

BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK**CABINET**

**Minutes from the Meeting of the Cabinet held on Friday, 6th December, 2019
at 2.00 pm in the Council Chamber, Town Hall, Saturday Market Place,
King's Lynn PE30 5DQ**

PRESENT: Councillor B Long (Chair)
Councillors I Devereux, P Gidney, P Kunes, G Middleton and E Nockolds

Apologies for absence were received from Councillors R Blunt and A Lawrence

CAB69 DECLARATIONS OF INTEREST

None

CAB70 CHAIR'S CORRESPONDENCE

None

CAB71 MEMBERS PRESENT UNDER STANDING ORDER 34

Councillors Rose and Ryves attended for the Refuse Contract item.

CAB72 MATTERS REFERRED TO CABINET FROM OTHER BODIES

The Minutes from the Environment and Community Panel on 3 December 2019 which discussed the Refuse contract had been published.

CAB73 REFUSE AND RECYCLING CONTRACT PROCUREMENT

Councillor Devereux presented a report that this was the culmination of a considerable amount of work done by the Council, North Norfolk and Breckland District Councils in order to procure the new Refuse and Recycling Collection contract.

Cabinet considered the public element of the report on the Refuse and Recycling Contract which explained the following points: at its meeting on 1st August 2017 the Council determined to undertake a joint procurement exercise with North Norfolk District Council and others for refuse and recycling services. (Cabinet Minute CAB 39 refers). The procurement of the process was delegated to the Executive Director Commercial Services up to the point of award of a contract.

The tendering process sought the same arrangements for services as currently delivered as a minimum. A price for the removal of the food

waste service was additionally obtained so that the net cost of the service could be fully established. The benefit of this was that it provided a benchmark for claiming additional burdens funding should national policy change.

The procurement exercise was carried out in accordance with the regulations of the OJEU (Official Journal of the European Union). Given the length of the contract (9 years although services were only delivered in this borough for eight years from April 2021) and the importance to residents, the tender process was carried out using the "Competition with Negotiation" process. The use of this process ensured that the Contractor had a complete understanding of the process and that the Council obtained best value.

The three councils involved in the procurement entered into an Inter Authority Agreement for the procurement of the contract. It was noted that failure to award the contract at this stage would be non compliant with this agreement and expose the council to a risk of challenge and costs.

Tenders were received on 15th November 2019 for all elements of revenue expenditure and 3rd December 2019 for capital costs and evaluated by a joint staff team from King's Lynn & West Norfolk, North Norfolk District Council and Breckland District Council supported by specialist consultants on legal and technical aspects of the evaluation.

A full analysis of the procurement process was attached at Appendix 1 to the report.

An analysis of the evaluation of Tenders was provided at Appendix 2 to the report.

Barry Brandford Waste and Recycling Manager explained that the 2 bidders had basic service arrangements and additional features were provided by each. He explained that the team who had evaluated the contract included legal, waste, technical and procurement experts from the 3 authorities. He explained that North Norfolk's contract would commence on 1 April 2020, whilst the Borough's Contract would commence on 1 April 2021. Once decisions were taken it would be essential for North Norfolk to mobilise as a matter of urgency.

He explained that the team had met with potential bidders before the OJEU notice in order to gain the maximum benefit in the final tenders.

Under standing order 34 Councillor Ryves commented that he wanted to be confident that the provision of vehicles was on the best possible terms for the Council. He confirmed he had not been able to attend the scrutiny panel so he asked whether the Council had gone for diesel because it was the cheapest.

He asked whether the Council had considered purchasing a waste food anaerobic digester to deal with the food waste collected.

In response, the Chair confirmed that all types of vehicles had been considered in the process, and officers were aware that small councils such as Bath were using electric or gas vehicles but their total area was much smaller than the contract area being considered.

The Waste and Recycling Manager confirmed they had looked at other options such as LPG for dustcarts, but the fleet would not be large enough to be effective. He referred to other small authorities using electric. He explained that there was nothing currently available for this type of contract, and the vehicle specification was at the bidders risk so if they didn't function it would be a big concern for them.

With regard to the food waste contract, he confirmed it was a separate contract.

Under standing order 34 Councillor Rose confirmed his questions had been answered by the Waste and Recycling Manager.

Councillor Gidney asked if bio diesel had been considered, to which it was commented that the depot did not have the tanker facilities to hold sufficient for the fleet, although the diesel purchased did contain an element of bio diesel.

CAB74 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED: That under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act.

CAB75 REFUSE AND RECYCLING CONTRACT PROCUREMENT - EXEMPT APPENDICES

Cabinet considered the exempt appendices and discussed the financial and quality elements of the tender. Cabinet was content that the preferred contractor was an excellent offering to move forward with the contract.

The Waste Manager explained the requirements around the food waste credits given to the council. It was also noted that if food was sent to landfill it created large amounts of methane. It was also confirmed that the planned increase in housing in the Borough had been taken into account in the contract.

Cabinet discussed some of the potential penalty clauses in the contract, and the potential of the contractor to utilise greener

technology when it became available. It was noted that some of the support vehicles being used as part of the contract would be electric or hybrid.

The Chair wished the Cabinet's thanks be recorded for the huge task undertaken by Barry Brandford and all the officers involved in the procurement process for the contract.

RESOLVED: 1) That the Council enters in to a contract with the preferred Bidder B, identified in Confidential Appendix 3 for the provision of Waste and Related Services and the Chief Executive be authorised to seek any necessary Clarifications and agree them in consultation with the relevant Portfolio Holder and the Leader of the Council.

The capital budget be amended to facilitate the purchase of the refuse collection vehicles and other fleet requirements.

Reason for Decision

To provide a continuation of waste collection arrangements after the conclusion of the current contract with Kier.

Under Standing Order 12.15, Councillor Stuart Dark, Chair of the Corporate Performance Panel has agreed to the request for this decision to be treated as urgent, therefore this decision will not be subject to "call in".

CAB76 REFUSE AND RECYCLING CONTRACT NOVATION

Cabinet considered a report which detailed a request for the novation of the current Waste and Related Services contract currently Kier Services Ltd t/a Kier Street Services to Serco Ltd.

Under standing order 34 Councillor Ryves spoke on the item.

RESOLVED: That the novation of the contract for the provision of Waste and Related Services to the Company named in the report be agreed and the Chief Executive be authorised to seek any necessary Clarifications and agree them in consultation with the relevant Portfolio Holder and the Leader of the Council, in addition to the provision of a Parent Company Guarantee on the same terms as provided at the time of the original contract and that all outstanding liabilities are additionally transferred to the Company named from Kier Services Ltd.

A new licence to occupy part of the Depot at Hamlin Way, King's Lynn, Norfolk will be entered into by the Company at the same time on the same or similar terms as currently enjoyed by Kier Services Ltd.

Reason for Decision

To provide a continuation of waste collection arrangements after the sale of the environmental services business by Kier to the Company named in the report

The meeting closed at 2.47 pm