



## AGENDA ITEM NO: 3

### NORTH WALES RESIDUAL WASTE JOINT COMMITTEE

Minutes of the meeting of the Joint Committee held at County Hall, Mold on Wednesday 9<sup>th</sup> December 2009.

**PRESENT: Councillor Eryl Williams (Chairman) – Denbighshire County Council**

Councillor Mike Priestley – Conwy County Borough Council

Councillor Nancy Matthews – Flintshire County Council

Councillor Neville Phillips – Flintshire County Council

Councillor Arwel Pierce – Gwynedd County Council

Councillor R.G. Parry – Isle of Anglesey County Council

**ALSO PRESENT:**

**Flintshire County Council**

Mr Colin Everett, Mr Carl Longland, Mr Barry Davies and Mrs Kerry Feather

**Conwy Borough Council**

Mr Andrew Kirkham and Mr Geraint Edwards

**Denbighshire County Council**

Mr Iwan Prys-Jones and Ms S Thompson

**Gwynedd County Council**

Mr Dilwyn Williams

**Anglesey County Council**

Mr Arthur Owen

**North Wales Residual Waste Treatment Partnership**

Mr Steven Penny and Mr Steffan Owen with Mr Jonathan Bebb – Project Technical Consultant

**APOLOGIES:**

Councillor Graham Rees (Conwy Borough County Council), Councillor Julian Thompson-Hill (Denbighshire County Council), Councillor T.H. Jones (Anglesey County Council) and Councillor W.G. Roberts (Gwynedd County Council)

**1. DECLARATIONS OF INTEREST**

No declarations of interest were received from any Member and Officers present.

**2. MINUTES**



The minutes of the meeting held on 17<sup>th</sup> September, 2009 were approved as a correct record.

**3. MATTERS ARISING FROM THE PREVIOUS MEETING**

There were no matters arising.

**4. INTER-AUTHORITY AGREEMENT**

Barry Davies presented a report which updated the Joint Committee on progress on the development of the Inter-Authority Agreement (IAA) that would underpin the procurement phase of the project.

The Agreement represented good collaboration working between the North Wales Joint Committees Legal Officers and there were several matters which needed to be finalised. The Agreement would then need to be considered by the individual authorities Executives.

**RESOLVED**

That the report be noted.

**5. NORTH WALES RESIDUAL TREATMENT PROJECT – PROGRESS REPORT**

Mr Steffan Owen presented a report which provided a project update on activities due for completion between 1<sup>st</sup> July and 20<sup>th</sup> November 2009 and those for completion between 20<sup>th</sup> November 2009 and April 2010. Specific reference was made to press briefings and press releases on the Outline Business Case which would be undertaken in the New Year excluding the commercially sensitive information. Communication and engagement would be held with stakeholders around the Deeside site and he also referred to an informative website that was to be created which could be part of a future wider communication and engagement support for the project. The suggested website was the northwaleswaste.org and Members comments were invited on this proposal. An opinion survey across the region would be undertaken in the New Year and sessions would be held with each authority in the New Year in relation to the Outline Business Case.

Councillor Michael Priestley referred to the suggested name for the independent website and asked that consideration be given to an alternative.

Colin Everett referred to discussions with Steven Penny and Steffan Owen on the Outline Business Case and as part of the communication process it was important that Assembly Members and MPs across North Wales were kept briefed.

**RESOLVED**

That the projects summary be noted.

**6. FUTURE MEETING DATES AND VENUES**



A schedule of meetings for 2010 was considered and it was noted that the meeting scheduled to be held on Friday 18<sup>th</sup> June, 2010 at Llangefni would clash with the WLGA conference to be held at Conwy on that day. The Chairman suggested that the venue be switched to Conwy to coincide with the conference and that the time be changed to 2 pm.

Colin Everett agreed to check the timings of the WLGA conference and subject to this it was agreed that the venue switch be agreed and that the 3<sup>rd</sup> September, 2010 meeting be held in Anglesey.

**RESOLVED**

That the meeting schedule, as amended, be agreed.

**7. LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 – TO CONSIDER THE EXCLUSION OF THE PRESS AND PUBLIC**

**RESOLVED**

That the press and public be excluded from the remainder of the meeting to allow the consideration of exempt information by virtue of Paragraph 14 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended).

**8. OUTLINE BUSINESS CASE AND PRESENTATION FROM EXTERNAL TECHNICAL AND FINANCIAL ADVISORS**

Mr Steven Penny presented a report in relation to the Outline Business Case. The Joint Committee also received a presentation on the key elements of the Outline Business Case by Mr Jonathan Bebb the Project Technical Consultant.

Following the presentation Members and officers raised various in-depth questions which were duly answered by the officers present.

**RESOLVED**

- (a) That the Outline Business Case be approved for consideration by the individual partner authorities;
- (b) That it be noted that the Outline Business Case submission would be based upon a reference site and technology, with no implication that identified partner authorities sites or energy from waste constituted preferred options for the future procurement process;
- (c) That the affordability implications of the Outline Business Case in comparison to the “no residual waste treatment option” be noted;



**NWRWTP**

North Wales Residual Waste Treatment Project

- (d) That the Welsh Assembly Government's stated positions on a number of key finance related matters be noted; and
- (e) That it be noted that the Joint Committee would have the opportunity to consider final approval of the Outline Business Case following individual partner authority approvals and prior to submission of the Outline Business Case to the Welsh Assembly Government.



# NWRWTP

North Wales Residual Waste Treatment Project

## AGENDA ITEM NO: 5

**REPORT TO: NORTH WALES RESIDUAL WASTE JOINT COMMITTEE**

**DATE: 12 MARCH 2010**

**REPORT BY: PROJECT DIRECTOR**

**SUBJECT: RISK REGISTER REPORT**

### **1. PURPOSE OF REPORT**

- 1.1. The members of the NWRWTP Joint Committee have requested that they are provided with an update of the risk register at each meeting of the Joint Committee.
- 1.2. This report will highlight some of the amendments to the risk register that have been made to reflect the current understanding of risks and mitigation measures that are in place.

### **2. BACKGROUND**

- 2.1. The Risk Register will require continued update throughout the project lifespan.
- 2.2. On the 5<sup>TH</sup> November 2009 a Risk Workshop was held. This involved a number of partner authority officers and was facilitated by the project's technical advisors and supported by the project's financial advisors. A full and open discussion was held and as a result a number of existing risks were re-appraised and new risks identified. The Project Director has utilised the outputs from the Risk Workshop to update existing Risk Register as appropriate.
- 2.3. The resulting risk register will be appended to the Outline Business Case to be submitted to WAG in accordance with the agreed programme.

### **3. CONSIDERATIONS**

The risk register has been updated as shown in the accompanying appendix.

Main additions /amendments to the Risk Register as a result of the Risk Workshop include:

- A number of new finance and affordability related risks as identified as parts of the OBC development process.
- Additional Project Delivery risks (mainly related to the procurement process or delay in delivery of any facility(s))
- Additional risks relating to sites and planning



- More specific definition of risks relating to waste volumes and composition.
- Potential changes in the legal definition of (currently) non-Municipal Solid Wastes such that they become the responsibility of the partnership authorities.

3.1. The risk register will continue to be reviewed by the Project Director and reported to the Joint Committee at future meetings.

#### **4. RECOMMENDATIONS**

4.1. That the Joint Committee note the updated risk register for the project.

#### **5. FINANCIAL IMPLICATIONS**

5.1. Not applicable

#### **6. ANTI-POVERTY IMPACT**

6.1. None

#### **7. ENVIRONMENTAL IMPACT**

7.1. Not applicable

#### **8. EQUALITIES IMPACT**

8.1. Not applicable

#### **9. PERSONNEL IMPLICATIONS**

9.1. Not applicable

#### **10. CONSULTATION REQUIRED**

10.1. Not applicable

#### **11. CONSULTATION UNDERTAKEN**

11.1. Not applicable



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## LOCAL GOVERNMENT ACCESS TO INFORMATION ACT 1985

### Background Documents:

None

**Contact Officer:** Stephen Penny NWRWTP

**Environmental Services: NWRWTP**

**Risk and Issues Register**

*A list of the threats to the success of the project and the action being taken to address these.*

**This document is only valid on the day it was produced and dated**

**Revisions etc.,**

Revision Date	Version	Summary of Changes	Distributed
			Y/ N
17.02.09	V2.0	All risks scored. Removed (R5, P4) Revised (T2, T3)	
20.05.09	V3.0	T4 Split into two risks (A and B). Proposed actions updated by SP. Some implimenation dates and allocation of responsibilites completed. S5 WRAP Composition survey noted by NC	
27.07.09	v4.0	New PS2 and PS3 ralating to stakeholder management and planning risk. S9 now renumbered as PS1)	
1.9.09	v4.1	New R7 and T8 added	
14.10.09	v4.1	Re working	N
11.11.09	v4.2	Re working following risk workshop of 5th November 2009. A nu	N
20.02.10	v4.3	Risks PS13 and W4 added	Y

**Approvals**

This document requires the following approvals.

Name	Signature	Title	Date of Issue	Version

**Distribution**

This document has been distributed to:

Name	Title	Date of Issue	Version

Author: **S. Penny**  
 Version: 4  
 Revision No. 0  
 Status **Draft**



**PROJECT GOAL & OBJECTIVES**

Goal	<p><b>To procure a long term waste management contract to treat the residual waste fines from the five Councils within the the Partnership that will allow the Council to be compliant with the WAG National Waste Strategy.</b></p>
Objectives and Assumptions	<p>1. LAS Compliance: To procure waste treatment capacity and/or infrastructure in a timely manner that ensures the Authoritys' long term LAS requirements are achieved.</p> <p>2. To maximise resource recovery from the treatment of the delivered residual waste.</p> <p>3. Funding: To employ the most appropriate funding approach for the procurement project.</p> <p>4. Delivery Management: To implement an effective project management regime, as reconginsied by OGC etc, with good governance, explicit resource planning, appropriate use of advisors and active risk minimisation.</p> <p>5. External Stakeholders: To consult and aknowledge the perceptions of external stakeholders (WAG, PUK, Public, etc) to shape and influence the project for the benefit of developing of the project.</p> <p>6. Internal Stakeholders: To ensure that internal stakeholders are continually aware of progress and impacts of the future impacts of waste management and to maintain their support for the project over its term.</p> <p>7. Value: To maintain market interest through thorough engagement of suppliers and the provision (by the Partnership) of an adequate suitable site(s).</p> <p>8. A single common gate fee from the point of receipt for all Partner Authorities.</p>

IDENTIFYING THE RISK or ISSUE						MANAGING THE RISK or ISSUE										Additional explanatory notes
ID	Risk / Issue (i.e.: Threat to the Project)	Consequence	Current Assessment			How the risk will be managed and controlled				Residual risk after management			Impln Date	Review Date	Closure Date	
			Impact	L'hood	Overall	Already in Place	Who is Managing	Not in Place (Proposed)	Who will Manage	Impact	L'hood	Overall				
<b>Policy &amp; regulatory Risk – Change in WAG objectives / regulations</b>																
PO1 (ex R 7)	WAG changes financial support available for residual waste treatment projects due to WAG affordability / budgetary constraints in the current economic climate	Residual waste treatment projects become less affordable for partnership and each partner authority	4	3	12	Project Team in contact with WAG and PUK to ensure OBC & subsequent procurement to be delivered in a timely fashion to ensure NWRWTP project benefits from WAG funding (that may diminish over time as other projects come on line)	PD	Project Team to monitor WAG positions in terms of budget availability and lobby at ministerial level if there are indications that proposed funding is to be reduced	PD	4	2	8	Ongoing	Nov-09		
PO2 (ex T6)	WAG Environmental policy and objectives change	Project is now inappropriate	4	4	16	Project Team in contact with WAG and PUK to ensure OBC & subsequent procurement to be delivered in a timely fashion to ensure NWRWTP project benefits from WAG funding (that may diminish over time as other projects come on line)	PD	Keep in close contact with WAG to ensure potential policy changes that may impact on the project are identified early.	PD	4	2	8	Ongoing	Nov-09		
PO4	Change in legislation or guidance either at European, National or Regional/Local level	Could require revisit of preferred solution, possible termination of project, excessive LAS compliance costs	3	5	15			Keep in close contact with WAG to ensure potential policy changes that may impact on the project are identified early.	PD	3	4	12	Ongoing	Nov-09		
PO5	WAG fail to provide clarity within their strategic objectives	Delay and loss of stakeholder support	3	4	12			Keep in close contact with WAG to ensure potential policy changes that may impact on the project are identified early.	PD	3	3	9	Ongoing	Nov-09		
<b>Strategy risk – change in any participating council's waste strategy or technology / solution preference</b>																
SR 1	A change in any participating council's waste strategy or technology / solution preference by any of the partner authorities		4	4	16	Existing MWMS in place. Impartial options appraisal process carried out to identify reference solution (based on WAG national evaluation framework). Multi partner authority officer input to this process.	PM & partner authorities	Ongoing communications and information to partner authorities on need for the project, technologies, benefits of adopted approach and a technology neutral procurement process..	PM & partner authorities	4	2	8	Ongoing	Nov-09		
<b>Political</b>																
AP1 (ex T1)	Multi-Authority Approach leads to protracted discussions to resolve issues	Consultancy costs increase. End date not met. LAS penalty risk increased.	3	3	9	Project Plan detailing timescales	PM	OBC Approvals process mapped out for each partner authority. Offer of support form project team and advisors in approvals processes.	PM	3	2	6	Dec-09	Nov-09		

AP2 (ex P11)	Decision on award of contract is multi authority	Selection of Contractor is delayed due to multi-Authority Involvement (Cabinet Process)	4	3	12		Project Champions from participating Authorities shall evaluate the bid without disclosure to members/senior staff (GMWDA Model)- Evaluation approach will be determined prior to OJEU publication	PD	4	2	8	Nov- Dec 09	Nov-09	
AP4	Lack of Council political support within one or more of the Partner Authorities.	Delays to project, increase in costs, loss of competitive pressure, threat to VFM, possible procurement challenge, or total abortion of the project	4	3	12	Existing work on PID has fleshed out core principles of agreement. Provision of briefings and information to partner authorities - offered proactively by project team and advisors. Ongoing communication and engagement on key project parameters.	Lead chief Executive, Project Board members (lead Officers for each partner authority)		4	2	8	Ongoing	Nov-09	
AP5	Change in priorities in a Council	Major funding issues	4	3	12	OBC will identify affordability of project and benefits of the reference solution in terms of costs management.	Lead chief Executive, Project Board members (lead Officers for each partner authority)		4	2	8	Ongoing	Nov-09	
AP6	Local Government re-organisation	Confusion and uncertainty	4	4	16	To be managed if and when prospect occurs during the project period	TBC		4	2	8	Ongoing	Nov-09	
<b>Joint Working – one or more partners exiting the partnership</b>														
JW1 (ex P1)	One of the Partner LA's withdraw during procurement process	New OJEU notice has to be placed	5	2	10	IAA 2 to be drafted to show clear consequences of Authorities leaving the process during and after procurement phase.	BD	Comprehensive PID endorsed by all participating partners. IAA2 will be signed by all Partner Authorities before OJEU Notice published. Ongoing communications during procurement process	BD	5	1	5	Ongoing	Nov-09
<b>Finance &amp; Affordability</b>														
F1 (ex R3)	Lack of Budget profile leads to unexpected surplus	Surplus is absorbed and re-application required	3	2	6	PUK/WLGA investigating spend by discipline. Finance Officer to be appointed to the team	PD	Payments based on milestones. PD has updated project budget profile. PD to monitor and manage	PD	3	1	3	Ongoing	Nov-09
F2 (ex T4a)	Procurement delays lead to increased procurement costs (due to extended procurement process)	LA's seek additional funding or withdraw	1	2	2	Cabinet reports sought to extend finance as required beyond budget	PD	Manage procurement delays by appropriate design of procurement process.	PD	3	2	6	Jan-10	Nov-09
F3	Commodity and construction prices increase significantly during procurement and construction phases	Increased project costs and possible exceedance of affordability envelope	4	5	20	Advisors have utilised current market pricing and liaising with WAG / PUK in relation to projected costs in future and sensible assumptions to be made. A range of sensitivity tests carried out as part of the OBC process to ensure range of costs understood	PD		4	2	8	Ongoing	Nov-09	

F4	Long term interest rates volatility beyond current anticipated levels	Increased project costs and effective impact on affordability envelope	3	5	15	OBC to include a number of sensitivities to be modelled to inform affordability profile.	PD			3	3	9	Ongoing	Nov-09		
F5	The bid prices are outside of the affordability envelope	Delay to project programme, excessive LAS compliance costs, excessive costs associated with securing and implementing an alternative solution	4	4	16	Advisors have utilised current market pricing and liaising with WAG / PUK in relation to projected costs in future and sensible assumptions to be made. A range of sensitivity tests carried out as part of the OBC process to ensure range of costs understood	PD	High market interest to be encouraged by active market engagement. Procurement process is to be run under competitive dialogue enabling the partnership to seek to drive down costs of the solution	PD	4	2	8	Ongoing	Nov-09		
F6	Preferred solution is not bankable	Delay to project programme, excessive LAS compliance costs, excessive costs associated with securing and implementing an alternative solution	5	3	15			Procurement process to be designed to ensure that only those solutions capable of delivery (e.g. including bankability) are capable of being awarded the contract	PD	5	2	10	Ongoing	Nov-09		
F7	Inappropriate funding structure adopted	Failure, delay, and cost	4	3	12			Procurement process to be designed to ensure that only those solutions capable of delivery (e.g. including finance structure ) are capable of being awarded the contract	PD	4	2	8	Ongoing	Nov-09		
F8	Inadequate due diligence where a non project finance structure is adopted	Increase in procurement cost and transfer of risk to Authority	3	3	9			Ensure that adequate advice is taken from WAG, PUK and advisors so that risk of prudential borrowing or other finance route are well understood by the partner authorities.	PD	3	2	6	Ongoing	Nov-09		
F9	Foreign exchange rate changes adversely	Affordability compromised	4	3	12	Advisors to make prudent assumptions (checked with PUK and WAG) and carry out sensitivity analysis as part of OBC development	PD			4	2	8	Ongoing	Nov-09		
F10	Financial assumption incorrect	Re-procurement and reduced level of service	5	3	15	Advisors to make prudent assumptions (checked with PUK and WAG) and carry out sensitivity analysis as part of OBC development	PD			4	2	8	Ongoing	Nov-09		
F11	Banking sector cannot provide capital	Increased costs or procurement failure	4	4	16			Procurement process to be designed to ensure that only those solutions capable of delivery (e.g. including finance availability ) are capable of being awarded the contract	PD	4	2	8	Ongoing	Nov-09		

F12	Robustness of bank funding clubs	Increased costs or procurement failure	3	4	12		Procurement process to be designed to ensure that only those solutions capable of delivery (e.g. including finance availability ) are capable of being awarded the contract	PD	3	3	9	Ongoing	Nov-09		
F13	WAG financial support evaporates	Project is unaffordable	5	3	15	Assurances already received from WAG that funding is available for the project as has been agreed previously for project Gwyrdd.	Specific assurances to be sought from WAG on approval of OBC .	PD	5	2	10	Ongoing	Nov-09		
<b>Advisers – change in key personnel</b>															
AD 1	Key advisor personnel team leave or are no longer available to support the project	Delays and lack of familiarity with the project by any replacement advisory staff.	3	3	9	Advisor's project directors to keep an overview of the advisor work. Capacity of teams providing advice tested during appointment of the advisors	Ongoing monitoring of advisor situation to ensure adequate advisor cover an knowledge often project .	PD	3	2	6	Ongoing	Nov-09		
<b>Project Delivery</b>															
PD1 (ex P5)	Potential bidders do not bid due to the costs associated with Competitive Dialogue process	Reduced Competition on bid process	4	2	8		To ensure a suitably streamlined, timely and well delivered procurement process adopted. Appropriate use and instruction of advisors. Input from WAG PO and PUK.	PD	4	1	4	Ongoing	Nov-09		
PD2 (ex P6)	Potential bidders do not bid due to the Risks being passed to the Contractor	Reduced Competition on bid process	4	3	12		A risk allocation workshop to be programmed by the Project Director with input from Advisors to ensure appropriate risk allocations are made for the procurement and that the Partnership adopt a commercially deliverable and sustainable position.	PD	4	2	8	Nov-09	Nov-09		
MR 3(ex P7)	Potential bidders do not bid due to lack of cohesiveness of the Partnership	Reduced Competition on bid process	4	3	12	Partnership Agreement & Governance Arrangements drafted	All related documentation signed prior to PIN & OJEU	PD	4	2	8	Ongoing	Nov-09		
PD4 (ex P8)	Potential bidders do not bid due to the prescriptive requirements	Reduced Competition on bid process	4	3	12	Procurement is to be "Technology Neutral"	Ensure appropriate design of procurement process.	PD	4	2	8	Ongoing	Nov-09		
PD 5 (ex S7)	Potential bidders do not bid as volumes of waste are too small	Reduced Competition on bid process	4	3	12		Consider adding Commercial and Industrial waste to scope of project. Consider allowing bidders to be open to other contracts Review of this position to be undertaken in conjunction with advisors as part of procurement design process	PD	4	2	8	Ongoing	Nov-09		
PD6	Too many bidders come forward and difficult to de-select to suitable shortlist	Delays to procurement programme, increased development phase costs	3	3	9		Procurement process will be designed and resourced to allow a number of bidders to assessed.	PD	3	1	3	Ongoing	Nov-09		Limited level of criteria at PQQ and ISOS procurement stages.

PD7	The Preferred Bidder drops out or fails to reach a satisfactory commercial/financial close	Programme delay, increased development phase costs, excessive LAS penalties, loss of competitive pressure and possible increase in overall solution costs	5	2	10		PD	Procurement process will be designed to ensure ability and /or appetite for contract closure is understood pre preferred bidder appointment. No major issues to be allowed to remain unresolved prior to preferred bidder.	PD	5	1	5	Ongoing	Nov-09	To date not happened as at this late Contractor is heavily involved.
PD8	One of the two final bidders drops out	Threat to VFM, price escalation, possible exceedance of affordability envelope, delay to procurement programme	4	3	12		PD	Procurement process will be designed to ensure ability and /or appetite for contract closure is understood pre final tender appointment. Will seek agreement with all bidders at this stage in relation to major issues.	PD	4	2	8	Ongoing	Nov-09	Has occurred on a number of UK PFI projects.
PD9	Utility connections may not be available for the solution	Possible threat to affordability, delay to programme	3	3	9		PD	Technical advisors to be tasked to ensure ability to secure utility connections is understood early in the procurement process.	PD	3	2	6	Ongoing	Nov-09	
PD10	Construction contractor goes into liquidation/receivership during construction phase	Delay to commencement of waste processing, excessive LAS costs, replacement constructor required - increased capital costs	3	3	9			Bidders to demonstrate financial position as part of PQQ and also re-checked at key stages during procurement process	PD	3	2	6	Ongoing	Nov-09	Current concern especially
PD11	Insufficient project resource (numbers and knowledge/experience of staff/project team)	Delays to projects, increased development costs to 'repair' project, reduced market interest and consequent loss of competitive pressure VFM	3	3	9	PD and PM now in post	PD	Authorities to nominate appropriate individuals and to backfill their posts. Input required from key officers in Partner Authorities. PD has produced an estimated resource input schedule to assist Partner authorities in resource management	Individual Partner Authorities	3	2	6	Ongoing	Nov-09	Natural outward selection of smaller incapable contractors due to affordability of high bid costs.
PD12	Negotiations on contract are protracted beyond planned programme	Contractor has opportunity to re-bid, price escalation, loss of VFM, affordability threatened, project delay, possible excessive LAS costs.	3	4	12			Procurement process will be clearly defined. Clear partner positions to be articulated to the bidders at all stages.	PD	3	2	6	Ongoing	Nov-09	Criteria for project may change if excessive delay.
PD13	Delay in production/approval of OBC	Possible delay to project programme, potential loss of WAG funding, LAS compliance costs incurred	4	3	12	Programme in place, tasks allocated and WAG supplied with approvals timeline for partner authorities.	PD	Partner authorities to ensure that adequate senior management support given to approvals processes	Partner authority Cexs, Corporate Directors, PB members,	4	2	8	Ongoing	Nov-09	If funding is put at risk by OBC submission delay.

PD14	Delay in production/approval of inter-Authority agreement	Possible delay to project programme, potential loss of WAG funding, LAS compliance costs incurred	3	3	9	Programme in place, tasks allocated and WAG supplied with approvals timeline for partner authorities.	PD	Partner authorities to ensure that adequate senior management support given to approvals processes	Partner authority Cexs, Corporate Directors, PB members,	3	2	6	Ongoing	Nov-09	Criteria for project may change if excessive delay.
PD15	Inadequate project management discipline	Possible delay to project programme, LAS compliance costs incurred, delivery management objectives not met, internal stakeholders complain	2	2	4	PD and PM now in post. PD to check that adequate PM controls in place. Internal audit to be engaged prior to Procurement.	PD	WAG to carry out gateway review of the project pre procurement. PD to take on board any recommendations.	PD	2	1	2	Ongoing	Nov-09	Unlikely. Risk to Authority.
PD16	Facilities not commissioned on time	Possible delay to project programme, LAS compliance costs incurred.	3	3	9			Procurement process will be designed to ensure sites are identified and understood in terms of planning deliverability. Preliminary site investigate works to be carried out on reference sites. Procurement process to test bidders delivery timetables.	PD	2	2	4	Ongoing	Nov-09	Project/technology specific.
PD17	OBC rejected by WAG (due to omissions, too much competition from other authorities)	Possible delay to project programme, LAS compliance costs incurred.	3	3	9	OBC follows WAG guidance. Regular meetings with WAG and input from PUK transactor.	PD			3	2	6	Ongoing	Nov-09	Partnership risk
PD18	Only one acceptable bidder comes forward	Delay to project, increased cost of going back to market, increased bid prices, failure to secure VFM, excessive LAS compliance costs	4	2	8	PD has commenced market engagement. Good feedback and high level of interest already expressed by a number of potential bidders.	PD	Ensure consistency of message to market.	PD	4	1	4	Ongoing	Nov-09	Unlikely based on current situation.
PD19	There is no market interest due to limited capacity within the industry	Delay to project programme, excessive LAS compliance costs, excessive costs associated with inflation and need to revisit market to secure and an acceptable solution. Partnership reputation damaged.	5	2	10	PD has commenced market engagement. Good feedback and high level of interest already expressed by a number of potential bidders.	PD			5	1	5	Ongoing	Nov-09	Market currently near saturation for recyclates and IBA's recycling growing.
<b>Communication &amp; stakeholders – failure to proactively engage with key stake holders leading to delays and lack of public support for the proposed solution.</b>															
CO1 (ex S1)	Mis-information to Members caused by differences in reports and documentation	Authorities working to different agendas/outcomes leading to a breakdown in the consortia	3	3	9			Communication protocol established to ensure consistency of message	PM	3	2	6	Ongoing	Nov-09	

CO2 (ex PS3)	Risk of challenge to planning approvals if opportunity not given to stakeholders to input to the development of the specifications and evaluation frameworks that will underpin the procurement and subsequent facility planning approvals process.	Risk of un successful planning application or judicial review against planning consent and therefore inability to deliver the project as procured.	4	3	12		Specifications and Procurement evaluation frameworks to be developed ensuring adequate / sufficient opportunity given or stakeholder input.	PM	4	2	8		Nov-09		
CO3 (ex PS2)	Reference sites identified within OBC could lead to significant opposition to proposed development. As a result planning committee(s) and /or judicial review may not support a positive planning outcome if early engagement is not carried out with affected communities.	Risk of un successful planning application or judicial review against planning consent and therefore inability to deliver the project as procured.	4	3	12		Early communications effort and engagement with community and local businesses that could be directly affected by the potential development of a waste facility.	PM	4	2	8	Mar-10	Nov-09		
CO4	Pressure from lobby groups/public against the preferred solution and location.	Alternative solution/site has to be sought, increased project development costs, delays to project delivery programme, excessive LAS costs, impact on Partner Councils reputation	4	5	20		Project team will ensure an adequate stakeholder engagement and communications plan in place. Alternative site work will continue during early stages of procurement process.	PD	4	3	12	Ongoing	Nov-09		
<b>Timescales</b>															
T4b	Procurement delays lead to increased procurement costs (due to extended Approvals processes)	LA's seek additional funding or withdraw	3	3	9	PID identifies projected timeline and key decision points.	PD	PD	3	2	6	Ongoing	Nov-09		
T5	Key Activities not identified in Project Plan	Potential for project to be delayed due to lack of resource or dependability issues	3	2	6	WAO and PUK experts to scrutinise Project documentation	PD	PD	3	1	3	Ongoing	Nov-09		
T8	OBC timeline is delayed if required information in terms of tonnage, future recycling / diversion performance (front end) and service costs are not fully available.	OBC is delayed if more work is required to generate this information. If the OBC is developed without this information being fully available, WAG may reject the OBC and require re-submission once this work has been completed.	4	3	12	Engagement with technical consultants, and discussions with technical officers.	PD/PM	PM	4	2	8	Nov-09	Nov-09		
<b>Procurement Strategy and Process</b>															



P2	Existing contracts and facilities prevent all participating authorities to utilise all elements of the proposed final solution	Payment made by authorities in duplication	2	2	4	Facilities paid for on a gate fee by use (minium tonnage guarantees will apply)	PD	Agreement on payment mechanism will be sought at same time as JWA to ensure basis of payments agreed (but reviewed prior to issue of OJEU notice).	PD	2	1	2	Ongoing	Nov-09
P10	Risks regarding funding methodologies requires variant bid and resultant funding arrangements are present in PQQ	PQQ evaluation period extended to accommodate variations and risks regarding funding methodologies	2	2	4	Financial assessment to be undertaken by consultancy	PD	Review of this position to be undertaken in conjunction with advisors as part of procurement design process	PD	2	2	4	Ongoing	Nov-09
P12	Solution offered is not technically viable	landfill diversion not obtained, LA's incur infraction penalties	5	3	15	LAS infraction fine passed to contractor. Technical viability scored within procurement documentation	PD	Appropriate evaluation framework (based on WAG Framework) to be developed and utilised for the project.	PD	5	2	10	Ongoing	Nov-09
P13	Technological solutions offered are not commissionable within LAS infraction timescales	LA' s face infraction fines for additional landfill above allowance	4	4	16			Identification of intermediate solutions. Workstream to be initiated if OBC reference case modelling indicates interim solution required.	PD	4	3	12	Ongoing	Nov-09
P14	Bids scored by inexperienced internal team	Solution selected is not the most advantageous tender and is open to challenge by unsuccessful bidders	4	3	12			Bid team selected by Project Director and PUK	PD	4	2	8	Ongoing	Nov-09
P15	Bids scored by external consultants	Solution selected does not meet local requirements and is not accepted by LAs	4	3	12			Bid team selected by Project Director and PUK including mix of appropriate skills (including advisors)	PD	4	2	8	Ongoing	Nov-09
P16	Officer(s) are perceived to have preconceived ideas of the 'best' solution	Lack of trust of bidder selection and solution selected	4	3	12			Agreed scoring criteria and evaluation Framework (Based on WAG Framework) Moderation of scores to ensure consistency of evaluation approach.	PD	4	2	8	Ongoing	Nov-09
<b>Scope Change – Material change in the scope of services required</b>														
SC1	Material change in the scope of services required	Delay to procurement process of bidders withdraw from procurement due to uncertainties	4	3	12	Technical officer input on draft specification and approved as part of OBC by partner authorities	PM	Draft Specification will be subject to further member and officer review and input from stakeholders via use of focus groups etc.	PM	4	2	8	Ongoing	Nov-09
<b>Planning and permitting -ability to secure successful planning and permitting outcome for solution</b>														
PS1 (was S9)	Regional Waste Plan is in conflict with potential solutions	Reduced Competition on bid process	4	3	12			Planning and Site Workstream to be set up to assist in reducing site and planning uncertainty and improve prospects for a positive planning outcome for the project.	PD	4	2	8	Ongoing	Nov-09
PS5	Suitable sites are not in council ownership to support development of the solution	Project delayed whilst suitable sites are secured	5	3	15	Project team are identifying sites that could be suitable for location of both the waste transfer stations and residual waste treatment facility(s)	PD	Commence negotiations with land owners of additional sites identified as potentially suitable for location of facilities with the aim of securing options/ heads of terms for sites.	PD	5	2	10	Ongoing	Nov-09

PS6	There is a delay on obtaining planning permission (identified reference site)	Failure to comply with LAS, increased costs, impact on award of Environmental Permit	3	3	9		Ongoing engagement / consultation with relevant planning authorities and other stakeholders/ statutory consulters. Site assessment and investigate works carried out by partnership.	PD	3	2	6	Ongoing	Nov-09		On identified reference site
PS7	There is a delay on obtaining planning permission (main site and additional site solution)	Failure to comply with LAS, increased costs, impact on award of Environmental Permit	4	4	16		Ongoing engagement / consultation with relevant planning authorities and other stakeholders/ statutory consultees. Site assessment and investigate works carried out by partnership.	PD	3	3	9	Ongoing	Nov-09		Main site and additional site (additional site not yet identified)
PS8	There is a delay on obtaining planning permission (alternative main reference site solution - non identified)	Failure to comply with LAS, increased costs, impact on award of Environmental Permit	4	4	16		Early identification of potentially suitable alternative main site. Ongoing engagement / consultation with relevant planning authorities and other stakeholders/ statutory consultees. Site assessment and investigate works carried out by partnership.	PD	3	3	9	Ongoing	Nov-09		On unidentified reference sites
PS9	Planning permission has onerous conditions	Sub-optimal solution, performance below required level, increased costs	3	3	9		Ongoing engagement / consultation with relevant planning authorities and other stakeholders/ statutory consultees. Site assessment and investigate works carried out by partnership.	PD	3	2	6	Ongoing	Nov-09		Risks apply to all sites including those proposed by Contractor, not just Authority sites
PS10	Planning permission not secured even after appeal.	Diversion performance is below required level, excessive LAS penalties, increased costs	5	3	15		Procurement process to identify deliverability risks of contractor proposals, including likelihood of a successful planning outcome.	PD	5	2	10	Ongoing	Nov-09		Risks apply to all sites including those proposed by Contractor, not just Authority sites
PS11	Public opposition to technical solution/planning application including legal challenge	Delays to project delivery programme, excessive LAS penalties, affordability envelope threatened.	4	5	20		Active stakeholder and communications plan.	PM	4	4	16	Ongoing	Nov-09		Risks apply to all sites including those proposed by Contractor, not just Authority sites. Highly probable if EfW facility
PS12	Environmental Permit not secured in accordance with project programme	Project development costs exceed expectations, delays to project, excessive LAS penalties	4	3	12		Procurement process to identify deliverability risks of contractor proposals, including likelihood of a successful permit application.	PD	4	2	8	Ongoing	Nov-09		Technical exercise
PS13	Planning application from successful bidder fails to demonstrate Best Practicable Environmental Option (BPEO)	Unsuccessful planning application	4	4	16	To identify BPEO in Life Cycle Assessment (LCA) (Wizard) as part of OBC development, and to ensure supplementary measures employed to deliver sites and evaluation framework for procurement process, thereby supporting delivery of BPEO		PD	4	2	8	Ongoing	Feb-10		Technical exercise
<b>Sites</b>															

Sites	Site conditions are not as anticipated	Delay in project programme, excessive LAS costs, excessive Capex prices, possible threat to affordability	3	3	9	Technical advisors have been tasked to review site constraints	PD	Technical advisors to be instructed to carry out site investigative and EIA related studies prior to commencement of procurement	PD	3	2	6	Ongoing	Nov-09	On all sites
Sites	Single site not available for residual facility	Re-define the project, delayed, cost, etc	5	3	15	Initial reference solution site already identified		Further site identification work to be carried out prior to and including early stages of procurement process	PD	5	2	10	Ongoing	Nov-09	On identified reference site
Sites	One or more of the sites not available for some residual facilities	Re-define the project, delayed, cost, etc	4	3	12	A number of potential sites already identified.	PD	Additional assessment and potential acquisition work required.	PD	4	2	8	Ongoing	Nov-09	Main site and additional site
Sites	One or more of sites not available for some TS facilities	Disproportionate costs on some partner authorities	4	3	12	A number of potential sites already identified.	PD	Additional assessment and potential acquisition work required.	PD	4	2	8	Ongoing	Nov-09	On unidentified reference sites
<b>Wastes</b>															
W1	A Council fail to reach recycling targets or exceeds them significantly	Potential excessive project costs, threat to affordability, possible excessive LAS penalties if facilities under-sized.	2	3	6	Initial discussions already held on key payment mechanism and inter authority principles to describe risk and how costs will be assigned amongst the partner authorities for under/ over provision of waste tonnages as a result of under/over recycling/ composting performance against agreed waste profiles.	PD	Ongoing engagement and communication with partner authorities to understand proposed waste recycling and composting services so that tonnage profiles can be finalised prior to ISDS stage of the procurement process	PD	2	2	4	Ongoing	Nov-09	Councils likely to reach targets but 'significant' exceedance or underperformance unlikely
W2	Waste flow model is inaccurate due to incorrect assumptions	Possible re-bidding resulting in increased project costs, delays to project, possibly excessive LAS compliance costs	3	3	9	A number of sensitivities are being carried out to that the impact of differing assumptions used can be understood.	PD	Ensure that the waste flows can be modified through early stages of procurement (up to ISDS). "Headroom" to be built in- in terms of maximum / minimum tonnages to be agreed with bidders (dependant on their proposed solution)	PD	3	2	6	Ongoing	Nov-09	Model quite likely to have inaccuracies as dealing with a number of elements including both waste composition and tonnages. Schedule 2 issues.
W3	Composition of waste is different from that anticipated (poor data, policy changes, changes in collection practices)	Performance is below required level, excessive LAS compliance costs	3	5	15			Waste composition to be monitored during procurement and data shared at Competitive Dialogue to inform solution. All Wales Waste composition analysis being delivered by WAG through WRAP. Initial work commencing in June 09. Performance of technology solution will be tested and understood as part of the procurement process to identify the ability of each solution to process wastes with changed composition.	PD	3	4	12	Ongoing	Nov-09	Technology specific. EfW less sensitive to waste compositional change.

W4	Potential changes in the legal definition of (currently) non-Municipal Solid Wastes such that they become the responsibility of the partnership authorities	Additional wastes may have to be accommodated in solution	3	2	6	Project team to continue monitoring WAG and UK Government Policy	PD		PD	3	2	6	Ongoing	Feb-10	
<b>Performance</b>															
PE1	Market/outlet is not available for outputs from the facility(s)	Increased project operational costs, increase in demand for landfill void	4	4	16			Ensure market deliverability demonstrated as part of procurement evaluation process.	PD	4	3	12	Ongoing	Nov-09	Electricity sound, ash uncertain. Project and market saturation dependant.
PE2	The selected technology fails to perform to required level (unreliable or poor performance)	Excessive LAS compliance costs, Environment Agency close facility, contractor defaults, need to modify the solution resulting in increased Capex	3	3	9			Ensure technical track record proven, adequate test of contractor operations experience and that contractor proposals are explored in detail and well understood.	PD	3	2	6	Ongoing	Nov-09	Natural outward selection of smaller incapable contractors due to affordability of high bid costs.
<b>Contractor</b>															
C1	Contractor default	Re-procurement and additional costs	5	3	15			Ensure track record of contractor, deliverability of proposal (as at reasonable commercial return to the contractor) understood. Those contractor proposals viewed as potential high risk of non-delivery will be marked accordingly in line with the evaluation framework	PD	5	2	10	Ongoing	Nov-09	Change in waste composition and demand is highly likely. Flexibility to tonnages and contract length needed for OG notice.

Key  
PD Project Director  
PM Project Manager  
BD Barry Davies (FCC Monitoring Officer)

R6	Consultants not appointed using correct procedures	Project delays whilst appointments challenged	4	1	4	Project Consultants Technical at ITT and Legal appointments about to be appointed. Financial outstanding but being progressed.		Take advice from Procurement specialists and PUK					Aug-09	27/07/2009	
HR2 (ex R2)	Unclear definition of responsibilities of the project team	Tasks not completed. Risks and issues not escalated.	3	2	6	Job Descriptions for key roles		Project structure with outline Job Descriptions included in PID	PD	3	1	3		07/09/2009	
A1 (EX P9)	Cost of Contract too High	Project Re-tendered	4	4	16			OBC options appraisal leading to identification of reference solution includes financial aspects of solution. Allow variants within the bid to remove elements to bring costs down. Use of competitive Dialogue will allow some iteration and amendment to risk allocation and specifications if required.	PD	4	3	12	Ongoing	Nov-09	10/11/09 (closed as is a duplicate of F13)
A2 (EX R4)	Funding not Provided from Treasury	Project Delayed whilst costs are reduced or Project suspended	4	2	8	OBC planned programme that is designed to meet WAG requirements	PD	FBC (Final Business Case) required when Procurement completed. Need to ensure procured solution is consistent with the objectives of the original OBC.	PD	4	1	4	Ongoing	Nov-09	10/11/09 (closed as is a duplicate of F13)
R1	Outstanding Team appointments	Project team under resourced leading to project slippage	3	3	9	Proposed team requirements specified. Interim Project Director now in role. Project Manager interviews arranged following advertisement for internal secondees.	Individual Partner Authorities	Authorities to nominate appropriate individuals and to backfill their posts. Input required from key officers in Partner Authorities. PD has produced an estimated resource input schedule to assist Partner authorities in resource management	Individual Partner Authorities	3	2	6	Ongoing	Nov-09	10/11/09 (duplicate of PD11)

PS4	Planning Permission not granted at identified Sites	Project delayed whilst suitable sites are secured	5	3	15			Alternative Site(s) to be identified and prioritised in order of suitability. Planning advisor appointed to project team and Planning/ sites workstream to be set up.	PD	4	2	8	Aug /2009 (commence)	Nov-09	10/1/09 (duplicate)
T7	Environmental Activists seek to delay construction	Project/build potentially disrupted	3	3	9	Pro-Active Communication Plan & involvement of EA and HIA		Appointment of PR Consultants	PD						10/11/09 (duplicate of CO4)
P3	LAS Risk for the contractor deters potential bidders	insufficient competition for contract	4	2	8			-A risk allocation workshop to be programmed by the Project Director with input from Advisors to ensure appropriate risk allocations are made for the procurement and that the Partnership adopt a commercially deliverable and sustainable position.	PD				Nov-09		10/11/09 (Too specific and covered under general procurement risks)
S2	RDF produced Cannot be sold	RDF is landfilled	4	2	8			Review of this position to be undertaken in conjunction with advisors as part of procurement design process	PD				Nov-09		10/11/2009 (duplicate of PE1)
S3	RDF quality not consistent due to inflow of residual	Purchaser of RDF rejects loads	4	2	8			Contractor to guarantee calorific value within tolerance limits--A risk allocation workshop to be programmed by the Project Director with input from Advisors to ensure appropriate risk allocations are made for the procurement and that the Partnership adopt a commercially deliverable and sustainable position.	PD				Nov-09		11/11/2009 (Duplicate of PE2)

S4	LA fails to supply required volumes of waste for treatment	Contractor invokes penalty clause to meet targets	4	3	12			Waste volumes set at minimum levels and monthly monitoring of waste arisings until contract sign to provide clarity. A risk allocation workshop to be programmed by the Project Director with input from Advisors to ensure appropriate risk allocations are made for the procurement and that the Partnership adopt a commercially deliverable and sustainable position.	PD					Nov-09		11/11/2009 (Duplicate of W1)
S5	Waste composition analysis not as Eonomia / AEA	Contractor unable to determine appropriate technology for treatment / EfW	2	3	6			Waste composition to be monitored during procurement and data shared at Competitive Dialogue to inform solution. All Wales Waste composition analysis being delivered by WAG through WRAP. Initial work commencing in June 09.								10/1/09 (Duplicate of W3)
S6	LA collection methodology leads to peaks and troughs of supply	treatment plant unable to cope with wide variance in volumes / composition	3	3	9			LA's sign LAA to ensure even flow of material to facilities as determined by the contract. A risk allocation workshop to be programmed by the Project Director with input from Advisors to ensure appropriate risk allocations are made for the procurement and that the Partnership adopt a commercially deliverable and sustainable position.	PD					Nov-09		10/11/09 (Too specific and covered under W1)
PO3 (ex S8)	WAG waste management targets change	Local Authorities will incur penalties regardless of this project	4	4	16	Project Team in contact with WAG and PUK	PD	Project Director to keep in close contact with WAG to ensure potential policy changes that may impact on the project are identified early. (See risk T6). However NWRWTP has little influence over WAG policy decisions	PD	4	3	12	Ongoing	Nov-09		10/11/09 (duplicate of PO2)
AP3 (ex T3)	Partner LA doesn't sign Inter Authority Agreement (IAA)	Project delayed whilst revisions are made to IAA document	3	2	6			Newly appointed legal advisors to commence work on Partnership Agreement with Partner Authority legal leads	LP	4	2	8	Commence July 2009, Complete Nov 2009.	Nov-09		10/11/09 (duplicate of AP4)

Definition of Risk

Likelihood	High	5 (W)	10 (W)	15 (M)	20 (M)	25 (M)	<div style="display: flex; flex-direction: column; align-items: center; gap: 10px;"> <div style="background-color: red; color: white; padding: 5px; border: 1px solid black;"><b>M</b></div> <div style="background-color: yellow; color: black; padding: 5px; border: 1px solid black;"><b>W</b></div> <div style="background-color: green; color: black; padding: 5px; border: 1px solid black;"><b>A</b></div> </div> <div style="display: flex; justify-content: space-between; width: 100%; margin-top: 5px;"> <span><b>Mitigate</b></span> <span><b>Watch</b></span> <span><b>Accept</b></span> </div>
	Medium / High	4 (W)	8 (W)	12 (M)	16 (M)	20 (M)	
	Medium	3 (A)	6 (W)	9 (W)	12 (M)	15 (M)	
	Low / Medium	2 (A)	4 (A)	6 (W)	8 (W)	10 (M)	
	Low	1 (A)	2 (A)	3 (A)	4 (W)	5 (W)	
	Low	Low / Medium	Medium	Medium / High	High		

Impact

Likelihood (probability of occurrence)

5	High	75% to 100%
4	Medium / High	50% to 75%
3	Medium	26% to 49%
2	Low / Medium	11% to 25%
1	Low	< 10%

Impact (affect on outcome)

5	High	Catastrophic
4	Medium / High	Critical
3	Medium	Concerning
2	Low / Medium	Marginal
1	Low	Negligible





## AGENDA ITEM NUMBER 6

### **NORTH WALES RESIDUAL WASTE TREATMENT PROJECT PROGRESS REPORT**

#### **NORTH WALES RESIDUAL WASTE JOINT COMMITTEE**

**Date : 12<sup>th</sup> March 2010**

**Period: 21<sup>st</sup> November 2009 to 2<sup>nd</sup> March 2010**

#### **PROJECT SUMMARY**

To procure a sustainable waste management solution for the 5 local authorities in North Wales (Conwy, Denbighshire, Flintshire, Gwynedd and Isle of Anglesey) that will assist with the reduction in greenhouse gas emissions from landfill and will minimise the tonnage of waste residue sent to landfill thus ensuring that the authorities avoid Landfill Allowance Scheme (LAS) infraction penalties and meet National Waste Strategy targets.

#### **PROJECT STATUS**

<b>Overall Project Status</b>	
Green	<p>The Outline Business Case (OBC) has been going through approvals within the partner authorities during January and February 2010, with full approval by all five partner authorities scheduled for the first half of March as per project plan. Up until 2<sup>nd</sup> March 2010 Conwy, Denbighshire and Gwynedd have fully approved the OBC, with only Flintshire and Anglesey's Full Council remaining.</p> <p>A Gateway Review by WAG is scheduled for April 2010, which is on target. A number of Project Monitoring meetings have been held with key officers from the partner authorities, advisors, the project team and WAG/PUK.</p>

<b>Budget status</b>	
Green	<p>Partner authorities have been invoiced by Flintshire each for £863.29 for remaining 2008/09 costs. Spend to date (against budget for 2009/10) is £178,366.</p>



Status	Meaning
Green	There are no problems; all is progressing well and to plan
Amber	There are some minor/ less significant problems. Action is needed in some areas but other parts are progressing satisfactory
Red	There are significant problems and urgent and decisive action is needed.

**PROJECT UPDATE** – Activities due for completion 20<sup>th</sup> November 2009 to April 2010 (and highlighted longer term actions).

ID	Activity	RAG status	Comments	Forecast	Actual
1	The requirement for and approach to the potential need for interim residual waste treatment capacity will be identified as part of the OBC development process	Amber	Following meetings with the technical officers, it has been agreed that this detailed discussion is not required until April / May 2010.	December 2009	April 2010
2	Working draft of OBC shared with DESH	Green	Draft shown to WAG/PUK transactor and comments received.	December 2009	Completed and closed
3	Finalised IAA	Green	Most recent draft distributed to all legal officers before Christmas 2009. Clear timetable set for legal officers to meet on 17 March 2010 with a view signing prior of submission to WAG with OBC on 9 April 2010.	April 2009	
4	Press briefings and press release about the OBC.	Green	Press release issued on 26 February 2010. Stories run in local newspapers and BBC Wales news websites, and BBC Radio Wales interview held with Steffan Owen.	14/15 December 2009	26 February 2010
5	Communication and	Amber	These activities are to	14/15	March and



# NWRWTP

North Wales Residual Waste Treatment Project

	engagement with stakeholders around the Deeside site		take place following the issuing of press releases etc. The project is on the agenda of a Community Forum meeting in Flintshire on 17 March 2010 where all Town / Community Council in the area meet.	December 2009	April 2010
6	Website with basic information on the project and partnership to go live (www.NWRWTP.org)	Green	<a href="http://www.NWRWTP.org">www.NWRWTP.org</a> is now live. The Project Team has started to receive emails from the website.	9 December 2009	Completed and closed
7	Secure on going communication and engagement support for the project going forward into and through procurement	Amber	OJEU notice issued by mid March.	February 2010	April 2010
8	Opinion survey across region	Amber	Results of the opinion survey expected in the first week of March.	January 2010	Early March 2010
9	All Partner authority approvals for OBC and IAA completed	Green	See item 7 on this agenda.	March 2010	
10	Finalisation of evaluation framework and standard specification following Stakeholder engagement ready for Joint Committee approval	Green	Please note that the original timetable was indicative and is now finalised.	May 2010	
11	Procurement documentation ready for Joint Committee approval	Green	These will be required at the Joint Committee meeting scheduled for 18 June 2010.	May 2010	Early June 2010
12	Update position on sites and partner authority access to them prior to submission of OBC to WAG.	Green	The project team will work to gain access to sites up until the start of the procurement process. Verbal update on sites	12 March 2009	



# NWRWTP

North Wales Residual Waste Treatment Project

			to be given at meeting.		
13	WAG gateway review of project (prior to commencement of project).	Green	Gateway Review timetabled for late April 2010.	April 2010	April 2010
14	Submission of OBC to WAG	Green	Submission of OBC and IAA still expected to be on schedule	9 April 2010	9 April 2010
15	Approval of OBC by WAG.	Green	WAG has been given the timetable and is planning on that basis to ensure a timely turnaround of the OBC.	10 May 2010	
16	OJEU notice published	Green	Expected to be on Schedule. To be published following Joint Committee meeting on 18 June 2010.	21 June 2010	
17	SP to meet with Powys and Ceredigion County Councils to discuss potential synergies re: waste services	Green	SP met with both authorities early February to determine potential synergies. Verbal update by SP.	End February 2010	Completed and closed

**PROJECT UPDATE** – Activities due for completion 24<sup>th</sup> February 2010 to 23<sup>rd</sup> April 2010 (and highlighted longer term actions).

ID	Action	RAG status	Comments	Forecast
18	Complete planning health check	Green	Entec to action. Will need to be finalised for submission with OBC	End February 2010
19	Prepare Pre qualification evaluation framework	Green	Entec to draft	End May 2010
20	Prepare Pre qualification Questionnaire	Green	Entec to draft	End May 2010
21	Finalise OJEU Notice	Green	On target	End May 2010



# NWRWTP

North Wales Residual Waste Treatment Project

22	Prepare 1st draft evaluation framework and agree elements that would benefit from stakeholder input. e.g. importance of visual design, rail verses road.	Green	This will be lead by Entec with partner authority officers	End May 2010
23	Deliver Member evaluation workshops in all five partner authorities.	Green	This will be lead by Entec & the communication advisors (facilitating). SO to organise dates within each authority by mid March 2010.	End May 2010
24	Deliver external stakeholders evaluation workshops (e.g. FOE, EA)	Green	This will be lead by Entec & the communication advisors (facilitating). SO to organise dates within each authority by mid March 2010.	End May 2010
25	Prepare waste flow model for bidders	Green	Entec to carry out this work in using the latest waste data outturns in conjunction with the technical officers.	June 2010
26	Prepare existing facility plans, license, permit data. Confirmation of title information and easements / constraints	Green	Entec to liaise with partner authorities to gather data on existing facilities / sites.	End July 2010
27	Gather information and identify site specific requirements and additional works for existing partner authority facilities / sites.	Green	Entec to liaise with partner authorities to gather the required information on existing facilities / sites	24 Sept 10
28	Organise bidder day for 25 June 2010	Green	Entec	Early June 2010
29	Commission and receive result of project specific rail feasibility study.	Green	SP has commissioned this study, with results expected in March 2010	March 2010

**KEY RISKS** – See item 5 on this agenda.



# NWRWTP

North Wales Residual Waste Treatment Project

## AGENDA ITEM NO: 7

**REPORT TO: NORTH WALES RESIDUAL JOINT COMMITTEE**

**DATE: 12 MARCH 2010**

**REPORT BY: PROJECT DIRECTOR**

**SUBJECT: OBC & IAA UPDATE REPORT**

### **1. PURPOSE OF REPORT**

- 1.1. All partner authorities have approved the Outline Business Case and Inter-Authority Agreement (although at the point of writing this report Flintshire County Council and the Isle of Anglesey County Council's Full Councils are yet to meet).
- 1.2. Members of this Committee are asked to approve submission of the Outline Business Case and the Inter Authority Agreement to the Welsh Assembly Government for their consideration.

### **2. BACKGROUND**

- 2.1. At a report to this committee of 9<sup>th</sup> December 2010 the committee considered a report relating to the Outline Business Case for residual waste treatment. The committee agreed the recommendation to "Provisionally approve the OBC for consideration by the Individual Partner Authorities".
- 2.2. Following this meeting all five partner authorities have carried out their individual authority approvals processes. All five partner authorities have now approved the OBC and Inter Authority Agreement. Progress of each partner authority's approvals process is shown at Appendix 1 of this report.

### **3. CONSIDERATIONS**

- 3.1. The programmed submission date of the OBC and accompanying IAA to WAG is 9 April 2010.
- 3.2. The Outline Business Case will be subject to minor drafting changes to reflect feedback from partner authorities received during the approvals processes, and additional comments from PUK and WAG.
- 3.3. During the Partner Authority approvals processes a number of key points were raised by Partner Authority members of particular note:
  - Delivery of the project in as timely a manner as is feasible.



- A two site solution should continue to be explored and that efforts should continue to find a site in the West of the Partnership area.
  - The potential to utilise rail as part for the solution should be explored.
  - The inter authority agreement should be more explicit in terms of stating that a “Universal Gate fee” principal applies and that this same principal should apply to contract management costs that would apply following an award of contract.
- 3.4. Final approval is sought of this committee to enable submission of the Outline Business Case and Inter authority agreement to the Welsh Assembly Government.
- 3.5. A further report will be brought to this Committee once WAG has considered the OBC and the partnership is in receipt of their decision.

## **4. RECOMMENDATIONS**

- 4.1. That the Joint Committee approves the submission of the Outline Business Case and Inter Authority Agreement (subject to finalisation by the Legal Officers) to the Welsh Assembly Government.

## **5. FINANCIAL IMPLICATIONS**

- 5.1. Not applicable

## **6. ANTI-POVERTY IMPACT**

- 6.1. None

## **7. ENVIRONMENTAL IMPACT**

- 7.1. Not applicable

## **8. EQUALITIES IMPACT**

- 8.1. Not applicable

## **9. PERSONNEL IMPLICATIONS**

- 9.1. Not applicable

## **10. CONSULTATION REQUIRED**



# NWRWTP

North Wales Residual Waste Treatment Project

10.1. Not applicable

## 11. CONSULTATION UNDERTAKEN

11.1. Not applicable

## LOCAL GOVERNMENT ACCESS TO INFORMATION ACT 1985

### Background Documents:

None

**Contact Officer:** Stephen Penny NWRWTP





**Appendix 1 -NWRWTP – Individual Partner authority progress re approval of OBC and IAA**

Partner Authority	Relevant Scrutiny / Overview Committee	Progress	Executive or equivalent	Progress	Full Council	Progress
Isle of Anglesey County Council	Development, Infrastructure & Resources Policy Overview Committee 26 January 2010 & Special – 17 February 2010.	Approved	Executive 23 February 2010	Approved	4 March 2010	TBC
Gwynedd Council	Environment Scrutiny Committee 9 February 2010	Approved	Board - 16 February 2010	Approved	21 January 2010	Approved
Conwy County Borough Council	Partnerships Overview and Scrutiny Committee - 20 January 2010	Approved	Cabinet 9 February 2010	Approved	4 February 2010	Approved
Denbighshire County Council	Environment and Regeneration Scrutiny Committee - Update on what the OBC & JWA will cover – 12 November 2009	Approved	Cabinet - 16 February 2010	Approved	19 January 2010	Approved
Flintshire County Council	Environment and Regeneration Overview and Scrutiny Committee - 13 January 2010 Special meeting – 5 February 2010	Approved	Executive – 16 February 2010	Approved	9 March 2010	TBC



**NWRWTP**

North Wales Residual Waste Treatment Project

# NORTH WALES RESIDUAL WASTE JOINT COMMITTEE

**AGENDA ITEM NO: 8**

## 2010 Meeting Schedule

<b>Date</b>	<b>Time</b>	<b>Venue</b>
Friday 12 March 2010	10.30am	Denbighshire (Council Chamber, Russell House, Churton Road, Rhyl)
Friday 18 June 2010	10.30am	Conwy (Bodlondeb, Conwy)
Friday 3 September 2010	10.30am	Anglesey (Llangefni)
<b>ADDITIONAL DATE REQUEST</b> 29 October 2010	TBC	TBC (Gwynedd?)