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**Report to:** Cabinet

**Date of Meeting:** 26<sup>th</sup> May 2011

**Subject:** Green Waste (Composting) Service – Re-tendering

**Report of:** Director of Street Scene

**Wards Affected:** All

**Is this a Key Decision?** Yes

**Is it included in the Forward Plan?** No

**Exempt/Confidential**

No

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### **Purpose/Summary**

Cabinet will recall their decision on the 27<sup>th</sup> January 2011 to award a new Green Waste (Composting) contract. A report was presented to the Cabinet Member – Environmental on the 6<sup>th</sup> April to delay the commencement date of the new contract and to extend the existing green waste composting arrangement for an additional 8 weeks until planning issues affecting the site to be used by the new contractor had been resolved. It now appears that these issues will not be resolved within the given timescales and as such the incoming contractor has failed in respect of the Conditions of Contract. In order to progress the situation in a fair and open manner and after consultation with colleagues in Procurement and Legal it is now considered appropriate to re-tender the Green Waste Composting Contract. Cabinet approval is therefore required to re-tender the contract and to establish an interim arrangement until the new contract commences.

### **Recommendation(s)**

That Cabinet agrees:

1. to re-tender the Green Waste Composting Service with immediate effect.
2. to delegate authority to the Street Scene Director to make interim arrangements for the delivery and composting of green waste until the new contract commences.
3. it be noted that this is a Key Decision but, due unfortunately due to circumstances it has not been included in the Council's Forward Plan of Key Decisions. Consequently, the Chair of the Overview and Scrutiny Committee (Regeneration and Environmental Services) has been consulted under Rule 15 of the Access to Information Procedure Rules of the Constitution, to the decision being made by Cabinet as a matter of urgency on the basis that it is impracticable to defer the decision until the commencement of the next Forward Plan due to the need to commence procurement and establish interim arrangements without further delay.

**How does the decision contribute to the Council’s Corporate Objectives?**

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		✓	
2	Jobs and Prosperity		✓	
3	Environmental Sustainability	✓		
4	Health and Well-Being		✓	
5	Children and Young People		✓	
6	Creating Safe Communities		✓	
7	Creating Inclusive Communities		✓	
8	Improving the Quality of Council Services and Strengthening Local Democracy	✓		

**Reasons for the Recommendation:**

To establish a secure outlet by means of a new contract for the delivery and composting of green waste collected within Sefton. To allow a formal re-procurement process to commence without delay and to make interim arrangements for the delivery and processing of green waste until a new contractual arrangement is in place.

**What will it cost and how will it be financed?**

**(A) Revenue Costs**

The contractual and interim arrangements can be contained within existing budgetary provision.

**(B) Capital Costs**

None.

**Implications:**

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

<p><b>Legal</b></p> <p>Not to re-tender this contract could result in an official challenge(s) over the process from other bidders involved in the original procurement process.</p>
<p><b>Human Resources</b></p> <p>None</p>

**Equality**

- |    |  |                                     |
|----|--|-------------------------------------|
| 1. | No Equality Implication                          | <input checked="" type="checkbox"/> |
| 2. | Equality Implications identified and mitigated   | <input type="checkbox"/>            |
| 3. | Equality Implication identified and risk remains | <input type="checkbox"/>            |

**Impact on Service Delivery:**

Failure to make secure long term arrangements for the delivery and composting of green waste could lead to disruptions in collections from households across the borough.

**What consultations have taken place on the proposals and when?**

The Head of Corporate Finance (FD741) and Head of Corporate Legal Services (LD102/11) have been consulted and any comments have been incorporated into the report.

**Are there any other options available for consideration?**

None.

**Implementation Date for the Decision**

Following the expiry of the "call-in" period for the Minutes of the Cabinet Meeting.

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**Background Papers:**

Cabinet Member - Environmental

2<sup>nd</sup> June 2010

Green Waste Composting Tender

Cabinet Member – Environmental

Cabinet

12th January 2011/27th January 2011

Award Of Contract - Green Waste (Composting)

Cabinet Member - Environmental

6th April 2011

Green Waste (Composting) – Extension Of Existing Arrangements

## 1. Introduction/Background

- 1.1 The current contract for the Provision of a Green (Composting) Waste outlet expired on 31<sup>st</sup> March 2011. In order to maintain service provision and continue to provide an outlet for composting of green waste Sefton entered into a formal OJEU (Tendering) contract renewal exercise in Autumn 2010. As a result of this exercise a new Contract was awarded in January 2011 to the winning bidder. The new Contractual arrangements were due to begin on 1<sup>st</sup> April 2011.
- 1.2 Unfortunately problems arose over the planning conditions for proposed bulking site where the green waste was to be delivered under the new contract. The Cabinet Member - Environmental on 6<sup>th</sup> April 2011 agreed that as an interim measure Sefton could revise the commencement date of the new contract, and, by mutual agreement continue on the same terms and arrangements with the existing service provider for a period of up to 8 weeks.
- 1.3 Due to a delay with the planning application process a decision on the application submitted by the winning bidder will now go beyond the agreed 8-week period.
- 1.4 In order for the Council to operate in an open and fair manner to the other bidders involved in the procurement process it is now considered necessary to re-tender the service.
- 1.5 The original tender exercise resulted in the submission of 6 bids, all bidders have now been contacted via "The Chest", an electronic tendering portal tool used by the Council's Central Procurement Unit, and the following information has been relayed:  
  
*"Due to the delay in formalising the proposed new contractual arrangements we would like to inform all parties that Officers are currently seeking further instructions in order to rectify the matter. All parties will be notified of the proposed actions in due course."*
- 1.6 Subject to the recommendations being agreed by Cabinet all bidders will be notified of the decision to re-tender and the formal procurement process can commence. Subject to a mutual agreement, an arrangement will also be made with the existing service provider to continue on an interim basis until a new contract is established. This will ensure that the Council has appropriate arrangements in place for composting green waste collected in accordance with statutory duties for the collection of controlled waste.