

WASTE SERVICES CONTRACT UPDATE

Cabinet Member: Councillor Mrs Julia Adey

Wards Affected: All

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PROPOSED DECISION

That:

- (i) The report be noted;
- (ii) The longer term strategy to procure a three way single joint contract for Wycombe District Council, Chiltern District Council and South Bucks District Council be agreed;
- (iii) An Inter District Authority Agreement (IDAA) reflecting the Heads of Terms at Appendix A be entered into; and
- (iv) Delegated authority be granted to the Head of Housing & Environment in consultation with the Head of Democratic, Legal and Policy Services and the relevant Cabinet Members to approve the detailed terms of the IDAA

Reason for Decision

A decision is required to enable a waste recycling and street cleansing service to be provided from March 2020.

Corporate Implications

1. The councils have a duty to collect waste and to cleanse the highways under the Environmental Protection Act 1990. Procurements of this size must be conducted in compliance with the Public Contract Regulations 2015.
2. The services covered by the waste, recycling and street cleansing contract are some of the most high profile activities carried out by the Council, affecting all households. A robust procurement activity must be carried out to minimise the risk of challenge and therefore to ensure that a good service is delivered.
3. The future delivery of the waste and cleansing services will be at a higher cost than under the current contracts. The procurement exercise itself will also need to be fully resourced. The additional amount will be identified and built into the budget setting process and the indicative pressure modelled through the Medium Term Financial Plan

Executive Summary

4. The first term of the contract between Chiltern District Council, Wycombe District Council and Serco comes to an end in March 2020. The contract

between South Bucks District Council and Biffa comes to an end in October 2021.

5. A formal decision must be made by 3 September 2018 as to whether the current Serco contract should be extended by Chiltern and Wycombe or whether a new waste contract should be procured.
6. The councils have a duty to collect waste and to cleanse the highways under the Environmental Protection Act, 1990.
7. The recommended way forward of a single, three-way, joint contract seeks to manage risks and optimise opportunities for greater joint working while ensuring continuity of service provision.
8. A detailed report setting out the options available to the Councils is to be considered in confidential session but the decision to commission a new contract jointly between the three authorities is one that can be taken in public.
9. The Chiltern, South Bucks & Wycombe Joint Waste Collection Committee considered this report on 23 April 2018 and supports the recommendation to procure a three-way joint contract.

Sustainable Community Strategy/Council Priorities - Implications

10. The joint contract for the provision of waste, recycling and street cleansing services supports the Council's priorities as set out in the Corporate Plan. It also contributes to the Council's Sustainable Community Strategy

Background and Issues

11. A contract option review has been carried out to look at the contracting options going forward for the three southern districts' waste, recycling and cleansing services. Eunomia Research and Consulting Ltd were commissioned to conduct a piece of work to present and evaluate the options and the results were presented to Portfolio Holders at a workshop on 14th March 2018. A member decision is now required regarding the way forward for the Serco and Biffa contracts and whether there is a commitment to ultimately procure a three way contract for Chiltern, South Bucks and Wycombe District Councils.
12. Irrespective of the 'minded to' status of the unitary decision at the time of writing this report, the district councils have a statutory duty to collect waste and to provide street cleansing under the Environmental Protection Act, 1990, and commissioning arrangements for these services need to be made in a timely fashion.

Detailed Report

Benefits of Joint Working

13. Chiltern and Wycombe have benefited from the joint working which commenced with the procurement of the Serco contract. The technical, legal, financial and procurement expertise of officers from across both authorities was combined to deliver a successful procurement. The outcome was a joint waste contract which yielded significant savings for those two authorities. The commitment of the two authorities to work together on this made the subsequent contract package attractive to bidders. This was confirmed during the dialogue phase of the procurement process and was well received by the bidders, particularly the fact that there would be a single point of contact for the purposes of contract management.

14. Efficiencies have been delivered through the contract and through the formation of the joint waste team, which now oversees the services for all three southern districts.
15. The Joint Waste Collection Committee has updated its governance procedures to include South Bucks and Members have worked well together.
16. The Joint Waste team currently delivers contract management, policies, processes and project delivery across the two contracts, (Serco and Biffa). Greater efficiencies and streamlined processes can be achieved if the team ultimately manages one contract, going forward.

Inter District Authority Agreement (IDAA)

17. It is important that all districts intending to participate in the procurement of a joint contract sign an IDAA at the earliest opportunity. The IDAA will provide details of the joint funding arrangements, key milestone dates, legal and contractual terms, and points at which individual authorities may withdraw.
18. The suggested Heads of Terms are attached at Appendix A.

Next Steps

Progress the IDAA between the three Councils.