

# **WAVERLEY BOROUGH COUNCIL**

## **EXECUTIVE**

**6 FEBRUARY 2018**

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### **Title:**

**PROCUREMENT APPROACH FOR PROVISION OF WASTE, RECYCLING, STREET  
CLEANING AND GROUNDS MAINTENANCE -  
REPORT OF THE ENVIRONMENT OVERVIEW & SCRUTINY COMMITTEE**

**[Portfolio Holder: Cllr Andrew Bolton]**

**[Wards Affected: All]**

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### **Note pursuant to Section 100B(5) of the Local Government Act 1972**

(Exempt) Annexe 1 to this report (and the Appendices to that Annexe) contain exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, namely:-

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

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### **Summary and purpose:**

Waverley Borough Council's contracts for Waste and Recycling collection and Street Cleaning services, and for Grounds Maintenance services, end in October 2019. Both contracts were extended in 2012 and there is no provision for further extensions. Tendering for such high value and complex services can take up to 21 months, including a contractor mobilisation period.

The Environment Overview & Scrutiny Committee has carried out an in-depth review of the options for providing these services from the end of the current contracts in October 2019. The final report and recommendations of the Environment Overview & Scrutiny Committee is attached at (Exempt) Annexe 1.

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### **How this report relates to the Council's Corporate Priorities:**

*Community Wellbeing* - These services are provided to every resident in the Borough on a weekly basis to ensure waste is removed efficiently and effectively, recycling is maximised and high standards of street cleanliness are maintained.

*Environment* - The effective management of waste, street cleaning and grounds maintenance will enhance and improve the local environment, and impact directly on positive perceptions of Waverley being a great place to live, work and visit.

*Customer Service and Value for Money* – The current Waste, Recycling and Street Cleaning, and Grounds Maintenance contracts together cost approximately £6.7m. In view of the financial pressures on the Council’s budgets in the medium-term, it is vital that Waverley achieves good value for money in future service delivery arrangements, balanced with maintaining the high standards of service experienced with the current arrangements.

**Financial Implications:**

Budgets for the four areas identified have been approved for the 2017/18 financial year as below, budgets for 2018/19 are not yet approved.

Waverley is facing increased budget pressure over the next three years therefore the Council is seeking to minimise this shortfall in the budget setting process through income generation and service efficiencies. Whilst there is a strategy to bridge the budget gap, it is important to control the Councils cost base so as to not increase the budget gap further.

	2017/18 Budgeted Cost £	2017/18 Budgeted Income £	2017/18 Net Budget £
Waste Collection	1,565,910	0	1,565,910
Recycling Collection	2,439,940	1,607,040	832,900
Street Cleaning	1,223,070	16,470	1,206,600
Grounds Maintenance	1,746,570	0	1,746,570

Further financial implications are set out within (Exempt) Annexe 1.

The cost of progressing the procurement of these services is contained within the 2017/18 budget.

**Legal Implications:**

The legal implications are set out within (Exempt) Annexe 1.

**Equality Implications:**

Waste and recycling, grounds maintenance and street cleaning are universal services which affect all households in the Borough. Any proposed changes to the service specification and service delivery will be the subject of an Equality Impact Assessment to analyse the potential impact on any of the protected characteristics groups and that any decisions are made with due regard to any potential impact.

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**Background**

1. Waverley Borough Council’s contracts for Waste and Recycling collection and Street Cleaning services, and for Grounds Maintenance services, end in October 2019. Both contracts were extended in 2012 and there is no provision for further

extensions. Tendering for such high value and complex services can take up to 21 months, including a contractor mobilisation period.

2. In July 2017 the Environment Overview & Scrutiny Committee appointed a Member Working Group to consider the procurement approach for provision of Waste and Recycling, Street Cleaning and Grounds Maintenance services from the end of the current contracts in October 2019.
3. The Member Working Group has considered the design of the services, taking account of resident expectations and affordability; and the possible delivery models, taking account of the timetable for procurement, legal constraints, the state of the market for new contracts, potential for new partnership working arrangements, and affordability.
4. The conclusions and recommendations of the Member Working Group have been endorsed in full by the Environment Overview & Scrutiny Committee, and are presented in the attached EXEMPT report for consideration by the Executive.

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### **Recommendation**

The Executive is asked to consider the conclusions and recommendations of the Environment Overview & Scrutiny Committee on the procurement approach for the provision of Waste, Recycling, Street Cleaning and Grounds Maintenance services from the end of the current contracts in October 2019, as set out in the Executive Summary in Exempt Annexe 1.

The Executive is recommended to:

1. note the high standards of performance achieved under the current contracts for Waste Recycling, and Street Cleaning, and Grounds Maintenance.
2. endorse the recommendations in relation to the proposed service design for the services to be delivered from October 2019, as set out in paragraph 1.5 of the Executive Summary in Exempt Annexe 1.
3. agree the recommended approach to be taken to progress the three options for the procurement of services from October 2019, as set out in paragraph 1.6 of the Executive Summary in Exempt Annexe 1.
4. agree the delegation to the Strategic Director and Portfolio Holders for Environment and Finance to identify and action the most advantageous options for Waverley.

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### **Background Papers**

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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