

**WRITTEN QUESTION TO THE MINISTER FOR INFRASTRUCTURE
BY DEPUTY I. GARDINER OF ST. HELIER
QUESTION SUBMITTED ON MONDAY 11th OCTOBER 2021
ANSWER TO BE TABLED ON MONDAY 18th OCTOBER 2021**

Question

Will the Minister provide the accounts for the Bellozanne sewage plant project, including all payments made to contractors since 2018, broken down by date, value, and description of the goods or services covered for each payment; and will he explain the reasons for the increase in the overall budget for the plant, setting out an itemised breakdown of the costs that make up this increase?

Answer

The current STW project is a single contract with nmcn PLC for the design and construction of the Sewage Treatment Works (STW) at Bellozanne. Applications for payment are received by IHE from the contractor on a monthly basis. Payment is made to the contractor on the basis of the Activity Schedule, submitted in the original tender submission, as defined in the contract and valued for the works completed during the month. The value and date of the payments made to the contractor are identified in Table 1, below.

The initial approved budget for the STW project was £79,502,000 and the current budget allocation is £75,502,000, as identified in Table 2 below (and on page 131 of the Government Plan 2022-25 [GP 22-25], table 19). The remaining £4,000,000 shortfall in funding is due to be allocated in 2023 to meet the project cashflow requirements.

Of the previously approved and allocated budget at the end of 2020, £7,990,000 was not allocated to the project by Treasury and Resources Minister in 2021, but was ring fenced in reserves to make it available in 2022 for the STW project. This is included in the GP 22-25 for 2022 under 'Capital – Major Projects' but is effectively a reallocation of funding already agreed in prior years not carried forward into 2021 under the Public Finances Law.

A Business Case has been approved for the increase in budget of £1,850,000 in 2022 and is included in the GP 22-25 Capital Allocations on page 136 (table 20). The increase in funding is for costs incurred by the project as a result of the Covid-19 pandemic.

The current total funding required for the STW project is £81,352,000.

It should be noted that there are other items not included in the current total funding required (£81,352,000) but packaged under the STW portfolio in the GP 22-25 as they relate to Liquid Waste projects allied to the STW. These include:

- Biosolids Storage Facilities £2,383,000;
- STW Odour Mitigation (States of Jersey Proposition No. P.115/2017) £1,500,000; and,
- Bellozanne STW Outfall Rehabilitation £1,000,000.

The revised total value of the STW portfolio is therefore £86,235,000 as identified in table 19 of GP22-25 and table 3 below.