

TUNBRIDGE WELLS BOROUGH COUNCIL**RECORD OF DECISIONS**

(in terms of Access to Information Rule 18)

SPECIAL CABINET**Tuesday 18 November 2008**

Present: Councillor Roy Bullock (Chairman)
Councillors Paul Barrington-King, Len Horwood, Mrs Catherine Mayhew,
James Scholes and Mrs Elizabeth Thomas.

Officers in Attendance: David Candlin, Head of Economic Development and Regeneration; Lee Colyer, Financial Services Manager; Robert Cottrill, Director of Planning and Development; Ian Cumberworth, Internal Audit Manager; Paul Fisher, Monitoring Officer; Julie Mellor, Client Services Manager; Richard Powell, Director of Services to the Community; Gary Stevenson, Head of Environment and Street Scene; Samantha Timms, Senior Committee Administrator; and Sheila Wheeler, Chief Executive.

Other Members in Attendance: Councillor Elliott

Others in Attendance: Peter Horn, Waste Operations Manager, Kent County Council (decisions CAB115/08 and CAB117/08).

APOLOGIES FOR ABSENCE

CAB111/08 No apologies for absence were received.

DECLARATIONS OF PREJUDICIAL INTEREST

CAB112/08 In accordance with the Members' Code of Conduct, Part 5, Councillor Mrs Thomas declared a personal and prejudicial interest in decision CAB116/08 as she was the Portfolio Holder for Planning and is chair of the planning committees. Consequently she withdrew from the meeting during consideration of the decision.

NOTIFICATION OF VISITING MEMBERS WISHING TO SPEAK

CAB113/08 In accordance with Cabinet Procedure Rule 5.3 and after giving due notice to the Chairman, Councillor Elliott attended and spoke on decisions CAB114/08 and CAB117/08.

CONSIDERATION OF REPORTS FROM OVERVIEW AND SCRUTINY SELECT COMMITTEES – HOUSEHOLD WASTE AND RECYCLING COLLECTION AND STREET CLEANSING – AWARD OF CONTRACTS – ENVIRONMENT, SAFER & STRONGER COMMUNITIES SELECT COMMITTEE DATED 4 NOVEMBER 2008

CAB114/08 At its meeting on 4 November 2008, the Environment, Safer and Stronger Select Committee had discussed the Household Waste and Recycling Collection and Street Cleansing – Award of Contracts. The Committee had been asked to make comments on the contracts and submit their views to Cabinet ([081118/CAB001](#)). The Select Committee had made the following recommendations to Cabinet:

- (1) A budget be allocated to inform residents of the new service;

- (2) The option to collect additional glass, cans and plastic bottles be pursued. The possibility of the service being extended to include mixed plastics should be addressed within the term of the contract;
- (3) The plastic bring site pilot scheme be ended if a doorstep collection service is implemented. The bring sites for other materials should remain;
- (4) If the Civic Amenity Vehicle is continued, there should be a gradual reduction in the frequency of visits and a gradual reduction in the time spent at each site, with the current vehicle being replaced with a split collection vehicle;
- (5) The option to reduce the cost of the Bulky Waste Collection service be explored in conjunction with any action taken on the Civic Amenity service;
- (6) Any change in service, once agreed by Cabinet, be disseminated by Officers and Members to the Town and Parish Councils; and
- (7) That Cabinet note that following the decision on the contract, the Committee will review any changes or additions to the type of collection bins and their rollout.

RESOLVED –

- (1) That the Select Committee be thanked for their report;
- (2) That the Select Committee's recommendations (3), (4), (5), (6) and (7) above be agreed;
- (3) That the Environmental, Safer and Stronger Communities Select Committee, in conjunction with the Head of Service, look at actions to minimise waste; and
- (4) That with regard to the Select Committee's recommendation (2), Cabinet agreed not to pursue the option to collect glass at the kerbside.

CABINET DECISIONS

DECISION NO. CAB115/08

NON-EXEMPT

PORTFOLIO:

ENVIRONMENT AND STREET SCENE

PORTFOLIO HOLDER:

Councillor Barrington-King

REPORT TITLE:

Household Waste and Recycling Collection and Street Cleansing Contracts (081118/CAB002)

PRIORITIES:

Work undertaken by the Council on waste and recycling and street cleansing supports the Council's priority of caring for our environment. It also supports the objectives to achieve the delivery of high quality services to our customers, ensuring that we are well managed, pro-active and deliver value for money services.

DISCUSSION:

Cabinet was provided with details of the procurement process for the household waste and recycling collection and street cleansing contracts. They were informed that at the time of writing the report tender submissions had been received and had been in the final stages of evaluation. The outcome of the evaluation and proposed service configuration was finalised and was circulated to Members prior to the meeting.

The evaluation incorporated recommendations for the appointment of a specific contractor or contractors; the process had been successful in securing highly competitive submissions that incorporated a range of options to deliver enhancements to the services.

Members were reminded that at the Cabinet meeting in October 2008, an update was received on the procurement process for awarding the contracts. The services that would be procured would assist in the delivery of the Council's strategic plan outcomes. The service would also take account of Kent's Joint Municipal Waste Management Strategy and the strategic approach that was being pursued for Kent's waste to achieve the best overall outcome for the council tax payer.

It was also noted that the Waste Strategy for England 2007 had set targets for recycling and composting of household waste of at least 40% by 2010, 45% by 2015 and 50% by 2020. The targets for 2015 and 2020 would be reviewed in the light of progress to 2010, with a view of being more ambitious.

With the cooperation of Kent County Council, the extension of the Brown Bin scheme had been carried out to include kitchen waste with garden waste collection. A pilot project for the collections of plastic bottles at 10, now 9, bring sites across the borough had been implemented. Tender submissions had now been sought for the inclusion of cans, plastic bottles and mixed plastic in addition to the existing cardboard and paper recycling service, including an option that involved all of the collected dry mixed recyclables collected being handled by KCC.

Members were informed that the invitation to tender and the associated documentation had been issued to the bidders on the select list in July and 8 September was the closing date for submission. However, a two-week extension had been granted, with tenders to be returned by 22 September due to the number of companies that had requested an extension to enable them to compile their tenders. A full evaluation and assessment of the tender submissions and the various service options proposed by the bidders had been undertaken and the evaluation criteria was set out in appendix 1 to the report with the tender evaluations set out in the exempt part of the agenda.

It was noted that to assist in achieving the objectives of the Kent Commitment and enhanced two tier working, officers from Kent County Council's Waste Management Service had been involved in developing the waste and recycling collection contract service specification and in the evaluation process. Members were informed that this had ensured understanding of the overall cost to council tax payers of collection, reprocessing and final disposal and costs associated with the specified service options and the contractor's own proposed option(s).

Cabinet was informed that the Environment, Safer and Stronger Communities Select Committee had considered the household waste and recycling and street cleansing contracts and submitted recommendations to Cabinet, please see decision CAB114/08 above.

Cabinet agreed to enter into Exempt, in accordance with Section 100A(4) of the Local Government Act 1972 and the Local Government (Access to Information) (Variation) Order 2006, that the public be excluded from the meeting, in order to consider and discuss the list of tenders and their evaluations which were appended to the report at appendix 2. Please see decision CAB117/08 below.

DECISION MADE:

Please see decision below (CAB117/08).

REASONS FOR DECISION:

To award the contracts for the provision of the Council's household waste and recycling collection and street cleansing contracts.

Contact Officer: Gary Stevenson, Head of Environment and Street Scene
Tel: 01892 526121 or e-mail: gary.stevenson@tunbridgewells.gov.uk

EXEMPT ITEMS**LOCAL GOVERNMENT ACT 1972, SECTION 100A (4)**

RESOLVED – It was proposed and seconded that, under Section 100A(4) of the Local Government Act 1972 and the Local Government (Access to Information) (Variation) Order 2006, the public be excluded from the meeting for the items of business referred to below on the grounds that they may involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Act namely: -

DECISION CAB116/08

Paragraph (1) - Information relating to any individual.

DECISION CAB117/08

Paragraph (3) - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

DECISIONS CAB116/08 and CAB117/08

Paragraph (4) - Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office-holders under, the authority.

DECISION NO. CAB116/08**EXEMPT****PORTFOLIO:**

CORPORATE SERVICES

PORTFOLIO HOLDER:

Councillor Horwood

TITLE OF REPORT:

Regeneration Partner – Commercial Close Progress Update and Related Site Issues (081118/CAB003 Exempt)

PRIORITIES:

Promoting and maintaining a thriving and diverse local economy.

DISCUSSION:

<p>Cabinet was reminded that the Chief Executive was authorised at the 2 October meeting, in consultation with the Leader and Portfolio Holder for Corporate Services, to execute the necessary documents to enter into the proposed joint venture with John Laing and Gladedale.</p>

<p>The Director of Planning and Development informed Cabinet that the Chief Executive had since received notice from one of the companies, Gladedale Holding Ltd, that they were unable to enter into the joint venture agreement with the Council. The reasoning for this was stated in the report.</p>
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<p>Following receipt of the notice, the Council held a number of meetings with John Laing, in order to confirm their willingness to continue and enter into the joint venture agreement. John Laing had confirmed their commitment to the partnership and the terms of the partnership were to remain as previously agreed.</p>

Cabinet noted that the decision to enter into the joint venture partnership with John Laing would not result in any new terms or conditions being introduced to the partnership structures or to the core documentation. The basic principles of the joint venture share company would remain the same and the Shareholders' Agreement would also remain the principal contractual document for the partnership.

The Director of Planning and Development asked Cabinet to include John Street Car Park and 137 London Road and the Southborough Hub within the joint venture share company's first business plan to achieve early momentum, to carry out initial work on two sites. This would satisfy the aims and objectives and contribute to the economic, social and environmental well-being of the area. Full details of the sites were listed within the report.

Members were informed that the Co-op had recently withdrawn from the development opportunity in the area. The Co-op was now seeking to sell their site on the open market. This offered an opportunity for the Council to acquire the site and add to its land holding in Southborough to enable a more comprehensive regeneration addressing the economic, social and environmental well-being of the area.

It was put before Cabinet that the submission of an offer based on the updated valuation of the Co-op land holding be delegated to the Director of Planning and Development, in consultation with the Leader and Portfolio Holder for Corporate Services, and that these sites be included in the first business plan, thus enabling the joint venture to carry out initial work and to ensure momentum is maintained.

After due consideration, Cabinet agreed to enter into the joint venture partnership with John Laing, agreed to the sites being included and that an offer based on an updated valuation of the Co-op land holding be made.

DECISION MADE:

- (1) That the Council enters into the joint venture partnership with John Laing only and that the Chief Executive be authorised in consultation with the Leader and Portfolio Holder for Corporate Services to execute the necessary documents to enter into the joint venture with John Laing;
- (2) That the submission of an offer based on an updated valuation of the Co-op land holding be delegated to the Director of Planning and Development in consultation with the Leader and Portfolio Holder for Corporate Services;
- (3) That the business plan include the sites identified and to their release at the appropriate time in the development of projects for these sites; and

(4) That the initial viability appraisals and internal Council approvals linked to the projects for the business plan be to be delegated to the Chief Executive in consultation with the Leader and Portfolio Holder for Corporate Services.

REASONS FOR DECISION:

To progress the consideration of the development of the identified sites by Tunbridge Wells Regeneration Company to meet the objectives of the Council.

Contact Officer: David Candlin, Head of Economic and Development
Tel: 01892 526121 or e-mail: david.candlin@tunbridgewells.gov.uk

DECISION NO. CAB117/08**EXEMPT****PORTFOLIO:****ENVIRONMENT AND STREET SCENE****PORTFOLIO HOLDER:****Councillor Barrington-King****REPORT TITLE:****Household Waste and Recycling Collection and Street Cleansing Contracts (081118/CAB002 app2 Exempt)****PRIORITIES:**

Work undertaken by the Council on waste and recycling and street cleansing supports the Council's priority of Caring for our environment. It also supports the objectives to achieve the delivery of high quality services to our customers, ensuring that we are well managed, pro-active and deliver value for money services.

DISCUSSION:

Cabinet, after agreeing to enter into the exempt section of the meeting, discussed the tendered bids that had been submitted.

Cabinet was informed that ten companies, together with the Council's in-house bid, tendered for both the household waste and recycling collection and street cleansing contracts and one company tendered for only the street cleansing contract.

The Head of Service stated that an extensive financial and technical evaluation of the bids had been undertaken using the criteria as listed in Appendix 1 to the report, resulting in a shortlist of two companies; their proposals and pricings were appended to the report as Appendix 2,3 and 4.

The bidders were asked to submit proposals to provide the existing level of service for street cleansing, within a frequency-based specification and for the current base service for household waste and recycling collection.

The bidders were also requested to submit prices for a number of fixed options to extend the range of materials collected by the recycling service, together with their own proposals (option 4.6), for 7 or 14 years. In addition, the bidders were invited to propose an alternative contract duration(s) to enable them to provide their optimum bid.

Appendix 2 and 3 of the report identified the options' appraisal, including street cleaning cost, discounts for the provision of both services, the recycling options and the length of the contracts for 7 and 14 years and in the case of Cory's bid their 10 year option. Connaught had not submitted an alternative length of contract.

Officers from Kent County Council's Waste Management Service have been involved in the evaluation of the service options to assist in ensuring that waste disposal costs associated with the various options were considered. Appendix 4 to the report set out the change in KCC's and TWBC's expenditure for the various service options, including the impact on recycling credit payments, material handling costs and savings of final disposal costs. Each option was compared to the annual cost of the lowest bid to provide the base service, which was the 10-year Cory bid price. Cabinet noted that the Household Waste and Recycling Act 2003 had placed a requirement on waste collection authorities to put in place services that collect at least two different types of recyclables from all households by the end of 2010.

It was noted that 6000 Tunbridge Wells town centre properties currently receive a weekly collection of residual waste and a fortnightly paper and card collection. The Head of Service stated that under the Act, paper and card counted as a single type of material and to comply with the requirement, there would be a need to introduce the collection of a further material type for these residents.

Cabinet were advised that this could be achieved by introducing a separate weekly collection of food waste for these residents or by selecting one of the options to extend the range of materials collected by the recycling service to all properties in the borough.

The analysis contained in Appendix 4 identified three options that were considered further; the provision of the existing base service via 10-year option from Cory, Cory's contractor option 4.6 for 10 years, without glass, and Connaught's contractor option 4.6 for 7 years.

The Head of Service, Client Service Manager and KCC's Operations Manager explained the operational differences and consequences of the options and answered Members questions.

The Head of Service informed Cabinet that the procurement process provided an excellent opportunity to introduce enhancements to the service through the contractor's option and increase public satisfaction with the service and remain significantly within the budget provision of the Medium Term Financial Strategy allocation for 2009/2010 as stated in the report.

Cabinet was asked to accept the proposal from Cory Environmental for a combined 10-year contract to deliver both household waste and recycling collection and street cleansing services. The specification for the waste and recycling collection service would include the extension to the existing alternative weekly kerbside collection of residual waste, green waste and cardboard and paper, to include the additional kerbside collection of plastic bottles and cans.

The revenue cost of the proposed service was within the budgetary provision for 2009/2010 as stated in the report. The service proposed had been discussed with Kent County Council as the Waste Disposal Authority and their support to the service was given.

The proposed company's suggested option to enhance the recycling service, amended to take account of the issue raised by Kent County Council in relation to the inclusion of glass and mixed plastic, through the collection of paper, card, cans and plastic bottles, could be achieved at the additional net cost as stated in the report over the cost of the base line service option, over a 10-year contract.

Cabinet noted that additional recycling containers may be required for the enhanced recycling service and that the Environment, Safer and Stronger Communities Select Committee had been asked to be consulted if additional containers were required. The Financial Services Manager confirmed that expenditure on any new containers if required would be treated as capital expenditure and would need full Council approval in due course.

The Internal Audit Manager provided Cabinet with details of the possible reduction in the annual sums for the contracts if the Council provided the capital financing for the vehicles to be used to provide the services. Based on the level capital expenditure provided by the bidders and the Council's capital financing costs no significant financial benefit would be derived from pursuing this option. Cabinet agreed that a further sensitivity analysis be undertaken and reported to the 2 December Cabinet meeting for further consideration. It was noted that the level of capital financing would require the approval from full Council and if necessary this would be sought at their meeting on 10 December 2008.

DECISION MADE:

- (1) That the household waste and recycling collection and street cleansing contracts be awarded to Cory Environmental Municipal Services Ltd;

- (2) That the contracts be awarded for a 10-year duration from 30 March 2009;
- (3) That the kerbside recycling service be extended to include the co-mingled collection of cans and plastic bottles under contractor's option 4.6;
- (4) That further information be submitted to a future Cabinet meeting on actions being taken with the Kent Waste Partnership to promote waste minimisation;
- (5) That the three-year pilot plastic bottle collection scheme at the 9 recycling bring sites be discontinued following the introduction of the new kerbside collection service;
- (6) That the further evaluation of the option for vehicle financing be submitted to the 2 December Cabinet;
- (7) That a report be submitted to Cabinet on the Amenity Vehicle and bulky waste collection service; and
- (8) That an investigation to identify if additional recycling containers are required as part of the contract be carried out and a report submitted to Cabinet.

REASONS FOR DECISION:

To award the contracts for the provision of the Council's household waste and recycling collection and street cleansing contracts.

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Tel: 01892 526121 or e-mail: gary.stevenson@tunbridgewells.gov.uk

(NOTE:

- (1) Agenda Items 7 and 8 had been taken out of sequence; the order of reports taken was 8 and 5;
- (2) The meeting closed at 5.05pm.)