

<b>DECISION TITLE:</b> Garden Waste Treatment Services Contract Award
<b>ENTER NAME OF CABINET MEMBER EXERCISING DELEGATED POWERS: Councillor Marco Cereste, Cabinet Member for Waste, Street Scene and Environment</b>
<b>ENTER MONTH IN WHICH DECISION IS BEING TAKEN: December</b>
<b>Deadline date: 20<sup>th</sup> January 2020</b>

Cabinet portfolio holder: Responsible Director:	Councillor Marco Cereste, Cabinet Member for Waste, Street Scene and Environment Steve Cox, Executive Director of Place and Economy
Is this a Key Decision?	YES If yes has it been included on the Forward Plan: YES Unique Key decision Reference from Forward Plan: KEY/23DEC19/04
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	YES
Is this a project and if so has it been registered on Verto?	NO Verto number: n/a

## R E C O M M E N D A T I O N S

The Cabinet Member is recommended to:

1. Approve the Award of the contract to AWO Recycling Ltd for the treatment of Garden Waste collected by Peterborough City Council (PCC) for an initial period of 5 (Five) years, with an option to extend for up to a further 3 (Three) years. The total value of the contract is £2,400,000 over the 8 year contract term.

### 1. PURPOSE OF THIS REPORT

- 1.1 This report is for Cllr Marco Cereste to consider exercising delegated authority under paragraph 3.4.3 of Part 3 of the constitution in accordance with the terms of their portfolio at paragraph (a)
- 1.2 There is an exempt annex attached to this report that is NOT FOR PUBLICATION by reason of paragraph 3 of Schedule 12A of Part 1 of the Local Government Act 1972 because it contains commercially sensitive information. The public interest test has been applied to the information contained within this exempt annex and it is considered that the need to retain the information as exempt outweighs the public interest in disclosing it. To release

the business case for the acquisition with financial assessment would jeopardise negotiations which are ongoing.

## 2. **TIMESCALES**

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>	If yes, date for Cabinet meeting	
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## 3. **BACKGROUND AND KEY ISSUES**

- 3.1 This report seeks approval from the Cabinet member to award the contract for Treatment of Garden Waste for a period of 5 (Five) years from 1<sup>st</sup> March 2020, with an option to extend for up to a further 3 (Three) years. This report contains one exempt annex which provides the results of the evaluation and the reasons for the scoring.

Provision of this service is part of the council's statutory duty pursuant to its Waste Disposal Authority function and it is not permissible to fail to make adequate provision for the treatment of Garden Waste from households in the Peterborough Authority area.

A compliant procurement process has been undertaken in accordance with the Public Contracts Regulations 2015 and the Council's Contract Rules.

The requirement was advertised and published through the Official Journal of the European Union (OJEU) and Contracts Finder on 1<sup>st</sup> August 2019. 3 tender submissions were received. The award criteria used to evaluate the tender submissions was Quality 30% and Price 70%. The evaluation was undertaken by members of the Waste team who undertook the evaluation of the 5 quality questions independently followed by a moderation process to agree a consensus score for each of the questions for each of the bidders. The tender submissions were then evaluated on price.

Following the evaluations it is recommended that the Contract be awarded to the highest scoring bidder, AWO Recycling Ltd, who provided the most economically advantageous tender.

## 4. **CONSULTATION**

- 4.1 Consultation has been undertaken with the relevant internal departments and the council's procurement partner Serco has been fully engaged in the procurement process.

## 5. **ANTICIPATED OUTCOMES OR IMPACT**

- 5.1 In the event the recommendation is approved, there would be a number of outcomes, including:
- (i) the continued delivery of this very important service to Peterborough residents; and
  - (ii) compliance with the statutory duty to provide a garden waste treatment service.

## 6. **REASON FOR THE RECOMMENDATION**

- 6.1 The Council has a statutory obligation to treat household collected garden waste from Peterborough residents so they can dispose of garden waste free of charge. This obligation is imposed on the Council under the Environmental Protection Act 1990.

The current contract for the treatment of garden waste with Material Change comes to an end on the 29th February 2020.

## **7. ALTERNATIVE OPTIONS CONSIDERED**

- 7.1 Do nothing, this is not an option as the Council is obligated to dispose of household garden waste under the Environmental Protection Act 1990. As the Council is a Waste Disposal Authority, it is required by statute to provide residents with free garden waste disposal.

## **8. IMPLICATIONS**

### **Financial Implications**

- 8.1 The existing revenue budget provision for the treatment of the garden waste is £230k per annum and this provision will remain and form part of the finance for the new contract.

There remains a small shortfall in allocated funding of circa £27k per annum and this will require resolution in the budget settling process for future years to align budget provision with actual service costs. This is due to increased processing costs of the garden waste.

### **Legal Implications**

- 8.2 A contract must be in place in order for the Council to fulfil the legal requirement under the Controlled Waste (England and Wales) Regulations 2012 (CWR) and the Environmental Protection Act 1990 (EPA) to arrange free disposal of garden waste from householders. The process by which this contract has been procured and awarded to AWO Recycling Ltd is compliant with the Public Contracts Regulations 2015.

### **Equalities Implications**

- 8.3 There are no identified equalities implications as the recommended model is providing a service with 2 disposal options ensuring all have access to the service.

### **Carbon Impact Assessment**

- 8.4 It is anticipated that this will have a neutral carbon impact because procurement of the contract is required to ensure the optimum treatment technology is used for Garden Waste to ensure there is no negative carbon impact as a result.

## **9. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED**

- 9.1 None.

## **10. BACKGROUND DOCUMENTS**

- 10.1 None

## **11. APPENDICES**

- 11.1 None.