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The Veolia Joint Waste PFI Scheme

The Private Finance Initiative (PFI) in Brighton & Hove

Brighton & Hove City Council & East Sussex County Council

- Brighton & Hove's biggest PFI contract.
  Start: April 2003 End: March 2033.

- In September 2007, the two Councils agreed to extend the Contract by 5 years (to 2033). Construction cost estimates had doubled for the Newhaven Incinerator/Energy Recovery Facility. This Facility converts waste said to be 'unsuitable for recycling' into enough power to supply 25,000 homes pa.

- Papers leaked to Norman Baker MP quoted Veolia as saying that, without the 5 year extension, the waste contract was no longer profitable. Councillors were said to fear that, without help, Veolia would go bankrupt causing the project to collapse.

- An annual ‘unitary charge’ is paid by BHCC to Veolia.
  Unitary payment for 2017 - £12,441,000.

- Support to BHCC from Central Government - £1,498,000 pa
  Remaining payments - £223,202,000 (estimated by BHCC).

- The Contract binds the two Councils to use of the Newhaven facility. The need to have guaranteed volumes of waste to the plant severely constrains innovation and recycling rates.