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Elizabeth Truss MP
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27 January 2011

From Lord Henley
Parliamentary Under Secretary

Thank you for your letter of 7 January to the Secretary of State about the proposed new incineration plant in Kings Lynn. I am replying as the Minister responsible for this policy area.

As you are aware, all of Defra's PFI provisional credit allocations to waste projects were recently reviewed as part of the Spending Review. Norfolk CC retained its full provisional PFI Credit allocation of £91m as its project scored well in terms of the deliverability, the scale of the benefits delivered in relation to funding provided by Defra, and the timing of those benefits.

We have no current plans to review the PFI programme again, although I cannot rule out future changes, for example as a result of the outcome of the waste review, which could affect the future availability of credits. PFI credits, therefore, remain subject to approval of, and compliance with, the Final Business Case (FBC) and any other conditions or necessary approvals as well as the project remaining consistent with Departmental policies and priorities. The availability of credits is not time limited and no extension is sought.

I have been informed by Defra's Waste Infrastructure Delivery Programme (WIDP) that the project has made good progress since October and intends to complete financial close in March 2011. The project timetable is, of course, a decision to be made by the Local Authority and Defra has received no notification from the Local Authority of any intention to delay the process.

A handwritten signature in black ink, appearing to read 'Lord Henley', written in a cursive style.

LORD HENLEY