

## **Joint Waste Collection Contract New Joiner Process**

### **Summary**

The report sets out the process by which an additional authority can join the Joint Waste Collection Contract.

### **Recommendation**

The Joint Waste Collection Services Committee is recommended to approve the process by which a new Council can join the Joint Waste Contract as approved by the Joint Waste Project Team on 12 October 2016 and set out at Annexe 1.

#### **1. Key Issues**

- 1.1 It is helpful for potential new joiners to the Joint Waste Collection Contract to understand the process by which they may join the contract. The recommended process as approved by the Project Team on 12 October is set out in the report at Annexe 1.

#### **2. Resource Implications**

- 2.1 There are no resource implications directly arising from this report. However the report recommends a process where the existing authorities' costs are covered and an indicative scale of joining fees so that the initial partner authorities are 'no worse off' by another Council joining and the addition of a new Council brings a positive benefit.

#### **3. Options**

- 3.1 The Joint Waste Collection Services Committee could approve the attached or reject it and suggest alternatives.

#### **4. Proposals**

- 4.1 The proposal appended was developed by the Joint Waste Collection Contract Project Team and is recommended to the Joint Waste Collection Services Committee for approval.

#### **5. Supporting Information**

- 5.1 The report attached.
- 5.2 The Inter Authority Agreement adopted by each Council during November.

#### **6. Legal Issues**

- 6.1 The report is in line with the Inter Authority Agreement. An extract on New Joining Authorities is set out below:

## ADMISSION OF NEW AUTHORITIES

The Authorities may admit a New Authority to this Agreement, the terms of such admission to be agreed by the Authorities, in compliance with the provisions of the Joint Contract governing the extension of the Joint Contract to other authorities. A New Authority shall be admitted to this Agreement only where it is lawful to do so in accordance with procurement law, there is a positive benefit to the Authorities and the costs of the procurement, set up and mobilisation of the Joint Contract is recognised by way of a joining fee or other benefit.

Where a New Authority is admitted to this Agreement, it shall enter a Deed of Admission in a form set out in Schedule 5 and from the date of its admittance to the Joint Contract all provisions of this Agreement shall apply to the admitted New Authority and the definition of "Authorities" shall include it.

<b>Annexes</b>	Joint Waste Collection Contract New Joiner Process
<b>Background Papers</b>	Inter Authority Agreement
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**FAO**            **JWCC PROJECT TEAM**

**DATE**         **12 OCTOBER 2016**

**SUBJECT**      **JOINING PROCESS FOR AUTHORITIES WISHING TO RECEIVE SERVICES UNDER THE JOINT WASTE COLLECTION AND STREET CLEANING CONTRACT.**

**AUTHOR**       **EVE RISBRIDGER – PROJECT MANAGER**

**RECOMMENDATION**

**JWCC PROJECT TEAM APPROVE THE PROCESS FOR ADDITIONAL AUTHORITIES (NEW JOINERS) TO JOIN THE JWCC AS SET OUT IN THIS REPORT.**

**INTRODUCTION**

The IAA (v 3) provides that: ‘a New Authority may be admitted only where it is lawful to do so in accordance with procurement law, there is a positive benefit to the Authorities AND the costs of the procurement, set up and mobilisation of the joint contract is recognised by way of joining fee or other benefit.’

This paper sets out:

- the process for additional authorities (Partner Authority) to join the Joint Waste Collection Contract for approval by the Councils (Tier 1 decision as set out in IAA) . Much of this is already set out in the contract.
- An extract of the contract
- An extract of the OJEU notice
- Financial information and data requirements
- Where requirements are financial these are highlighted in [ brackets] for discussion and approval

**PROCESS**

**Step 1            Initial expression of interest**

- Project Manager or Authorising Officer sends New Joiner the Partner Authority Initial Notice requirements
- Include a covering email setting out the application process, fees and Requirements
- Telephone conversation with Project Manager/Authorised Officer to discuss what stage that authority is at/state of their data etc and to work out what timetable they might realistically adhere to.

**Step 2            New Joiner applies to seek initial price**

- Completes Partner Authority Initial Notice requirements.

- Signs confidentiality agreement.
- Pays initial Feasibility Fee at [1%] of estimated annual contract value for their authority [Minimum £10000 and maximum £25000]. The Service Provider is required to provide the Initial Response as part of the contract. The fee goes to the JWCC innovation fund.
- Supplies financial information in same format as the original JWCC partners about current costs – signed off by their S151 officer.
- Supplies technical data in required format to enable the service to be accurately quantified and a realistic price sought from the service provider.

**Step 3            The Authorised Officer notifies the Service Provider that a Partner Organisation wishes to become a party**

- The Service Provider supplies the Service Provider Initial Response within 1 month at its own cost and expense to the Authorised Officer and it shall include:
  - an outline mobilisation plan
  - an outline Service Delivery Plan
  - an impact statement setting out any ways in which the Services to the (existing) Authorities will require adjustment
  - an indication of cost (calculated by reference to **Error! Reference source not found.** (Pricing Schedule); and
  - stating a the fixed one off cost to prepare the Full Partner Organisation Proposal (**the Full Response Fee**).

**Step 4            Review of Initial Response**

- Initial Response supplied to [the Contract Partnering Board] and potential New Joiner.
  - Either A or B
- A) If cost neutral or beneficial to JWCC existing partners AND the New Joiner/potential partner authority then move on to step C
- B) If not cost neutral or detrimental to the JWCC existing partners, (but it is still beneficial for the New Joiner) the New Joiner indemnifies the others so that they are 'no worse off' and move to C
- C) On receipt of the Initial Response, the New Joiner has, if it decides to proceed, and the [Contract Partnering Board] agree that it is in their interests to proceed due to some positive benefit to the partnership, three months to collate the necessary information for the Authorised Officer to send to the Service Provider to get Final Response prepared. Unless otherwise agreed by the JWCC existing partners, the New Joiner agrees to pay the Authorities:
- a) Service Provider Full Response Fee in full
  - b) JWCC Project Management Costs to ensure efficient mobilisation (will depend on location/range of services/impact)
  - c) Their share of CMO and the allocation of other shared costs on ongoing basis

## Step 5      Review of Final Response/Decision Making

- Full Response collated with the impact on the rest of the partnership by AO and supplied to JWCC and potential New Joiner/partner authority
- A - If cost neutral or beneficial to JWCC existing partners AND the potential partner authority they will be invited to join contract (move to C)
- B - If not beneficial financially they will only be invited to join if they indemnify the others against all additional costs in perpetuity and provide some strategic advantage (move to C)
- C - The New Joiner gets approval to join the JWCC on the following conditions:
  - The New Joiner pays a joining fee to be set by the Contract Partnership Board [to be flexible but in the region of 10% of their first year savings or £50,000 whichever is higher to be agreed depending on the benefits accruing to the partnership]
  - They indemnify the other authorities against their increased costs (comparing the unit rates x relevant quantities first without and then with the new joiner.
  - They commence their contract only after a 3 month settling in period after MV has mobilised all services]
  - They supply up to date, refreshed data as required.
  - They commit to supply a Depot or other facilities and Red Book Valuation of any required depot(s) prior to commencement.
  - They commit to enter into the IAA and to delegate authority to the Joint Committee and to the AO for relevant areas

A) They become a full member and:

  - enter into the Inter Authority Agreement and:
    - A) pay their equal share of the CMO costs
    - B) provide capital sufficient for vehicle purchase via the CMO from Prudential Borrowing or reserves (unless another Authority has agreed to do this on their behalf).
    - C) nominate a Member for the Joint Waste Collection Services Committee
    - D) nominate a senior officer to the Joint Waste Partnership Board.
    - E) Nominate Director to the CMO company if appropriate
    - F) Second or transfer (TUPE) staff to the CMO as required
    - G) Indemnify against one off costs – TUPE etc
    - H) Decision is by majority vote