

From: **Barbara Cooper, Corporate Director – Growth, Environment & Transport**

To: **Matthew Balfour, Cabinet Member - Environment and Transport 2015**

Decision No: 15/00001: **Waste treatment and/or final disposal Contract/s**

Electoral Division: **All**

**Summary:**

To advise the Cabinet Member for Environment and Waste of the forthcoming procurement and award of Waste treatment and/or final disposal Contract/s in accordance with chosen evaluation, methodology which will be stated in the relevant published Invitation to Tender, and to seek comments from Members.

**Recommendation(s):**

That the Cabinet Member for Environment and Waste agrees to proceed to award contract/s to the preferred tenderers following a completion of a procurement process for the provision of Waste Treatment and/or Final Disposal.

**1. Introduction**

1.1 This report provides information concerning a procurement which will be undertaken by KCC Waste Management to identify providers to receive, process and/or dispose of residual waste (i.e. waste which cannot be recycled or composted) which is either unsuitable for the Allington Energy from Waste (EfW) plant, or which is diverted from Allington during periods of shut down due to maintenance.

1.2 At present approximately 58,668 tonnes of residual waste per annum is unsuitable for the Allington EfW per virtue of its bulky nature, e.g. mattresses, large hard plastic items etc, and typically a further 43,815 tonnes is diverted over the course of a year due to maintenance of the plant. The new contracts for Household Waste Recycling Centres(HWRCs) and Waste Transfer stations do require the provider to use innovative techniques to ensure that little or no material which can be recycled or composted is left within the mass of such residual waste.

1.3 Whilst to date all waste unsuitable for the Allington EfW has been landfilled, it is the aspiration of the Waste Management team to engage with the market to develop solutions which make use of such waste as a resource, and in doing so make a significant stride toward zero waste to landfill. Landfill does, however, remain an option should more innovative solutions prove unaffordable.

1.4 The proposed contract/s are required to fulfil the Council's statutory duty as a Waste Disposal Authority to dispose of residual waste arising from both district council kerbside collection and HWRCs.

1.5 The proposed contract/s would be required to commence in September 2015 for a proposed initial term of five years, which would enable co-termination with existing contracts for the majority of HWRCs and Waste Transfer Stations.

## **2. Financial Implications**

2.1 The estimated contract spend by KCC will be approximately £47m over the initial period of five years, with a possible extension of up to a further two years based on performance.

2.2 There may be some potential to secure financial savings through these new contracts, depending upon the solution emanating from the market, although such savings are likely to be modest.

## **3. The Report**

3.1 The proposed contracts are required to be procured in a manner which is in full compliance with relevant procurement regulations.

3.2 A market engagement process will be undertaken to explore ways in which to maximise value and minimise environmental impact, and a transparent and accountable procurement processes will be undertaken to select providers for these services.

3.3 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 residual waste can be managed cost effectively and via environmentally sound methods.

3.4 An Equalities Impact Assessment will be undertaken to ensure that no protected characteristics will be impacted upon either positively or negatively as a result of these contracts. This will take into account the fact that the contracts will be delivering a noncustomer facing service.

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

3.6 Approval for the Cabinet Member for Environment and Transport to award Waste treatment and/or final disposal contracts following the completion of a competitive tendering process is sought.

## **4. Conclusions**

Robust procurement processes will be undertaken to identify providers for the delivery of this contract/s waste. Whilst there may be some potential to secure some financial savings through the new contracts, there is a real opportunity to make a step change in our vision to use waste as a resource, whilst ensuring service continuity to meet the Council's statutory obligation as a Waste Disposal Authority.

## **5. Recommendation(s):**

That the Cabinet Member for Environment and Transport Cabinet Committee agrees to proceed to award contract/s to the preferred tenderers following a completion of a procurement process for the provision of Waste Treatment and/or Final Disposal.

## **6. Background Documents**

Procurement Plan

## **7. Contact details**

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