

**Minutes of a Meeting of the External
Partnerships Select Committee held at
Council Chamber, Surrey Heath
House, Knoll Road, Camberley, GU15
3HD on 28 November 2023**

+ Cllr Rob Lee (Chairman)
+ Cllr Mary Glauert (Vice Chairman)

- Cllr Louise Ashbery	+ Cllr Lewis Mears
+ Cllr Jonny Cope	+ Cllr Jacques Olmo
+ Cllr Julie Hoad	+ Cllr Murray Rowlands
+ Cllr Sarbie Kang	+ Cllr Kevin Thompson
+ Cllr Liz Noble	+ Cllr Richard Wilson
Cllr Emma-Jane McGrath	

+ Present

- Apologies for absence presented

Substitutes: Cllr Bob Raikes (In place of Cllr Louise Ashbery)

Members in Attendance: Cllr Cliff Betton, Cllr Lisa Finan-Cooke,
Cllr Shaun Macdonald, Cllr Morgan Rise, Cllr Jonathan Quin, Cllr Victoria Wheeler

Officers Present: Renee France, James MacIntosh, Eddie Scott & Nick Steevens

19/EP Chair's Announcements and Welcome to Guests

It was reported that following-on from the September Meeting of the Committee, which considered revenue grants for the 24/25 financial year, the Committee had met in an informal, virtual setting on 9 November 2023 to discuss any recommendations it was inclined to make at the end of the scrutiny process. It was reported that the Committee had undertaken thorough discussion throughout the process and had come to consensus on a number of recommendations.

RESOLVED that it be recommended to the Executive that the following actions be taken in relation to the Revenue Grant Scheme for the 24/25 financial year:

- I. **The following organisations be awarded revenue grants for the 24/25 financial year as follows:**
 - a) **Camberley and District Job Club: £10,026**
 - b) **Citizens Advice Surrey Heath: £95,000**
 - c) **Surrey Heath Age Concern: £10,000**
 - d) **The Hope Hub: £40,000**
 - e) **Time to Talk (VSNS): £5,000**
 - f) **Voluntary Support North Surrey: £20,000**
- II. **Citizens Advice Surrey Heath's funding be ringfenced for a three year period;**
- III. **It be communicated that the existing Key Performance Indicators, and Case studies, including continued monthly updates, illustrated that**

Voluntary Support North Surrey provided sustained value for money and this should continue;

- IV. £27,521, from the Containment Outbreak Management Fund, currently allocated to create a new charity enabling fund be reallocated to fund the above revenue grants for the 24/25 financial year; and**
- V. Any unspent monies allocated to the Emergency Food Fuel and Energy Grant Scheme be reallocated to fund revenue grants for the 24/25 financial year.**

It was also noted by the Chair that there was open-ended invite for any Members of the Council to attend External Partnerships Select Committee Meetings including members of the Executive.

20/EP Minutes of the Previous Meeting

The minutes of the meeting held on 5 September 2023 were confirmed and signed by the Chair.

21/EP Public Question Time

There were no questions by Members of the Public as per the procedure outlined in Part 4, Section E of the Constitution.

22/EP Camberley Sewage Treatment Works

The Committee considered a report by the Strategic Director - Environment and Community which outlined the sequence of events following complaints of severe nuisance odours emanating from Camberley Sewage Treatment Plant during the summer of 2023.

Thames Water currently held a permit to process sewage sludge at Camberley Sewage Treatment Plant (CSTP) and this was subject to an Environmental Permit issued by the Environment Agency. Processing of the imported material was allowed under an exemption meaning that the controls set by the current permit were not applicable.

Following nuisance odour complaints officers first contacted CSTP on the 22nd June by email. Initially it was maintained by Thames Water that the odour was of the result of various other external issues including locally blocked drains and not linked to activities at CSTP.

After further investigations officers spoke to the Customer & Stakeholder Manager for Thames Water who then confirmed that the odour issues were due to processes at Camberley Wastewater Treatment Works who were holding a backlog of raw sewage that needed processing. Assurances were also provided that an odour suppression system was in place to mitigate any odours caused by the presence of the sewage.

Following an unannounced visit on the 18th of July Officers found that untreated sludge had been imported into Camberley and had been stored in a large open tank and that the Sewage had been imported to Camberley from other facilities as a result of operational issues. Material had started being imported in February and by March the 'strategic tank' used to store the sewage sludge was full to capacity. The sewage sludge remained held untreated in the open strategic tank until July 2023. As the weather became warmer this increased the levels of odour arising from the sludge. Further to this Thames Water confirmed that there were issues with the odour control system which resulted in the odour suppression not working continuously as intended.

During a site visit on the 2nd August it was finally confirmed that action had been taken and the odour suppression system was now operational 24 hours a day whereas suppression had previously only been in place during normal working hours with intermittent failures also causing odour during normal working hours. Sludge processing had restarted and it was confirmed that it would be complete by the end of the August.

The report detailed that Thames Water completed the sludge processing operation as agreed at the end of August. The cleaning of the tanks then started with the process completed by the 25th of September. Moreover since the summer, the Environment Agency had confirmed their intention to revise the Environmental Permit which will remove the ability to process sewage in open tanks. Additionally, sewage processing at CSTP was now subject to the evolving Industrial Emission Directive (IED). The directive would require Camberley to comply with the latest Best Available Technology (BAT) document to control its emissions to Air land and Water. As odour was an emission to air, the permit will now add new controls to mitigate any impacts.

The Officer report highlighted that on the 27th September 2023 Councillors attended a meeting with Thames Water and Michael Gove MP to discuss the impact that the odour had on the residents of St Michaels and Watchetts wards. During the meeting a commitment was given by representatives of Thames Water that a financial contribution would be offered towards a community project in the affected wards. However, in October 2023 a letter was received from the Operations Director from Thames Water which reneged from the offer and stated that in the current circumstances Thames Water was unable to contribute funding to such a project.

Following presentation of the Officer Report, the debate was opened by James Bentley, Operations director for Thames Valley and the Home Counties, who acknowledged that mistakes had been made by Thames Water during the series of events, and apologised for not communicating with residents in the affected area sooner and for not implementing odour control measures quicker. It was reaffirmed that the events which had taken place could be classified as a very extreme sludge event, where the whole Thames Water estate in London and the Home Counties had experienced a severe overload of sludge and cake, and that there had been multiple learnings as a result of the events. Responding to Members, Thames Water emphasised

that it did not want to put sludge into strategic stores. However, sludge levels across the Thames Water estate at collection sites had reached a critical level which would have resulted in the pollution of watercourses or large scale transportation of sludge via the road network at the height of summer if the sludge was not moved to strategic stores.

There was a broad discussion in respect of the previous commitments and the prevailing opinion that affected members of the public should receive financial compensation for having their summers severely disrupted. Members strongly reinforced their belief that due to the severe level of disruption caused to residents' summers, a company the size of Thames Water could afford to provide a package of compensation, as was thought to have been agreed at its stakeholders' meeting on 17 September 2023. In contrast, it was advised by Thames Water's representatives that no such agreement at the meeting had been reached, and any compensation package was a matter for the Executive Directors at Management level.

There was discussion in respect of processes and investments that Thames Water was putting in place in order to reduce the probability for a similar situation to occur, where sludge reached unprecedented levels. It was advised that moving forwards there would be a formal sign off process for use of strategic tanks. Thames Water had also identified a number of key sites where the process to turn sludge into raw cake needed to be accelerated. The production of liquid into cake, had meant a reduction in liquid demand to the extent of up to 300 metres cubed everyday within the region. Furthermore, further sites outside of the Thames Valley Area, where processed cake could be moved to, were also being explored.

The Committee were advised that Thames Water was not seeking any change from the removed permit condition recently imposed by the Environment Agency on CSTP; and that as a result the tank wouldn't be able to be used in the same way, as in Summer 2023, for if a critical sludge event were to occur again. It was reaffirmed that Thames Water's revised planning, practices and procedures would mean that the strategic tank provision at CSTP was no longer needed. Moreover, the overall lack of capacity across the Thames Water Estate which had reduced the pace of the centrifugation and dewatering of the sludge during the summer of 2023 had been mitigated and that temporary centrifuges had been procured by Thames Water to allow deployment on sites which exported sludge liquid.

There was a broad discussion on the future of CSTP, and the longer term plan for the centre and its ability to hold extra capacity; as well as the main causes of the situation which resulted in the discharge of raw sewage into local waterways such as the River Blackwater. It was also acknowledged by Members that despite, being a private company, Thames Water had a de facto monopoly over the market, which limited its motivation to act responsibly on environmental matters, put affected customers first, and to make significant investments into the necessary infrastructure. It was reaffirmed by Thames Water that large scale infrastructure investments were being committed to by the organisation and that a dividend hadn't been paid to shareholders for the last 6 years. Moreover, it was affirmed that in 2023

shareholders had put half a billion pounds of equity into the company as a result of regulator-fixed costs meaning that the company's expenditure was higher than what it was able to recover from its customers. Thames Water agreed to reply in writing in respect of the company's longer-term plans for CSTP and the causes of discharge into the River Blackwater.

There were a series of questions by Members and subsequent debate in respect of the overall resilience of Thames Water's sewage processing system, moving forwards and their modelling systems in order to be able to provide reliable probability calculations for a critical incident to take place in the future. Thames Water agreed to revert in writing to advise of the probability of an critical sludge event taking place again, and whether they judged the level of probability to be acceptable. Moreover, whilst it was acknowledged that the events which took place at CSTP was a greater product of vulnerabilities in the sludge system, Members asked as to the resilience of Thames Water's overall waste system to the effects of Climate Change and how this tied into the company's 2025-2030 business plan. It was agreed, as the question tied into Thames Waters planned capital investments and significant construction projects, that Thames Water would have to provide a detailed response in writing.

Moving forward, it was acknowledged by Members that there would be a further odour survey for residents in the vicinity of CSTP, which was anticipated to take place in the spring. There was acknowledgement that any survey should be timed as to accurately reflect the odours experienced by local residents throughout the year; and that there would be engagement with the Council's Environmental Health Team to facilitate and inform this. It was agreed that Thames Water would furnish the Council with the proposed precise details of the odour survey in due course.

There was an overriding feeling amongst the Committee that Thames Water had escaped potential significant financial penalties, at the expense of Camberley residents, where CSTP had stored the excess sludge, and had meant that the sludge did not pollute the waterways and reduced the need for it to be transported via the road network during the height of summer, which would have entailed explosion risks. As a result of this, and the size of the company's turnover, Members still felt it would be proportionate and viable for Thames Water to provide affected local residents with a form of compensation. As it was acknowledged that James Bentley was not in a position to negotiate any compensation package with the Committee, it was asked that Members of the company's management committee who had the authority to negotiate such a package attend the next meeting of the Select Committee.

It was felt by Members that there was an overall lack of sympathy and ambivalence to the distress caused to Camberley residents by Thames Water. However, it was acknowledged by the Committee that this was symptomatic of wider problems in respect of the regulation of water companies; and that the regulatory framework and associated sanctions failed to protect residents. Thereby, the Committee agreed to recommend to the Executive for a letter to be written, to highlight the need for water companies

to be tightly regulated in respect of air pollution and land pollution (in addition to existing regulatory provision in relation to pollution of waterways and provision of consumer water supply), It was recommended that Camberley be used as an example of where Thames Water had diverted the risk of fines for watercourse pollution, by mitigation activities which had in turn caused air pollution.

RESOLVED that

- I. The report of the Strategic Director: Environment & Community be noted;**
- II. The Executive be recommended that a letter be written to Ofwat, the Secretary of State for Environment, Food and Rural Affairs and Michael Gove MP, highlighting the need for better regulation of water companies in relation to Air and Land Pollution;**
- III. Representatives of Thames Water be invited to the Committee's meeting on 12 March 2024 for the purpose of the negotiation a compensation package relating to the prolonged nuisance odour event caused by Camberley Sewage Treatment Plant throughout Summer 2023.**

23/EP Committee Work Programme

The Committee considered its Work Programme for the remainder to the municipal year.

It was proposed that in addition to the extra Thames Water item, Michael Gove MP be invited to the 12 March 2023 meeting in order to discuss the Local Government Funding Settlement. Moreover, it was proposed and agreed to invite a representative from Surrey Heartlands Integrated Care Board to attend alongside Frimley Health Integrated Care Board on the meeting on 12 March 2023.

It was noted that the a wider Council provision in relation to Arts and Culture was considered for the forthcoming annual plan, and that the programme maybe suitable for pre-decision scrutiny at Performance and Finance Scrutiny Committee towards the start of the 2024/25 municipal year.

RESOLVED that the Committee's Work Programme be agreed.

Chair