

	GARDEN WASTE BULKING, TRANSFER AND COMPOSTING PROVISION
Committee	Gloucestershire Joint Waste Committee
Committee Date	18 June 2019
Significant Decision	No
Responsible Officers	Andy Pritchard, Strategy and Development Manager 01452 427014; andy.pritchard@gloucestershire.gov.uk
Main Consultees	Industry contractors
Purpose of Report	To update members on the forthcoming contract procurement.
Recommendations	It is recommended that the Committee notes the report.
Resource Implications	None

1. Context

- 1.1 The current contract with Enovert for the bulking, transfer and windrow composting of garden waste from both Waste Collection Authority (WCA) collections and Waste Disposal Authority (WDA) household recycling centres will expire on 31st January 2020. This contract provides a number of transfer points within the county and two windrow composting locations; one at Hempsted (Gloucester) and one at Wingmoor Farm (Bishops Cleeve). Gloucestershire County Council (GCC) is required to consider entering into a procurement process for a new contract to allow for the continued provision of composting and bulking/transfer facilities. A recommendation to undertake this procurement will be considered by GCC cabinet on 19th June.
- 1.2 As the WDA, GCC has a duty to provide facilities for the disposal of waste, and where these facilities are located some distance outside a WCA area additional bulking and transfer facilities are provided in order to minimise the travel distances of the collection vehicles. The composting of garden waste avoids the need for disposal with residual waste, provides the best solution in terms of environmental impact (eg by maintaining the natural nitrogen cycle of the organic material) and remains the least cost treatment option. Whilst GCC is not looking to encourage the unnecessary generation and collection of household waste, this tonnage does currently exist and it contributes around 18% to Gloucestershire's recycling rate.
- 1.3 In addition to the collection services offered across Gloucestershire, the County Council also provides low cost home composting bins and accessories and promotes home composting through a network of local trained 'master composters'. This support helps to reduce the amount of garden waste entering the waste stream, but there remains a significant demand for kerbside and HRC collection services.
- 1.4 In March 2019 informal discussions took place with a number of potential future contractors who have expressed an interest in tendering for future contracts. This

indicates that there is sufficient interest within the marketplace to support a competitive procurement process.

- 1.5 Current separately collected garden waste amounts to around 50,000 tonnes per year. Table 1 presents actual tonnages collected from each source in 2017/18 and 2018/19.

2017/18	
HRCs	9,404 tonnes
Cheltenham Borough Council	7,128 tonnes
Cotswold District Council	10,578 tonnes (estimated)
Forest of Dean District Council	7,368 tonnes
Gloucester City Council	5,818 tonnes
Stroud District Council	3,074 tonnes
Tewkesbury Borough Council	6,021 tonnes
Total	49,391 tonnes
2018/19	
HRCs	8,864 tonnes
Cheltenham Borough Council	7,379 tonnes
Cotswold District Council	10,653 tonnes (estimated)
Forest of Dean District Council	7,383 tonnes
Gloucester City Council	5,622 tonnes
Stroud District Council	3,328 tonnes
Tewkesbury Borough Council	6,036 tonnes
Total	49,265 tonnes

- 1.6 It is not envisaged that the overall tonnage will change significantly in the short term, but due to growth in housing stock and increasing subscriptions to WCA collections there is a likelihood that gradual year-on-year growth will be seen. Any future changes to national waste policy may also impact upon the tonnages collected. The recent government consultations on the Resources and Waste Strategy have mooted the idea of local authorities being required to provide a free of charge garden waste service in future. It seems likely that local government would oppose such a policy and it is too early to say whether such a policy will be introduced or not. However, it is necessary that a future service is flexible enough to accommodate reasonable changes in tonnage due to these external influences.

2. Options and recommendation to GCC cabinet

2.1 There are three options available

- Option 1 - Do nothing – disposal with residual waste.
- Option 2 - Construction of the council's own haulage, bulking and on-ward transfer and garden waste treatment facilities
- Option 3 – procure a service from the market – this would involve bulking, transferring and treating garden waste at facilities operated independently by the private sector.

2.2 Option 1

Disposal of garden waste with residual waste would not be in accordance with the Joint Municipal Waste Management Strategy. It would be neither environmentally or financially sustainable, eliminating the nitrogen cycle benefit gained through composting and increasing treatment costs. Householders sign up to the kerbside service for this waste to be collected separately and composted.

2.3 Option 2

There are lengthy timescales for the identification, funding and purchasing of suitable sites for both transfer and treatment, estimated to be around 2-3 years once sites are identified. In addition, the timelines associated with planning, construction, permitting and output marketing required to ensure operational readiness and suitable compost market outlets prevent this option from being deliverable by 1st February 2020. A greater lead-in time would be required for this option to be viable, which is also best considered as part of a wider, long term investment strategy for waste transfer and treatment.

2.4 Option 3

Under option 3 the waste industry would provide infrastructure to bulk, transfer and compost garden waste. Merchant capacity is available in and within reasonable proximity of Gloucestershire. This is the council's established approach to the handling and treatment of garden waste, with compost products being utilised locally.

2.5 Recommendation to Cabinet

Based on the factors outlined above, the preferred approach is option 3 – the utilisation of existing private sector providers in and around Gloucestershire. Option 1 is unaffordable and does not comply with the waste hierarchy. Option 2 is undeliverable within the required timescale.

2.6 Scope of procurement

There are unlikely to be any new technological advancements during the term of the proposed contract(s), hence a short term contract would not provide any commercial advantage for the council; windrow (and in-vessel) composting are widely established as the best available technology for the bulk composting of separate garden waste. Therefore the length of the contract would be 7 years with an option to extend for an additional 3 years based on a service commencement of 1st February 2020. GCC

may provide exclusivity to the bidders with no tonnage guarantee, if this is considered the best value for money approach.

The proposed service requirement will specify that bidders shall provide one or more composting treatment facilities, and where these facilities are located some distance outside any district collection area (thereby making direct delivery impractical), to also provide bulking and transfer. Contracts will be evaluated and let in 4 geographic lots: each lot to include the treatment of HRC and kerbside garden waste arising in that area and, where the proposed treatment facility is outside the lot area, the provision of bulking and haulage. Currently, HRC garden waste is delivered directly by the HRC service operator to a facility for composting, therefore no bulking and transfer is used for HRC collected garden waste. This arrangement will be subject to review as part of the tender evaluation process. The four proposed geographic lots are:

- Forest of Dean District area
- Cotswold District area
- Cheltenham and Tewkesbury Borough areas, and
- Gloucester and Stroud District areas.

Bidders may bid for one or more lots, ensuring each lot bid for includes the provision of at least one composting treatment site. Where this site is not located within the specified area for that lot, the provision of local bulking and transfer must also be included as part of that bidder's tender submission.

2.7 Specification

The following key outputs will be required:

- The provision of a suitably licenced and consented composting treatment process for all separately collected household garden waste within Gloucestershire.
- The production of compost that meets end of waste criteria, contributes to the county's recycling performance and is utilised by sustainable end markets.
- The provision of a composting treatment site or, where this is outside the collection area, a bulking and haulage site for garden waste within (or in close proximity to) each lot bid for.
- Flexibility in order to handle seasonal fluctuations in tonnages.
- The optional provision to allow GCC to buy bagged compost (approx. 30 tonnes per year) for sale to the public at HRCs in 25kg bags.

3. **Actions/Timescales**

- 3.1 If the recommendation is approved by GCC cabinet then it is intended that the procurement process will follow the timeline set out in table 2. Service commencement will coincide with the expiry of the current contract.

OJEU advert and issue ITT	July 2019
Return of tenders	September 2019
Evaluation of tenders	October 2019
Contract standstill period	October 2019
Contract award	November 2019
Mobilisation	November 2019 – January 2020
Service commencement	1 st February 2020