

From: Matthew Balfour, Cabinet Member –Environment and Transport
Barbara Cooper, Corporate Director – Growth, Environment and Transport

To: Environment and Transport Cabinet Committee – 9 April 2015

Decision No: **15/00027**

Subject: **Extension of Wood Waste Recycling Contract**

Classification: **Unrestricted**

Future Pathway of Paper: For Cabinet Member Decision

Electoral Division: All

Summary: To seek Cabinet Committee’s comments on a proposal to extend the existing Wood Waste Recycling Contract for a further five years from October 2015.

Recommendation(s):

The Environment and Transport Cabinet Committee is asked to consider and endorse or make recommendations to the Cabinet Member for Environment and Transport on the proposed decision to extend the contract for Wood Waste Recycling with Kent based company Countrystyle Recycling Ltd, in accordance with the terms of that contract.

1. Introduction

- 1.1 Approximately 26,000 tonnes of wood waste per annum are deposited at our network of Household Waste Recycling Centres (HWRCs). As part of our objective to reduce waste to landfill, and particularly bio-degradable waste, and to maximise recycling, a contract to recycle wood waste was let in October 2010.
- 1.2 The contract enables the recycling of wood waste into chipboard products for the construction industry, and thus creates a good quality material from wood, which is significantly preferable in environmental and economic terms to landfilling or energy from waste options.

2.0 Financial Implications

- 2.1 The estimated spend by KCC over the five year extension period will be £4m. This spend is accounted for in the existing revenue budget for the service.

2.2. A “soft market testing” process has been carried out by Medway Council on behalf of both authorities. This process indicated that the current contract is priced very competitively, and that better financial value is unlikely to be obtained if a process to procure a new contract were undertaken. The process included approaching all other SE7 for benchmarking information. The conclusion of this process was that no alternative comparable and affordable service is available in the region at present.

3. The Report

3.1 KCC has a statutory responsibility as the Waste Disposal Authority for the disposal of household waste, including wood waste; it is also required under EU regulations to reduce biodegradable waste to landfill, and to maximise the proportion of waste which is recycled.

3.2 Both Medway Council and ourselves are satisfied that the performance of the contract to date has been of a suitable quality, and continues to meet both authorities’ requirements for the treatment of wood waste.

3.3 The initial term of the contract expires in October 2015. In order to extend the term of the current contract, the contracting authorities are required to provide six months’ notice, and thus a decision is required in April 2015.

3.4 An Equality Impact Assessment has been undertaken to ensure that no protected characteristics will be impacted upon either positively or negatively as a result of the extension of this contract. This takes into account the fact that the contract is delivering a non-customer facing service.

3.5 Approval from the Cabinet Member for Environment and Transport (Mr Matthew Balfour) to extend this contract is sought.

4. Conclusions

4.1 The current contract has been subject to a robust procurement process, and the extension of this contract within the agreed terms of the contract is entirely lawful and legitimate.

4.2. It is likely that were a new contract to be procured, there is a significant possibility that the overall costs would increase without any associated increase in service quality.

5. Recommendation:

The Environment and Transport Cabinet Committee is asked to consider and endorse or make recommendations to the Cabinet Member for Environment and Transport on the proposed decision to extend the contract for Wood Waste Recycling with Kent based company Countrystyle Recycling Ltd, in accordance with the terms of that contract.

6. Background Documents Equality Impact Assessment

7. Contact details

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Appendix A - Proposed Decision Sheet

Appendix B – Scheme Plans