


Cabinet Decision 7 th January 2015	 TOWER HAMLETS
Report of: Stephen Halsey, Head of Paid Service and Corporate Director CLC	Classification: Unrestricted
Re-procurement of Waste Management Services Contracts	

Lead Members	Cllr Shahed Ali & Cllr Alibor Choudhury
Originating Officer(s)	Jamie Blake, Service Head Public Realm
Wards affected	All wards
Community Plan Theme	A Great Place to Live
Key Decision?	Yes

Executive Summary

This report reflects the Council's aspirations to deliver high quality environmental services that meet the needs of our community today and exceeds our expectations in the future. Tower Hamlets is one of the most exciting and rapidly developing borough's in the country.

Tower Hamlets has a thriving and growing population and is one of the most ethnically diverse areas in the country. The borough is also ranked as the third most deprived local authority in the country and has one of the highest population densities in inner London. By 2025 it's projected that there will be a further 43,000 new homes in the borough.

Despite these challenges the Council expects nothing short of exceptionally high quality environmental services. This is reflected in the Mayor's priorities to continue to have a borough which has clean and award winning streets, parks and open spaces and to increase our recycling rates. These are the most significant drivers that have influenced the proposed contracting approach for the re-procurement of the waste management services contracts.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Approve procurement of external provision of waste management services through the following contracting approach:
 - 1.1 The services are procured through one procurement process offering the services packaged as 4 Lots:
 - Lot 1 – Integrated waste and recycling collection services and integrated street, market, parks and environmental cleansing services.
 - Lot 2 – Waste Treatment and Disposal services (including the management of the Re-use and Recycling Centre)
 - Lot 3 – Dry Recyclable Materials Sorting (MRF) services
 - Lot 4 – Provision of all services by one provider
 - 1.2 The contract term is 16 years.
 - 1.3 The contract incorporates a self-monitoring approach by the contractor through the use of cutting edge technology solutions that result in improving customer satisfaction levels and reduces costs.
 - 1.4 The contract allows the annual prices to be uplifted by indexation and includes a mechanism to incorporate growth as a result of population increases.
 - 1.5 The waste treatment and disposal services are excluded from the requirement to deliver economic benefits. For the collection and cleansing services the level of benefits expected would reflect the benefit types and quantities that can be accommodated within the scope of the services and ensure the delivery of economic benefits does not increase the overall cost of the services. The quantity of each benefit to be negotiated through the Competitive Dialogue process.
 - 1.6 Street Cleansing service targets will be set at 14/15 outturn levels, as set out in paragraph 3.12 of the report.
 - 1.7 The Contractor will be required to provide depot facilities.
 - 1.8 Northumberland Wharf Waste Transfer Station is offered to the contractor to support the delivery of waste treatment and disposal services.
2. Approve the adoption of the following policy changes for waste management services that will be reflected in the new waste services contract:
 - 2.1 Compulsory recycling of dry materials and food waste is implemented for houses.

2.2 Specific limits to be set on the quantity/volumes of waste that will be collected from houses and multi-occupancy properties.

2.3 Set specific requirements for internal and external waste storage facilities at new developments.

3. Agree the use of the Competitive Dialogue process for the re-procurement of the waste services contract or such other procurement route as may be appropriate following the implementation of the new Procurement Regulations.
4. Approve the commencement of the procurement of these services in line with the recommendations included in this report.
5. Agree the conduct of consultation regarding delivery of environmental services.
6. Note that there will be a further report to Cabinet for approval to award the contract(s).

1. REASONS FOR THE DECISIONS

- 1.1 As a Unitary Authority, Tower Hamlets is both a Waste Collection Authority and a Waste Disposal Authority. As such the Council has a statutory duty to collect and dispose of Municipal Waste within its area.
- 1.2 The Council has historically chosen to discharge these statutory duties through a number of externalised service contracts.
- 1.3 There are currently 4 waste management contracts in place that will be expiring in April and May 2017. Therefore the Council must now commence the process of finalising new contract specifications and re-procure new service contracts for commencement when the current contracts expire.

2. ALTERNATIVE OPTIONS

2.1 The alternative options for the contracting approach are as follows:

2.1.1 The option for a shorter contract term is not recommended for these services as the costs associated with procuring the contracts are high and the annual cost of the services could be negatively impacted by a shorter write down period for the capital investment necessary for the depot, vehicles, plant and equipment. A longer contract term may expose the Council to potential inefficiencies through legislative changes that may occur over a longer timeframe.

- 2.1.2 The alternative option to focus contract monitoring through the client function only increases the overall cost of service provision to the Council. Client focused monitoring regimes are resource intensive and do not drive the contractor to achieve continuous improvement and deliver innovation in service delivery and take responsibility for their performance.
- 2.1.3 The alternative option to require fixed prices for the full term of the contract and have no mechanism to allow for growth as a result of additional housing stock and population would place a significant cost risk on the contractor. Transferring this risk would result in the additional cost to the Council as early years of the contract would have inflated costs to take account of the anticipated capacity necessary for the latter years of the contract.
- 2.1.4 The alternative option of requiring economic benefits to be delivered for the waste treatment and disposal services would immediately add additional cost to the services as there is a minimum labour element to the service, unsuitable environments for young people, have little or no supply chain opportunities and the facilities are often in remote locations. For the other services, requiring a level of economic benefits that are directly proportional to the value of the contract would add additional cost to the service as suppliers would be driven to build in the additional cost of delivery of those benefits mitigate the risk of failure to deliver. This would result in high service costs.
- 2.1.5 The standards of performance required for the Street Cleansing services will have a significant influence on the prices that suppliers will tender for the service as high performance targets increase the contract risk. However, the alternative option of setting lower performance targets to reduce the risk and cost of achievement would impact on the cleanliness of the borough and would lead to reduced levels of resident satisfaction and an increase in the number of customer complaints. As such this option is not recommended.
- 2.1.7 The alternative option for the provision of depot facilities is for the Council to provide a depot facility. One option is to secure a new site and develop a new waste services depot. This option would require a significant level of capital investment before the start of the new contract rather than paying the Contractor's cost of capital charge on their capital investment across the term of the new contract. Alternatively the Council could offer a site however there are no optimal council owned sites. Blackwall Depot site is currently used to house the Council's passenger Transport fleet and workshop services and is in the process of being allocated for the provision of housing. The Oval site on its own is too small but may be a suitable local base to be used in conjunction with a provider's site."

- 2.1.8 The alternative option of not offering Northumberland Wharf Waste Transfer Station to support the delivery of waste treatment and disposal services would be likely to result in reduced competition and limited solutions for these services and therefore may increase service costs and reduce value for money.
- 2.1.9 The Council could decide not to adopt the policy changes relating to waste management services that are set out in the report however, these changes are reflect the Council's expectations for continuous improvement and are necessary to drive the level of behaviour change amongst residents, landlords and developers to increase recycling performance in line with the proposed EU recycling targets. They also reflect the Council's aspirations to deliver more sustainable waste management services and demonstrate that all reasonable measures are being taken to apply the waste hierarchy to the waste that it collects.
- 2.1.10 The alternative option to undertaking the procurement using the Competitive Dialogue process would be to undertake the procurement through the use of the Restricted Procedure. The Restricted Procedure would however prevent the Council from exploring potential service solutions and negotiating the shape, scope and delivery methodologies for the services. Using the Restricted procedure would require the Council to be prescriptive in the tender documentation and this may prevent innovative and better value for money solutions coming forward.

3 DETAILS OF REPORT

Part 1 - Background to the Proposed Contracting Approach

- 3.1 As a Unitary Authority, Tower Hamlets is both a Waste Collection Authority and a Waste Disposal Authority. As such the Council has a statutory duty to collect and dispose of Municipal Waste within its area. The Council has historically chosen to discharge these duties through a number of externalised service contracts
- 3.2 The Council currently has 4 waste management contracts in place that will expire in 2017. Given the scope and value of these contracts the Council needs to be in a position to commence the re-procurement process in January 2015 in order to safeguard a suitable mobilisation period for the new services.
- 3.3 The 4 contracts requiring re-procurement are listed below:
- **The Waste Disposal Contract** – approx. annual value £9.5m. This contract includes the treatment and disposal of the Council's Municipal Waste and the management of the Household Waste and Recycling Centre.

- **The Municipal Waste Management (Cleansing) Contract** – approx. annual value £12.6m. This contract includes the refuse collection and commercial waste services, the collection of bulky waste, the collection of clinical waste, the street and parks cleansing service, market cleansing and the removal of graffiti and flyposting.
- **The Integrated Recycling Contract** – approx. annual value £3.57m. This contract includes the collection of co-mingled dry recycling, the collection of food and garden waste and the processing of food and garden waste for compost.
- **The Materials Sorting (MRF) Services Contract** – approx. annual value £250,000 (new interim contract for 26 months due to commence on 1st February 2015). This contract includes the sorting of co-mingled recyclable materials and subsequent onward delivery for reprocessing.

3.4 In setting the scope of the services to be included in the new contract(s) the Council must take account of the legislative framework surrounding waste management services. European waste legislation has been subject to recent changes which have specific implications for waste services and recycling targets in the UK whilst being cognisant of a need to drive efficiency.

3.5 The waste hierarchy has been enshrined in UK law as a “priority order” for waste management activities and so the Council is now under an obligation to take all reasonable measures available to apply the waste hierarchy to the waste that it collects. As such the Council should place a greater emphasis on ensuring more of the Municipal Waste is diverted for re-use and recycling. The European Commission is also seeking to impose higher recycling targets, 70% of all Municipal Waste (as opposed to Household waste which is a subset of Municipal Waste) to be recycled by 2030 is the anticipated new target. The impact of a 70% recycling target, in terms of participation, put out rates and capture rates for recyclable materials would mean that just under 90% of people would need to recycle 90% of the available material 90% of the time. Historically, the emphasis of waste containment provision has been focused on dealing with the residual waste stream. This continues at present with a greater volume of bin space for rubbish rather than recyclable material. This ease of access to residual waste bins in all types of housing stock is one of the barriers to speedy and effective behaviour change. Policy changes are therefore required in order to drive behaviour change in the community so that a greater quantity of waste is captured for recycling and composting rather than being disposed of as residual waste.

3.7 The efficiency and effectiveness of the new contract(s) will also be determined by a number of key structural aspects of the contract(s) themselves such as whether all services are to be let within one contract, the length of the contract term, whether depot and waste transfer station facilities are to be made available to the contractor. Such aspects have direct implications on the level of risk that is transferred to the contractor through the contract and therefore will subsequently impact on the cost of the new services. To aid the Council’s understanding of the risk implications of these contract structure options,

officers have undertaken a Soft Market Testing exercise with twelve key suppliers within the waste management service market sector. The responses from the market testing have helped to inform the development of the contracting options being proposed, which are set out in Part 2 below.

Part 2 – Proposed Options for the Contracting Approach

3.8 The contracting options have been grouped under a number of key strategic and operational outcome objectives. The proposed options are set out below:

3.9 Outcome Objective No. 1 – Delivering Cost Efficiency

The potential to deliver efficiencies or savings from the re-procurement of the waste services contracts will depend on the nature of the contract package that is offered to the market. Decisions that are made regarding how long the contract will be, how many of the services will be procured externally and how they will be packaged together will have an impact on the underlying costs of the services. In addition, the ability of contract prices to be uplifted by inflation will also have cost implications. As a result of the Soft Market Testing exercise the following proposals are recommended as the optimal proposals in relation to contract term, contract package and contract pricing:

- Whilst the Council can offer all the waste management services packed together in one fully integrated contract it has been recognised through the soft market testing that there is segmentation within the waste management market with some suppliers only undertaking waste treatment and disposal and materials sorting services. By also breaking the services down into Lots, that separates waste treatment and disposal, and materials sorting from the other operational services, it will allow the Council the opportunity determine whether having separate contracts for some services provides better value for money than having all services delivered by one provider.
- The contract term needs to be aligned to the level of capital investment the Contractor will be required to input at the start of the contract to provide the depot facility and reflect the life expectancy of the refuse and recycling collection vehicles (known to be 8 years). As such a contract term of 16 years is recommended to facilitate an affordable level of depreciation on the depot investment and align with the provision of two cycles of vehicle fleet.
- The underlying costs of these services, such as staffing, vehicle operation and maintenance, fuel and other overheads are all affected by inflation. As such there will be an expectation that the contract will include a mechanism that will allow the annual prices to be increased by indexation to cover the effect of inflationary factors. The borough is anticipating significant levels of population growth in the period up to and beyond 2021 that will impact on the level of resources the contract will require through the contract term. To ensure that the tendered prices are not over inflated for early years of the contract it will be necessary to include price change mechanisms within the contract terms. The Council's preferred indices to be applied as the price

change mechanism is the Consumer Price Index (CPI). This will be used as the starting point for the Competitive Dialogue negotiations.

3.10 Outcome Objective No. 2 – The Service Delivery Model

At the time of preparation for the re-procurement of a contract there is an opportunity to reflect on the current service delivery model and review alternative options. Historically, the Council's waste services have been delivered externally. The Council would have no ability to internalise the waste treatment and disposal services or the service for sorting dry recyclable materials as the Council has no ownership or control of such facilities and so continued external provision of these services is recommended. In relation to waste and recycling collection and cleansing services there is a significant level of capital investment required in relation to the provision of vehicles, plant and equipment for these services and as such continued external provision of these services is also recommended.

3.11 Outcome Objective No. 3 – Contract Monitoring and Contractor Performance

Requiring the Contractor to take responsibility for performance outcomes and monitoring service delivery through the use of enhanced contract management systems, robust and transparent information sharing protocols and joint decision making continuous improvement and provide more customer focused services. The Council will also be able to derive greater efficiency from the client team resources

3.12 Outcome Objective No. 4 – Delivery of Economic Benefits

Whilst it is accepted that there will be opportunities to secure economic benefits from the re-procurement of the waste services, the extent and scope of the potential varies across the different waste management services. As there is a minimum labour element within the provision of waste treatment and disposal services and the working environment is not suitable for young people due to health and safety issues and the fact that the facilities are located in remote locations, a requirement to deliver economic benefits from the waste treatment and disposal services will add additional cost. For the collection and cleansing services the level of benefits expected would reflect the benefit types and quantities that can be accommodated within the scope of the services and ensure the delivery of economic benefits does not increase the overall cost of the services. Appendix 1 sets out the type of economic and community benefits that could be delivered through this contract. The quantity of each type of benefit to be delivered through the contract will be negotiated through the Competitive Dialogue process.

3.13 Outcome Objective No. 5 – Setting Street Cleansing Performance Standards

The level at which the performance standards are set for the Street Cleansing service will have a direct influence over the amount of resources that are required to achieve the standards and will therefore have a direct impact on

the cost of the service. The current budget provision for street cleansing services would require performance targets to be set in line with at levels set out in Table 1 below. These performance targets would be managed through excellent governance and strong contract monitoring procedures that ensures contract compliance to the highest standards.

Table 1 2014/15 Street Cleansing Targets

	Litter	Detritus	Graffiti	Flyposting
Minimum Standard Target	1.9%	2.4%	6.2%	2.0%
Stretched Target	1.0%	2.0%	4.0%	1.0%

3.14 Outcome Objective No. 6 – Policy Commitments and Service Standards to Increase Recycling

The level to which the Council can encourage the borough’s residents and businesses to become committed to recycling as much of their waste as possible can be influenced by a number of service delivery factors. The volume or quantity that householders are allowed to place out for each collection and whether recycling is mandatory can have a significant influence over residents’ behaviour to recycle. For multi-occupancy properties, reducing the number of bins available for residual waste and increasing the number of bins for recycling can help to influence residents’ behaviour. Also, by driving behaviour change in favour of increased recycling performance the Council can influence the overall cost of waste treatment and disposal services by moving a greater amount of residual waste into the dry or food recycling streams.

3.15 Outcome Objective No.7 – Provision of Depot and Waste Facilities to Support Service Delivery

Effective and efficient provision of the future waste management services will require the provision of depot facilities as part of the contractual obligation for the incoming Contractor as the depot facilities used by the current contractor are only available for a temporary period. The length of term of the contract is recommended to be a period of 16 years in order that the capital investment that the Contractor would be required to input at the start of the contract can be depreciated at an affordable level. The location of the depot facilities that are proposed by suppliers, should they be outside of the borough, could have an impact on the productivity levels that can be achieved from the staff and vehicular resources that are deployed by the contractor as travel time to and from the depot location would be non-productive time. Productivity levels are one of the key determinants of service cost. The location of the depot facility will also influence the extent to which the services can offer local employment

opportunities. In relation to the provision of waste treatment and disposal services, offering the opportunity to utilise the Council's Waste Transfer Station at Northumberland Wharf could influence the options available for the Council's waste treatment and disposal services and again will allow the Council to determine the most economically advantageous solutions. The management of the Re-use and Recycling Centre will be incorporated as part of the waste treatment and disposal services.

- 3.16 The decisions taken in respect of the proposed options for the contracting approach will determine the nature and scope of the contract(s) offered to the market at the commencement of the procurement process. Officers propose that the Competitive Dialogue process is used to undertake the procurement process in order that the Council can explore a range of possible service delivery solutions and ultimately ensure that the preferred supplier will provide the Council with the most economically advantageous solution(s).

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1. The report sets out for Cabinet approval the contracting approach to be undertaken for the new waste management services contract. The current 4 waste management contracts will end in April and May 2017. The total annual value of the contracts set out in Para 3.3 is approx. £25.92m. The total available to support the contract will need to reflect Medium Term Financial Plan savings targets and growth requirements for future years.
- 4.2 The report further sets out for consideration the proposed contracting options including associated risks which will determine the nature and scope of the contracts offered to the market under a Competitive Dialogue procurement process. The scale of the procurement is significant, and ongoing monitoring of the likely contract costs will be assessed against current provision in the MTFP. Any required changes to the resource base will be fed into the MTFP and 2017/18 budget process as they emerge to ensure that the services are fully funded.

5. LEGAL COMMENTS

- 5A The Council is a waste disposal authority and a waste collection authority for Tower Hamlets within the meaning of Part 2 of the Environmental Protection Act 1990. The Council's functions as a waste collection authority include an obligation to arrange for the collection of household waste in Tower Hamlets and to collect commercial waste, dry recyclable waste or food waste from premises if requested to do so. The Council's functions as a waste disposal authority include an obligation to arrange for the disposal of controlled waste collected in Tower Hamlets and to arrange for places to be provided at which persons resident in Tower Hamlets may deposit their household waste.
- 5.1. It is proposed that the Council procure waste management services as outlined in the report to support delivery of the statutory functions outlined in

paragraph 5.1. The services included in this report are Part A services for the purposes of the Public Contracts Regulations 2006. The estimated value of this contract is in excess of the relevant threshold for services set down by these regulations. This means that the procurement of these services must comply fully with the requirements of the Public Contracts Regulations 2006 and any tender must be advertised in the Official Journal of the European Union (OJEU).

- 5.2. It is the intention for the Council to use the competitive dialogue procedure (as described under the Public Contracts Regulations 2006) for procurement of the services. This would involve the Council initially receiving outline bids from a number of potential contractors. The Council would then enter into dialogue around various key areas and over a number of phases in order to scope out a final contract specification. This is then placed before the final bidders who would present to the Council their final bid which the Council can choose to accept. Throughout the various phases of the dialogue the number of potential bidders is reduced by application of the evaluation criteria at the end of each phase, provided that the evaluation criteria is that which was proposed at the commencement of the tender process. The final full bids are then also measured against the same evaluation criteria with the winning bid being the one that represents Best Value when judged against these criteria.
- 5.3. In order to use this process the Council must show that the tender is “particularly complex”. This means that the Council must be satisfied that it cannot either:
- a) define the technical means (in accordance with regulation 9(7), (8) and (9)) capable of satisfying its needs or objectives; or
 - b) specify either the legal or financial make-up of a project or both.
- 5.4. The proposed procurement would seem to meet these requirements by reason of at least the following –
- The duration of the contract and the need to accommodate expected demographic changes.
 - The level and nature of resourcing for the contract which may depend on the nature of the final agreement and the desires of the winning bidder, e.g. the winning contractor will have to find its own way of financing vehicles and machinery and also provide a depot.
 - The volatility of the waste market and uncertainty about how far the Council will be able to influence the overall cost based upon the receipt of monies for the disposal of recyclates. Also, the disposal market is undergoing a period of significant transition with fewer sites being approved as incineration facilities within the UK and the emphasis being on the transfer of waste into Europe for disposal which again can materially impact price and the final legal structure dependent upon the Contractors final proposal.
- 5.5. Changes are proposed to the Public Contracts Regulations which are expected to take effect in March 2015 at the earliest. It is expected that the

amount of further negotiation allowed by the Council with the winning bidder will be restricted in respect of the competitive dialogue procedure, which may necessitate use of an alternative procedure.

- 5.6. The Council is a best value authority under section 3 of the Local Government Act 1999 and required to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”. Consistent with this obligation the Council needs to tender the services referred to in the report and also to obtain a solution with regard to the restructuring of the existing contracts which leaves the Council in the most economically advantageous position.
- 5.7. The Council is required to consult for the purposes of deciding how to fulfil its best value duty. Any consultation carried out for the purposes of assessing how to deliver best value should comply with the following criteria: (1) it should be at a time when proposals are still at a formative stage; (2) the Council must give sufficient reasons for any proposal to permit intelligent consideration and response; (3) adequate time must be given for consideration and response; and (4) the product of consultation must be conscientiously taken into account. The duty to act fairly applies and this may require a greater deal of specificity when consulting people who are economically disadvantaged. It may require inviting and considering views about possible alternatives.
- 5.8. Regulation 13 of the Waste (England and Wales) Regulations 2011 requires that every waste collection authority must, when making arrangements for the collection of waste paper, metal, plastic or glass, ensure that those arrangements are by way of separate collection, and an establishment or undertaking which collects waste paper, metal, plastic or glass must do so by way of separate collection. This requirement will apply from January 2015 when the following two criteria are satisfied:
 - (a) Separate collection is necessary to ensure that waste undergoes recovery operations in accordance with Articles 4 and 13 of the Waste Framework Directive and to facilitate or improve recovery; and
 - (b) Separate collection is technically, environmentally and economically practicable.
- 5.9. The four contracts requiring re-procurement will need to be designed to meet this statutory duty.
- 5.10. Before deciding to proceed with the project, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010 (e.g. discrimination), the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't (the public sector equality duty). Information is provided in the report relevant to these considerations.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1. The services included within the scope of the contracts are universally provided across all wards. Within the current contracts for the provision of waste and recycling collection services it is recognised that some residents with disabilities need to be provided with an enhanced service level in the form of “assisted collections”. The service specifications for the new contracts will continue to include the requirement for such assisted collections to be provided to residents on a needs basis.

7. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 7.1 The Council’s waste management services contribute to the protection of the environment and protecting human health through the effective management of waste arising in the borough.
- 7.2 By moving waste up the waste hierarchy i.e. by ensuring a greater quantity of waste is re-used or recycled as opposed to being disposed of as residual waste contributes to the Council’s efforts to mitigate the impacts of climate change by reducing the carbon footprint of the Council’s waste management services.
- 7.3 Through the re-procurement of the waste management contracts the Council will ensure the appointed contractor contributes to the Council’s sustainability agenda by ensuring the contractor’s vehicle fleet meets the latest emissions limits specifications and their own environmental policies mirror those of the Council.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1. It has been identified in section 3 of the report that individual aspects of the scope and nature of the new contract(s) carry varying degrees of risk for the new contractor. Ensuring that the level of risk being transferred to the contractor is balanced and proportional to the Council’s overall objectives for the procurement process will help to mitigate the risk of the new contracts becoming unaffordable.
- 8.2. In addition to the individual risks associated with the structural aspects of the contracts, there are a number of more general risks associated with the delivery of a procurement project, such as timetable slippage, a lack of competition through the procurement process and then during the transition period between the mobilisation of the incoming contractor and expiry of the current contracts. These risks will be recorded and managed through the Council’s Risk Management procedures.

9. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 9.1 The Council's activities for the removal of graffiti and flyposting that are incorporated into the Street Cleansing service contribute to the Council's efforts in managing anti-social behaviour within the borough. The new waste management contract will continue to incorporate the current policy requirement for the immediate removal of racist or offensive graffiti from Council owned property.

10. EFFICIENCY STATEMENT

- 10.1 The current contracts for waste and recycling services have a combined annual value of approx. £26m. The ability to deliver efficiency savings through the re-procurement process will be determined by the decisions made regarding the scope and volume of the services to be provided and the specific performance targets that are set for the contractor to achieve.
- 10.2 It has been identified in section 3 of the report that certain contract structure aspects such as the length of contract term, whether contract prices will be uplifted by indexation, whether depot and other waste facilities will be offered to the contractor and the location of the depot facilities can also have an impact on the underlying cost of the services and will therefore affect the contract price.

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

- Appendix 1- Economic and Community Benefits for Waste Collection and Cleansing Services (**To Follow**)

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- None

Officer contact details for documents:

- N/A