

08 March 2023

Report of	Group Manager Neighbourhood Services	Author	Robert Doran ☎ 282612
Title	Request for Delegated Authority to award Recycling Materials Contract (ref: 0332)		
Wards affected	All Wards		

1. Executive Summary

- 1.1 This report is to request delegated authority to agree the award of the recycling materials contract from August 2023.
- 1.2 The contract will aim to ensure that Colchester City Council will procure a transfer, treatment and disposal service for source segregated municipal dry recycling collected by the Council's recycling collection services across the Council's households and businesses.

2. Recommended Decision

- 2.1 To delegate authority to the Chief Operating Officer in consultation with the Portfolio Holder for Neighbourhood Services and Waste to award the recycling materials contract subject to a successful and compliant tender process.

3. Reason for Recommended Decision

- 3.1 The current contract for the transfer, treatment and disposal of source segregated municipal dry recycling is due to end on 31st July 2023 following an optional extension to the contract of 12 months in 2022 and therefore a new contractual arrangement needs to be put in place. Due to the timing of the tender process and the end of the contract, it is requested that delegated authority be given to the Chief Operating Officer, in consultation with the Portfolio Holder for Neighbourhood Services and Waste to award the contract between Cabinet meetings to ensure there is no break in service.
- 3.2 The contract will ensure that the Council is fully compliant with its waste management responsibilities.

4. Alternative Options

- 4.1 Not having a contract in place would see the Council operating at odds to the financial rules and put at risk the financial budgets, resilience, environmental objectives and delivery of the Council's operations, therefore it is not an option to source recycling services without a tender process and implementation of a contract.

5. Background Information

- 5.1 The current contractors were appointed on a three-year contract in August 2019 for the transfer, treatment and disposal of recycling materials consisting of paper, plastic and cans with the option of a further extension of up to twelve months. The contract extension has been awarded and so the current contract is due to end 31st July 2023.
- 5.2 The Council currently collects from approximately 87,000 properties within the Colchester City area. A very high percentage of these properties produce recyclable material which our recycling and waste teams collect daily. Currently our recycling collections are segregated and stored for a very short period at the Council's transfer station in Shrub End before being transported by a contractor to a sorting facility.
- 5.3 The annual value of the contract can fluctuate due to global market prices. Therefore, any contracts to be awarded by the Council must comply with the appropriate legislation. Due to the volatility of prices and the complexity of the marketplace, the Council has instructed Ricardo, a Waste and Resource Management Consultant to work with officers on this procurement exercise; to review the tender documents (including evaluation), and contract documents, to establish the best ways to stimulate the market and provide advice on the most effective route to market, ensuring the Council gets value for money, good quality service, and assurance in the contractor and contract.
- 5.4 A procurement process to be followed will comply with the Public Procurement Regulations 2015. An open two stage tender will apply to ensure that all interested parties can apply. The Council could issue an open tender or procure via another framework; however, this may restrict the number of potential suppliers interested.

6. Equality, Diversity and Human Rights implications

- 6.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to:
 - eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under this Act.
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

7. Strategic Plan References

- 7.1 This procurement exercise and the functions of the contract directly link to the Strategic Plan 2020-23 in relation to 'tackling the climate challenge and leading sustainability,' moreover the aim to continue to support residents, to reduce reuse and recycle their waste.

8. Consultation

- 8.1 No consultation will be undertaken for this procurement exercise.

9. Publicity Considerations

- 9.1 The decision will be communicated through a contract award notice that will be published in accordance with the Public Contract Regulations 2015. In addition, relevant details will be included within the Council's Contracts Register that is published through Data share.

10. Financial implications

- 10.1 Given the value of the contract, it requires approval by Cabinet. The base budget already includes an allowance for this contract.
- 10.2 Due to the volatility of the market value, the budgets and costs will be carefully monitored and the budget position over the term of the contract will be reviewed accordingly.

11. Health, Wellbeing and Community Safety Implications

- 11.1 There are no health, wellbeing, or community safety implications.

12. Health and Safety Implications

- 12.1 The Council has a corporate responsibility to ensure that all recycling and waste operations comply with national standards.

13. Risk Management Implications

- 13.1 Should a decision not be made, the Council is at risk of not having contractor/s in place for the onward processing of recycling materials. This could result in the Council being in breach of its Environment Agency licence at the transfer station in Shrub End, and in breach of its own financial rules should it look to source alternative options.
- 13.2 There could be budget pressure resulting from the impact of EU transition and the war in Ukraine, that may result in price increases. The price of the materials will be carefully monitored.
- 13.3 The Council will seek to mitigate against any potential risks by following a compliant procurement process and ensure contingency plans are in place for any failure that may impact the start of a new contract.

14. Environmental and Sustainability Implications

- 14.1 This procurement exercise will aim to carefully consider the ways in which recyclable material can be managed to reduce the impact of waste on the planet. The tender process will seek to engage with organisations who will support the Council in working within its overall principles and priorities of sustainability, to help to reduce its environmental impact, improve resource efficiency, reduce costs and demonstrate that it is managing its environmental and social risks and liabilities responsibly. In particular, the Council will want to engage with contractors that clearly incorporates a whole life approach with minimum waste, efficient use of resources including awareness of energy consumed both up facilities and through transportation, and which considers all those who have an interest in the service provision, including councillors, employees, the local community, and other stakeholders. In addition, the Council will seek to ensure that the contractor considers the waste hierarchy, sustainable development and has a balanced approach to social, environmental and economic issues. To minimise the impact on the environment in the long term as well as the short term.