

# Bold treatment works

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**CATEGORY Best public procurement project**

**WINNER Environment Agency**

**When poisonous water poured from a disused tin mine in Cornwall, the Environment Agency took an unusual approach to the clean-up, says Rebecca Ellinor, Deputy Editor, Supply Management magazine.**

In January 1992 more than 10 million gallons of contaminated water erupted from the disused Wheal Jane tin mine in Cornwall. Highly toxic water, loaded with cadmium, zinc, arsenic and iron poured, into the Carnon River and Fal Estuary. They stained the river, estuary and nearby coast red, disrupting wildlife, the tourism and shell fishing industries and affecting local residents.

The Environment Agency needed the right contract partner - an expert in water treatment. First an immediate fix was needed to manage the emergency then a longer-term solution - the design, build and operation of a water treatment plant - was required.

The agency made what was, at the time, a bold move: choosing a contractor based on value-for-money instead of lowest cost. As a relatively new organisation, the agency had to prove itself and build its name as a regulator and protector of the environment.

The agency told bidders what it required and left the design to them. It then ensured the treatment plant that was built had everything it needed and no more. "That saved us about £1.7 million," says Clare Marsden, procurement strategy manager.

The agency set a target cost and worked with winning bidder United Utilities on a two-stage plan, which first constructed a small-scale treatment plant to test its design before a full-scale facility was built.

The treatment plant began operating six months early and immediately outperformed expectations. Good practice from the project is shared with other bodies, including Environment Canada.

Since the partnership project began seven years ago, around £2 million has been saved through cost and process improvements. The amount of lime and other chemicals used in the water treatment have been reduced, as has the amount of power consumed, cutting costs.

The technological innovations and how the contract has been applied impressed the judges, who said: "The whole project was well handled, with a good balance of risk versus cost. We loved the examples of innovation. It put it to the forefront of suppliers' minds."

John Dolan, project director at United Utilities, says: "The Environment Agency approached this project in a very mature way and, for the late 1990s, I think the way they behaved was ahead of its time. This project produces a win-win for us and them and that must be the output you get from a good relationship."

Mark Yeomans, head of procurement at the Environment Agency, adds: "Wheal Jane started as a major environmental incident that attracted international press coverage. The commercial and technical skills that the team applied have turned it into a major success."