

WASTE CREDIT GOVERNANCE COMMITTEE

28 OCTOBER 2015

WAIVERS/CONSENTS

Recommendation

- 1. The Chief Financial Officer recommends that the waivers/consents granted during the period under review be noted.**

Introduction

2. As set out in its Terms of Reference, the Committee will need to monitor and administer the loan to the waste project in line with best banking practice, including the terms of any waivers or amendments which might be required or are desirable.
3. The Chief Financial Officer has delegated authority for the day to day management of the waste management contract including waivers and consents that are not material to the STLFA to the Section 151 Officers.

Waivers/Consents requests

4. For the period under review the following waivers/consents were requested by the Sponsors and approved by the Councils:
 - The Councils provided a waiver/consent for the appointment of ARUP and Royal Haskoning as new Major Subcontractors for the fire design prevention contract following the HZI termination of Interserve.
 - The Councils provided a waiver/consent under clause 18.4(b)(ii)(G) of the Senior Term Loan Facility Agreement in relation to the appointment of either Compco or Argus as new Major Subcontractors to replace a number of the subcontracts that needed to be re-procured following the HZI termination of Interserve
 - The Councils provided a waiver/consent for the appointment of Orona Elevators for the lift contract following the HZI termination of Interserve.
5. The Councils' officers and advisors conducted the required Due Diligence prior to these approvals

Outstanding Civil Packages

6. Sponsors have now confirmed that the remaining civil packages to be let by HZI, following the termination of Interserve, is £13.7M compared to £19M at the start of August. Of the £13.7M that is outstanding c. 70% relates to building services. Proposals are due to be received at the end of October for Building Services. HZI are permitted to let the remainder of the contracts (£5.3 million) without the need to seek consent from Lenders

Contact Points

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Specific Contact Points for this report

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Background Papers

In the opinion of the proper officer (in this case the Chief Financial Officer) there are no background papers relating to the subject matter of this report.