

RECORD OF DECISION MADE UNDER DELEGATED POWERS

Directorate:	City Services
Officer making Decision:	Ron Odunaiya – Executive Director
Date of Decision:	

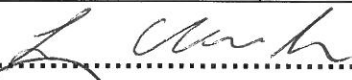
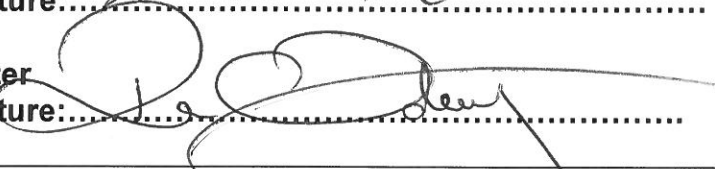
Nature of decision made:

1) To accept the following amendments to the contract with Stirling Fibre for the Provision and Operation of a Materials Recycling Facility:

- Expansion of the range of materials collected in the blue bin recycling scheme to include a full range of plastics, tetrapak cartons and foil.
- Reduction in the gate fee from £3.69 (2011/12 rate prior to the 2012/13 RPI) to £0.00 (nil) per tonne.
- A rebate option offered by the contractor equivalent to £5,000 per annum to be paid to the Council for every additional percentage point of paper fibre recovered above a base level of 34%. This represents a stretch target for the Council to encourage greater paper collection in the blue bin but is not mandatory.

2) Additionally, to exercise the Council's option to extend the contract for 24 months.

The contract was advertised with an initial expiry date of 31st March 2013, with options to extend the contract for up to 3 additional 12 month periods. It is proposed that the option to extend will be taken up for a period of 24 months, the revised contract expiry date will therefore be 31st March 2015. This is in line with the South Tyne and Wear Waste Management Partnership recommendation in a report to Officer Project Board dated 30 March 2012 to align the Council's separate contract periods to a common proposed start date of April 2015 to provide sufficient time for market development and contract procurement. The third of the permitted 12 month contract extensions will not be offered to the current contractor so it can be utilised in the event of any delay in the start date of the new MRF contract. The above proposal allows this to happen concurrently with the delivery of the improved service offer and third party spend reductions between now and the start of the new MRF contract.

<p>Reason for decision: To secure financial efficiencies and facilitate improvements in service provision to residents through changes to the contractors materials recycling facility to accept new recycled materials collected through the blue bin recycling scheme. The improvements will be achieved pending the development of a new MRF contract procured through STWMP, utilising the existing contract option extension periods up to 31st March 2015.</p>	
<p>Members/Officers consulted (attach their views as appropriate)</p>	<p>Executive Director of Commercial and Corporate Services -specifically: Financial Resources Manager- D Hogg, Solicitor – Victoria Maw Head of Commissioning and Change Management- Mike Poulter STWMP Project Manager- Jim Alproovich</p>
<p>File/background papers used:</p>	<p>Report by Head of Streetscene 16 May 2012 Report to the STWMP Officer Project Board 30 March 2012</p>
<p>Is this a confidential matter as referred to in paragraph 7 of the Guidance?</p>	<p>No</p>
<p>Paragraph of Delegation Scheme relied upon:</p>	<p>Part 3, Sn 4. para 4, (e) Part 4, Sn 7. para 30 Procurement Procedure Rules</p>
<p>Signature: </p>	
<p>Date: 23/5/12</p>	
<p>Counter Signature: </p>	
<p>Date:</p>	