

# Future Waste Services Outline Business Case

## Appendix 6

### Glossary of Terms

#### Anaerobic Digestion (AD)

A biological process that breaks down organic waste without oxygen to produce biogas and digestate.

#### Business as Usual (BAU)

A baseline scenario assuming continuation of current arrangements

#### Biodiversity

A CSF assessing impact on natural habitats and species.

#### Carbon Impact

A measure of greenhouse gas emissions associated with waste operations.

#### Circular Economy

A system promoting reuse, repair, recycling and minimising waste.

#### Competitive Flexible Procedure

A procurement route under the Procurement Act 2023 allowing flexible engagement and dialogue with bidders.

#### Contractor

A private-sector organisation delivering services or building/operating waste facilities.

#### Critical Success Factors (CSFs)

Criteria used to evaluate options across strategic, economic, supplier, affordability and achievability considerations.

#### DBFO

Design, Build, Finance and Operate – contractor funds capital costs and operates facility over long term.

#### DBO

Design, Build and Operate – contractor designs, builds and operates; authority funds construction.

## **DB&O**

Design and build by one contractor, operation by another contractor.

## **Do Minimum Scenario**

Minimal changes with legally compliant adjustments to existing infrastructure.

## **Economic Case**

Section of the OBC assessing costs, benefits and value for money.

## **Education & Awareness**

A strategic priority to influence resident behaviour and reduce waste.

## **Financial Case**

Part of the OBC assessing affordability and funding arrangements for the Preferred Option.

## **Future Waste Services (FWS)**

MRWA programme preparing new waste service procurement for post-2029 delivery.

## **Garden Waste (Merchant Contract)**

A procurement package using third-party facilities for garden waste treatment.

## **Green Book 2022**

HM Treasury guidance for public-sector appraisal and evaluation.

## **Halton Borough Council**

Unitary authority for which MRWA provides waste management services.

## **Household Waste Recycling Centre (HWRC)**

Facilities where residents deposit recyclable and bulky waste.

## **HWH**

Package 1 – HWRCs, Waste Transfer Stations and Haulage.

## **Interface Risks**

Risks arising from managing multiple suppliers and interconnected facilities.

## **LATCo**

Local Authority Trading Company – an in-house delivery structure.

## **Liverpool City Region Zero Waste Strategy (LCR ZWS)**

Regional strategy targeting zero avoidable waste by 2040.

## **Management Case**

OBC section describing governance, risk, project planning and stakeholder management.

### **Merchant Facility**

Privately owned waste-processing facility where MRWA purchases capacity.

### **Materials Recovery Facility (MRF)**

Facility that sorts mixed recyclables into separate material streams.

### **Monetised CSF Benefits**

Financial value assigned to social, environmental and strategic benefits.

### **MRWA Zero Waste Strategy (MRWA ZWS)**

MRWA strategy supporting the LCR-wide zero waste objectives.

### **Net Present Cost (NPC)**

Discounted cost of all project spending and revenues.

### **Net Present Social Cost (NPSC)**

NPC adjusted for monetised benefits of social value.

### **Optimism Bias**

Adjustment applied to mitigate cost underestimation and benefit overestimation.

### **Package**

A group of services procured together (HWH, MRF, Garden, Food).

### **Payment Mechanism**

Contractual rules for paying contractors based on performance and service delivery.

### **Preferred Option**

A hybrid of Scenario 3 and 4 creating a high-impact model with new AI-enabled MRF and modernised infrastructure.

### **Procurement Act 2023**

Law governing public-sector procurement replacing prior regulations.

### **PWLB**

Public Works Loan Board – offers preferential borrowing rates for public bodies.

### **Resource Recovery Contract (RRC)**

Long-term residual waste treatment contract operated by Suez.

### **Reuse & Repair Infrastructure**

Facilities supporting refurbishment, reuse and circular economy goals.

### **Risk-Adjusted NPC**

NPC including risk adjustments and optimism bias.

### **Scenario 2 / Scenario 3 / Scenario 5**

The three shortlisted investment scenarios; Scenario 5 selected as Preferred Option.

### **Simpler Recycling**

UK policy requiring consistent recycling collections incl. food waste and plastics.

### **Social Value**

Community, economic and environmental benefits within procurement evaluation.

### **TUPE**

Employment regulation requiring staff transfer when service providers change.

### **Waste Collection Authorities (WCAs)**

District councils responsible for household waste collection.

### **Waste Management and Recycling Contract (WMRC)**

Existing recyclables and transfer contract ending 2029 (extendable to 2034).

### **Waste Transfer Station (WTS)**

Facility where waste is bulked and forwarded for treatment or disposal.