

Appendix E

Local Authority Controlled Company (LACC) Business Case

Executive – 21 July 2016

Recommendations to the West Devon Borough Council from the meeting of West Devon Hub Committee on 12 July 2016 as follows:

It was then **RESOLVED** that Council be **RECOMMENDED**:

1. To proceed with the implementation of a Local Authority Controlled Company (LACC) jointly owned with South Hams District Council to commence trading on 1st April 2017, subject to there being a satisfactory outcome to the outstanding pension, tax and governance questions and actions as set out in paragraph 5.4 of this report, and market intelligence;
2. That a Joint Steering Group (JSG) is established to deal with matters concerning the implementation of the LACC as detailed in paragraph 5.5 of this report and terms of reference (as presented at Appendix B) revised in light of Member comments;
3. Subject to approval of recommendation 1 above, that the Council enters into an external Waste Management arrangement; this arrangement will be subject to full affordability assessment, risk analysis and in compliance with Public Contract Regulations 2015, for a 2 year period with a view to waste services transferring to the LACC at the end of the 2 year period;
4. That the Council proceeds to acquire the fleet required to satisfy the West Devon Waste specification as set out in Appendix D. If purchased, as opposed to leased, the cost of the fleet is to be financed through borrowing;
5. That the Council approves the use of up to £127,500 of the 2016/17 budget surplus Earmarked Reserve for the set-up costs of the LACC as detailed in paragraph 5.8.