
Meeting: Executive
Date: 6 November 2012
Subject: Food Waste Disposal & Collection Contracts
Report of: Cllr Brian Spurr, Executive Member for Sustainable Communities
Summary: This report seeks approval to retender two contracts, the Food Waste Disposal Contract and the Food Waste Collection contract which currently operate in the north of the area.

The retendering of these contracts will facilitate the continuation of these services to cover the interim period between the end of the current contracts, that end respectively on 30 April 2013 and 3 October 2013 and the commencement of the Central Bedfordshire Energy and Recycling (BEaR) Project solution.

The estimated total contract value for both contracts is based on £820k per annum; that for food waste disposal is £180k p.a, and for food waste collection £640k p.a.

Advising Officer: Gary Alderson, Director of Sustainable Communities
Contact Officer: Jane Moakes, Assistant Director, Community Safety, Public Protection, Waste & Leisure
Public/Exempt: Public
Wards Affected: All north area wards
Function of: Executive
Key Decision No
Reason for urgency/ exemption from call-in (if appropriate) N/A

CORPORATE IMPLICATIONS

Council Priorities:

The action supports the Council priorities of providing:

- Great universal services – bins, leisure and libraries

by providing suitable collection and disposal arrangements for food waste collected by the Council.

Financial:

1. As an ongoing statutory service, finance is provided in base budgets for 2012/13 and within budgets in the Medium Term Financial Plan. The procurement may result in some savings against current spend for both contracts.

Legal:

2. Pursuant to Section 1 of the Refuse Disposal (Amenity) Act (RDA) 1978 and section 51 of the Environmental Protection Act (EPA) 1990 the Council has a statutory duty to provide for places for disposal of household waste and to dispose of the waste it collects, food waste is classed as household waste.
3. The current contracts, run for a 5 year period from 2008, ending on 30 April 2013 (disposal) and 3 October 2013 (collection) respectively. The BEaR project will provide the longer term waste treatment solution for the Council, including food waste and as there are no extension periods within the contracts, interim contracts are required.
4. The EU procurement process applies to both contracts due to their value and OJEU notices need to be placed by the end of November 2012 and end of March 2013.

Risk Management:

5. The council has a statutory duty to collect and provide treatment and disposal of the waste it collects under section 1 of the RDA 1978 and section 51 of the EPA 1990. Food waste collection and disposal would be at risk of suspension if these contracts were not retendered and new contracts let.

Staffing (including Trades Unions):

6. Not Applicable.

Equalities/Human Rights:

7. Not applicable, any issues arising from non provision of the service would impact on all residents in the north of the area.

Public Health:

8. The health and wellbeing of residents would be negatively impacted if food waste collections and disposal were unavailable for an extended period of time.

Community Safety:

9. Not applicable.

Sustainability:

10. The new contracts will ensure that waste is managed in line with the updated waste hierarchy contained within the EU Waste Framework Directive 2008. Waste will be treated to the highest level in the waste hierarchy as is financially and practically feasible.

Procurement:

11. The Council's Code of Procurement Governance provides that the Executive must approve expenditure before commencing any procurement over £500,000 per annum. The annual costs of these contracts exceed that threshold. The procurement team will actively support the tender process and the Council's Procurement Procedures will be followed.

Overview and Scrutiny:

12. The matter has not been considered by Overview and Scrutiny.

RECOMMENDATIONS:**The Executive is asked to:**

1. **approve the procurement of the following two waste management contracts in accordance with the Council's Code of Procurement Governance:**
 - (a) **the Disposal of Food Waste; and**
 - (b) **the Collection of Food Waste;**
2. **delegate the award of the two contracts to the Director of Sustainable Communities in consultation with the Executive Member of Sustainable Communities Services subject to successful procurement processes.**

<i>Reason for Recommendations:</i>	<i>To ensure that the disposal and collection of food waste can continue in the interim period to the implementation of the BEaR waste management solution and the subsequent procurement of contracts for the collection of all household waste.</i>
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Executive Summary

13. This report seeks approval for retendering of two contracts:

- (1) the disposal of food waste; and
- (2) collection of food waste

to continue the current service provided in the north of the area to cover the interim period between the end of the current contracts and the start of the BEaR waste management solution.

14. The estimated total contract value, for both of the proposed contracts, based on current costs is £820k per annum; however, this procurement may make savings on the current spend; therefore, the total financial commitment could be lower than current costs.

Food Waste Service

15. The food waste service (collection and disposal) operates in the north of Central Bedfordshire only. It was introduced by Mid Bedfordshire District Council in 2008 for a period of 5 years. The different contract end dates are due to the service being introduced on a phased basis over six months from April to October 2008.
16. The food waste collection contract covers a weekly collection of food waste from residents. This waste is taken to a disposal treatment site north of Bedford, the disposal arrangements being covered by a separate food waste disposal contract.
17. The food waste disposal contract ends 30 April 2013 and arrangements need to be in place to continue this service from 1 May 2013 to the commencement of the BEaR project waste management solution. The BEaR project facility will provide a treatment solution for food waste as well as other organic waste (garden waste) and residual waste.
18. It is proposed that the contract term for food waste disposal is for 2 years to 31 March 2015 with an 18 month flexible extension to 31 October 2016. The procurement process milestones are set out below:

Complete contract documentation	09/11/12
OJEU notice and open tender issue	15/11/12
End of tender period	24/01/13
End of evaluation and intention to award	28/02/13
Formal award and mobilisation period	01/03/13
New contract start date	01/05/13

19. The food waste collection contract ends 3 October 2013, and arrangements need to be in place to continue the collection service from 4 October 2013 to the commencement of the BEaR project waste management solution, as is the case with food waste disposal.
20. It is proposed that in retendering the contract that the opportunity is taken to align the interim contract end dates for collection and disposal, addressing the current anomaly. This will also enable the food waste collection arrangements to be brought into line with all other collection arrangements in the future.
21. The procurement process for the collection contract can start later, due to the current contract end date. The procurement process milestones are set out below:

Complete contract documentation	28/02/13
OJEU notice open tender issue	28/03/13
End of tender period	06/07/13
End of evaluation and intention to award	17/07/13
Formal award and mobilisation period	01/08/13
New contract start date	04/10/13

Conclusions and Next Steps

22. Executive is asked to approve the retendering of the food waste disposal and food waste collection contracts due to the value of each being £180k p.a and £640k p.a, for the interim period, to the commencement of the BEaR waste management solution.

23. The aligning of the end dates for these contracts will enable consideration of food waste collection arrangements with all other waste collection services at the relevant time; to be part of a wider more significant review of waste management contracts, harmonisation of the refuse collection, recycling and street cleansing contracts, as well as securing value for money and contract efficiencies.
24. It is proposed that following the procurement process, that the award of contracts is delegated to the Director of Sustainable Communities in consultation with the Executive Member for Sustainable Communities Services.

Appendices: None

Background Papers: None