

ANNEX 2 – HWRC Management Re-provision - Service Model Type Definitions

<p>Procurement</p> <p>A procurement option refers to the process where the council would tender its HWRC services to the market after the current contract expires. This means the council invites external providers (such as private companies) to bid for the contract to manage and operate the HWRCs, rather than bringing the service in-house or using other models like a Local Authority Trading Company (LATCo).</p> <p>Procurement is the council's way of continuing to outsource HWRC services by selecting a new provider through a formal tender process, aiming to balance cost, quality, and risk while adapting to future changes in local government structure.</p>
<p>In-House</p> <p>An in-house option means that the council would directly manage and operate the HWRCs itself, rather than outsourcing the service to an external contractor or using a trading company.</p> <p>The council would bring the HWRC service under its direct control, managing all aspects internally. This provides maximum control and flexibility but also means the council takes on all associated risks and costs, especially related to staffing and pensions.</p>
<p>Local Authority Trading Company (LATCo) (Own)</p> <p>A LATCo (Own) option means the council would set up a new, wholly-owned company (the LATCo) to manage and operate the HWRCs.</p> <p>The council creates and owns the new company to run the HWRC service, aiming for a balance of public control and commercial efficiency, with the potential for cost savings and flexibility compared to in-house or outsourced models.</p>
<p>Local Authority Trading Company (LATCo) (Joint)</p> <p>A LATCo (Joint) option means the council would join an existing Local Authority Trading Company (LATCo) that is already owned by one or more other councils, rather than setting up a new LATCo on its own.</p> <p>The council joins forces with other councils by becoming a co-owner of an existing trading company to run the HWRC service, aiming for shared expertise, operational efficiencies, and risk-sharing, but with added complexity in governance and decision-making.</p>
<p>Joint Venture (Public / Public)</p> <p>A Joint Venture (Public / Public) option involves the council partnering with one or more other public sector organisations (such as other councils or government bodies) to jointly deliver the HWRC services.</p> <p>The council would team up with the other public bodies to jointly run the HWRC service, aiming for shared expertise and efficiency, but with added complexity and the need for strong, aligned partnerships.</p>
<p>Joint Venture (Public / Private)</p> <p>A Joint Venture (Public / Private) option involves the council forming a legally incorporated partnership with a private sector company (such as a construction or facilities management firm) to jointly deliver the HWRC service.</p> <p>The council partners with a private company to jointly run HWRC services, aiming to combine public oversight with private sector efficiency and investment, but with added complexity and the need for strong alignment between partners.</p>