

TAX BILL: Campaigners urge councils to postpone decision

Fears over rising waste plan costs

By Les Reid
POLITICAL CORRESPONDENT

ENVIRONMENTAL campaigners are urging councils in Coventry and Warwickshire to postpone a major decision on a £1 billion new waste incinerator amid new claims of spiralling multi-million pound costs to taxpayers.

Figures obtained by Friends of the Earth show the PFI (private finance initiative) for the Whitley plant would nearly double the current cost to city taxpayers of burning non-recyclable rubbish, to £9 million a year.

The £4 million increased cost is the equivalent of a 4 per cent rise in Council Tax, or 200 council workers' salaries.

Campaigners now warn the project costs could treble because recent increases in recycling rates in Warwickshire would mean a shortage of waste to burn at the 305,000 tonne-a-year plant – placing the whole scheme in jeopardy.

Leading FoE campaigner Keith Kondakor claims a 20 per cent cut in rubbish being landfilled in Warwickshire would mean 37,000 tonnes less to incinerate than project leaders anticipated.

The £1 billion payout to replace the existing incinerator at the London Road plant by 2016 would be met by private contractors, with Coventry, Warwickshire and Solihull council taxpayers paying back an estimated £24 million-a-year over the project's 25-year lifespan. The government will provide a £6 million subsidy.

The government's PFI schemes have been used to build hospitals, schools and other projects. But opponents say they cost taxpayers more than conventional government spending in annual lease payments plus interest.

Project Transform, a collaboration between the three councils, is due to set its criteria for assessing bids from private contractors to build it.

CRACIN (Friends of the Earth, Cam-

HOT ISSUE... Replacing Coventry's incinerator could lead to spiralling costs to taxpayers



aign for Recycling and Against Coventry Incinerator) has now called on it to postpone that decision for a year to enable a recalculation of any budget shortfall produced by any increase in recycling beyond 50 per cent of waste by 2044.

Jane Green, of CRACIN, said: "The proposed £1 billion PFI contract will cost the same as the entire redevelopment of Coventry city centre just to deal with the residual (non-recyclable) half of Coventry's waste which is rapidly disappearing.

"This money will have to be taken from other council services which are already under pressure from major cuts."

Green campaigners are calling for long-term recycling targets to increase to 70 per cent, and argue Coventry should keep its existing incinerator until 2023 and replace it with smaller, cheaper and greener waste treatment plants.

'New plant is best option'

PROJECT Transform director John Daly said estimated costs were based on two-year-old predictions for recycling and household waste treatment, which would be updated as private contractors were sought.

He accepted increased recycling would mean less waste requiring treatment, but building a new plant for that waste was better than "the only alternative" of costly landfill, which would incur government fines.

He said the existing London Road plant's construction costs had been paid off, and it was coming to the end of its operational life. But private contractor bids would also be welcomed for other sites and waste treatment technology.