

CASE STUDY: WASTE

HEADLINE

Specialist financial support via long-term secondment.

THE CHALLENGE

A London waste authority was established in the 1980s as a statutory waste disposal authority after the abolition of the Greater London Council, with the prime function of arranging the disposal of waste collected by its seven constituent Boroughs. The client is embarking on a major procurement project for future waste disposal services including the construction and operation of new facilities to tackle waste growth, increase recycling & reduce the municipal waste going to landfill sites. The client required specialist financial support to deliver the second largest waste PFI procurement project in the UK, to time and budget.

THE APPROACH

- CWC seconded a finance expert to the client's core procurement team; he provided a financial support role and dealt with the external financial advisors from day to day.
- As part of the financial support CWC set-up a robust internal financial control process to ensure tight budgetary control of the procurement project. The secondment lasts 2.5 years.
- CWC was pivotal in supporting the initial development of an inter-authority agreement and the negotiation of affordability agreements between the seven constituent Boroughs for the new waste treatment facility.

- This is collaboration on a complex scale with many different stakeholders to deliver a £500 million-plus treatment facility. CWC supported various aspects of business case development from liaising with the Boroughs to gathering financial data and disseminating information regarding both waste collection and disposal.
- The role involved financial data gathering, financial model analysis, report writing, technical model data gathering & analysis and Borough liaison. CWC also organised study tours to visit waste facilities to prepare members and officers for selecting the most appropriate technical solution during the competitive dialogue process.
- In addition, CWC project managed the due diligence process for the client that led to the acquisition of a 50% equity stake in London's leading recycling and environmental sustainable waste company.

OUTCOME

- The client achieved the best technical and value for money solution at an affordable price for the seven constituent Boroughs.

VALUE CREATED

CWC provided a key member of the procurement team, delivering the best value for money solution. CWC fees were more than covered by the external advisor fees saved.

THE DELIVERY TEAM

This project was delivered by Joe Dowling as Project Director, and Nitin Doshi.