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SOUTH WEST DEVON WASTE PARTNERSHIP

DATE: THURSDAY 21 JANUARY 2010 TIME: 11.00 AM PLACE: THE BALLROOM, OLDWAY MANSION, PAIGNTON

Members –

Councillor Croad, Chair Councillor Butt, Vice Chair Councillors Bowyer, Carroll, Hart and Michael Leaves

Observers –

Councillors Brazil, Doggett and Gordon

Members are invited to attend the above meeting to consider the items of business overleaf

BARRY KEEL CHIEF EXECUTIVE

SOUTH WEST DEVON WASTE PARTNERSHIP

1. INTRODUCTIONS AND APOLOGIES

To introduce attendees and receive apologies for non-attendance submitted by Members.

2. DECLARATIONS OF INTEREST

Members will be asked to make any declarations of interest in respect of items on this agenda.

3. MINUTES

To sign and confirm as a correct record the minutes of the meeting held on 5 November 2009.

4. PROJECT UPDATE

Members will receive an update on the project from the Project Director.

5. OVERVIEW OF PROJECT COMMUNICATIONS

Members to receive a report on public roadshows held in November and December and a summary of the general questions received in the last three months from members of the public, including the partnerships response.

Liz Waugh from Coast Communications, the partnership communications advisor will provide an update/presentation on recent and future communication activities.

6. ANY OTHER BUSINESS

The Committee will discuss any other items of business.

7. DATE AND LOCATION OF NEXT MEETING

The next Committee meeting is proposed for 15th April 2010 in Plymouth at a venue to be confirmed.

8. EXEMPT BUSINESS

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following item(s) of business on the grounds that it (they) involve the likely disclosure of exempt information as defined in paragraph(s) 3 of Part 3 of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

PART II (PRIVATE MEETING)

(Pages 5 - 8)

(Pages 9 - 14)

(Pages 1 - 4)

9. OVERVIEW OF CURRENT SOLUTIONS AND BIDDERS INVITED TO SUBMIT DETAILED SOLUTIONS (ISDS)

Members will be informed of the progress of the four solutions by three bidders who were selected to continue into the ISDS main stage.

10. REVIEW OF PROCUREMENT STRATEGY OPTIONS (TO FOLLOW)

Members will receive a summary report/presentation from the Project Manager regarding ongoing procurement strategy options and the recommended way forward.

11. REVIEW OF PROJECT PROCUREMENT PROGRAMME AND PROJECT BUDGET (TO FOLLOW)

Members to receive the latest updated project procurement programme and any implications arising from item 10.

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South West Devon Waste Partnership

Thursday 5 November 2009

PRESENT:

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

Observer Members: Councillors Brazil, Doggett and Gordon

The meeting started at 11.00am and finished at 12.55pm.

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.

13. INTRODUCTIONS AND APOLOGIES

Councillor Roger Croad welcomed members to the meeting.

14. **DECLARATIONS OF INTEREST**

The following declarations of interest were made in accordance with the Code of Conduct in relation to items under discussions at this meeting –

Name	Subject	Reason	Interest
Councillor Hart	South West Devon Waste Partnership in general.	He had recently, since the last meeting of the SWDWP, had lunch with an old friend who was now a Director at Viridor.	Personal

15. **MINUTES**

<u>Resolved</u> that the minutes of the meeting of the South West Devon Waste Partnership Joint Committee held on Thursday 16 July 2009 are confirmed as a correct record.

16. **PROJECT UPDATE**

The Partnership received an update from the Project Director on the progress of the project so far and members were informed that -

- since the last meeting of the Partnership the procurement process had moved into the Invitation to Submit Detailed Solutions (ISDS) First Stage, where three participant companies, MVV Umwelt, Sita UK and Viridor, proposing five solutions were invited to develop their solutions from the Invitation to Submit Outline Solutions (ISOS) stage and submit a more detailed solution with particular focus on site deliverability, planning and energy sales arrangements;
- during the ISDS First Stage the Partnership project team continued to dialogue with the participants to develop their solutions prior to the updated solutions being submitted on 2 October 2009;
- (iii) the ISDS First Stage solutions received had been reviewed against the Partnerships requirements and the results would be presented to the Partnership under exempt business prior to formal notification to

participants and information being released to the public;

- (iv) as part of the ongoing public information and communication process of the project there had been a one day public exhibition held in the Guildhall, Plymouth on 15 August 2009. The exhibition was very well attended with over 200 people attending to find out more about the project and its proposals;
- (v) an MPs briefing had been held on 9 October 2009. Three MPs attended which provided the opportunity to ensure that the MPs had a good understanding of the Partnership and the current status of the project and to listen to their comments;
- (vi) the Partnership had updated its future residual waste projections to take account of latest 2008/09 data and new composition information. These updated projections had considered latest trends and waste growth projections including from the Department for Environment, Food and Rural Affairs (DEFRA). This has led to the forward waste projections and therefore SWDWP contract capacity requirements being revised downwards.

17. OVERVIEW OF PROJECT COMMUNICATIONS

The Partnership received an overview of recent and forthcoming communications from the Project Director. Members were informed that -

- (i) as part of the Partnerships communication programme the following communication and information sessions had recently been held
 - a public exhibition roadshow in Plymouth on 15th August 2009;
 - MPs briefing.
- (ii) future planned communications from the Partnership included
 - following the approval of the Partnership a press release detailing the participants going through to the ISDS Main Stage of the procurement process would be issued;
 - liaising with key stakeholders and organisations such as Environment Agency, to keep them informed of the project status and the participants going through to the ISDS Main Stage of the procurement process;
 - an all Councilor briefing to be held at Devon County Hall on 6 November;
 - a series of public exhibitions around Devon and Cornwall between 9 14 November 2009.

18. ANY OTHER BUSINESS

There were no items of any other business.

19. DATE AND LOCATION OF NEXT MEETING

<u>Resolved</u> that the next meeting will be held at 11am on Thursday 21 January 2010 in Torbay at a venue to be confirmed.

20. **EXEMPT BUSINESS**

<u>Resolved</u> 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.

21. SUMMARY OF THE INVITATION TO SUBMIT DETAILED SOLUTIONS (ISDS) FIRST STAGE SUBMISSIONS AND BIDDERS TO BE SHORTLISTED

The Project Director and the Project Manager presented a summary of the detailed solutions proposed by each of the short listed bidders' and members were informed that –

- the ISDS First Stage was similar to the ISOS Stage, though the ISDS Stage First Stage had a more specific focus on site deliverability, planning and energy sales;
- since the ISOS Stage SITA UK had withdrawn its proposal for a solution at Ernesettle in order to concentrate on their HM Naval Base South Yard proposal;
- (iii) the ISDS First Stage had received four solutions submitted by three participants, these were:
 - MVV Umvelt who had submitted solutions for sites at Ernesettle and HM Naval Base Devonport (North Yard);
 - SITA UK who had submitted a solution for a site at HM Naval Base Devonport (South Yard);
 - Viridor who had submitted a solution for its own site at New England Quarry, near lvybridge.
- (iv) the sites proposed as solutions by the participants could still change as the procurement process continued;
- (v) the next stage in the procurement process is for the bidders' to develop their proposals further before submitting their detailed solutions in March 2010 in response to the ISDS Main Stage;
- (vi) the ISDS Main Stage solutions will be assessed between March and May Summer 2010 and then shortlisted to two bidders.

<u>Resolved</u> that the three participants submitting four solutions be invited to develop their proposals and submit further solutions in response to the ISDS Main Stage as part of the ongoing procurement process.

22. APPROVAL OF SPECIFIC EVALUATION CRITERIA AND METHODOLOGY FOR JUDGING BIDDERS RESPONSES TO THE INVITATION TO SUBMIT DETAILED SOLUTIONS (ISDS) MAIN STAGE

The Project Director and the Project Manager presented a report on 'approval of specific evaluation criteria and methodology for judging bidders' responses to the Invitation to Submit Detailed Solutions' Main Stage'. The partnership was informed that –

- the report was in accordance with the SWDWP Joint Working Agreement Schedule D, in that it required members to agree all evaluation criteria relating to the Project that will be used to assess and evaluate solutions;
- (ii) the scoring weightings for the ISDS Main Stage had been set within previously approved bandings.

Resolved that -

- (1) the evaluation procedure, criteria and scoring methodology as set out in the report is approved;
- (2) the finalisation of the Bid Evaluation Procedure document (annexed to the report) is delegated to the South West Devon Waste Partnership Project Executive.

23. **REVIEW OF LATEST PROJECT PROCUREMENT PROGRAMME**

The Project Director presented an updated Project Milestone and Monitoring Programme on the procurement process and explained that –

- the programme was continually being reviewed and updated and the latest programme milestones reflected the inclusion of new stages into the programme such as the ISDS First Stage, Defra PFI approval requirements and also timescales adjusted in light of learning gained from other PFI procurements;
- (ii) the Outline Business Case Reference Project will also be updated to reflect information such as the latest Partnership waste tonnages projections.

 $\underline{\text{Resolved}}$ that the Partnership endorse the revised project milestone and monitoring programme.

Agenda Item 4

Project update report for Joint Working Committee



SWDWP Joint Working Committee meeting Project Update Report - 21st January 2010

This report provides a summary of key project events and activities over the last three months with most recent events being shown first. A record of the previous three months activities is also included for continuity purposes.

1. 8th January 2010 – Public announcement of SITA's withdrawal from the procurement

SITA formally withdrew from the procurement on 24th December 2009 leaving two participants (bidders) proposing solutions on three sites;

- MVV Ernesettle and North Yard Devonport site
- Viridor New England Quarry site

2. November 2009 - January 2010 – Ongoing dialogue with participants

Throughout November, December and January the partnership had regular dialogue meetings with the participants. The dialogue meetings will continue throughout the procurement process.

3. 9th to 14th November and 9th December 2009 – Public roadshows

A series of exhibitions were held from 9 to 14 November, with the approximate number of attendees being around 200 in total. The aim of the roadshows was two fold – to communicate information about the project and partnership, and to gather comment and opinion from local residents and the community. The exhibition presented information centred on various topics: the partnership background and objectives; project scope and timescales; the waste management issues under consideration; an overview of the three companies still bidding for the contract; site locations under consideration and the potential solutions being proposed.

An additional roadshow event was held on the 9th December at the request of local residents and councillors located near to the North Yard Devonport site.

6th November 2009 – ISDS main stage documents issued to participants

Following the approval of the SWDWP Joint Committee on the 5th November 2009, the Invitation to Submit Detailed Solutions (ISDS) was formally made to the three remaining participants (bidders) who were proposing solutions based on four sites:

Project update report for Joint Working Committee

- MVV Ernesettle and North Yard Devonport site
- Sita South Yard Devonport site
- Viridor New England Quarry site

9th October 2009 – update briefing for MPs

The partnership held a MP briefing on the 9th October to provide an update on the project. All MP's from the Partnership area were invited. Alison Seabeck, Gary Streeter and Hugo Swire attended

2nd October - participants submitted their first stage Invitation to Submit Detailed Solutions

On the 2nd October the First Stage Invitation to Submit Detailed Solutions were received. The partnership has since been ensuring the proposals fulfil the partnership's requirements. The bidders going through to the IDSD main stage will be released in the Joint Working Committee meeting on the 5th November in Part II. This will be released into the public domain on the 6th November.

15th August 2009 – Public Exhibition

As part of the public information process, the partnership held a one day event in the Guildhall Plymouth to provide an update on the project. The event was a brief update prior to a series of roadshows across the region in November which will provide further details on the project. Over 200 people attended the briefing to ask questions about the proposals, including the potential locations, technology and timescale for the project.

August and September – Dialogue with participants

Throughout August and September the partnership had regular dialogue meetings with the participants. The purpose was to ensure the participants understood the requirements of the partnership and that the partnership understood the participants' proposals. The dialogue meetings will continue throughout the procurement process.

16th July – Decision made on shortlisted bidders through to the Invitation to Submit Detailed Solutions (ISDS) stage

In July 2009 three companies and five solutions were shortlisted to go forward to the ISDS stage.

The private companies that were shortlisted and invited to submit detailed solutions were:

- MVV Umwelt
- SITA UK
- Viridor

Project update report for Joint Working Committee

The proposals involve facilities based at four locations; Ernesettle, North Yard Devonport, South Yard Devonport and New England Quarry. MVV Umwelt and SITA have offered proposals for both Ernesettle and Devonport whilst Viridor has put forward its own site at New England Quarry.

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South West Devon Waste Partnership Roadshow and Community Engagement Report – January 2010

This report provides a summary of project related communication events held, written queries and responses made between October 2009 and January 2010.

<u>1. Summary of Public Exhibition Roadshow held between 9th – 14th November & 9th</u> <u>December 2009</u>

1.1 Introduction

A series of roadshow exhibitions were held at various strategic locations across the Partnership area in early November and December with varying number of attendees (as listed in table 1 below). The aim was two fold – to communicate latest information about the project and partnership and to gather comment and opinion from local residents and the community. The exhibition presented information centred on various topics: the partnership background and objectives; project scope and timescales; the waste management issues under consideration; an overview of the three companies currently bidding for the contract; site locations under consideration; and the potential solutions being proposed. The Environment Agency also had a presentation stand relating to energy from waste, regulatory controls and permitting.

Date	Location	Public Attendees (approx)
9 th November	Ernesettle Community School	31
10 th November	Torbay Town Hall	4
11 th November	City College Devonport	11
12 th November	Ashtorre Rock, Saltash	33
13 th November	Watermark lvybridge	61
14 th November	Guildhall Plymouth	52
9 th December	Weston Mill Primary School	32

Table 1 Roadshow locations and approximate attendees:

The exhibitions were attended by a number of officers from Plymouth, Devon and Torbay Councils as well as representatives from the <u>Environment Agency</u>, who will ultimately be permitting and regulating the facility.

Several of the exhibitions, including those at Ernesettle and Ivybridge, were also attended by local opposition groups. The South West Devon Waste Partnership allowed the groups into the exhibition halls to set up their opposition stands. This concession has helped to ensure more informed debate, and has allowed for a greater understanding of opposition issues.

1.2 General reasons for public attending

Visitors to the exhibition had a range of interests including:

General interest in waste management General interest in the technology options Personal interest in the potential site (usually as a nearby resident)

SWDWP Communications report January 2010

1.3 General issues and concerns raised by attendees

- Potential sites for solutions
- Increased traffic congestion, pollution and danger
- Perceived health impact
- Recycling rates current targets too low
- Recycling rates impact of facility on recycling
- Visual impact of a facility
- Stack height
- Proximity to housing
- Carbon footprint for waste travelling from Torbay / Devon
- Length of PFI contract
- Alternative technologies considered
- Lack of detailed information on the proposals
- Heat and power generation and potential customers
- Employment potential
- Emission levels and safeguarding in place for emergency situations
- The allocation of waste management sites
- The planning and permitting process
- Clarification of the procurement and selection process
- Where waste will come from

1.4 Specific issues raised:

- Congestion at the junction at the top of Ernesettle Lane, parking on the hill, traffic volumes and concern about heavy vehicles taking a short cut through the Ernesettle housing estate.
- Increasing fog in the Tamar valley
- Access arrangements through Lee Mill village
- Railway and water transport opportunities
- Langage power station as a potential site
- Viability of Sherford new town (as recipient of energy)
- Financial incentives for recycling
- Access to HM Naval Base South Yard
- Understanding Viridor's planning application and proposals in relation to the Partnership

1.5 Conclusions from Roadshow

The level of interest and engagement shown from those attending the roadshows was constructive and thoughtful with many residents asking detailed and well informed questions. Most residents were receptive to the responses and information they received, stating they felt better informed and more aware of the wider issues as a result. However the lack of information, visual images and specific detail on the four proposals (at that time) was raised by several attendees and is an area that will need to be addressed as soon as possible.

The procurement, planning and environmental permitting processes are not well understood by the general public although the presence of planning officers from Devon

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County and Plymouth City Councils and staff from the Environment Agency at the events helped to clarify and demonstrate the independence of these processes. The Partnership will consider further how it can improve communications and inform the public about these complex formal processes.

The majority of attendees acknowledged the need for an alternative to disposing of waste in landfill but some queried whether energy from waste was the right technology, often thinking that recycling alone could provide the solution. With the exception of the Torbay event, many of the attendees were concerned about that the solution being near to their community, suggesting it should be sited away from residential areas.

A significant proportion of the visitors to the exhibition left comments. We have responded directly to those who left their email address/contact details on their comments form. Many of the points raised are already addressed on our website <u>www.swdwp.co.uk</u>.

The roadshow events were extensively covered by local media throughout with BBC and ITV attending two events. Media coverage over the course of the roadshows was balanced, although there was some confusion over dates and venues due to some incorrect detail featured on online / teletext schedules. This was questioned with the media; they later corrected their text where possible and apologised. An incorrect media story in early November led to some confusion, suggesting that the Ernesettle site had been completely withdrawn from consideration whereas only Sita had withdrawn their bid for this site. Again, this was challenged with the media; online agreed to give a correction, but whilst broadcast apologised, there was no further clarification.

The attendance levels at some venues were disappointing although the weather was particularly inclement during the November roadshows. Higher attendance levels at lybridge may have been as a result of Viridor's targeted communication events in undertaken between August and October in advance of their planning application submission. A number of local residents also suggested that other members of the public were not aware of the roadshows and queried the advertising. The partnership confirmed that all roadshows were advertised in the local media before and on the day of each event, featured in news bulletins and articles, and information was displayed in local libraries, on the partnership's website and at the venues themselves. However, this is something the partnership will review to consider if this can be improved for future events.

2. Summary of written queries received

Over the last three months, the partnership has received 17 written queries relating to the partnership's project centred around various common topics. Below is some general information we have provided in response to these queries:

2.1 Emissions

Many of the figures quoted by research and reports opposing energy from waste refer to EfW emissions and data from before the year 2000. Opposition reports also to refer to data and statistics that are not ratified or verified independently. In 2000, new European legislation was introduced that drastically cut emissions from incineration and other industrial processes. As a result, research prior to 2000 is not generally considered relevant (or valid in this case), as it is based on levels of emissions that far exceed the current allowable limits.

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Dioxins are often quoted as being a significant health concern, however, over the last twenty years, the levels of dioxins from industrial combustion processes including energy from waste have reduced significantly, with a 90% reduction since the introduction of the Waste Incineration Directive in 2000. In 2003, the <u>National Society for Clean Air</u> looked at where dioxins come from. They concluded that only 1% of the UK's annual dioxins are from energy from waste incineration. A later study by <u>DEFRA in 2004</u> suggested that in fact 0.5% of the annual dioxin total is from incineration, with 0.5% coming from landfill.

The recent Health Protection Agency report (September 2009) states that modern incinerators do not pose a significant threat to public health. A Health Protection Agency spokesman said: "The evidence suggests that air pollution from incinerators makes up a fraction of one percent of the country's particulate emissions. Industry and traffic account for more than fifty per cent... The evidence suggests that any potential damage to health of those living close to incinerators is likely to be very small, if detectable. The Agency therefore does not believe that studies of public health around individual incinerators are scientifically justifiable."

The facility procured by the partnership will be designed and permitted to latest modern standards and emission levels will be closely monitored by the Environment Agency during operation.

2.2 Waste minimisation

The proposed energy from waste plant should be seen in the context of the waste hierarchy i.e. Reduce, Reuse, Recycle, Recover Energy, Dispose and the partnership have already allowed for increased waste minimisation efforts alongside significantly improved recycling as part of their modeled future waste projections. These modeled projections have also been refreshed by the partner authorities in October 2009 to take account latest waste and population growth trends.

It has been stressed that local authorities have little control over waste production although the partner authorities through the <u>Devon Authorities Waste Reduction and Recycling</u> <u>Committee</u> has been promoting waste minimisation through a variety of channels including multi media advertising and meeting the public at road shows. Re-use is being promoted through re-sale of items from recycling centres and support for furniture re-use charities.

2.3 Impact on recycling

There will always be a proportion of our waste which cannot be recycled that will need other solutions such as waste contaminated by food or other organic matter (e.g. nappies). There are also waste elements that cannot be recycled as it is not sustainable or economic to do so e.g. composite materials, carpet, mattresses etc. A modern, appropriately sized and regulated facility provides an appropriate treatment arrangement to divert as much of this waste as possible from more harmful landfill.

The partnership has carefully sized the facility (i.e. limiting the capacity of the plant) for projected future needs such that there will be scope to increase recycling to latest national target levels set by the government and beyond. Our new facility will be part of an integrated waste management solution sized to meet the needs of South West Devon, so as not to 'crowd out' recycling. The partnership, along with the District Councils, are making strenuous efforts to further increase the level of materials recycled in the area and this has been allowed for in forecasting our future needs.

SWDWP Communications report January 2010

Energy from waste plants generally rely on a relatively poor quality waste stream. The plants do not work so efficiently if fed materials with high energy content, such as a lot of plastics. So rather than discourage recycling, it is important that items of high energy content are extracted and recycled leaving a 'lower calorie' waste stream for the plant to incinerate.

The system cannot be viewed in isolation – it relies on a fully integrated process where reduce, reuse, and recycling are the first elements of the waste treatment. This type of integrated scheme is fully in line with UK Government policy and EU legislation. It reflects the move away from landfill towards increased recycling and recovering some value from waste, such as generating energy.

2.4 Stack height

The height of the chimney for a waste to energy plant will be calculated to ensure adequate dispersal of any flue gasses regardless of weather conditions and must be calculated for each specific site according to topography and weather conditions. Contractors will undertake extensive air quality investigations and dispersion modelling as part of their proposals, which will determine the exact chimney height. This exercise has yet to be completed by the bidders but it is usual for a facility of this capacity to have a chimney in the region of 90 metres tall. This structure would be designed to complement the facility architecture and minimise adverse visual impact as far as possible.

2.5 Sustainability

The impact of transportation to and from the proposed sites will be assessed as part of the procurement and also as part of the planning application process. Some consideration has already been given to transportation issues as part of the site identification and this will be further reviewed through the bid evaluation process used by the South West Devon Waste Partnership to select the preferred bidder.

In terms of location, the largest proportion of residual waste (by Council) going to the energy from waste facility will be generated in Plymouth and hence locating the facility in or near to Plymouth will reduce the miles that waste has to travel overall.

2.6 Traffic

As part of the planning process contractors will be required to produce detailed studies of the projected traffic flows and ensure they will have no unacceptable adverse impacts on existing transport network. If road improvements are deemed to be required these will be undertaken as part of the project works.

The waste which will be delivered to the new facility is currently being delivered to one of two landfill sites. Refuse collection vehicles currently collect waste from Plymouth and parts of South Hams and take it to Chelson Meadow from where it is loaded onto bulk tipping vehicles for onward transport via the A38 to a landfill in Cornwall. Similar bulk tippers carry waste from West Devon to the same landfill. Waste from Torbay, parts of South Hams and Teignbridge is currently taken to a landfill near to Newton Abbot. Depending on the final site location chosen it maybe possible to reduce the amount of waste miles traveled and potential increased use of bulk tipping vehicles to transport waste may make it possible to plan deliveries to avoid times of day when the traffic is particularly heavy.

<u>2.7 PFI</u>

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The partnership has also received a number of queries relating to PFI funding and the length of contract required.

The Government's Private Finance Initiative (PFI) programme has been used widely for building schools and hospitals around the UK. It is a way of funding major capital projects such as large scale building, construction or infrastructure projects with an appropriate risk transfer to the private sector without having to use money directly from the 'local public purse'– i.e. the council. If the partnership's project were unable to attract central government PFI support, alternative funding mechanisms would result in an associated rise in council tax for residents.

PFI contracts are long term; the partnership is looking for a contract over the next 30 years. This is because it is a major investment: the costs of building the facility and operating it are borne by the contractor, so there needs to be some long-term security and certainty. The contractor needs to know that they are guaranteed to get our waste for a definite amount of time – assuming they meet all the performance and agreed standards.

PFI contracts are designed around an 'output specification', so that if the contractor does not meet our high-level specific requirements or there are performance issues, the partnership can withhold payment or even terminate the agreement. Flexibility can also be built into the contract to recognise and manage future changes.