

CABINET
24 JANUARY 2019

WASTE COLLECTION AND STREET CLEANING SERVICES
CONTRACT 2019 TO 2024

1. Summary

- 1.1 **This is a Key Decision as the Council will incur expenditure or savings beyond the threshold agreed by the Council.**
- 1.2 **This is a Key Decision as it is significant in terms of its effects on communities living or working in an area of the Borough comprising two or more wards.**
- 1.3 To advise Cabinet of the results of the tender procurement process for waste collection and street cleaning services.
- 1.3 To seek approval to the award of the Waste Collection and Street Cleaning Services Contract 2019 to 2024.

2. RECOMMENDATION

- 2.1 That the award of the contract for Waste Collection and Street Cleaning Services, for an initial five-year term, starting Monday 1 July 2019, to the winning supplier Company B, as detailed in exempt Appendix A to the report, be approved.

3. Background and Discussion

- 3.1. The Council's current contract with Amey LG Ltd for refuse collection and environmental cleansing ends on 30 June 2019.
- 3.2. At its meeting on 8 March 2018 [Min.No.115] Cabinet authorised the Strategic Director (External Services) to retender the Council's contract for waste collection and street cleaning services.
- 3.3. The services included in this contract are refuse, recycling, garden waste, bulky waste and medical waste collections, the provision of wheeled bins, street cleaning, litter and dog bin emptying, and illegal dumping clearance. The frequencies for refuse, recycling and garden waste collections remain at weekly, fortnightly and fortnightly respectively (as requested by residents in their responses to the Third Big Bin Vote consultation exercise).
- 3.4. A procurement exercise, following full European Union procurement rules, was undertaken by the Waste & Parks and Finance teams between September and December 2018.

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- 3.5. Twenty-two expressions of interest were originally received, but only two full bids were actually submitted by the closing date – the completed bids were from FCC Environment Ltd and Urbaser Ltd. Both submissions were analysed and scored in accordance with the bid documents provided. The bids were scored on the basis of up to 60% for price and up to 40% for quality.
- 3.6. FCC Environment Ltd is the current waste disposal contractor for Kent County Council, running both the Pepperhill Waste Transfer Station and the Allington Energy from Waste plant for KCC. They also have a number of contracts for waste collection in other parts of the country.
- 3.7. Urbaser SA is the new waste collection contractor for both Tonbridge & Malling Borough Council and Tunbridge Wells Borough Council with a joint contract commencing with these two authorities on 1 March 2019 and 1 April 2019 respectively. Urbaser also have contracts with other authorities for waste collection services in other parts of the country.
- 3.8. The Council's current contractor, Amey LG Ltd, dropped out of the procurement process part way through citing a business restructuring exercise as the reason for this.
- 3.9. Both of the bids received were fully compliant with the specification and both were within available budgets. Both bids were very close to each other, both in terms of price and quality.
- 3.10. It is proposed, subject to Cabinet approval, that the contract be let to Company B as detailed in exempt Appendix A, for a 5 year period from 1 July 2019, with an option to extend for a further 2 years.
- 3.11. As the specific scoring of the bids contains commercially sensitive details, the scoring is given in exempt Appendix A.

4. Relationship to the Corporate Plan

There are three relevant Strategic Objectives stated in the Council's Corporate Plan:

- ET3 – minimise the amount of waste going to landfill
- ET4 – ensure a high quality street scene
- PS1 – deliver high quality services

5. Financial, legal, staffing and other implications and risk assessments*

Financial Implications	Cabinet approval is required as the Council will incur expenditure above the threshold agreed by the Council (currently £500,000)
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	<p>The current value of these services is approx. £4m pa – the bids received were both within budget.</p> <p>The financial standing of the recommended company has been verified by Financial Services as being acceptable in relation to the value of the contract.</p>
Legal Implications	<p>The contract has been procured and will be let in accordance with European Procurement Rules (OJEU).</p> <p>The Council's current contract with Amey LG Ltd cannot be extended again.</p> <p>The Council has legal duties to provide the services included in the Waste Collection and Street Cleaning Services contract. The Council therefore has to appoint a new provider of these services.</p>
Public Sector Equality Duty	<p>It is not anticipated that the services provided under the new contract will have any adverse effects on any particular groups of residents because of its flexibility and provisions regarding assisted collections and other service adaptations.</p>
Crime and Disorder Duty	<p>It is not anticipated that the services provided under the new contract will have any adverse effects on crime or disorder in the borough.</p>
Staffing Implications	None
Administrative Implications	None
Risk Assessment	<p>A risk assessment was undertaken as part of the procurement process, each risk was assessed and/or mitigated to within acceptable parameters.</p>

6. Details of Exempt Information Category

Not applicable.

7. Appendices

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Appendix A – Analysis of Tenders (Exempt)

BACKGROUND PAPERS

<u>Documents consulted</u>	<u>Date / File Ref</u>	<u>Report Author</u>	<u>Section and Directorate</u>	<u>Exempt Information Category</u>
		Dave Thomas (01322) 343273	Waste and Parks, Strategic (External Services)	N/A