

**COUNCIL**  
**14 JANUARY 2016****REPORTS OF COMMITTEES****(c) SUMMARY OF DECISIONS TAKEN BY THE WASTE  
CREDIT GOVERNANCE COMMITTEE**

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1. Since its inception, the Waste Credit Governance Committee has met on six occasions to oversee the actions of the Council acting as lender to the waste project and its waste contractor Mercia Waste Management Limited. The Committee routinely receives the following reports:

- Actual Construction Period Cash Flow Test – This is a test prepared by Mercia Waste Management on a quarterly basis and reviewed by Deloitte, acting in the capacity as Financial Advisors to the Councils in relation to the Senior Term Loan Facilities Agreement
- Progress summary from Fichtner Consulting Engineers – Technical Advisors
- Risk Register
- Any Waivers/consents granted

2. Worcestershire County Council's (WCC) share of the lending to Mercia Waste has been £58.4m to date, and a further £65.5m is scheduled to be advanced by February 2017, the scheduled commissioning date. £26.9m is to be repaid to WCC between 2017 and 2023, at which point there is a mechanism in the loan agreement for the outstanding balance to be paid by Mercia Waste Management Ltd to conclude the loan agreement. Herefordshire Council (HC) matches WCC's lending activities on the scale 24.2% HC to 75.8% WCC.

3. The Committee has requested that Council be informed at this meeting that it is satisfied so far that the risks associated with the loan being borne by the Council, as lender, are reasonable and appropriate.

**Mr W P Gretton**  
**Chairman**

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## **Background Papers**

In the opinion of the proper officer (in this case the Head of Legal and Democratic Services) the following are the background papers relating to the subject matter of this report:

Agenda papers for the meeting of the Waste Credit Governance Committee held on 14 December 2015