
Written Ministerial Statement

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Environment

Strategic Waste Infrastructure Programme

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Mr Attwood (The Minister of the Environment):

In 2008 the Executive approved a strategic waste infrastructure programme at local government level. This programme recognised the challenge facing councils in meeting new landfill diversion targets through to 2020 and the requirements of the European Union. In addition, the environment around and understanding of the waste hierarchy was developing.

In support of this programme the Executive agreed and DOE has provided funding on behalf of the Executive to meet pre-procurement costs incurred by the three Waste Management Groups in taking forward the procurement of new waste infrastructure. (The Waste Management Groups are arc21, SWaMP2008 and the North West Regional Waste Management Group. “arc 21” comprises eleven councils in the eastern region; the Southern Waste Management Partnership “SWaMP 2008” comprises eight councils in the southern and western region; and the “North West Regional Waste Management Group” comprises seven councils in the north and west region). These three regional groupings reflect the preferred delivery model adopted by the councils to meet their statutory waste management obligations when this matter was being decided a number of years ago.

I am providing this statement to advise Members that the Southern Waste Management Partnership (SWaMP) is announcing today that it is to terminate its procurement of a long term waste treatment contract. This contract was intended to provide waste management services in the south west region, to reduce the use of landfill for domestic waste and support

increased recycling. The procurement has recently been the subject of a legal challenge. SWaMP has concluded that in light of a number of factors, including expense, their legal advice and the subsequent uncertainty associated with mounting a legal defence to that challenge, it could not justify committing public funds to such a defence. The Joint Committee of SWaMP's constituent councils has therefore decided to terminate the procurement. I also wish to confirm that the total amount of pre-procurement financial support provided by my Department to the SWaMP partnership since 2008 has been some £3.1 million. The total amount provided to date to the three waste procurement groups has been £9.2 million.

Today's outcome arises from a legal challenge. However, this development and my general view on the waste procurement strategy, demonstrates the need for tight monitoring and vigilance on procurement projects, the risks inherent in such projects (including legal challenge), the need to challenge and be seen to be challenging in relation to the contracts (in relation to affordability and deliverability) and to deploy best practice and best oversight in relation to these procurements.

Monitoring and vigilance have been central to my approach over the last 18 months. I have therefore been taking appropriate actions to subject the three waste management procurements to rigorous scrutiny and review to ensure that they continue to offer a reasonable prospect of achieving their stated procurement objectives. It was and remains my wider view that there is a need to create certainty and avoid doubt in relation to waste procurement and in relation to each of the three procurement groups. Moreover I am also committed to ensuring that the cost of these procurement exercises to the public purse, to councils and to ratepayers, remains proportionate, value for money and transparent.

When I became Minister of the Environment, one of my early acts was to review the progress made by the three Waste Management Groups. I have met with each of them individually to seek clarity from them about the deliverability and affordability of their proposed solutions for meeting their councils' landfill diversion responsibilities. I have set firm milestones by which I expect them to reach key stages in the delivery of their contracts. I have linked the release of funding to the achievement of those milestones, and I have made clear that my Department's commitment to providing financial support for the procurement exercises is not open ended, and in any event will not extend beyond the end of the present financial year.

At the same time, I have undertaken a root and branch review of the overall scale of the planned waste infrastructure procurement in Northern Ireland. Major waste infrastructure procurements can take upwards of three years to reach a point where decisions can be taken on their viability. That said, Members will know that in the period since the Programme was approved by the Executive in 2008, a number of factors have impacted on overall waste infrastructure requirements in the North, notably increases in

recycling, the success of waste prevention measures and the overall economic downturn, all meaning that less waste is produced.

Indeed, a recent analysis of 2020 Residual Waste Infrastructure Requirements that I commissioned confirms that less new infrastructure is now required to provide the assurance that we in the North will be able to make a proportionate contribution to meeting EU waste diversion targets by 2020.

We are now entering a critical phase in the Strategic Waste Infrastructure Programme. As I said earlier there is a need for certainty and avoidance of doubt. I have been determined that the procurement exercise measures up to the need for affordability and deliverability and does so with full regard to the current and emerging waste environment. In the coming weeks, my focus will be to subject the remaining two procurement exercises being undertaken by councils to robust and ongoing scrutiny to ensure that waste procurement is modelled to serve needs of the councils in the North, to do so in a way that is fully compliant with European obligations, is affordable, is deliverable and is the necessary and best option for our waste requirements.
