



<u>Briefing Note</u>	
To	Alvin Henry - Head of Waste & Street Cleansing Corall Jenkins (Cllr) – PH Communities, Waste and Equalities
Cc	
From	Carl Pendleton - Waste Disposal Manager
Reference	
Date	June 2024
Subject	Procurement of Waste services, using ESPO Frameworks for: <ul style="list-style-type: none">• Street Sweepings treatment/disposal• Hazardous waste treatment/disposal• Food waste treatment/disposal

Purpose of report

The purpose of this briefing note is to advise on the requirement to procure contracts for the management of various municipal waste streams. To procure these contracts be using ESPO Frameworks contracts. The management of these waste streams contributes to the Councils waste recycling, sustainability & carbon reduction agendas. Under new procurement, the Council will seek management solutions for the following waste streams:

- Street Sweepings treatment and or disposal
- Hazardous waste treatment and or disposal
- Food waste treatment by Anaerobic digestion (AD)

Background

The Council has a statutory duty as a Waste Disposal Authority (Unitary Authority) under the Environment Protection Act (EPA) 1990 Section 51 (a), to arrange the dispose of Controlled waste collected by the waste collection authorities. Controlled waste includes those wastes listed below.

Street Sweeping

The current framework contract for Street Sweepings is set to expire in March 2025.

The treatment/disposal of hazardous waste

The treatment/disposal of hazardous waste has traditional been arranged on a case-by-case basis, calling off orders from a generic CPA. With the abolition of the generic CPA formalising this arrangement is required.

Commercial Food waste

The impact of simpler recycling on businesses will require them to have separate food waste collections. Under section 45(1)(b) of the EPA imposes a duty on waste collection authorities to arrange for the collection of commercial waste from premises



in its area if the owner of the premises requests it to do so. For commercial waste services to offer food waste collections, there is a need to secure a food waste disposal contract, in line with our duty under section 51 (a) of the EPA 1990.

The estimated annual value of these activities is:

- Street Sweepings treatment/recycling/disposal. £175,000
 - *Estimated spend based on 2023/24 actual plus inflation.*
- Hazardous waste treatment/disposal £30,000
 - *Estimated spend based on 2023/24 actual plus inflation.*
- Food waste treatment/disposal £40,000
 - *Estimated spend based on waste strategy tonnages at current average rates for AD.*

Collectively, this amounts to £245k p.a. Over the three years £735k

Options Considered

1. Do nothing. This approach would not enable the Council to fulfil its statutory duties, as an authority with no secured outlet. This option is rejected because it does not fulfil the statutory obligations placed on the WDA.
2. Seek an open procurement via a full tendering exercise, this is a lengthy time-consuming process requiring significant input from legal and procurement services usually take 6-9 months. The Framework for street sweepings is more competitive than the rates received under a previous open tender. It may be possible to have further competition under a framework where there are several suppliers. To secure these services quickly, this option was discounted at present. This does not preclude seeking an open procurement in the future if it became apparent an open tender would be more competitive.
3. To complete an EU/UK compliant procurement process using ESPO Frameworks for these services and award new contracts. This option allows us to fulfil both statutory obligations and secure an outlet.

ESPO framework ensures that the buying process is fully compliant with UK procurement legislation. All suppliers listed on the frameworks have been assessed for their financial stability, track record, experience and professional ability. Frameworks are an effective way for public sector organisations to buy goods and services, considerably reducing the amount of time it takes to run a procurement exercise, while also ensuring compliance with relevant legislations/regulations. ESPO is owned and governed by a consortium of six member authorities ensuring ESPO acts in the best interest of local authorities.

Procurement project using ESPO Frameworks

The requirements can be broken down into three distinct areas, for which ESPO frameworks exist:



1. **Street Sweepings treatment/recycling/disposal.** There is a current contract in place to treat this and other waste streams, but as part of the council's ambition to reduce landfill and carbon impact, it is proposed to explore further initiatives in the treatment of niche waste stream. An option to access a better performing solution through separate contract award via an ESPO Framework contract (379/21).
2. **Hazardous waste treatment/disposal.** The city collects a small but significant volume of hazardous waste, usually fly-tipped also small amounts of DIY asbestos, handle by a third party on our behalf. This is very much a responsive ad-hoc service. The ability to access several specialist suppliers is critical. These waste products require specialist treatment / disposal, ESPO Framework contract (373/201) offers several specialist contractors on a call-off basis.
3. **Food waste treatment/disposal.** There is a currently no contract in place to treat this waste stream. As part of the council's ambition to reduce landfill and carbon impact, Commercial waste services need to be able to offer businesses separate food waste collections, as mandated by "simpler recycling". It is proposed to explore ESPO Framework contract (379/21), which offers several specialist contractors in this area.

Whilst there is a minimum requirement to place contracts to meet the Council's current requirements, the intention is to enhance the Council's recycling and recovery performance by comparison to the current solutions. Further to accommodate any changes in law that may be introduced during the contract period.

Seeking only a 3 yr. framework prevents the need to go to a later Exec board and allows us to secure the framework before they expire later this year. We expect there to be replacement frameworks next year. Food waste is a new service, and we will have a better idea the scale of commercial food waste and if domestic food waste is to be phased in during 2028. This should give us a competitive volume which to seek a tender.

A 3-year ad-hoc contract period (1+1+1 year), with "no fault" break clauses at the end of each year and terminating after three years, delivers maximum flexibility at this time.

Recommendations

1. To seek approval via Portfolio Holder delegated decision to seek contracts for the above services under various ESPO Framework contracts. Utilizing ESPO frameworks streamlines the procurement process, making less demands on the council's corporate services.
2. To delegate the award of any frameworks to the head of Waste & Street Cleansing