

**North Yorkshire Council**  
**Environment Executive Members**

**26 January 2024**

**Procurement of suppliers for the acceptance and processing of garden waste**

**Report of the Assistant Director – Environmental and Climate Change Services**

**This report contains information of the type defined in paragraph 3 or Part 1 of Schedule 12A Local Government Act 1972) as amended**

**1.11 PURPOSE OF REPORT**

- 1.1 To seek the necessary approvals to procure new contracts for the acceptance and processing of garden waste in Craven, Ryedale, Scarborough and Selby localities.

**2.0 BACKGROUND**

- 2.1 A kerbside garden waste collection service is offered to residents throughout North Yorkshire. The collection of this waste is a chargeable service. Garden waste is accepted at the household waste recycling centres (HWRCs) at no cost.

Current contracts

- 2.2 There are a number of contracts for garden waste across North Yorkshire. The processing of green waste for Craven, Hambleton, Harrogate, Richmondshire and the HWRCs is delivered by the Yorwaste Teckal Services Contract. The processing of the garden waste is undertaken directly by Yorwaste, or via a sub-contract arrangement.
- 2.3 The contracts for Ryedale, Scarborough and Selby were previously procured by the former district and borough councils. Some tonnage from these localities is delivered to Yorwaste's compost processing sites. This tonnage is not included in this procurement, as permission will be sought separately to award to Yorwaste through the Teckal Exemption.
- 2.3 The Ryedale locality contracts expired on 30 November 2023, when green waste collections ceased for the winter. The service is provided by three suppliers, Elleteq, Beck House Farm, and Givendale Head (for four sites all located within Ryedale locality). The number of collection points allows for short driving distances between the collection rounds and disposal points. The sites are all farms that process the garden waste to be spread to land.
- 2.4 Two of the farms use an external weighbridge facility, as there is not one onsite. This arrangement is currently between the weighbridge facility and North Yorkshire Council. In the new contract it will be a requirement of the delivery point to deliver this service through a sub-contract arrangement.
- 2.5 The Scarborough locality contract with Broadings Farm ends on 29 February 2024. The farm composting facility does not have a weighbridge, and a public weighbridge is not within the vicinity, so tonnages are determined using the vehicle's on-board weighing system.

- 2.6 Selby contracts have been extended to 30 November 2024. Contracts are with C S Backhouse, Maltings Organics and Ryedale Farm Ltd.
- 2.7 Yorwaste are unable to source a processing point within Craven locality, so garden waste is delivered to Halton East waste transfer station, bulked up and then transported to Yorwaste's Harewood Whin (Rufforth, near York) or Tancred (Catterick Bridge) sites for processing, which would seem to increase the cost of the service.
- 2.8 Skipton, Settle and West Harrogate Household Waste Recycling Centres (HWRCs) also use Halton East for tipping off green waste as this is their nearest transfer station. If a potential processing site is identified within Craven locality, these HWRCs will also utilise this site.
- 2.9 This procurement will combine the service requirements for the three localities into one framework, with the same contract terms and conditions, and test the market for potential green waste processing sites within Craven locality.

#### Current processing costs

- 2.10 The value of the contracts over the previous year are listed in Appendix A (Confidential). The total cost for Selby will decrease as charging for green waste was implemented part way through 2023/24 (1 September 2023) so it is anticipated that tonnages will decrease. Selby have had an uptake of 55% of households in 23/24, following the start of charging. Based on evidence from other local authorities, it is estimated that tonnages will drop by 25%. There is sufficient budget available to cover the existing tonnage of garden waste produced.
- 2.11 The total cost for Beck House Farm and Eden Farm includes the additional weighbridge costs, which are charged per tip.
- 2.12 The HWRC costs are for the variable tipping fee and transport cost – the fixed charge for Tancred is not included.

### **3.0 PROCUREMENT OF PROCESSING SITES FOR GARDEN WASTE**

- 3.1 The combined value of the existing contracts requires a procurement exercise to be undertaken. A framework exercise will be undertaken, allowing one procurement to be carried out for all suppliers. The scoring of the price element of the tender returns will be calculated based on the mileage cost from the last property collected to the disposal point added to the gate fee for the disposal point. The gate fee will be multiplied by the average tonnage for the round.
- 3.2 A single procurement with the same contractual requirements will allow for a streamlined approach to contract management. The procurement is due to be out to tender March 2024, with evaluation and award April 2024 and new contracts starting 1 June 2024.
- 3.3 The requirement for the suppliers without weighbridges to set up sub-contract arrangements rather than the Council will allow for better communications between the weighbridges and processing points. It will also reduce the number of invoices to be processed each month.
- 3.4 The existing contract for Scarborough will be extended to 1 June 2024, when the new contract will start. Temporary arrangements for Ryedale between 1 March 2024 and 31 May 2024 are being arranged.

## 4.0 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The option of delivering all garden waste to Yorwaste through the Teckal Services Contract has been explored. A round restructure would be required, which due to the current short distances between the end of the collection round, and delivery point, would identify the need to purchase additional vehicles, and employment of drivers and loaders due to the additional distances between the end of the collection rounds and delivery points. The cost of procuring new outlets is a cheaper option, due to the short drive times between the end of the collection rounds and delivery points. As a minimum, the cost would be the hire of three RCVs (one per locality), 3 drivers and 6 loaders.
- 4.2 There would be additional costs to the Council for waste delivered to Kirby Misperton waste transfer station as this site does not have a garden waste processing pad so waste would have to be bulked up and transported to another site, incurring transport costs.

## 5.0 FINANCIAL IMPLICATIONS

- 5.1 There is an expectation that costs will increase with CPI following the award of the contract. The tonnage collected may fluctuate depending on the weather. The current budget available for disposal of garden waste to the sites listed above is £481,000.
- 5.2 Since the existing contracts were awarded there has been a change in legislation for Red Diesel tax increasing fuel costs of the site vehicles by 43p per litre. This cost has not currently been passed to the Council by the Suppliers so the overall impact of this additional cost is unknown but expected to impact new rates.
- 5.3 The price per tonne for Broadings Farm, Whitby is also expected to increase as Scarborough have been providing the site with Technical Competence Manager (TCM) cover (approximately 4 hours per month). It is a legal requirement for all permitted waste sites to have a TCM to ensure any risks to the environment are properly managed. The undertaking of this service by the Council will not be offered in the procurement, with the site operator being liable for ensuring that the service is being delivered to the permit requirements.
- 5.4 A saving may be delivered if a delivery point in Craven is sourced as part of the procurement.

## 6.0 LEGAL IMPLICATIONS

- 6.1 The Environmental Protection Act (1990) requires at '*least two types of recyclable waste to be collected together or separately*' (section 45A). The consistency in household and business recycling consultation outcome 2023 (Simpler Recycling) requires that '*all local authorities in England must collect the same recyclable waste streams for recycling or composting from households. The recyclable waste streams include paper and card, plastic, glass, metal, food waste, and garden waste.*' Following approval by Parliament, the Environment Act (2021) will then be updated.
- 6.2 The changes to the Environment Act will not impact on this contract as garden waste collections are established in all the localities and there is no requirement to collect food and garden waste together. The Council have also agreed Transitional Arrangements with DEFRA, delaying the requirement for separate food waste collections to February 2043 due to the existing long-term contract with Thalia for Allerton Waste Recovery Park, which includes an anaerobic digester to process food waste.
- 6.3 Procurement of the garden waste processing points is being undertaken in accordance with the Council's Procurement and Contract Procurement Rules and the Public Contracts Regulations 2015.

## **7.0 EQUALITIES IMPLICATIONS**

7.1 There are no impacts on any of the protected characteristics for equalities as a result of the matters discussed in this report. An Equalities Impact Assessment screening form is attached at Appendix B.

## **8.0 CLIMATE CHANGE IMPLICATIONS**

8.1 A Climate Change Impact Assessment has been completed and concluded that there is little impact on the environment. (Climate Change Impact Assessment attached at Appendix C).

## **9.0 REASONS FOR RECOMMENDATIONS**

9.1 Garden waste delivery points are required within the localities due to the current round routes for kerbside collections.

9.2 A procurement is required as the existing contracts are due to end in 2024 and there are no further extensions available.

## **10.0 RECOMMENDATION(S)**

10.1 It is recommended that the Corporate Director of Environment, in consultation with the Executive Member for Managing our Environment approves the procurement of suppliers for the acceptance and processing of garden waste.

### **APPENDICES:**

Appendix A – Current Processing Costs - CONFIDENTIAL

Appendix B – Equality Impact Assessment

Appendix C – Climate Impact Assessment

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