
REPORT TO THE MEETING OF THE EXECUTIVE JULY 22 2021**PORTFOLIO: ENVIRONMENT****REPORT FROM ASSISTANT DIRECTOR, PLACE & ENVIRONMENT****SUBJECT: RESIDUAL WASTE ARRANGEMENTS****1 DECISION BEING RECOMMENDED**

- 1.1 That the Executive notes the contents of the report
- 1.2 That a budget of £5,000 be allocated, as part of the Council's share in jointly appointing external legal services to finalise contract documents, in partnership with Basildon and Castle Point Borough Councils, to deliver operationally suitable residual waste arrangements from 1 October 2021.
- 1.3 That the proposed procurement route of Open Procedure with a tender evaluation based on 90% price, 10% quality scoring criteria be noted.
- 1.4 That it be noted that the recommendation for award of tender will be presented to the Executive in September.

2 REASON/S FOR RECOMMENDATION

- 2.1 Essex County Council (ECC) has given direction to the Council to directly dispose of household waste at Bellhouse Landfill, Colchester. The existing interim arrangement of utilising a transfer station in Basildon, provided by ECC, will cease from 1 October 2021. Therefore, the Council will need to procure a transfer station facility by that date to ensure minimal disruption to the waste collection service.
- 2.2 The finalisation of the contract documents is to be overseen by Basildon Council through appointment of appropriate legal services at an approximate cost of £15,000. It is anticipated that each authority will make an equal shared contribution of £5,000 towards these costs.
- 2.3 The joint working and procurement has provided the opportunity to pool officer expertise on developing an appropriate contract specification and reduces costs through the sharing of procurement and legal resources.

3 SALIENT INFORMATION

- 3.1 Essex County Council, as the Waste Disposal Authority, has responsibility for household waste produced within the Rochford District. As part of the Joint Municipal Waste Management Strategy (2007-2032) (JMWMS) all residual waste is directed towards the location identified by ECC.
- 3.2 This report details the current residual waste tipping arrangements for the Rochford District and sets out the joint procurement arrangement that is to be

undertaken alongside neighbouring authorities for the transfer of residual waste during the 2021/22 financial year.

- 3.3 To date, in accordance with the JMWMS, all residual waste produced within the Rochford District was diverted to the Mechanical Biological Treatment (MBT) facility in Courtauld Road, Basildon. This location suspended operations, meaning that they stopped accepting Rochford District’s waste material in 2020.
- 3.4 Following the conclusion of a tender exercise undertaken by ECC, the alternative disposal site from 1 April 2021 for Rochford District’s residual waste material is now Bellhouse Landfill site, Colchester.
- 3.5 Until the waste collection authorities (Basildon, Rochford, Castle Point) have secured their own waste transfer and haulage arrangements to Bellhouse Landfill, ECC has secured a contingency waste transfer station and haulage arrangement with its integrated waste handling contractor, Veolia. However, this arrangement will cease on 1 October 2021.
- 3.6 Tipping Away Payments
- 3.7 Section 52(10) of the Environmental Protection Act 1990 requires the County Council, as the Waste Disposal Authority, to pay a Waste Collection Authority (RDC) a contribution towards expenditure reasonably incurred by the collection authority in delivering waste to a place which is unreasonably far from the collection authority’s area. This payment is referred to as a Tipping Away (TA) payment.
- 3.8 TA payments are a statutory payment and will be made as per Schedule 6 / Part 1a / Paragraph 3 of the Essex Waste Partnership Inter Authority Agreement. Payment will be made per tonne of household waste delivered to Bellhouse Landfill.
- 3.9 In calculating the TA payment for the delivery of waste to Bellhouse Landfill, ECC advises the relevant metrics are as follows:

	Tipping Away Miles (a)	Tipping Away Rate (b)	Rate per Tonne (Delivered)	Forecast tonnage (c)	Estimated Tipping Away (Per Annum) (d)
Rochford District Council	24.50	£0.94	£23.03	14,210.40	£327,265.

- (a) TA miles. This is the distance, via an approved route, from the district/borough boundary to the disposal point minus 5 miles.
- (b) The TA payment per tonne per laden mile for the financial year 2021/22 is provisionally set at £0.94.

(c) Forecast residual waste arisings (per annum)

(d) The estimated annual value of TA payments.

3.10 Post October 2021 Arrangements

3.11 As of 1 October, ECC will cease providing waste transfer and haulage arrangements to Bellhouse Landfill. There is an expectation by ECC that the Waste Collection Authorities will have secured their own arrangements by then.

3.12 The Council is then faced with securing its own waste transfer and haulage arrangements, or it could consider as an alternative, direct delivering into Bellhouse Landfill, Colchester. This would require using the existing fleet of refuse vehicles used to collect the district's household refuse.

3.13 The round trip travel time from Rochford District to Bellhouse Landfill takes approximately an additional hour in comparison to the time taken to undertake a similar trip to the transfer facilities in Basildon.

3.14 With refuse vehicles typically needing to visit the transfer facilities/landfill twice daily, losing two hours a day on each collection round would result in a significant shortfall in resource to complete the collection rounds. The need to secure additional staffing and vehicles to meet this resource shortfall, and cover the cost of increased vehicle miles, renders this option logistically and economically unviable.

3.15 Proposed Contract

3.16 To avoid the risk of having to travel with the existing refuse trucks twice daily to the landfill site in Colchester, it is proposed that the Council procures its own waste transfer station and haulage arrangement. The transfer station would either be within, or close to, the Rochford District, with the tipping away payments as set out in paragraphs 3.7 to 3.10 being used to fund the cost of this new arrangement. The waste would then be transported from the transfer station and tipped at the Bellway Landfill Site, Colchester.

3.17 This will be subject to a procurement exercise and contract award. Both Basildon and Castle Point Councils find themselves in a similar situation to Rochford, and officers from each of the local authorities are in dialogue with regard to whether there are opportunities in relation to shared operations or contract management.

3.18 The value and nature of the service means that pursuant to the Public Contracts Regulations 2015 (PCR) the Council is under obligation to conduct a Find a Tender Service (FTS) procurement (This is the new UK public procurement process, whereby public opportunities will be published on the UK notification service - FTS. The FTS means new UK opportunities will no longer be sent to the Official Journal of European Union (OJUE)). The procurement process to select the contractor will therefore still be compliant

with the PCR, as well as the Council's Contract Procedure Rules for a contract of this size.

- 3.19 The procurement process is being managed by the Braintree Procurement Hub (at no cost to this Council) with Council officers advising on the specification. Through Basildon Council, external legal advisers are to be appointed who will be providing advice on the finalisation of the contract documentation. This support will cost an approximate £15,000. It is anticipated that each authority will make an equal shared contribution of £5,000 towards these costs.
- 3.20 The contract will be divided into three lots based on geographical location, one for each Council. A potential contractor can bid for one or multiple Lots. This contract duration will be for an initial twelve (12) month period with the option to extend by up to twenty four (24) months. It is anticipated that the contract award will commence on 1 October 2021.
- 3.21 It is proposed for tenders to be evaluated on a criteria of 90% price, 10% quality. This is to reflect the short-term nature of the contract and the significant priority that needs to be given to price, so as to contain costs within the Tipping Away payments.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 There isn't any viable alternative that can be considered.

5 RISK IMPLICATIONS

- 5.1 There is a risk that the cost to the Council of securing waste transfer facilities is not fully covered by the TA payments. Initial soft marketing has suggested that this will not be the case, with indicative transfer gate and haulage fees broadly in the range of the payments that ECC would be required to make.

6 RESOURCE IMPLICATIONS

- 6.1 A budget of £5,000 is requested as the Council's contribution to a joint procurement exercise to be carried out with Basildon and Castle Point Councils. This will pay for legal expertise to finalise the contract documents and ensure best value for money is achieved by the Council. This will be funded from the reserve.
- 6.2 Until the procurement exercise is completed the financial impact of the new arrangements cannot be confirmed with any certainty. However, a unit price of below £23.03 per tonne will need to be secured in order to ensure the TA rate can cover the ongoing cost of service delivery without causing budgetary pressure. This will be confirmed once the contract has been awarded.

7 LEGAL IMPLICATIONS

- 7.1 The Council is the Waste Collection Authority and has a duty to collect and dispose of waste under the Environmental Protection Act 1990. The Council is subject to a procurement exercise and contract award under the Procurement Contracts Regulations 2015.

8 EQUALITY AND DIVERSITY IMPLICATIONS

- 8.1 An Equality Impact Assessment has been completed and found there to be no impacts (either positive or negative) on protected groups as defined under the Equality Act 2010.

I confirm that the above recommendation does not depart from Council policy and that appropriate consideration has been given to any budgetary and legal implications.

LT Lead Officer Signature: _____



Assistant Director, Place & Environment

Background Papers:-

None.

For further information please contact Marcus Hotten (Assistant Director, Place & Environment) on:-

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If you would like this report in large print, Braille or another language please contact 01702 318111.