

Waste giant Biffa receives £1.4 billion takeover offer

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[in](#) collector Biffa today landed a £1.4 billion takeover bid from a US [private equity](#) firm.

The offer from Energy Capital Partners of 445p per share represents a 37% premium over yesterday's closing price of 325p.

The company, which processes [waste](#) for two million people in London, said in a statement: "The Board of Biffa has concluded that should a firm offer be made on the same financial terms as the Proposal it would be minded to recommend it to Biffa shareholders."

Biffa shares soared 28% after markets opening this morning to reach 417p.

It comes as the waste management company said it could end up with a liability anywhere in the range of £170,000 to £153 million as a result of an enquiry by UK tax authority HMRC over how it has classified waste at its facilities.

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Biffa said it rejects the concerns but was cooperating with HMRC's enquiries while seeking advice from accounting firm Ernst & Young. No tax claim has so far been received from HMRC, the company said, and there was no certainty that it would bring a claim.

High Wycombe-based Biffa employs more than 9,000 people in the UK and has a fleet of over 2,900 collection vehicles. The company posted revenues of £1 billion in 2021, with operating profits of £44 million – a 51% drop on 2020 profits of £91 million.

Biffa's material [recycling](#) plant in Edmonton processes north London waste including from Camden, Enfield, Haringey and Islington.

Last year, Biffa launched the UK's largest fleet of electric waste vehicles as part of a £10 million deal with [Manchester City Council](#).

In May, around 65,000 households in East Sussex saw bin collections disrupted by a month-long bin strike after Biffa refuse workers took industrial action over pay and working conditions.

New Jersey-based Energy Capital Partners invests in power generation and renewable infrastructure and has a \$12.8 billion (£10.3 billion) investment portfolio according to a filing with the US Securities and Exchange Commission.