

**Council Report**

Cabinet and Commissioner's Decision Making Meeting – 12 December 2016

**Title**

Waste Services - Procurement and award of contracts for the treatment and disposal of kerbside collected recycled material

**Is this a Key Decision and has it been included on the Forward Plan?**

Yes

**Director Approving Submission of the Report**

Damien Wilson, Strategic Director, Regeneration & Environment Services

**Report author(s):**

Paul Hutchinson, Waste Officer

Karen Hanson, Assistant Director, Community Safety and Street Scene

**Ward(s) Affected**

All

**Executive Summary**

The Council currently has two contracts in place to treat and dispose of kerbside collected household recyclable waste which both end in 2017. These are the blue bag recycling contract (paper and cardboard) which ends on 26 May 2017 and the blue box recycling contract (bottles and cans) which ends on 5 July 2017.

Both contracts are required to be re-tendered to ensure procurement and legal compliance and to ensure the Council maximises the income achieved from the sale of the recycled materials.

**Recommendation**

That the commencement of procurement activity and award of a one year contract(s) aligned to the current service specification for both blue bag and blue box recycled materials with both contracts ending together on 31 July 2018 be approved.

**List of Appendices Included**

None

**Background Papers**

None

**Consideration by any other Council Committee, Scrutiny or Advisory Panel**

Waste and Enforcement Members Working Group

Overview and Scrutiny Management Board – 2 December 2016

**Council Approval Required**

No

**Exempt from the Press and Public**

An exemption is sought for Appendix 1; under paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972 is requested, as this report contains sensitive commercial information with regards to existing contractual arrangements which could disadvantage the Council in any procurement activity if the information were to be made public.

It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information, as the parties' commercial interests could be prejudiced by disclosure of commercial information.

## Waste Services - Procurement and award of contracts for the treatment and disposal of kerbside collected recycled material

### **1. Recommendations**

- 1.1 That the commencement of procurement activity and award of a one year contract(s) aligned to the current service specification for both blue bag and blue box recycled materials with both contracts ending together on 31 July 2018 be approved.

### **2. Background**

- 2.1 The Council currently has two contracts in place to treat and dispose of kerbside collected household recyclable waste which both end in 2017. These are the blue bag recycling contract (paper and cardboard) which ends on 26 May 2017 and the blue box recycling contract (bottles and cans) which ends on 5 July 2017.
- 2.2 Both contracts are required to be re-tendered to ensure procurement and legal compliance and to ensure the Council maximises the income achieved from the sale of the recycled materials.
- 2.3 The Council is currently undertaking a comprehensive review of waste services. Whilst some aspects of this review may take longer to implement than others, it is anticipated that implementation of changes to the waste service (affecting the collection and disposal of kerbside recycling) will be agreed and implemented during the 2017/2018 financial year. This includes:
  - A joint BDRS (Barnsley Doncaster Rotherham and Sheffield) Waste Partnership review of all waste services across the 4 Councils.
  - Taking into account the recommendations from the above, a local review of Rotherham's waste service including kerbside recycling arrangements and materials collected, the provision of Household Waste Recycling Centres, opportunities to increase commercial waste services and workforce development.
  - The development of a joint BDRS municipal waste strategy, including public consultation. This Strategy is due to be finalised by April 2017.
  - A review of the Council's waste fleet to ensure that vehicles are reliable, fit for purpose and aligned to the agreed waste strategy.
- 2.4 The recommendation to procure a short-term 12 month contract will allow for the broader reviews outlined above to take place and enable potential changes to existing waste collection arrangements to be factored into a longer term contract to be procured from July 2018 onwards.
- 2.5 The awarding of these short term contracts, with aligned expiry dates, will allow the Council sufficient time to undertake the reviews outlined above. In addition, the ability to extend them by a further 2 periods of six months (1 year in total) will be included as a contingency in the event that the reviews take longer than currently planned.

### **3 Key Issues**

- 3.1 Neither of the existing contracts has any further extension options available, therefore, both are required to be re-tendered to ensure legal compliance.
- 3.2 It is recommended that any new contract is in place and finalised several weeks prior to its commencement so that any changes from the previous contract working practices, for example, disposal points, travel time and site rules are evaluated and staff are familiar with them. This ensures as little disturbance to the public as possible (i.e. no interruption to the daily collections and ability to complete rounds each day).

### **4. Consultation**

- 4.1 Consultation has taken place with the appropriate Cabinet Member.

### **5. Timetable and Accountability for Implementing this Decision**

- 5.1 Neither of the existing contracts has any further extension options available, therefore both are required to be re-tendered to ensure legal compliance. With existing contracts due to expire in May and July 2017, it is important that procurement of the new contracts commences as soon as possible.

### **6. Financial and Procurement Implications**

- 6.1 Financial information is included in Appendix 1 which is exempt from publication under paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972 is requested, as this report contains sensitive commercial information with regards to existing contractual arrangements which could disadvantage the Council in any negotiations if the information were to be made public.
- 6.2 The value of the contract requires a fair and transparent tender process which is time specific as required in line with EU Public Contracts Directives and Rotherham MBC's, Standing Order 43.

### **7. Legal Implications**

- 7.1 As the contracts cannot be extended they need to be retendered to ensure compliance with Standing Orders.

### **8. Human Resources Implications**

- 8.1. None

### **9. Implications for Children and Young People and Vulnerable Adults**

- 9.1. None

## **10. Equalities and Human Rights Implications**

10.1 None

## **11. Implications for Partners and Other Directorates**

11.1. None

## **12. Risks and Mitigation**

12.1. Future income received is dependent upon the recycling market at the time that tenders are submitted.

## **13. Accountable Officer(s)**

Karen Hanson – Assistant Director, Community Safety & Street Scene.  
Paul Hutchinson – Waste Officer, Community Safety & Street Scene