

OXFORDSHIRE WASTE PARTNERSHIP JOINT COMMITTEE**28 SEPTEMBER 2007****WASTE COLLECTION JOINT PROCUREMENT PROJECT****1 Purpose of Report**

- 1.1 To provide an update on the progress of the Joint Procurement Project.

2 Background

- 2.1 The Oxfordshire Joint Municipal Waste Management Strategy (JMWMS) supports the joint procurement of collection contracts “where appropriate”.

3 Financial, Risk and Staff Implications

- 3.1 These are identified in the Enviro report referred to in section 6 below.

4 Areas Affected

- 4.1 West Oxfordshire, South Oxfordshire and Vale of White Horse.

5 Effect on Strategic Policies

- 5.1 Potential impacts on several policies but principally policies 12 and 14 of the JMWMS.

Policy 12 states that - The Oxfordshire Waste Partnership, working with the Waste Planning Authority, will ensure that waste facilities are suitably sized and distributed with the aim of minimising the transport of waste. Facilities will be well related to areas of population, given the environmental and amenity constraints, and the availability of suitable sites.

Policy 14 states that - The Oxfordshire Waste Partnership will develop methods of working together to improve the level of service through effective and efficient use of resources within Oxfordshire.

6 Options or Alternatives

- 6.1 Enviro Consulting Limited submitted their report “Joint Procurement Study for Waste Collection Contracts” on 18 September. This study was funded via a grant from Defra and the report will be available on the Defra web-site in due course, subject to the approval of OWP. The scope of the report covered core waste collection services only (residual and recycle) and did not consider other services such as the removal of abandoned vehicles or street cleansing.

OXFORDSHIRE WASTE PARTNERSHIP JOINT COMMITTEE

- 6.2 The study looked at three scenarios for Oxfordshire's waste collection authorities (WCAs):
- I. No change (all authorities continue to source services independently);
 - II. The three WCAs with outsourced services enter into joint contract;
 - III. All WCAs participate.
- A three pronged methodology was employed to model each scenario looking at qualitative (eg meeting targets) and quantitative (cost) factors and risks.
- 6.3 The report recommends option II as the option offering lowest risk. Although option III generates the largest financial savings this was considered high risk due to the need to have contracts in place for South by early 2009 and West and Vale 2010. Savings in a range of 2 to 11% were achievable based on specification H/I in the Waste Strategy. This does not include any savings achieved via the procurement process through three WCAs acting jointly. It should be highlighted that one of the main savings is dependent on the three WCAs integrating their waste teams.
- 6.4 Although not part of the brief Enviros reported that Oxfordshire should consider the provision of a MRF within the county and they considered there were significant savings to be achieved through construction of a MRF.
- 6.5 The Project Manager is continuing to work with the South East Centre of Excellence (SECE) to confirm whether this would provide the best procurement route for WCAs via proposed Regional Waste Collection Framework Agreements (RWCFA). Proceeding down this route would lessen the risks for WCAs further, subject to SECE being able to meet South Oxfordshire's deadline for a new contract. This route offers greater flexibility for individual WCAs to opt into RWCFA at a time of their choosing within a 4 year time window and may simplify the governance arrangements, which has been identified as a potential issue for West. SECE have been requested to produce a paper by mid-October identifying the risks and benefits of RWCFA compared to the three Oxfordshire authorities proceeding jointly. The decision will need to be taken by the end of October as to whether to progress with SECE or to proceed independently.

Recommendations

- 7.1 I That the Enviros recommendation that West, South and Vale proceed with joint procurement be accepted.
II That it is agreed that the Enviros report be made available via the Defra web-site.

8 Reasons for Recommendations

- 8.1 I To meet policy 14.
II To enable full access to the report by WCAs and the public at large.

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