

To: Finance, Resources and Customer Services Policy Board

On: 28 March 2018

Report by: Chief Executive and the Director of Environment & Communities

Heading: Contract Authorisation Report – Treatment & Disposal of Residual Waste - Contract 1

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a contract to William Tracey Limited for the the Treatment & Disposal of Residual Waste – Contract 1 for the contract period from 5 July 2018 to 4 July 2019 with the Council reserving the sole option to extend this contract on a month by month basis up to 4 July 2020.
- 1.2 The contract will be awarded under the following Lot of the Scotland Excel Framework for the Treatment of Recyclable and Residual Waste:
 - Lot 1, Model A:- Treatment & Disposal of Residual Waste (Approx 36,000 tonnes)
- 1.3 A contract strategy document for the Treatment & Disposal of Residual Waste was signed in December 2017 by the Strategic Procurement Manager and the Director of Environment & Communities.

2. Recommendations

- 2.1 It is recommended that the Finance, Resources and Customer Services Policy Board authorise the Head of Corporate Governance to award a contract to William Tracey Limited for the Treatment & Disposal of Residual Waste – Contract 1 under Lot 1, Model A of the Scotland Excel Framework Agreement for the Treatment of Recyclable and Residual Waste (Contract Schedule Number 14-13):
- 2.2 It is recommended that the Finance, Resources and Customer Services Policy Board authorise the contract value of £3,900,000 excluding VAT and where the option to extend on a month by month basis is utilised the additional spend per month will be no more than £321,000 excluding VAT.
- 2.3 The contract will commence on 5 July 2018 until 4 July 2019 with the Council reserving the sole option to extend this contract on a month by month basis up to 4 July 2020.

3. Background

- 3.1 Scotland Excel established a Framework Agreement for the Treatment of Recyclable and Residual Waste in July 2014 (the “Framework”) and which expires on 31 May 2018. The Framework offers a suite of compliant treatment options for a host of waste materials commonly collected by Councils’ via their existing individual collection services, including metals, cans, glass, paper, textiles, plastics and wood. Furthermore, options are included for the treatment and disposal of the material remaining when all other possible reusable or recyclable material has been removed, commonly referred to as “residual” waste.
- 3.2 There are a number of operating factors which have impacted on the recyclable waste market including global market prices for recycle materials and the quality of items such as paper, glass, metals and plastic has meant that materials recycling facilities have to charge more to process materials.
- 3.3 In accordance with Standing Order relating to Contracts 29.5, The HOPAC has identified that the Framework provides a suitable route to market and provides a facility to make direct awards where best value can be demonstrated. The Council considered the current Framework rates of Providers under Lot 1 and a subsequent desktop analysis carried out by procurement officers within the Council demonstrated that best value could be achieved by entering into a direct award contract with William Tracey Limited for the length of contract as described in section 2.3.
- 3.4 William Tracey Limited have committed to delivery of the following community benefits under this Contract:
 - Provide financial support for various community groups throughout Renfrewshire and continue to support the Renfrewshire Council staff recognition awards and;
 - Provision of one work experience placement via the local job centre per year of the contract.

Implications of the Report

- 1 **Financial** – The costs under this Contract will be met by the Waste Disposal Revenue Budget as and when required.

2. **HR & Organisational Development**

No TUPE implications have arisen or are anticipated.

- 3 **Community/Council Planning**

Creating a sustainable Renfrewshire for all to enjoy - the work proposed will support the delivery of this outcome.

4. **Legal** – The procurement exercise has been carried out in compliance with the requirements of the Framework Agreement for the Treatment of Recyclable and Residual Waste (Contract Schedule Number 14-13) Lot 1 and the Council Standing Orders relating to Contracts.

5. **Property Assets - None**

6. **Information Technology**

No Information Technology implications have arisen or are anticipated.

7. **Equality & Human Rights**

- (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety** – William Tracey Limited Health & Safety has been assessed under the Scotland Excel Framework Agreement for the Treatment of Recyclable & Residual Waste to ensure that they met the minimum requirements regarding Health & Safety.

9. **Procurement**

The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.

10. **Risk - None**

11. **Privacy Impact**

No Privacy Impact Assessment requirements were identified within this procurement.

12. **Cosla Policy Position**

No Cosla Policy Position implications have arisen or are anticipated.

List of background papers – N/A

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