

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY SERVICES COMMITTEE

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Agenda Item No.

meeting date: 27<sup>TH</sup> MAY 2014  
title: MARKET ARRANGEMENTS FOR THE SALE OF WASTE PAPER AND  
CARDBOARD  
submitted by: DIRECTOR OF COMMUNITY SERVICES  
principal author: PETER McGEORGE

## 1 PURPOSE

1.1 To advise Members on the departure from Contract Procedure Rules for the contract arrangements relating to the sale of waste paper and cardboard recovered through the Council's kerbside paper and cardboard collection service.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – To increase the recycling of waste material
- Corporate Priorities – To be a well managed Council providing efficient services based on identified customer needs.
- Other Considerations – To protect and enhance the environmental quality of our area.

## 2 BACKGROUND

2.1 On 21<sup>st</sup> May 2013, Members approved the development and operation of an "in house" kerbside collection service for paper and cardboard, which commenced on 1<sup>st</sup> July 2013.

2.2 Further reports to this Committee on 3<sup>rd</sup> September 2013 and 14<sup>th</sup> January 2014 explained that one of the new responsibilities in undertaking the collection service was that we had to source our own market arrangements for the onward sale of the recovered paper and cardboard. Additionally as the contract value for the saleable material was estimated in the region of £104,000 per annum it was therefore subject to competitive tender in accordance with CPR12 of the Council's Contract Procedure Rules.

2.3 As explained at previous meetings of this Committee, there is a long standing issue with Lancashire County Council over their claim that they have exclusive rights for all the waste streams collected by Ribble Valley Borough Council, including paper and cardboard. The development of the "in house" collection service for paper and cardboard over which the Council has full control, has improved our ability to respond to any conditions relating to the management of the collected material that the County Council may seek to impose and subsequently enforce.

### 3 ISSUES

- 3.1 Members initially approved short term interim market arrangements for the sale of waste paper and cardboard to allow a full tendering exercise to be undertaken for longer term arrangements which would be included within an overall operational service review.
- 3.2 We have received notification from Lancashire County Council that they will no longer support Lancashire`s Waste Collection Authorities through Cost Sharing arrangements and in the case of Ribble Valley, through tonnage based Recycling Credit payments. Whilst the County Council is to cease payment of recycling credits from 1<sup>st</sup> April 2015, we have been offered Cost Sharing (which is due to be withdrawn in 2018) although this is on poorer terms than the other Lancashire districts.
- 3.3 This significant change in circumstances has again raised uncertainty on the future of this service and as such prevented officers from looking at long term arrangements for the sale of the collected material. In accordance with CPR5 of the Contract Procedure Rules the Director of Community Services has received approval for an exemption from the requirement of these rules. However whilst a tendering exercise has not been carried out officers used a tendering framework to seek quotes from markets for the purchase of the recovered paper and cardboard. Three quotes were requested from the closest waste paper merchants. During the evaluation of these quotes, any additional transport/operational costs and site locations / options were taken into account. Rishton Waste Paper was the successful bidder and has been awarded the contract which runs from 5<sup>th</sup> May 2014 until 31<sup>st</sup> March 2015.
- 3.4 The impact of the withdrawal of recycling credits on this service will be evaluated as part of the wider implications to this authority on the refuse and recycling services we provide.

### 4 RISK ASSESSMENT

- 4.1 The approval of this report may have the following implications:
- Resources – The financial contribution per tonne of material collected is dependant upon the price received from the sale of the material and the level of recycling credit received from the County Council. Officers have sought to maximise the potential income over the remaining period for recycling credit payment.
  - Technical, Environmental and Legal – The Director of Community Services has sought and received approval for a departure from Contract Procedure Rules from the Director of Resources and the Head of Legal and Democratic Services.
  - Political – No implications identified
  - Reputation – The kerbside paper and cardboard collection service is highly valued by the residents of Ribble Valley and the actions by officers have assisted in sustaining the level of service certainly until 31<sup>st</sup> March 2015 and until the issues with the County Council have been resolved
  - Equality & Diversity – No implications identified.

## 5 CONCLUSION

5.1 Members are requested to note the report

PETER McGEORGE  
WASTE MANAGEMENT OFFICER

JOHN HEAP  
DIRECTOR OF COMMUNITY SERVICES

### BACKGROUND PAPERS

Review of Waste Paper Collection – January 2014  
Market Arrangements for the Sale of Collected Waste Paper and Cardboard – September 2013  
Collection of Waste Paper and Cardboard for Recycling – May 2013  
Fortnightly Waste Paper Collection – March 2013  
Waste Paper and Cardboard Collection Arrangements – March 2012  
Waste Management Files

For further information please ask for Peter McGeorge, extension 4467.

REF: Author/typist/committee/date