

From: Mr David Brazier, Cabinet Member - Environment & Transport
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To: Environment & Transport Cabinet Committee – 24 April 2014

Subject: 14/00044 & 14/0047 - Waste Processing Contracts

Classification: Unrestricted

Past Pathway of Paper: Cabinet Member for Decision

Future Pathway of Paper: To be reported to Cabinet Committee

Electoral Division: All

Summary: This paper provides Cabinet Committee with an update report regarding the award of waste contracts for the provision of organic waste (garden waste) and dry recyclate processing. The paper sets out the use of two governance procedures to ensure Record of Decisions are achieved to enable contract award and continuity of service provision.

Recommendation(s):

That Cabinet Committee note the governance procedures applied to two waste stream procurements; the Record of Decision regarding Organic Waste Processing contracts; and the proposed (at time of writing) Record of Decision for Dry Recyclate Processing contracts.

1. Introduction

1.1 This report provides information concerning two procurement processes and associated contracts to manage:

- a) Organic Waste (garden waste) – subject of Decision Number 14/00044
- b) Dry Recyclate – subject of Decision Number 14/0047

Provision is required to receive, handle, store and process household waste arising from district council kerbside collections and KCC Household Waste Recycling Centres.

1.2 The contracts are required to fulfil the Council's statutory duty as a Waste Disposal Authority for household waste arising in the county.

2. Financial Implications

2.1 The contract spend by KCC for these two waste streams is:

- Organic Waste (garden waste) – approximately £1.2m* per year for an initial period of up to 6 years with a possible extension of up to 6 years based on performance
- Dry Recyclate – approximately £1.5m for initial 2 year term – subject to current competitive tender process

** Please note contract values are dependent upon tonnage of waste arising and are thus indicative.*

2.2 There is potential to secure financial savings through these new contracts.

3. The Report

3.1 The Organic Waste contracts commenced on 1st April 2014 following the use of the 'Urgency Procedure' to achieve a Record of Decision. This procedure was used due to a misunderstanding of the governance process and the urgent requirement for new contracts to be in place for 1st April – as existing contracts expired on 31st March 2014.

These new contracts ensure continuity for the provision of green waste processing for approximately 33,000 tonnes of waste per annum arising from both district council kerbside collections and household waste deposited at HWRCs.

The Dry Recyclate contract(s) is due to commence on 2nd June 2014 and is currently in the evaluation phase of a competitive tender process to select the preferred tenderers. To achieve the contract commencement date, the use of the 'General Exception' Procedure has been implemented.

It is not possible for the decision to complete a 28 day publication period on the Forthcoming Executive Decision, as significant and unnecessary costs would be incurred by the council in order to do so. Therefore the decision is taken under procedures set out in S.10 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) 2012 'General Exception'.

3.2 KCC has a statutory responsibility as the Waste Disposal Authority for the disposal of household waste and as such the contracts subject to this report are a fundamental requirement to ensure household waste can be managed cost-effectively and via environmentally sound methods.

3.3 The Equality Impact Assessments undertaken for both waste streams concluded that no Protected Characteristics will be impacted upon either positively or negatively as a result of these contracts. This is predominately due to the contracts delivering a non-customer facing service.

3.4 There are no implications for the Council's property portfolio as a result of the proposed action.

3.5 Continued extension to existing contracts would be in breach of procurement regulations.

4. Conclusions

Robust procurement processes are used to identify providers for the delivery of waste processing for Kent's household waste. There is potential to secure financial savings through the new contracts and ensure service continuity to meet the Council's statutory obligation as a Waste Disposal Authority.

5. Recommendation(s):

The Environment and Transport Cabinet Committee is asked to note the governance procedures applied to two waste stream procurements; the Record of Decision regarding Organic Waste Processing contracts; and the proposed (at time of writing) Record of Decision for Dry Recyclate Processing contracts.

6. Background Documents

Contract information available via www.kentbusinessportal.org.uk

- Appendix 1 – Organic waste (garden waste) - OJEU Notice 013/S 184-317932 / Procurement reference number SS1273
- Appendix 2 – Dry recyclate – OJEU Notice 2014/S 030-048614 Procurement reference number SS1274
- Appendix 3 – Record of decision – Award of Organic Waste Processing Contracts
- Appendix 4 – Draft record of decision – Award of Dry Recyclate Processing Contracts

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