

SUBJECT	Procurement Memorandum of Understanding for garden waste treatment
DIRECTORATE:	Operations / Waste & Street Services
MEETING:	Individual Cabinet
DATE:	27 th July 2016
DIVISION/WARDS AFFECTED:	All

PURPOSE:

1. To seek Cabinet approval to allow the Head of Legal Services to sign the Procurement Memorandum of Understanding for a regional contract with the Heads of Valley hub including Blaenau Gwent (BGCBC) as Lead Procurement, Newport (NCC) and Torfaen (TCBC) Councils for the haulage and treatment of garden waste. (Appendix 1)

RECOMMENDATIONS:

2. To sign Memorandum of Understanding and allow procurement process to commence to seek the most economically advantageous tender for the treatment of garden waste.

BACKGROUND:

3. As part of the recycling review a decision was taken to separate the garden and food waste collected at the kerbside in Monmouthshire to allow for Anaerobic Digestion (AD) of the food waste element. Approximately and 3000 tonnes of garden waste is co-collected with an additional 4500 tonnes of food waste.
 - 3.1 Garden and food waste is currently co-collected at the kerbside and treated through in-vessel composting in Gloucester. Because the garden waste and food is a mixed stream the treatment is more expensive than treating food through AD and garden waste through open windrow as separate waste streams.
 - 3.2 The majority of the 4000 tonnes of garden waste collected through the HWRCs is sent for treatment to Viridor's open windrow composting facility in Walpole, Somerset. Since April 2016 some of the material from Troy and Llanfoist has been diverted for treatment at the PAS 100 composting facility at Maindiff Court Farm, Abergavenny.
 - 3.3 Cabinet have previously agreed to procure food waste treatment with the regional Heads of Valley partnership and the commencement date for this is April 2018. This gives MCC an opportunity to secure a lower cost solution for the treatment of garden waste through open windrow.
 - 3.4 The existing garden and food waste contract is linked to the payment mechanism of the wider contract for the management, haulage treatment and disposal of recycling with Viridor and Dragon Waste.

KEY ISSUES

4. The Memorandum of Understanding formalises the working project arrangements between BGCBC, NCC and TCBC and Monmouthshire County Council. The project will facilitate the procurement of a green waste facility to treat the garden waste collected across the four authorities.
- 4.1 The MOU sets out the project objectives, decision making process, partnering principles and the obligations and responsibilities of each of the partners through the procurement process. There are no financial penalties included within the MOU and the process relies on each partner working within Good Faith as set out in 7.1 of the MOU Appendix 1.
- 4.2 The proposed contract length is 4 years with yearly extensions up to 3 year. The tender process would be open procedure with specific pass /fail criteria to facilitate a 80/20 price/quality assessment.
- 4.3 The procurement process will allow for the total collected waste to be treated as one lot and/or as individual lots for each authority. The single lot may secure a more competitive tender with the benefit of economies of scale on the larger tonnages. The individual lots allow smaller, local reprocessor's to tender for each individual authorities waste as separate lots. By introducing this process it is hoped that MCC can secure the most economically advantageous tender and broaden the contract appeal for the market.
- 4.4 BGCBC, NCC and TCBC existing green waste treatment contracts end on March 31st 2017. The proposed contract will be phased with those councils commencing on 1st April 2017 and MCC commencing 1st April 2018.

FINANCIAL IMPLICATIONS:

5. Blaenau Gwent CBC is the lead for the procurement with support of Waste Officers from the four Authorities. The procurement exercise is being carried out within existing resources and it is not envisaged at this stage that the MCC will incur costs associated with the MOU or procurement process.
- 5.1 The procurement exercise' main objective is to minimise the costs of waste disposal but it also recognises and respects the limits and availability of existing resources within each of the partner LAs in terms of legal, financial and managerial support.
- 5.2 Whilst it is the primary purpose of the tendering process to reduce the costs of delivering the treatment of garden waste it is not yet clear if there will be actual cashable savings as the existing garden waste and food waste treatment costs are tied into the HWRC and transfer station contract.

Sustainable Development & Equalities Implications

6. Covered through Well-being and Future Generations Assessment

Author



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Well-being and Future Generations Assessment

<p>Name of the Officer Carl Touhig</p> <p>Phone no: 07580 362 121</p> <p>E-mail: cartouhig@monmouthshire.gov.uk</p>	<p>Please give a brief description of the aims of the proposal</p> <p>To sign MOU for procurement of regional contract to treat garden waste.</p>
<p>Name of Service</p> <p>Waste & Street Services</p>	<p>Date Future Generations Evaluation July 2016</p>



1. Does your proposal deliver any of the well-being goals below? Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.




Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p>A prosperous Wales</p> <p>Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>The procurement exercise is a collaborative regional contract for garden waste and has the potential to stimulate market growth in the area creating wealth, jobs and revenue.</p>	<p>The process will be split into individual lots to allow local businesses to tender for the service and there will be a single lot offer to hopefully stimulate the market and maximise the economies of scale opportunities. .</p>
<p>A resilient Wales</p> <p>Maintain and enhance biodiversity and ecosystems that support resilience and</p>	<p>Composting of garden waste has a positive contribution to climate change with the return of nutrients to soil.</p>	<p>Ensure all material is treated to the highest standards to minimise any negative impacts and to ensure end markets for the waste are identified as part of the tender process.</p>

Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
can adapt to change (e.g. climate change)		
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	Composting material in a safe and well managed facility reduces any negative impacts on health.	
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	Collection and treatment of garden waste at the kerbside and through the HWRCs have a positive impact by reducing flytipping of garden waste.	Continuing to advise residents and businesses on their legislative duties and their responsibilities towards their communities in dealing with waste and recycling.
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	Cleaner, greener, safer environments not only benefit local people directly but can benefit local people through inward investment, increased tourism and green infrastructure.	
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People	neutral	neutral

Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
are encouraged to do sport, art and recreation		
A more equal Wales People can fulfil their potential no matter what their background or circumstances	neutral	neutral

2. How has your proposal embedded and prioritised the sustainable governance principles in its development?

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?
 <p>Long-term Balancing short term need with long term and planning for the future</p>	This proposal looks to build capacity for the future in treating garden waste in South East Wales in the short term and hopefully stimulate the market to set up facilities in the area creating long term market stability and green growth investment opportunities.	Providing a variety of different tendering opportunities for individual and single lots.
 <p>Collaboration Working together with other partners to deliver objectives</p>	Regional contract based on collaborative working to deliver wider opportunities for green growth investment into SE Wales region.	

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	Tender will be advertised through E-tender Wales.	Working collaboratively with neighbouring authorities and soft market testing has been completed.
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	neutral	neutral
 <p>Integration</p> <p>Positively impacting on people, economy and environment and trying to benefit all three</p>	Garden waste composting has a positive environmental benefit, there is also the opportunity for local providers to develop existing facilities and create green infrastructure jobs.	Encouraging local providers to come forward and tender.

3. Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	The proposal does not have an impact on protected characteristics of individuals.		
Disability			
Gender reassignment			
Marriage or civil partnership			
Race			
Religion or Belief			
Sex			
Sexual Orientation			
Welsh Language			

4. **Council has agreed the need to consider the impact its decisions has on important responsibilities of Corporate Parenting and safeguarding. Are your proposals going to affect either of these responsibilities?** For more information please see the guidance note <http://hub/corporatedocs/Democratic%20Services/Equality%20impact%20assessment%20and%20safeguarding.docx> and for more on Monmouthshire's Corporate Parenting Strategy see <http://hub/corporatedocs/SitePages/Corporate%20Parenting%20Strategy.aspx>

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	Like 4 above, the proposals do not affect individuals and thereby do not affect or impact on the Council's corporate parenting and safeguarding duties.		
Corporate Parenting			

5. **What evidence and data has informed the development of your proposal?**

Monmouthshire County Council collects approximately 7000 tonnes of garden waste through the kerbside and HWRCs. This waste will need to be treated at the end of the existing contract with Viridor from April 2018. Working with partners and maximising the tonnage offered to the market may stimulate development in existing or new facilities locally, helping create jobs and reducing the carbon footprint associated with transporting waste.

6. **SUMMARY:** As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

In completing the form it has enabled a better understanding of the wider benefits the contract could bring in terms of green growth opportunities for local reprocessors.

7. **Actions.** As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.

What are you going to do	When are you going to do it?	Who is responsible	Progress
Draft Report	June 2016	Waste team	Completed
Cabinet Approval	July 2016	Waste team	Ongoing
Sign MOU	August 2016	Head of Waste	

8. **Monitoring:** The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:	December 2016
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Signed Carl Touhig Designation Recycling Strategy & Business Manager