



Audit & Governance Committee

31 March 2009

Report of the Director of City Strategy

Waste PFI Project

Background

1. City of York is working in partnership with North Yorkshire County Council to deliver a Joint Waste Strategy to deal with the area's waste for the next 25 years. The original strategy, Let's Talk Rubbish was published in 2002, and was updated as Lets' Talk Less Rubbish in 2006. Over this period considerable progress has been made particularly in terms of recycling, where York is now achieving close to 50%, well ahead of national targets.
2. Part of delivering the waste strategy is to treat residual waste - the waste which remains after Reduce, Reuse and Recycle activities have taken place, and Recover value from it. The Councils are working together to obtain a Private Finance Initiative (PFI) solution to achieve this.
3. At the moment this residual waste - around a quarter of a million tonnes of it every year - is sent to landfill sites. (York's contribution is about 25% of this, c.65,000 tonnes every year). Landfill cannot continue in the long term - the sites are filling up rapidly, and new government targets coupled with our own environmental strategies require that we find alternative, and sustainable solutions.
4. An Inter-Authority Agreement between CYC and NYCC was signed in January 2008.

The PFI Project

5. The Outline Business Case (OBC) for the project was submitted to Defra in September 2006, and the partnership was awarded £65m in PFI credits at the end of August 2007.
6. A team, comprising NYCC & CYC officers and consultants has been using the 'Competitive Dialogue Process', to procure a 25 year contract, to meet the requirements of a minimum 70% diversion from landfill and at least 80% diversion of biodegradable waste. The Councils did not specify the type of technology to be used, nor the location of any treatment plant(s).

7. A long list of 10 organisations submitted outline solutions, and by February 2008 this had been reduced to a shortlist of four companies and consortia. Two bidders were selected in September 2008 to produce competitive tenders, and draft final tender submissions were received on 16th March 2009. These submissions are being reviewed, and it is expected that the preferred bidder will be announced by the end of June 2009.
8. It will be the responsibility of the preferred bidder to obtain planning permission, all requisite permits and to build and operate the service. It is planned to commence the service in early 2014.

Contact Details

Author:

Roger Enzor
Waste PFI Project Advisor
Phone 01904 551449

Chief Officer Responsible for the report:

Bill Woolley
Director of City Strategy

Report Approved

☐

Date

Specialist Implications Officer(s) Not applicable

Wards Affected Not applicable

All

☐

For further information please contact the author of the report

Annexes

Annex C Waste PFI Risk Report