

AGENDA ITEM 8 – Additional Information

WASTE PFI – KEY MILESTONES

Formulation of Waste Strategy

Let's Talk Less Rubbish - A Municipal Waste Management Strategy for the City of York and North Yorkshire

The consultation for a revised Waste management Strategy was carried out in November 2005. The strategy focussed on seeking to reduce, reuse and recycle however it specifically considered how to deal with residual waste following in preference to Landfill following government increases in landfill taxes.

The consultation proposed two options

- 1) Send all Waste to Energy from Waste (EfW) plants
- 2) Pre-treat the waste first to recover more recyclable materials in a Mechanical Biological Treatment (MBT) Plant and to produce a fuel for burning in a smaller EfW plant(s).

The result of the public consultation did not show a strong preference overall for either option. The JWMS therefore was not specific on the preferred choice of technology. The Strategy sought to select from the Best Practicable Environmental Option (BPEO).

PFI Outline Business Case

The Executive (12th September 2006) approved the submission of an Outline Business Case (OBC) to Defra. This was treated as a bid for PFI credits and the reference case was a Mechanical Biological Treatment Plant in York and Energy from Waste Plant within North Yorkshire. The Solid Residual Fuel from the MBT plant would be sent to EFW to produce energy.

An update on the OBC was presented to members (27th March 2007). At this meeting Members reaffirmed their support for Mechanical Biological Treatment as the preferred residual waste treatment process for York's waste. Members also noted the substantial savings that had been achieved over the period 2003-2007 due to the dramatic increase in recycling rates and successful waste minimisation campaigns run by City of York Council.

The OBC was approved by Treasury Review Group 23rd July 2007 and PFI credits confirmed.

Formal Procurement

The Executive (26th June 2007) approved to commence formal procurement of residual waste treatment facilities in line with the Private Finance Initiative. It was approved at this stage that the proposed evaluation be that of Most Economically Advantageous Tender and to develop an evaluation criteria.

The Executive formally approved the evaluation criteria 23rd October 2007. The criteria was set at 60% quality which includes landfill diversion performance and the environmental impact (including Ecological footprint) and 40% financial criteria which covers the price as well as the financial robustness of the bid.