

Decision Report - Executive Decision

Forward Plan Reference: FP/23/09/01

Decision Date – 17/05/24

Key Decision – yes

Confidential Information – appendix



Refuse and recycling container 2024/25

Executive Member(s): Lead Member for Environment and Climate Change

Local Member(s) and Division: All

Lead Officer: Michael Cowdell – Head of Waste – Waste Services

Author: Gary Jones (Collections Contract Supervisor)

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Summary / Background

1. To establish a contract for the purchase of waste containers to supply new and replacement stocks as required for 2024/2025. The supply of waste recycling containers is a business-as-usual activity, and its supply comprises a statutory duty to service users.
2. The council has a statutory undertaking to provide waste and recycling containers to residents of Somerset to allow them to access the services we offer. The services offered are to replace obsolete, damaged, or lost stock as required or provide new containers to new build properties.

We are expecting to spend a maximum amount £680K - £700K through capital spend on these containers during 24/25. The indicated costs are expected to be the maximum costs we are likely to incur due to the projects being undertaken by Waste Services, we are seeking to limit the capital expense by:

- Bin removal project – removing unsanctioned additional bins from properties across Somerset – expecting to reuse up to 35% of 180 litre grey bins that are being brought back into stock we estimate this to be around 3,500 bins during FY24. Other bin types are being returned to stock, but we do not have clarity on the reuse rates will be for these bins.
- Looking to move to standard coloured bodied 180ltr bin for the whole of Somerset and adopting different coloured lids to denote material collected. This will allow us to standardise bin colours using a grey body and different coloured lids reducing the cost of producing these bins.
- Currently undertaking a black bag trial (1700 properties) – a trial is currently underway looking to see if a black bag can be used to replace the black recycling box – this is likely to offer a capital saving of roughly £60k per annum if our contractor adopts this bag.

This decision paper will be used to cover a one-year contract and we will look to retender again in 25/26.

Volume of container demand for 2024/25 is based on the actual demand from 2023/24.

The table below shows the expected demand for 2024/25 and associated housing growth has been included. The figures show the minimum and maximum amount we expecting to order due to the ongoing projects (listed above).

2024 – 2025					
Container Type		Minimum	No of loads	Maximum	No of loads
2 wheeled bins - Lot 1 A					
140ltr	grey	480	0.5	960	1
180ltr	grey	3692	4	6461	7
240ltr	grey	0	0	390	0.5
180ltr	green	4615	5	6461	7
Total		8787		14272	
2 wheeled brown bins - Lot 1 A					
180ltr	brown	460	0.5	923	1
Total		460		923	
4 wheeled bins (P) - Lot 1 B					
660ltr	grey	45	0.5	90	1
1100ltr	grey	60	1	300	5
Total		105		390	
Metal 4 wheel bin refurb - Lot 3					
1100ltr M	grey	25		50	
Total		25		50	
Recycling boxes - Lot 5 (examples required)					
44ltr	green	6240	1	21840	3.5
55ltr	black	5460	1	16380	3
Total		11700		38220	
Kitchen Containers - Lot 7					
5ltr	brown	0	0	0	0
23ltr	brown	8800	0.5	17800	1
Total		8800		17800	
Sacks - Lot 9 (examples required)					
Compostable liners		8000	0.5	16,000	1
Garden Waste		8000	0.5	16,000	1
Total		16000		32000	

Recommendations

3. That the Executive Director Climate and Place:
 - a. approves the award of contracts for the purchase of refuse and recycling containers for 24/25 as set out in Appendix A .
 - b. Agrees the case for applying exempt information provision as set out in the Local Government Act 1972, Schedule 12A and therefore treat the attached confidential Appendix A in confidence, as it contains commercially sensitive information, and as the case for the public interest in maintaining the exemption outweighs the public interest in disclosing that information.

Reasons for recommendations

4. It is a statutory obligation that Somerset Council provide the waste and recycling collection services to the residents of Somerset. As part of this provision Somerset Council must provide refuse and recycling containers as statutory undertaking to allow our residents to access the services we offer. To deliver better value for money Somerset Council are purchasing containers via a Framework by means of a mini tendering exercise this is being supervised by Commercial and Procurement. Budgeting for this spend is now going through capital expenditure.
5. To agree that Appendix A should be treated as exempt information and to be treated in confidence on the ground that it contains information relating to the financial or business affairs of the tenderers and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Other options considered

6. In our previous contract our service provider purchased the containers at a pass-through cost only. We considered continuing with this approach but the cost only option was not available - it is now standard commercial practice in the waste sector that if containers are purchased through a collection contractor a mark-up is applied. This option was rejected as it means that Somerset Council (and hence the public purse) avoids unnecessary additional management, admin and on costs, by instead sourcing direct from manufacturers.

We also have several other projects ongoing at present that will affect the total number of refuse and recycling containers:

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stock, but we do not have clarity on the reuse rates will be for these bins.

- Looking to move to standard coloured bodied 180ltr bin for the whole of Somerset and adopting different coloured lids to denote material collected. This will allow us to standardise bin colours using a grey body and different coloured lids reducing the cost of producing these bins.
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Links to Council Plan and Medium-Term Financial Plan

7. Provision of suitable containers will allow the residents of Somerset to fully engage with the council's vision of ensuring our household waste is effectively collected, reused, recycled and treated.
8. By taking on this role Somerset Council will ensure the most cost-effective method of continuing to provide this vital aspect of the service.

Financial and Risk Implications

9. The purchase of rubbish bins, recycling containers and garden waste bins are purchased through capital spending. Capital provision of £0.95M has been set aside for their procurement. Accepted Bid shows that the total payable for the period for container purchase is £0.55M, well within the Capital Bid forecast.

Waste services is actively seeking to recover and re-use stock from the public reducing further our capital requirement. The overall financial impact is not known as it is an ongoing activity.

10. It is statutory obligation to provide waste containers, without this procurement being approved we would not be able to fulfil this duty.

Likelihood	3	Impact	2	Risk Score	6
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Legal Implications

11. Procurement has been carried out under the supervision of our procurement team at SC and followed a recognised framework ESPO 860 and we are now able to award contracts subject to final approval.
12. All necessary Consultations have been undertaken

HR Implications

13. There are no HR implications resulting from this procurement

Other Implications:

Equalities Implications

14. On the advice of the Equalities Manager there are no equalities issues related to this procurement (Angela Farmer: 13/02/24) – No EIA required.

Community Safety Implications

15. No risks identified with this procurement, these are commonly used items and are in place across much of the country to contain and present recycling and refuse for collection.

Climate Change and Sustainability Implications

16. The procurement scoring process for the recycling containers included scoring criteria for the recyclable content of the container types and the recyclability of each container. Ensuring that the containers are as sustainable as possible formed a key component of the selection criteria.

Health and Safety Implications

17. Provision of these containers allow the residents of Somerset to contain waste between collections and present for collection in a uniform and controlled manner.

The risk of manual handling injuries to crews are significantly reduced by the provision of ergonomically designed containers. Needle stick injuries from loose waste in bags is also significantly reduced by the provision of wheeled refuse bins.

Health and Wellbeing Implications

18. There are no Health and Wellbeing implications associated with this procurement.

Social Value

19. No local manufacturers and providers of these products were available at the time of procurement. We will be exploring the market to see who can offer us the best price for our scrapped bins, to reduce costs in the tendering round as several national companies are now offering the service on a back load offer once they have been delivered

We do have a local Somerset based company who can granulate these containers providing raw material back to the manufacturing industry supporting the circular economy. The company concerned are now working with one of the national suppliers, so this will need to be included in the tendering process.

Scrutiny comments / recommendations:

20. Not been to a scrutiny committee.

Background

21. During the procurement of a new service provider (collection contractor), the kerbside sort model for recycling continued to be the most economically and environmentally beneficial recycling service we can provide. Part of this service requirement will continue to be the provision of suitable containers to our residents in order that they can continue to ensure our household waste is effectively collected, reused, recycled and treated.

22. A new service model (Recycle More) has been rolled out to all residents of Somerset; this was completed in October 2022. The ability to recycle more products and a change to the schedule of residual waste collections to every 3 weeks will require increased capacity for residents to store the additional recycling. Going forward it is expected that containers being provided will be for natural attrition of damaged containers and housing growth.

Background Papers

23. Confidential appendix (tendering scores will be sent on request for ESPO 860 V22). Please e-mail gary.jones@somersetwaste.gov.uk for the passwords for the documents

Assurance checklist

	Officer Name	Date Completed
Legal & Governance Implications	David Clark	26/04/24
Communications	Peter Elliott	N/A
Finance & Procurement	Nicola Hix	02/05/24

Workforce	Alyn Jones	26/04/24
Asset Management	Oliver Woodhams	26/04/24
Executive Director / Senior Manager	Mickey Green	02/05/24
Strategy & Performance	Alyn Jones	26/04/24
Executive Lead Member	Dixie Darch	30/04/24
Consulted:	Councillor Name	N/A
Local Division Members	N/A	N/A
Opposition Spokesperson	Suria Aujla	26/04/24
Scrutiny Chair	Martin Dimery	30/04/24

