

REPORT TO INFRASTRUCTURE SERVICES COMMITTEE – 21 JUNE 2018

MATERIAL RECYCLING/DISPOSAL & EQUIPMENT SERVICING CONTRACTS

1 Recommendations

The Committee is recommended to:

- 1.1 **Approve the continuation of existing material recycling / disposal and equipment servicing arrangements under the terms of their most recent contracts with suppliers pending the conclusion of new procurement exercises.**

2 Background / Discussion

- 2.1 An internal audit of material recycling / disposal and equipment servicing arrangements highlighted some arrangements which were out of contract.
- 2.2 The service is currently working on procurement exercises that will cover these services. This will be done by the end of October 2018, as reported to the audit committee in March 2018.
- 2.3 A recommendation in the audit was that '*The Service should seek Committee approval to continue under the terms of their most recent contracts with suppliers pending the procurement of new agreements*'.
- 2.4 The Service therefore seeks the approval detailed in section 2.3
- 2.5 The current services affected are shown in Appendix 1.
- 2.6 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and their comments are incorporated within the report and they are satisfied that the report complies with the Scheme of Governance and relevant legislation.

3 Scheme of Governance

- 3.1 The Committee is able to consider and take a decision on this item in terms of Section F.2.2 of the List of Committee Powers in Part 2A of the Scheme of Governance as it relates to contracts for works, goods or services.

4 Implications and Risk

- 4.1 An equality impact assessment is not required because there is no change in the way that services will be delivered and these arrangements do not have a differential impact on any of the protected characteristics.

- 4.2 There are no additional staffing and financial implications.
- 4.3 The following Risks have been identified as relevant to this matter on a Corporate Level:

ACORP006 - Reputation management:

The Service acknowledges that it is not ideal for the Council that these arrangements are out of contract.

ACORP009 -Operational Risk Management (including health & safety):
Operationally, the Service must continue to dispose of, or recycle, these materials even if they are not “in contract”.

Health and Safety risks are decreased by putting machinery servicing contracts in place.

[Corporate Risk Register.](#)

No risks have been identified as relevant to this matter on a Strategic Level

[Directorate Risk Registers.](#)

Stephen Archer
Director of Infrastructure Services

Report prepared by Matt Davis, Team Manager, Waste Disposal
Date 8 June 2018

APPENDIX 1

Material	Suppliers	Date of contract end	Planned contract start date	Projected cost per year (£)	Projected spend from 1 st July until contract in place (£) ²	Approved in directorate work plan: Yes / No
Glass	Viridor	30/06/18	6 th August	45,000 income	3,750 income	Yes
Scrap metal	Panda Rosa, Aberdeen. Williamsons, Fraserburgh and Peterhead.	NA ¹	1 st September	202,000 income	33,666 income	Yes
Soil	Various local	NA ¹	2 July	43 400	NA	Yes
Rubble	Various local	NA ¹	2 July	30 000	NA	Yes
Tyres	Sapphire	2015	No company has expressed interest in tendering for this contract. Further work will be done with Procurement to determine if a more attractive contract can be developed. In the interim existing arrangement with supplier will continue on yearly terms from 29/06/18.	35 000	NA	Yes
Asbestos	Taylor's (Balmedie)	2014	01/08/18	18 000	1,500	
Leachate	Taylor's (Balmedie)	2014	17/09/18	100,000/ year including interceptor waste	16,666	Yes

Maintenance of equipment	Various equipment manufacturers and local suppliers / traders.	2014	31/10/18	155 000	51,666	Yes
Cardboard	DS Smith Saica Natur	NA ¹	31/10/18	55,000 income	18,333 income	Yes
Cooking oil	Olleco	Nov 2015	01/10/18	100-200 income	NA	No

¹. These items have never been in contract, the service has traditionally checked various suppliers for prices and used them, encouraging competition in the markets.

². Figures rounded to nearest month.