

To: Finance, Resources and Customer Services Policy Board

On: 8 November 2017

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

Heading: Contract Authorisation Report: treatment & disposal of food waste, garden waste and comingled food & garden waste

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 contracts for the treatment & disposal of food waste, treatment & disposal of garden waste and treatment & disposal of comingled food & garden waste to the suppliers noted within section 2 of this report.
- 1.2 The contracts will be awarded as Direct Awards under the following Lots within the Scotland Excel Framework Agreement for the Treatment of Organic Waste (Contract Schedule Number 8-16).
 - Lot 1, Model B:- Treatment of Food Waste
 - Lot 2, Model B:- Treatment of Garden Waste
 - Lot 3, Model B:- Treatment of Comingled Food & Garden Waste
- 1.3 A contract strategy document for the treatment & disposal of food waste, treatment & disposal of garden waste and treatment & disposal of comingled food & garden waste was signed in October 2017 by the Corporate Procurement Manager and 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 contracts to up to the following values with the Suppliers as noted below:-
- 2.1.1 William Tracey Limited for the Treatment of Food Waste under Lot 1, Model B of the Scotland Excel Framework Agreement for Treatment of Organic Waste for the period 1 April 2018 until 31 March 2022 with an option to extend for up to four additional one year periods until 31 March 2026. The price per tonne is fixed for the contract period irrespective of the length of contract. Spend on this contract will not exceed £220,000 excluding VAT over the maximum eight year contract duration.
- 2.1.2 GP Plantscape Limited for the Treatment of Garden Waste under Lot 2, Model B of the Scotland Excel Framework Agreement for Treatment of Organic Waste for the period 1 June 2018 until 31 March 2022 with an option to extend for up to four additional one year periods until 31 March 2026. The price per tonne is fixed for the contract period irrespective of the length of contract. Spend on this contract will not exceed £500,000 excluding VAT over the maximum eight year contract duration.
- 2.1.3 GP Plantscape Limited for the Treatment of Comingled Food & Garden Waste under Lot 3, Model B of the Scotland Excel Framework Agreement for Treatment of Organic Waste for the period 1 April 2018 until 31 March 2022 with an option to extend for up to four additional one year periods until 31 March 2026. The price per tonne is fixed for the contract period irrespective of the length of contract. Spend on this contract will not exceed £5,000,000 excluding VAT over the maximum eight year contract duration.
- 2.2 To benefit from these fixed tonne prices the Council requires to enter into contracts prior to 31 December 2017.
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3. Background

- 3.1 Scotland Excel established a Framework Agreement for the Treatment of Organic Waste following an open tender procedure which was conducted in compliance with the EU Procurement Legislation. All 32 Local Authorities in Scotland have the opportunity to participate in this Framework Agreement. Eleven suppliers have been awarded onto the Framework Agreement which consists of three lots: - Treatment of Food Waste (Lot 1), Treatment of Segregated Garden Waste (Lot 2) and Treatment of Comingled Food and Garden Waste (Lot 3).
- 3.2 In accordance with Standing Order relating to Contracts 29.5, The HOPAC has identified that the Scotland Excel Framework Agreement for Treatment of Organic Waste 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 Agreement rates and subsequent desk top analysis carried out by the Council demonstrated that best value could be achieved by entering into three separate long term contract arrangements at a fixed price per tonne as identified

within paragraph 2.1 and ensuring that the Council mitigates against future price increases and secures capacity for the treatment of these waste streams.

3.3 GP Plantscape Limited has agreed to these fixed price arrangements at below market rates subject to the contracts pertaining to garden waste and comingled food and garden waste being awarded prior to 31 December 2017.

3.4 The following community benefits has been offered to the Council by the William Tracey Limited and GP Plantscape Limited.

3.4.1 William Tracey Limited has committed to delivery of the following community benefits:

- Support educational visits to view the state of the art processing plant located in Linwood
- Careers Event to promote recycling and/or employment opportunities in the waste industry.
- Retain local employment

3.4.2 GP Plantscape Limited has committed to delivery of the following community benefits:

- Support Renfrewshire Council by supplying free compost for an agreed project.
- Support educational visits to view the state of the art processing plant located in Blantyre.
- Retain local employment by sub contracting the handling and transportation of the Comingled Food & Garden Waste to a local Renfrewshire company.

Implications of the Report

1 **Financial** – The costs under each of these Contracts will be met by the Waste Disposal Revenue Budget budget's as and when required.

2. **HR & Organisational Development**

No TUPE implications have arisen or are anticipated.

3 **Community Planning** – William Tracey Limited and GP Plantscape Limited has committed to delivery of community benefits as outlined in Section 3.4 of this report.

4. **Legal** – The procurement exercise has been carried out in compliance with Council Standing Orders relating to Contracts.

5. **Property Assets - None**

6. **Information Technology**

No Information Technology implications have arisen or are anticipated.

7. **Equality and Human Rights**

William Tracey Limited and GP Plantscape Limited Equality & Human Rights has been assessed under the Scotland Excel Framework Agreement for the Treatment of Organic Waste and have confirmed their compliance with their statutory obligations in respect of Equality and Human Rights.

8. **Health & Safety** – William Tracey Limited and GP Plantscape Limited Health & Safety has been assessed under the Scotland Excel Framework Agreement for the Treatment of Organic 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 - None

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