

To: Finance, Resources and Customer Services Policy Board

On: 31 January 2018

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

Heading: Contract Authorisation Report – Treatment of Comingled Dry Recyclates

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to make a direct award to Regen Waste Ltd under the Lot 8, Model B of the Scotland Excel Framework Agreement for the Treatment of Recyclable and Residual Waste (Contract Schedule Number 14-13) for the treatment of Comingled Dry Recyclates (blue bin waste) from 15 June 2018 to 30 September 2018 with the Council's sole option to extend this contract up to a month by month basis until the 31 December 2018.
- 1.2 The contract will be awarded under the following Lot as detailed within the Scotland Excel Framework for the Treatment of Recyclable and Residual Waste:
 - Lot 8, Model B:- Treatment of Co-Mingled Dry Recyclable Waste (Mixed Papers, News & PAMs, Cardboard, Plastic Bottles, Plastic Containers, Plastic Film, Beverage Cartons, Cans and similar metal and Glass)
- 1.3 A contract strategy document for the Treatment of Co-Mingled Dry Recyclable Waste was signed in December 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:

- a) The Head of Corporate Governance to award a contract to Regen Waste Ltd for the Treatment of Co-Mingled Dry Recyclable Waste under Lot 8, Model B of the Scotland Excel Framework Agreement for the Treatment of Recyclable and Residual Waste (Contract Schedule Number 14-13);
 - b) The spend of £400,000 excluding VAT and that if the option to extend on a month by month basis is utilised the additional spend per month will be no more than £117,000 excluding VAT; and
 - c) The contract will commence on 15 June 2018 to 30 September 2018 with the Council's sole option to extend up to a month by month basis until the 31 December 2018.
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3. Background

- 3.1 On the 8th November 2017 the Infrastructure, Land and Environment Policy Board approved a proposal to introduce a kerbside refuse collection service delivery model which will result in Comingled Dry Recyclates (blue bin) being separated into two separate bins: one for paper & card and another for plastics, cans and glass.
- 3.2 The implementation for the proposed service delivery changes is Autumn 2018 and the implementation will be supported by a comprehensive education & awareness and communications strategy to engage householders and support behavioural change.
- 3.3 The current contract for Comingled Dry Recyclates is due to expire on 14 June 2018. With the proposed service delivery changes planned for Autumn 2018 the Council is required to enter into a short term contract arrangement as detailed within clause 2.1c of this report to ensure continuity of service provision and compliance with Council Contract Standing Orders.
- 3.4 Scotland Excel established a framework agreement for the Treatment of Recyclable and Residual Waste in July 2014. 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.
- 3.5 There are a number of operating factors which have impacted on the recyclable waste market as a whole including global market prices for recyclate 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.
- 3.6 In accordance with Standing Order relating to Contracts 29.5, The HOPAC has identified that the Scotland Excel Framework Agreement for Treatment of Recyclable & Residual 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 offered by the Service Provider and a subsequent desk top analysis carried out by the Council demonstrated that best value could be achieved by entering into a contract with Regen Waste Ltd for the length of contract as described in section 2.3.

3.7 Regen Waste Ltd have committed to delivery of the following community benefits:

- Provide financial support towards the delivery of education and awareness campaigns.

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 accordance with Council Standing Orders relating to Contracts and the requirements of the Scotland Excel Framework Agreement for the Treatment of Recyclable and Residual Waste (Contract Schedule Number 14-13)

5. **Property Assets - None**

6. **Information Technology**

No Information Technology implications have arisen or are anticipated.

7. **Equality and Human Rights**

Regen Waste Ltd Equality & Human Rights has been assessed under the Scotland Excel Framework Agreement for the Treatment of Recyclable & Residual Waste and have confirmed their compliance with their statutory obligations in respect of Equality and Human Rights.

8. **Health & Safety** – Regen Waste Ltd 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 – Waste Management Strategy Progress Update & Refresh – Improving Recycling in Renfrewshire, presented to Infrastructure, Land & Environment Policy Board on 8 November 2017.

Author: *Graeme Beattie, Acting Strategic Commercial Category Manager, Corporate Procurement Unit, Tel. 0141 618 4710.*