

DERBYSHIRE COUNTY COUNCIL

CABINET

14 May 2020

Report of the Executive Director – Economy, Transport and Environment

**PERMISSION TO PROCURE A CONTRACT FOR THE SUPPLY OF SKIPS
(HIGHWAYS, TRANSPORT AND INFRASTRUCTURE)**

(1) **Purpose of Report** To seek Cabinet approval to procure a contract for the provision of Waste Skip Hire to be utilised by all departments across the Council. The contract will be divided into geographical lots with a maximum of one supplier to be awarded per lot, to ensure that there is sufficient supply and suitable coverage. All lots in the contract will run for an initial period of two years with an option to extend for a further 12 month periods, subject to supplier performance. The estimated costs for the contract over a four year period is £2 million.

(2) **Information and Analysis** Derbyshire County Council had a framework in place for the supply of skip hire to meet the requirements of all departments of the County Council from 1 October 2014 to 30 September 2016, with options to extend for two further periods of one year, established under the procurement Protocol 1 of the Council's Financial Regulations.

The further contract extensions were taken and the contract ultimately terminated on 30 September 2018.

Due to time constraints and since that termination date, interim arrangements are currently in place that allows monthly period pricing prior to a fully compliant procurement being established under Procurement Protocol 7b of the Council's Financial Regulations and Public Contracts Regulations 2015.

The previous tender established a multi-supplier framework agreement over multiple lots to cover the geographical areas of Derbyshire with a contract term of up to four years. Following detailed analysis of user requirements, the proposed new procurement will determine how best to arrange the multiple skip requirements into manageable lots in order to get the best value for the County Council. It is proposed that the new contract term will run for a minimum period of two years, with an option to extend in annual increments for a maximum of two further years.

(3) **Financial Considerations** The original contract was estimated to be approximately £2.4 million. Recent analysis of the past four years (2016-2019) spend has this at £1.79 million:

Department	2016-2019 Spend (£)
Adult Social Care and Health	29,327.33
Commissioning Communities and Policy	658,690.00
Childrens Services	126,807.39
Economy, Transport and Environment	971,118.14
	1,785,942.86

The predicted budget now stands at £2 million which includes an annual 3% inflation increase.

(4) **Legal Considerations** This procurement process will be carried out under Protocol 1 of the Council's Financial Regulations as the estimated contract value is above the Official Journal of European Union (OJEU) threshold value of £189,330. With the total contract value exceeding £500,000, and not an approved procurement in the Departmental Service Plan, Cabinet will be required to approve the award of the contract.

(5) **Social Value Considerations** Section 34 of the Environmental Protection Act 1990, establishes the waste duty of care which requires that Derbyshire County Council must take all reasonable steps to ensure that its waste is managed correctly throughout its complete journey to disposal or recovery.

In practice, this means that the waste carrier must be authorised to transport waste (Carrier Registration), that the intended destination is authorised to accept it (Environmental Permit or Exemption) and that the waste and its movement to the intended destination are accurately described (Waste transfer note).

It will be mandatory the carrier (skip provider) provides the County Council with evidence of all registrations and permits and that a copy of the signed Transfer Note is provided for each movement either in paper or electronic copy.

The County Council will ensure there is a system in place where copies are retained for the two years for non-hazardous and three years for hazardous wastes.

Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime and disorder, equality and diversity, human

resources, environmental, health, property, social value and transport considerations.

(6) **Key Decision** Yes.

(7) **Call-In** is it required that call-in be waived in respect of the decisions proposed in the report? No.

(8) **Background Papers** Held on file within County procurement.

(9) **OFFICER'S RECOMMENDATIONS** That Cabinet approves the procurement of a contract for the Supply of Skips, under Protocol 1 of the Council's Financial Regulations, for different locations throughout the geographical area of Derbyshire.

Mike Ashworth
Executive Director – Economy, Transport and Environment