



Report Reference Number: C/19/15

To: Council Report
Date: 20 February 2020
Status: Key Decision
Ward(s) Affected: All
Author: Keith Cadman, Head of Commissioning, Contracts and Procurement.
Lead Officer: Janet Waggott, Chief Executive

Title: Urgent Decision to increase the Capital Funding to complete the wheeled Bin distribution for New Recycling Service

Summary:

This report sets out the reasons for the urgent decision for additional funding to complete the distribution of wheeled bins for recycling to all domestic properties in the District.

Recommendation:

That Council note the urgent decision of the Chief Executive after consultation with the Chairmen of the Scrutiny and Policy Review Committees and previously reported to the Executive meeting on 5 February 2020. The increase in the capital programme for this scheme is for £74,725 from an original budget of £1.35 million to £1.42 million.

Reasons for recommendation:

A report to Council on 17 September 2019 recommended the purchase and distribution of 74,400 wheeled bins at an estimated cost of £1.35 million, including an estimated cost of distributing the bins. The procurement exercises for the procurement of bins and the distribution has resulted in a revised budget requirement of £1.42 million to complete the distribution of bins to all domestic properties, for service commencement at the start of April 2020 as planned.

1. Report

1.1 The estimated costs of the scheme reported to Council on 17 September 2019 were based on purchasing 74,400 wheeled bins and the distribution to 37,200 domestic properties. At the time of reporting the estimated costs to the Executive on 5 September 2019 for recommendation to full Council, the procurement documentation for supply of bins and the distribution were being finalised for issue and completion on approval of capital funding. The

distribution estimate was based per property not per bin which is why there is a large variance in the estimate.

- 1.2 During the finalisation of tender documents, after taking into account anticipated property growth together with the requirement for purchasing a stock of smaller and larger bins to accommodate bespoke collections, the tendered number of bins increased from the original estimated number of 74,400 240 litre bins to 77,200 240 litre, bins plus 8,400 smaller and larger bins, giving a revised total number of 85,600 at a cost of £1.316 million
- 1.3 The separate procurement exercise for wheeled bin distribution was conducted using the Yorkshire purchasing organisation framework, and resulted in a tender value of £107,325 after evaluation and clarification. This tender was some £67,325 greater than the estimated cost of £40,000.
- 1.4 Further work to identify a distribution depot for bin deliveries from the manufacturer has also required funding of £2,400 for the 10 week distribution period which was not factored into the original estimates. This was due to the Council's depot at Barlby requiring significant remedial work to create enough space.
- 1.5 The overall effect of the increase in bin numbers at a cost of £1,315,000, tendered distribution costs of £107,325 and securing a distribution depot of £2,400 have resulted in a cost increase of £74,725 above the original estimates and budget approval.

2. Implications

2.1 Legal Implications

The decision is a key decision as it will have a significant impact on people who live and work in an area covering two or more district wards, and it is urgent due to the need to complete the roll out of the new recycling bins before the end of the financial year.

Due to the urgent nature, the key decision has not been included on the Forward Plan. In accordance with Rule 5.6 (Special Urgency) the Chief Executive has obtained the agreement of the Chairs of the Scrutiny Committee and Policy Review Committees that the decision may reasonably be regarded as urgent.

2.2 Financial Implications

The financial implications are set out in the body of this report. Funding for the additional costs of this scheme of £74,725 can be funded from capital receipts.

2.3 Policy and Risk Implications

The urgent decision after consultation with the Chairs of the Scrutiny and Policy Review Committees was taken to ensure the Councils policy to introduce a wheeled bin recycling service to all domestic properties is completed on time. The three main population centres of Selby, Tadcaster and Sherburn in Elmet that are the final stages of the delivery plan and also require the greatest bespoke collections would be the worst affected areas should this decision not have been taken.

2.4 Corporate Plan Implications

By appraising the options for domestic recycling the Council is 'making a difference' through the communication and feedback process that will take place, involving residents and stakeholders in the things that we are planning to do and 'delivering great value' through listening to customers about what matters to them around this element of service, and working with our delivery partner to develop great value options.

2.5 Resource Implications

Resources have been tendered and secured for completing the project and this decision ensures sufficiency of capital funding is available to complete the scheme as planned.

2.6 Other Implications

None.

2.7 Equalities Impact Assessment

Completion of this project will comply with the impact assessment of the original scheme.

3. Conclusion

The urgent decision enables completion of the scheme as originally planned for service commencement in April 2020.

4. Background Documents

None.

5. Appendices

None.

Contact Officer:

Keith Cadman, Head of Commissioning, Contracts and Procurement

kcadman@selby.gov.uk

01757 292252