
REPORT TO:	ENVIRONMENTAL & DEVELOPMENT SERVICES COMMITTEE	AGENDA ITEM: 7
DATE OF MEETING:	12th APRIL, 2012	CATEGORY: DELEGATED
REPORT FROM:	DIRECTOR OF OPERATIONS	OPEN PARAGRAPH NO:
MEMBERS' CONTACT POINT:	MARK ALFLAT (Ext. 5712) mark.alflat@south-derbys.gov.uk	DOC: u:\pmw\commserv\committees\environmental & development services\eds 19.4.12 - dry recyclables tender process update.doc
SUBJECT:	DRY RECYCLABLES TENDER PROCESS UPDATE	REF: MA/PMW
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: EDS 07

1.0 Recommendations

- 1.1 That Members note the progress on the Recycling Contract to date.
- 1.2 That Members approve the provision of a third bin system for dry recyclables to replace the current green box and blue bag scheme.
- 1.3 That Members approve the reduction in the numbers of recycling bring sites serviced by the Council from 83 to 10, at strategically placed locations, once the reduced usage of the sites is established.

2.0 Purpose of Report

- 2.1 South Derbyshire District Council has begun a tender process for the dry recycling contract. This report is to bring Members up to speed with the process so far and request that they accept key recommendations.

3.0 Detail

- 3.1 Our current Recycling Contractor, Palm UK, was served a termination of contract notice and notified that the current contract will expire at the end of May, 2013.
- 3.2 A Recycling Tender group has been established by the Director of Operations. The group consists of Procurement, Finance and Operational staff. A sub-group has also been established to look at Legal, Procurement and Operational issues in depth. This group is being lead by Paul Evans, Direct Services Manager.

- 3.3 The Procurement group visited North East Derbyshire District Council, who have recently gone through a joint procurement process with Bolsover District Council. The group were impressed by the method of collection of dry recyclables which consist of a plastic lidded bin with a separate compartment for paper which ensures its maximum recyclable value by avoiding it being contaminated, and the residual main part of the bin which allows for collection of cardboard, food tins and drink cans, plastic bottles, mixed glass, textiles and batteries.
- 3.4 In order to gain maximum competition from the market the key recyclables we will be requiring are cardboard, food, tins and drink cans, plastic bottles, textiles and mixed glass. Other recyclables collected would be welcomed and evaluated as part of the tender bids process.
- 3.5 Similarly, we will not restrict ourselves to insisting on a separate caddy for paper but examine the market solutions and savings.
- 3.6 This bin would replace the existing green box which is used to collect glass, food tins and drink cans, and the blue plastic bag which is currently used to collect paper.
- 3.7 South Derbyshire District Council is currently unable to offer plastic or cardboard recycling from the doorstep, and this would be a great enhanced service to the residents of the District. Complaints have been received at Area Forums regarding the weight and lack of handles on the current blue bag collection scheme.
- 3.8 Collecting the widest range of recyclables from the doorstep reduces the need to provide bring sites. By reducing the number of bring sites cash savings can be made. It is proposed however, because of issues of Bank Holidays and seasonal surges of recyclables, e.g. Christmas, that 10 strategically placed recyclable sites are still serviced. A list of the current and proposed sites are listed at Annexe A.
- 3.9 The latest performance tables for recycling reveal that SDDC is in 68th position out of 357 Local Authorities with a recycling rate of 49%. It is anticipated that the enhanced recycling facilities will increase recycling rates to approximately 53%.
- 3.10 It is anticipated that enhancing the amount of materials that can be collected from residents directly from their homes will reduce the amount of landfill waste by 2,500 tonnes.
- 3.11 The current recyclables market is buoyant and we are hopeful of healthy competition and interest in the new contract.
- 3.12 Pre-market engagement is being undertaken to "warm up" interest in the bid. A notification has already been placed on the Council's website stating its intention to start a full tender process.

4.0 Financial Implications

- 4.1 Savings from the Council's current budget will be made by:-
- i) reducing the number of recycling bring sites from 83 to 10

- ii) recycling credits provided to South Derbyshire District Council, from the County Council, for every tonne of waste diverted from fill sites.
- iii) Income from the Council's recycling bring sites.

- 4.2 There will be a capital cost of investment in the new recycling bins. This will be either netted off from the new contract price or financed by the Council's own monies.
- 4.3 Northgate Services are currently evaluating the most advantageous method for the Council which will be the subject of a further Committee report.
- 4.4 At this stage it appears that savings to the Council will be in the region of £100,000 per annum.

5.0 Corporate Implications

- 5.1 It is a key aim of the Council to provide a more comprehensive recycling collection service, to particularly include plastic and cardboard, and the proposals within the report will achieve this. Increasing the recycling rates of South Derbyshire District Council will ensure that it complies with European Community legislation on recycling rates, and will provide best value for money for its residents.

6.0 Community Implications

- 6.1 Residents will be able to play a more active and direct role in recycling across the whole district.