

From: Barbara Cooper, Corporate Director, Growth, Environment and Transport

To: Susan Carey, Cabinet Member for Environment

Subject: Approval to commission and award a new contractual arrangement for the receipt and processing of Highway Mechanical Arisings – (SC20026)

Key decision: 20/00121

Electoral Division: All Divisions are affected

Summary: This report seeks Member approval to commission and award a new contractual arrangement for the receipt and processing of highway mechanical arisings disposed of at the Waste Transfer Stations by the Waste Collection Authorities.

Recommendation(s): The Cabinet Member for Environment is asked to give approval on the proposed decision to commission and award a contract for the receipt and processing of highway mechanical arisings for up to 5 years as shown at Appendix A.

1. Introduction

- 1.1 This report provides information concerning the option to commission and award a Highway Mechanical Arisings (HMA) contract for materials collected by the Waste Collection Authorities. These materials are typically also known as street sweepings, which can be mechanically treated by disaggregation, to produce materials for reuse by civil engineering schemes.
- 1.2 The Authority has short-term arrangements in place with three Final Disposal Outlets to manage the receipt and treatment of the County's HMA, circa 13,300 tonnes per annum.
- 1.3 The service uses three contractors to treat the HMA and these contracts run until April 30th, 2021, with the new contract commencing on the 1st May 2021. This commission will enable the Authority to meet its statutory duty as the Waste Disposal Authority to provide facilities for the disposal of waste.

2. Relevant History

- 2.1 Highway Mechanical Arisings are swept material from streets and roads and are predominantly made up of stones, sand, metals, glass, soil, leaves, organic matter, and litter.
- 2.2 The treatment results in a 99% disaggregated recycled product which can be used for civil engineering as well as clean organic material which can be used for land restoration.

- 2.3 Prior to November 2020, the majority of Kent's HMA was disposed of at Biffa Brookhurst recycling facility in Horsham with a small amount deposited at Veolia's facility in Rainham.
- 2.4 The title of HMA falls under KCC's remit to make provision for the receipt and treatment of this material. KCC is now planning to commission a contract of up to five years which is of sufficient length to be attractive to the market, but with a break clause at the 3rd year to protect KCC's commercial interests.
- 2.5 As there are several suppliers, the contract would be offered in two geographical lots based on Transfer Station location: Lot 1 - East Kent and Lot 2 - Mid & West Kent with similar proportionate quantities.
- 2.6 Waste management will seek composite gate fees that account for any rebate mechanism related to the sale of the materials, as well as the seasonal prices where the composition may vary. As KCC cannot determine the quality or quantity of materials, this risk will sit with the suppliers who will determine the appropriate risk-based gate fee.
- 2.7 Waste management is also seeking local disposal arrangements, (where waste infrastructure allows) to reduce its carbon footprint in delivering these materials, and as such haulage rates will be considered as part of the tender evaluation.
- 2.8 Waste Management is committed to working towards the zero to landfill target, by continuing to divert approximately 13,300 tonnes of HMA per year from landfill by using treatment and recycling facilities.

3. Options considered and dismissed

1. Do nothing – the current arrangements will continue; this is not an option as they are a short-term contingency only and best value would be secured from a longer-term contract.
2. Discontinue accepting the HMA waste from the Collection Authorities; this is not an option due to KCC's obligation to take this waste as the Waste Disposal Authority.
3. Continue to accept the waste but utilise alternative disposal options by using landfill or incineration; this is not an option as there is a priority to move this material up the waste hierarchy and to meet landfill diversion targets. (A diagram of the waste hierarchy is at Appendix B).
4. **The recommended preferred option** - Undertake a commissioning activity to secure a provider who is able to treat and utilise the waste material meeting the circular economy priority outcomes and is both financially and environmentally beneficial for the Authority.

4. Financial Implications

- 4.1 The total cost of this commission over 5 years is projected to be circa £3.7m and will be met by existing revenue budgets.
- 4.2 The gate fee will be composite and will include treatment type offered at the facility and any seasonal re-sale prices.

4.3 Haulage costs are accounted for within existing Transfer Station contracts.

5. Legal implications

5.1 There are no legal implications of the suggested action.

6. Equalities and Data Protection implications

6.1 An Equalities Impact Assessment has been produced and it can be confirmed there are no equalities implications from awarding this commission.

6.2 Data Protection Impact screening has been completed and there are no implications in terms of use of personal data.

7. Governance

7.1 Through the decision outlined above, any further decisions required to allow the scheme to proceed through to delivery will be taken by the Head of Waste Management and Business Services for Highways, Transport and Waste under the Officer Scheme of Delegations following prior consultation with the Cabinet Member.

8. Conclusions

8.1 The current contracts for HMA expire in April 2021. New contractual arrangements need to be in place for 1 May 2021, to reduce the risk of unplanned costs and offer KCC best available market value and enabling the Authority to discharge its statutory duty as Waste Disposal Authority.

9. Recommendation: The Cabinet Member for Environment is asked to give approval on the proposed decision to commission and award a contract for the receipt and processing of highway mechanical arisings for up to 5 years as shown at Appendix A.

10. Background Documents

10.1 Equality Impact Assessment

10.2 Appendix A – Record of Decision

10.3 Appendix B – Waste Hierarchy Diagram

11. Contact details

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