

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO CABINET

4th September 2019

1. **Report Title:** Recycling and Waste Strategy – Procurement
- Submitted by:** Executive Director – Operational Services
- Portfolio:** Environment and Recycling
- Ward(s) affected:** All

Purpose of the Report

This report requests authority to seek and accept tenders for a range of vehicles, site and building works and services required to implement the new Recycling and Waste Service planned for 2020.

Recommendations

a) That the Executive Director (Operational Services) and Executive Director (Resources and Support Services) are authorised, in consultation with the Portfolio Holder for Environment and Recycling, to undertake the required procurement processes outlined in the report, complete any post tender negotiations if required and award the contracts to the successful contractors within the overall budget provision envelope made within the approved General Fund Capital and Revenue Programme for the introduction of the new recycling and waste service.

Reasons

In line with the Council regulations, authority is required to seek and accept contracts over the value of £50,000. This report outlines the various vehicles, building work and services that are required to implement the major service change.

1. **Background**

1.1 At its meeting on 18th September 2018, Cabinet approved the recommendations of the cross party Recycling and Waste Cabinet Panel for the introduction of a Recycling and Waste service for the Borough which makes it easier for residents to recycle and is simpler to operate. The changes respond to residents' concerns about the current, multi container system which resulted in numerous missed collections when first introduced.

2. **Issues**

2.1 Planning and preparation for the new service, due to be introduced on a phased basis from spring 2020, is progressing and the Council now needs to undertake a range of procurement processes to ensure that appropriate vehicles, containers, material processing services and associated site and building works at Knutton Lane Depot are completed and in place in time for the start of the new service.

2.2 In preparation for the introduction of the new service, the Council has secured the use of one "split body" refuse freighter from a neighbouring authority to enable early trialling of the new system, albeit utilising the existing box system. This will enable the Council to more accurately

model collection routes, waste handling processes and timings. This will provide valuable insights to ensure a smooth introduction of the service.

- 2.3 In addition to the existing food caddy, the new service will entail a single wheelie bin for mixed recycling, significantly simplifying the recycling process for residents. A particularly valuable element of the waste stream is card/paper, and it is important that this is kept separate from glass, tins, and plastic to maximise its value.
- 2.4 With the increased use of home deliveries, the volume of cardboard being recycled is ever increasing. The new system will include a weighted bag for paper and card.
- 2.5 The proposed system will make it simpler for residents to recycle, and be more reliable and simpler to operate by the refuse crews. It will also be more cost effective than the current arrangement.
- 2.6 The following elements, proposed procurement methods and the approved funding in place within the current MTFS Capital and Revenue Programme are required:
 - a.) Vehicles (split bodied recycling collection freighters and food waste recycling vehicles) through a range of Procurement Framework mini-tenders. Estimated cost £1.785m
 - b.) Recycling materials sorting contracts through competitive tenders. Estimated cost £0.279m
 - c.) Recycling recepticals through a Procurement Framework award to the cheapest supplier. Estimated cost £1.067m
 - d.) Building and site alteration works (to create appropriate material bulking facilities at Knutton Lane Depot) through a range of tenders. Estimated cost £0.5m

The actual detailed costs will be confirmed through the respective procurement processes.

3. **Proposal**

- 3.1 The proposal is that the Executive Director (Operational Services) and Executive Director (Resources and Support Services) are authorised, in consultation with the Portfolio Holder for Environment and Recycling, to undertake the required procurement processes outlined in the report, complete any post tender negotiations if required and award the contracts to the successful contractors within the overall budget provision envelope made within the approved General Fund Capital and Revenue Programme for the introduction of the new recycling and waste service.

4. **Reasons for Proposed Solution**

- 4.1 To ensure that the implementation of the new Recycling and Waste Services is achieved.

5. **Options Considered**

- 5.1 There are options in terms of the procurement methods that can be used, however, the proposed methods outlined above are considered to represent value for money and compliant processes.

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

- 6.1 Providing the Councils statutory waste and recycling collection duties supports the Council's corporate priorities of:
- Local services that work for local people.
7. **Legal and Statutory Implications**
- 7.1 The procurement processes proposed are compliant with the Councils Regulations and procurement rules.
8. **Equality Impact Assessment**
- 8.1 There are no equalities issues in relation to this report.
9. **Financial and Resource Implications**
- 9.1 The estimated costs associated with this report are detailed in section 2.2 above and can be accommodated from within the Councils approved Capital and Revenue Programme.
10. **Major Risks**
- 10.1 There is a risk that the tendering processes could result in the costs of the goods and services being in excess of the budget.
- 10.2 There is a risk that the goods and services are not in place in time for the phased introduction of the new service.
- 10.3 There is an increased risk of challenge, as a number of the procurement values exceed current OJEU thresholds, to mitigate such officers as indicated will look to utilise compliant frameworks, operating within their relevant guidelines.
11. **Sustainability and Climate Change Implications**
- 11.1 Vehicles will use the latest fuel and emission efficient engines. Recycling materials will be collected, sorted, recycled and reused, reducing the need for virgin materials in the production of packaging.
12. **Key Decision Information**
- 12.1 The Recycling and Waste Service is a statutory function and affects all wards in the Borough. When considered by members this will be a key decision item.
13. **Earlier Cabinet/Committee Resolutions**
- 13.1 Cabinet Report – 19th September 2018
14. **List of Appendices**
- 14.1 None
15. **Background Papers**
- 15.1 None