highways and Environment**  
**23 July 2013**

**Question (3) from Mr Ian Robinson, Sunbury on Thames**

Surrey County Council has admitted recently that the latest proposal for a continuous gasification system is more efficient than the earlier proposal for several batch gasification systems. This confirms my concerns that the optimal, proven system may not have been researched and identified yet. This, together with Cllr. Furey's regrettably misleading 24-page report and presentation to your meeting on 25 June 2013, leads me to ask the following Question:-

How can you be fully satisfied that all the many concerns expressed by local residents have been resolved adequately?

It is no good simply saying that your officers and consultants have investigated the scope for optimum solutions "within the SITA contract". For a project life of 25 years, with major implications for local residents, such as my wife and I who live two miles downwind of any toxic emissions from the plant, the investigations should "think outside the box" and include all safe options in the fast-developing "Energy from Waste" industry.

**Reply:**

The Council commissions regular reviews of advanced thermal treatment processes that are available in the market. The last such review was undertaken by its technical consultant, Mott MacDonald in August 2012 and identified that Outotec as a successful provider of an advanced thermal treatment process within the market.

All elements of the Eco Park, including the gasification plant will have to operate under the terms of an Environmental Permit issued by the Environment Agency. The Permit will control the operation of the plant and any emissions to land, air or water from the plant. The Environment Agency would not issue a permit unless they were satisfied that the plant posed no risk to the environment or to human health.

**John Furey**  
**Cabinet Member for Transport, Highways and Environment**  
**23 July 2013**

**Question (4) from Mr Malcolm Robertson, Charlton Lane Community Liaison Group Member**

Contrary to information supplied previously to the Cabinet, the proposed new gasifier fails to accord with the Council's own Waste Strategy.

Public consultation and agreement with Surrey's 11 Boroughs and Districts produced a Waste Strategy specifying a 60,000 tonne capacity Batch Oxidation System gasifier.

What has now been proposed as a replacement is a 45,000 tonne net capacity continuous feed gasifier, which is totally different from the Batch system, has 25% less capacity, and lacks both the agreement of the Boroughs and any consultation with the public. (The gasifier

has a gross capacity of 55,000 tonnes, but after removing recyclables and oversized items the capacity drops to 45,000 tonnes).

Surrey's own 'due diligence' mentions that stoppages may occur up to 6 times daily depending on the nature of the wastes being processed, but regrettably the document appears not to address the issue of 'tarring', a particular concern of DEFRA's, and the cause of the demise of the boiler of Surrey's reference plant in Dargavel, Dumfries, after just 4 months normal operation.

Furthermore the due diligence neglects to mention that both gasifiers in the UK burning municipal waste have required major re-engineering and on several occasions emitted carcinogenic dioxins substantially in excess of National and International limits. Both plants were regulated, but nevertheless these breaches occurred.

Bearing in mind these deficiencies and the failure to comply with the County's own Waste Strategy, should it not be recognised by the County Council that a comprehensive due diligence must be completed first, and the consultation and agreement to a new Waste Strategy obtained before it embarks on colossal expenditure, and yet another adventure into gasification?

**Reply:**

The Surrey Joint Municipal Waste Management Strategy makes it clear that the detailed arrangements for dealing with residual waste are a matter for the Waste Disposal Authority as part of the Waste Disposal Authority's Action Plan. This plan is updated periodically in the same way as the action plans of the waste collection authorities. The Cabinet report of 25 June, sets out the changes to the Waste Disposal Authority's Action Plan with regard to the waste treatment technologies proposed for the Eco Park and was approved by the Council's Cabinet.

It is correct that the boilers that were initially installed at the Scotgen Dargavel gasification facility suffered from 'fouling'. This was due to the type of boiler which had been fitted to the original plant, which proved to be unsuitable for that particular operation. SITA were well aware of this and had proposed a different type of boiler for this type of gasification process, had it been built at Charlton Lane. There is no evidence that boiler fouling or tarring is a particular characteristic unique to gasification facilities, it can occur in any energy from waste plant if fitted with unsuitable boilers.

The waste management industry is one of the most highly regulated industries in the UK. Emissions are measured and reported and where breaches have occurred, the regulator takes action, including requiring immediate closure of the site. Of the two plants that Mr Robertson may have in mind, one is now operating successfully and the other is under the close scrutiny of the Scottish Environmental Protection Agency who also note that none of the breaches have had any demonstrable significant effect on the environment.

SITA, their parent company SUEZ Environment and the EPC contractor M&W are large, well established and experienced developers of waste facilities. Suez Environment, for its part, is investing significant amounts of its own capital into the development of the Eco Park and M&W are providing substantial guarantees to give comfort that the technology will operate as intended.

**John Furey**  
**Cabinet Member for Transport, Highways and Environment**  
**23 July 2013**

**Question (5) from M John Seaman**

If residual waste is processed to make RDF (Refuse Derived Fuel) which is then combusted in a fluidised bed gasifier at the proposed Eco Park at Charlton Lane, Shepperton how much material in total will be sent to landfill each year? If the same amount of residual waste was burnt in an Energy from Waste incinerator how much material in total would be sent to landfill each year?

What does this mean for Surrey during the expected operational life of the Eco Park including Surrey County Council's "zero waste to landfill" policy, landfill gate fees, landfill tax, transport costs and continued availability of scarce landfill capacity?

**Reply:**

An initial assumption has been made that approximately 8000 tonnes per year of material, comprising ash and the inert rejects from the RDF production process, would be sent to landfill. However as discussed in my answer to a previous question, both SITA and the Council would look to find or develop markets for this material over time. The 8000 tonnes of residue amounts to about 15% of the input by weight. A typical energy from waste plant would produce between 25% and 30% bottom ash by weight, which would also be required to be sent to landfill if suitable markets could not be found.

The cost of dealing with all outputs from the gasification process has been considered within the overall cost of developing and operating the Eco Park.

**John Furey**

**Cabinet Member for Transport, Highways and Environment**

**23 July 2013**

**Question (6) from Mr Peter Crews, Sunbury**

If the Waste PFI Contract is cancelled, how can Surrey County Council deliver Option 3 (waste disposal using existing infrastructure) for £94M less than Option 2 (Surrey builds the plant proposed for Charlton Lane)? If Surrey can deliver Option 3 for £94M less than Option 2, what is to stop SITA delivering an option which is £94M cheaper than Option 1 (SITA builds the plant proposed for Charlton Lane)?

**Reply:**

Option 2 describes a scenario where the Council terminates its contract with SITA and tenders a contract for waste disposal services including the construction of the Eco Park. Option 3 describes a situation where the Council terminates its contract with SITA and tenders for a contract to operate its existing facilities and exports residual waste to merchant energy from waste facilities. Both options 2 & 3 expose the Council to additional business continuity and cost escalation risk, as it would move away from the relative certainty offered by the contract with SITA.

SITA's contract with the Council is for the provision of services and development of waste infrastructure. If the Council no longer wishes to develop waste infrastructure then from a procurement perspective it would be a different contract and the Council would have to terminate its contract with SITA and re procure a contract in the market place, which is the situation described in Option 3

**John Furey**

**Cabinet Member for Transport, Highways and Environment**

23 July 2013

**Questions to receive written answers**

**Question (7) from Mr Adrian Corti, Shepperton**

Regarding the possible variation of the contract for waste between Sita and Surrey CC, have likely changes in plant throughput, EU legislation, UK Government subsidies e.g. ROCs, etc. been taken into account in the financial assessments, especially regarding the new proposed gasification incinerator?

**Reply:**

The options analysis has identified areas where the Council could be exposed to risk of price uncertainty over time, either through market or legislative changes. In these instances appropriate risk adjustments have been applied in consultation with the Council's independent financial and technical advisors.

**John Furey**  
**Cabinet Member for Transport, Highways and Environment**  
**23 July 2013**

**Question (8) from Mr Brian Catt**

At June cabinet I asked if the proposed eco park options would be considered objectively and openly, and was assured they would - limited to within SITA's contract - but verbally that this restriction would not affect the choices, or the selection of best value options. The report now submitted is not consistent with the public data on MSW treatment costs I have sent to Cabinet members, and offers no like for like transparently costed comparison to support its conclusions. Given Surrey planning officer's ex-ante preference to impose Option 1 stated at public meetings, and the hundreds of Millions of ratepayers money involved, will the comparable costings be made available for public inspection, and for detail verification by independent auditors with the data necessary to make a thorough like for like comparison of value to ratepayers?

**Reply:**

The assessment supporting the recommendation was designed precisely to ensure a consistent comparison between the options available to the Council, due to the significant and long-term nature of the decision before the Cabinet.

The detailed costings of the options are commercially confidential and therefore are not available for public inspection. However they have been produced in consultation with the Council's independent financial advisor, Deloitte and scrutinised by the Council's Chief Finance Officer who both confirm that option 1, including development of the Eco Park represents value for money to the UK taxpayer. The analysis will be made available for the Council's own external auditor if requested.

**John Furey**  
**Cabinet Member for Transport, Highways and Environment**  
**23 July 2013**