

Joint Waste Procurement – Draft Specification

Summary

The purpose of this report is to consider draft service specification for the joint waste and street cleansing contract. The specification is based on Surrey Heath's existing specification but giving tenderers the opportunity to introduce innovation to further improve quality and reduce costs.

Portfolio - Community

Date Portfolio Holder signed off report: 18th February 2015

Wards Affected

All

Recommendation

The Executive is advised to resolve that

- (i) the draft specification, as recommended by the Joint Waste Services Committee and summarised in Annex A of this report, be approved; and
- (ii) the Executive Head –Community, following consultation with the Community Portfolio Holder, be authorised to make minor amendments following the progress of the draft specification through the Executives of partner authorities.

The Executive is advised to note that the final specification; contract management arrangements; and award of the contract will be brought back to Executive for decision at a later date

1. Resource Implications

1.1 The procurement costs and potential savings arising from a joint contract were reported to the Executive on 3rd December 2013. The Council has contributed £44,000 towards the procurement costs and this is one step in the process.

1.2 There are no other resource implications arising from this report.

2. Key Issues

2.1 At the meeting of the Executive on 3rd December 2013 it was resolved that the Council agrees to jointly procure a new waste collection and street cleansing contract with a number of other local authorities. Members were also advised to note that the draft specification would be brought back to the Executive for decision at a future date.

2.2 Members are reminded that the following Councils are working together to procure the joint contract supported by a Project Manager and specialist technical and legal advisers. Indicative start dates for the contract in each area are shown below

- a. Elmbridge (Lead authority - June 2017)
 - b. Mole Valley (Waste collection August 2018 or 2019, Street cleansing April 2019)
 - c. Surrey Heath (February 2018)
 - d. Woking (September 2017)
 - e. Surrey County Council in capacity as the Waste Disposal Authority.
- 2.3 The previously stated aim of the Surrey Joint Waste Collection Contract (JWCC) is to put a contract in place that will jointly deliver waste collection services and ancillary services for partner authorities which encourage innovation, is high quality, provides value for money and yields significant savings and benefits.
- 2.4 The Inter Authority Agreement (IAA) delegated approval of a Procurement Strategy and the Contract Tender Evaluation Model to the Joint Waste Collection Services Committee. The Procurement Strategy for the contract was approved by the Joint Waste Collection Services Committee on 1 September 2014 and the Contract/Tender Evaluation Model on 1 December 2014. A link to the minutes of these meetings can be found at the end of this report.
- 2.5 The Joint Waste Collection Services Committee considered the draft specification at its meeting on 29th January 2015. The committee resolved that the draft specification be referred back to partner authorities, in accordance with the IAA, with a recommendation that it is approved.
- 2.6 A summary of the draft specification is attached at Annex A. Members are reminded that this remains a draft specification until such time as the contract is awarded. The final specification would form part of the contract. The contract award and final specification will be brought back to the Executive for approval in June 2016.

3. Options

- 3.1 The Executive has the option of:
- a. Approving the draft specification
 - b. Rejecting the draft specification
 - c. Approving the draft specification with amendments.

4. Proposals

- 4.1 The draft specification summarised in Annex A of this report be approved.
- 4.2 It is further proposed that the final specification; contract management arrangements; and award of the contract will be brought back to Executive for decision at a later date

5. Supporting Information

- 5.1 The outline procurement milestones are attached at Annex B of this report. The project plan is available for any Member who wishes to examine it.

6. Corporate Objectives And Key Priorities

- 6.1 Key Priority 3 is to secure the future of public services in Surrey Heath by a variety of strategies. A joint waste contract delivering significant cost savings will help secure those public services delivered by the Council.
- 6.2 Objective 1 state that we want to make Surrey Heath an even better place where people are happy to live. We will do this by:
 - a. Keeping the Borough clean by delivering good, recycling and refuse collection and street cleansing services

7. Policy Framework

- 7.1 The Joint Municipal Waste Management Strategy (JMWMS) is a statutory document which was produced by the Surrey Local Government Association in 2006 and adopted by this Council on the 26th September 2006. The strategy was revised by the Surrey Waste Partnership (SWP), formerly the Waste Members Group of the SLGA in 2010 which resulted in the publication of "A Plan for Waste Management 2010". The Executive resolved to adopt the plan at its meeting on the 9th November 2010 and it has since been adopted by all members of the Surrey Waste Partnership.
- 7.2 One of the actions in the Plan is to explore the potential opportunities, benefits and saving through a joint waste collection contract, and its associated costs.

8. Legal Issues

- 8.1 All Council's entering in to the joint procurement were asked to agree to a number of principles, included within the inter authority joint procurement agreement, regarding:
 - a. Specification of the service.
 - b. How costs are shared
 - c. What happens if an authority withdraws from the procurement process
 - d. Governance of the joint procurement
 - e. Use of Council facilities such as Depots

- 8.2 The agreement and the terms have been reviewed and approved by all the solicitors in the relevant authorities. This report only deals with the element of the agreement dealing with the draft specification.

9. Governance Issues

- 9.1 A Joint Waste Services Committee (JWSC) has been created comprising of the portfolio holders from each of the partner authorities who deal with waste. Cllr Mrs Vivienne Chapman is the Surrey Heath representative on the committee and is its current chairman. The JWSC is advised by a Joint Waste Project team and a number of advisers.
- 9.2 The decision making delegated to the Joint Waste Project Team; Joint Waste Services Committee; and individual authorities is set out in the Inter Authority Agreement.

10. Equalities Impact

- 10.1 An equalities impact assessment was carried out when the existing contract was awarded. This identified a positive impact on older people due to the method of collection and the assisted collection scheme.
- 10.2 An assisted collection service will form part of the joint contract.

11. Consultation

- 11.1 In October and November 2014 the council's citizens panel was consulted over the Councils existing service waste service. A total of 279 residents responded to the survey.
- 11.2 When asked how satisfied they were with the waste collection service 95% said they were satisfied with the residual waste service with 94% satisfied with the recycling collection service.
- 11.3 When asked about future collection times:
- a. 89% said they would be happy to have waste collected up until 6 p.m. on weekdays
 - b. 50% said they would be happy to have waste collected up until 8 p.m. on a weekday.
 - c. 76% said they would be happy to have waste collected on a Saturday.
 - d. 44% said they would be happy to have waste collected on a Sunday
 - e. 66% said they would be happy to have waste collected on a Bank Holiday
- 11.4 When asked about street cleaning standards. 76% of residents said that they were satisfied with the general standard of street cleansing across the Borough and 84% of residents said that they were satisfied

with how clean and tidy the street is after the waste collection. When asked how the Council looks after the local area 78% were satisfied that public land and is kept clear of litter and refuse.

12. Officer Comments

12.1 Considerable process has been made on the joint waste procurement since the previous report to the Executive on 3rd December 2013. The procurement strategy and evaluation strategy have both been agreed. The draft specification has been agreed by all partners with a recommendation that it is approved by individual Council's. The agreement of a single specification by four authorities with differing requirements and priorities is an important achievement.

12.2 The specification is based on Surrey Heath's high quality waste collection service. As we go through the competitive dialogue stage with bidders the specification may be amended if it results in an improvement to the service. The final specification will be brought back to the Executive for approval at the contract award stage.

Annexes	A. Summary Specification B. Outline Procurement Milestones
Background Papers	a. Full draft specification b. Project Plan
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Consultations, Implications and Issues Addressed

Resources	Required	Consulted
Revenue	✓	
Capital		
Human Resources		
Asset Management		
IT		
Other Issues	Required	Consulted
Corporate Objectives & Key Priorities	✓	
Policy Framework	✓	
Legal	✓	
Governance	✓	
Sustainability		
Risk Management		
Equalities Impact Assessment	✓	
Community Safety		
Human Rights		
Consultation	✓	
P R & Marketing		

SUMMARY WASTE AND STREET CLEANSING SPECIFICATION

The Draft Contract Specification is based on that described in the Inter Authority Agreement, signed in 2013/14 by each Council. The services are already similar across the Contract area. In order to maximise the opportunities for economies of scale the services will be further aligned, wherever possible, to a uniform service specification and service offer to the customer. This will make cross-boundary working feasible and communication of the services across the area simpler and more cost effective. Where the specification requires a minor change from the current service for a particular authority this is highlighted.

Introduction – common to all services

- The Contractor is expected to use best practice to deliver high quality, cost effective services and to develop innovative suggestions to enhance contract performance, improve customer satisfaction and reduce costs throughout the life of the contract.
- The contract is to be largely self-monitoring with proportionate spot checking and performance sampling carried out by the client team. The Contract Conditions include a Performance Framework by which the contract payments will be linked to contractor performance against the contract standards.
- The contractor will be asked to demonstrate how their effective use of ICT will help ensure the services are delivered efficiently and effectively, self-reported and information is promptly made available to the client team and to customers.
- Design of service information and participation campaigns will remain within the control of the Councils. For this reason the Contractor will not have their performance measured by indicators such as the percentage of household waste recycled or composted as he will have little control over this. The contractor may be asked to deliver service information door to door and inform customers about contamination.
- Working hours may be flexible between 06:00 to 20:00 Monday to Saturday including working as normal on bank holidays (except Christmas/New Year)
- Any necessary day changes for customers are to be carefully managed and minimised. It is recognised that new contract arrangements bring a risk of service disruption. The contractors will be asked to present their plans for initial mobilisation and for subsequent change management to ensure disruption is minimised and short lived.

- Livery and branding – the contractor will be required to provide vehicles, and uniforms which reflect well on the contract and the image of the Councils. Vehicles will be white, branded according to Surrey Waste Partnership's guidelines such as Recycle for Surrey (with the recycling 'swoosh') and a proportion will be required to have a mechanism for mounting advertising campaigns for example to promote waste minimisation or additional recycling.
- In emergencies/periods of extreme weather, staff will be redirected to other priorities.

Waste and Recycling Services In Scope

Low Rise Properties

- Fortnightly collection of dry recycling and residual waste with weekly collection of food waste and fortnightly garden waste (by subscription).
- Collection of Waste Electrical and Electronic Equipment and Textiles whenever presented alongside residual waste or recycling.
- Collection will be from the curtilage of the property or from authorised waste collection points except for Assisted Collections.

Communal Properties

- Fortnightly collection of dry recycling and residual waste with weekly collection of food waste.

Bring sites/schools etc

- Collection of dry recycling/residual waste

Commercial Waste

- The Contractor may offer a Commercial Waste service if advantageous to the contract on a profit share* basis.

*Mechanism to be developed through Dialogue sessions.

Clinical Waste Collections, Bulky Waste (Special Collections) and Sale of Recyclate

These services are out of scope and will be procured separately pan-Surrey by Surrey Waste Partnership. The specification for acceptable recyclable materials will depend on the Surrey procurement but is likely to be as wide as possible to maximise material capture. i.e. to include plastic bags, tetrapaks, aerosols.

Innovation

Contractors will be invited to suggest, in dialogue sessions and in completion of their Method Statements, how they will deliver solutions for the following services:

- Collection of absorbent hygiene products.

Street Cleaning Services

The contractor will not be instructed how or how often to clean each street/footpath/car park but will be expected to keep designated areas to a prescribed cleanliness standard and empty bins as needed. The contractor will be expected to provide additional resources to deal with seasonal problems such as leaf fall and occasional issues such as clearance of dead animals. Staff may be re-assigned away from their usual duties to assist with emergencies such as flooding or extreme weather.

Street Cleaning in Scope

- public highways (streets including grassed verges and footpaths);
- car parks;
- associated open spaces;
- emptying of street litter and recycling bins;
- removal of graffiti, flyposting, clearance of fly-tipped waste and removal of dead animals;
- removal and management of highway weeds;
- emergency assistance

Provisional Items

Provisional unit rates or sums based on historic quantities will be sought for optional/occasional work including:

- gum removal and pavement washing
- repair and replacement of bins
- special event bin provision and post event cleaning
- weed treatment – the contractor will maintain weed free streets through the application of an approved herbicide.

ANNEX B**ANNEX B****OUTLINE PROCUREMENT MILESTONES**

Who	Actions	Indicative Timescale
Joint Waste Collection Services Committee	Recommends Draft Service Specification to Councils	January 2015
Councils	Approve Draft Service Specification	March 2015
Project Team	Publish Official Journal of European Union notice to start formal process. Invite contractors to complete Pre-Qualification Questionnaire (PQQ)	April 2015
Project Team	Evaluate PQQs and shortlist	May/June 2015
Project Team and Contractors	1 st Dialogue sessions	July/August 2015
Shortlisted Contractors	Develop Method Statements to demonstrate how they will meet the specified standards and submit initial tender.	September 2015
Project Team/Contractors	Project Team approve shortlist. Dialogue sessions to refine specification/clarify tenders.	November 2015
Project Team	Develop Final Contract Specification and invite shortlisted contractors to submit Final Tender.	January 2016
Contractors	Submit Final Tender and Method Statements	February 2016
Councils	Approve contract award based on Final Service Specification and Method Statements	April to June 2016