

Questions and Answers

Questions and Answers for Financial Close

Q: Why is Cardiff Council signing the contract and not Prosiect Gwyrdd?

Prosiect Gwyrdd isn't a legal entity so is unable to sign the contract. Throughout the procurement, in principle it was agreed that the Lead Authority would be the Council which hosted the facility. As Viridor's facility is at Trident Park in Cardiff, Cardiff Council was proposed as the Lead Authority and this has been agreed by each Full Council. Cardiff Council has signed the contract and a back to back legal agreement with each partner Council is in place to ensure each partner Council fulfils their agreed obligations.

Q: So how does the legal agreement work?

A redacted version of the Joint Working Agreement (2) is published on Prosiect Gwyrdd's website and is available to view (insert link). This legal agreement states how the partnership will work in contract and how each authority will pay for their residual waste delivered to the facility.

Q: How will the project be governed in contract?

The contract will be managed by a small team led by a Contract Manager. The Contract Manager will report to a Contract Board made up of a senior manager at each authority which is led by a Senior Responsible Officer (SRO). The Contract Board will be accountable to a Joint Committee, which is made up of two Elected Members from each Council and governs the partnership.

Q: How long will the contract be?

The contract with the successful bidder is expected to be for 25 years, with a possible 5 year extension.

Q: Does a 25 year contract restrict flexibility?

The PG contract has flexibility build-in allowing the Partnership to adapt to changing legislation and environmental standards. If the Partnership wants to change the

facility or the contract over time, there are mechanisms to deal with potential changes.

Q: Recent media reports have said that Viridor's facility is subject to a judicial review, is this the case?

The judicial review is against Cardiff Council as the Planning Authority. Any matter relating to the planning process is completely separate to the procurement. The Project has undergone a robust and competitive procurement process and this has been scrutinised in detail by the Welsh Government through the approval of the Final Business Case –

<http://www.caerphilly.gov.uk/prosiectgwyrd/pdfs/PG%20FBC%20JC%20Approved%20v2.0~07.02.13-Redacted.pdf>

Q: If the contract has only just been signed, why is the facility half built?

Viridor's facility is a merchant facility which means they intended to build the plant regardless of winning the Prosiect Gwyrd contract. They chose to invest over £185 m in their 350 000 tonne facility, based on their own commercial assumptions on how much waste they believe requires treatment. On average Prosiect Gwyrd will be delivering 172,000 tonnes of waste to the facility.

Q: How do I get more information on the project?

The website will continue to be updated through www.prosiectgwyrd.co.uk . The project Team is available via email – info@prosiectgwyrd.co.uk or via telephone 02920 717523.