

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL
EXECUTIVE MANAGEMENT TEAM'S REPORT TO THE
CABINET

Date 18th July 2018

1. **REPORT TITLE** **Contract Award for the supply of a JCB Wastemaster**
- Submitted by:** **Head of Recycling & Fleet - Andrew Bird**
- Portfolio:** **Environment and Recycling**
- Ward(s) affected:** **All**

Purpose of the Report

To inform Cabinet of the process and outcome of the procurement exercise undertaken for the supply of a replacement JCB Wastemaster for use on the Councils Recycling and Waste Transfer Station located at the Knutton Lane depot. As the cost exceeds £50,000 and in line with Council's Internal Governance Procedures there will be a requirement to provide a Signed Contact under Seal.

Recommendations

That the Council enter into contractual arrangements with Watling JCB for the supply and repair and maintenance contract of a JCB Wastemaster machine.

Reasons

The current JCB Wastemaster is scheduled in the Councils Capital programme for replacement this financial year. In addition the council hires an additional JCB Wastemaster at a cost of £27,300 per annum. The new machine will replace the hired machine, and the existing JCB Wastemaster will be kept as the second / backup machine, thus saving revenue costs for hiring an additional machine.

1. **Background**

- 1.1 The Council has been operating a transfer station at its Knutton Lane depot for well over twenty years. The site was heavily modified in 2016, to facilitate bringing the kerbside collection of recycling and food waste back in-house. The site is fully licenced as a Hazardous Waste transfer station by the Environment Agency, therefore providing the Council with flexibility and certainty in being able to handle a wide range of materials from its streetscene and recycling and waste operations.
- 1.2 The site generates around 2,000 tonnes of material annually, from its streetscene service, and now an additional 13,000 tonnes of dry recycling and food waste from kerbside collections.
- 1.3 To facilitate these operations the Council needs to operate a number of loading and bulking machines, specially designed for use in the recycling and waste industry. The JCB Wastemaster is a specialist machine which is able to deal with a large range of materials.

- 1.4 A replacement JCB Wastemaster is on the Councils Capital Programme for this financial year 2018/19.
- 1.5 Procurement was undertaken using a national framework TPPL – Lot 5
- 1.6 Soft market testing was undertaken with three suppliers, and direct award to Watling JCB through the TPPL framework provided the best value for the supply of the specified machine.

2. **Issues**

- 2.1 It is vitally important that the Council looks to obtain the best financial value for the services it provides, and maintains flexibility in the operation of the depot transfer station at Knutton lane.
- 2.2 To facilitate this, the Council need reliable and efficient machines, and a JCB Wastemaster is a vital part of this infrastructure. The Councils own JCB Wastemaster is now eleven years old, and cannot be relied on for use as the main frontline machine within the operation.

3. **Proposal**

- 3.1 Tenders received have been evaluated on price through the TPPL framework.
- 3.2 The best price was received from Watling JCB, for supply of the specified machine at a cost of £66,992; therefore they are the preferred supplier.

4. **Reasons for Preferred Solution**

- 4.1 The JCB Wastemaster is a specialist machine, designed for use within the recycling and waste industry. It provides efficient and flexible support for operations in the often challenging conditions found in operating a multi material transfer station.
- 4.2 The Council is currently hiring an additional JCB Wastemaster, which will not be required following the purchase of this machine.

5. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

- 5.1 The proposal is key to the effective delivery of the Integrated Municipal Waste Management Strategy for Newcastle under Lyme Borough Council, and will contribute to the following corporate priorities:
 - creating a cleaner, safer and sustainable Borough
 - creating a Borough of opportunity
 - transforming our Council to achieve excellence

6. **Legal and Statutory Implications**

- 6.1 The procurement process by way of a compliant framework was conducted in line with the requirements of the Public Contract Regulations 2015. It also meets the Councils requirements to secure Best Value.

- 6.2 As the supply cost of the machine is above £50,000, there is a requirement under the Councils Internal Governance Procedures, to provide a signed contract under Seal, which requires approval and authority to seal by Cabinet.

7. **Equality Impact Assessment**

- 7.1 The proposal supports the Equality Impact Assessment undertaken for the effective delivery of the Integrated Municipal Waste Management Strategy for Newcastle under Lyme Borough Council

8. **Financial and Resource Implications**

- 8.1 The proposal has positive financial implications for the Council.
- 8.2 The Council currently hires a JCB Wastemaster to support operations on the Councils transfer station at Knutton Lane. Hire costs equate to £27,300 a year in revenue costs, which will be saved following the purchase of this machine.

9. **Major Risks**

- 9.1 The Council requires reliable and efficient resources to operate its transfer station at Knutton Lane, which is permitted as a Hazardous Waste Transfer station. Failures in correct handling of materials and waste could result in a breach of permit conditions, resulting in the Environment Agency issuing improvement notices to the Council and potentially taking enforcement action.

10. **Key Decision Information**

- 10.1 The proposal and recommendation set out in this report is a key decision as defined in the Council's Constitution.
- 10.2 The proposal and recommendation is included in the Cabinet's Forward Plan for the period in which the meeting is to take place.

11. **Background Papers**

- 11.1 None