

# Public Agenda Pack



## **EXECUTIVE**

**Wednesday, 8 May 2024**

**10.00 am**

**John Meikle Room, The Deane House, Taunton,  
TA1 1HE**

### **SUPPLEMENT TO THE AGENDA**

To: The members of the Executive

We are now able to enclose the following information which was unavailable when the agenda was published:

Agenda Item 12      Update on Waste Collection Contract (Pages 3 - 8)

Presentation – Waste Services.

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# Update on Waste Collection Contract

8<sup>th</sup> May 2024



**Somerset**  
Council

# Summary

## Background

- Somerset Council contracted SUEZ to carry out waste collection services, the contract mobilised in April 2020.
- SUEZ have disclosed significant losses on the contract, and may terminate if we are unable to agree a settlement figure.
- Commercial challenges – Covid, national driver shortage, reduction in revenue from recycling materials, increased costs in consumables and staff.
- Over the last year SUEZ have issued several dispute claims.
- Dispute claims progressed through formal process.
- Issue is even if claims successful the contract is not viable.

# Summary

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## Council's position

- Dispute claims
- Appointed independent consultants to review costs and assess alternative delivery models.
  - Local Authority Trading Company
  - Direct Labour Organisation
  - Re-procurement of the contract
- Pros and cons with each option, all the options will cost more.
- Internal officers' group (Finance, Legal, Procurement, Waste Services).
- Working with SUEZ looking for efficiency savings and rolling these out where appropriate.
- Financial impacts- in year over spend, full impact not currently known until we finalise a solution.

# Next Steps

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- Focus on the solution which provides best value for Somerset residents.
- Minimise disruption to the service.
- Conclude negotiations with SUEZ (subject to agreement from Executive)
- Final report to be brought back to Executive for a final decision, once details are known.

# Time for Questions



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[Kirsty.larkins@somerset.gov.uk](mailto:Kirsty.larkins@somerset.gov.uk)

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