
Report To:	Environment and Regeneration Committee	Date:	12 January 2017
Report By:	Corporate Director Environment, Regeneration and Resources	Report No:	ERC/ENV/RG/16.294
Contact Officer:	Kenny Lang	Contact No:	01475 715906
Subject:	Scottish Materials Brokerage Service Update		

1.0 PURPOSE

- 1.1 The purpose of this report is to update the Committee on the current position with regard to the Scottish Materials Brokerage Service.

2.0 SUMMARY

- 2.1 A report was presented to the Policy & Resources Committee in February 2016 and it was agreed that the Council would accept the invitation to participate in the Scottish Government's Scottish Waste Brokerage Service in respect of non-recyclable (residual) waste.
- 2.2 The Scottish Waste Brokerage Service would look to achieve economies of scale through large scale purchasing of waste disposal services and in turn look to offer lower gate fees to councils. Currently five councils have joined the tender with more in the process of awaiting committee approval.
- 2.3 The Waste Brokerage Service has issued an ITT to the short listed companies and is awaiting responses. Based on these timescales the Waste Brokerage Service will not be available until at least February 2017.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee note the contents of this report and the timelines associated with the brokerage service.

Robert Graham
Head of Environmental & Commercial Services

4.0 BACKGROUND

- 4.1 A report was submitted to the Policy & Resources Committee on 2 February 2016 advising Members of an invitation to join the Scottish Government's Waste Brokerage Service. The Scottish Materials Brokerage service was created in October 2014 with the aim of growing Scotland's reprocessing sector and helping local authorities and the public sector get a better deal for the disposal of waste they collect through procuring a large scale national contract for the treatment and disposal of non-recyclable (residual) waste.
- 4.2 It was agreed that the Council would accept the invitation to join the National Waste Brokerage and data was provided to the Waste Brokerage Service to allow our waste to be included in any future tender. Members should note that the Council is not bound to accept any outcome of such a tender where it does not offer best value to the Council.
- 4.3 The Waste Brokerage Service has experienced a number of delays and as such the Council has had to procure a short term residual waste contract to July 2017 and a new waste contract will now require to be sought from July 2017.
- 4.4 The current position on the Scottish Materials Brokerage Service residual waste stream indicates that 6 suppliers have been shortlisted from the PQQ. These suppliers initially had until 7 November 2016 to submit their responses; however this has been extended to 21 November 2016. Based on these timescales it is unlikely there will be any indication of prices until February 2017 at the earliest.
- 4.5 Initially there was a high level of interest in the brokerage however, due to the delays along with the requirements of having to provide a cost for all 32 council areas of Scotland, bidders will not be able to offer services to certain geographical locations, as a result this initial interest has dwindled. There are currently 5 councils which have signed up to participate in the Brokerage with a significant number of councils having left the Brokerage and thereby reducing the overall tonnage capacity being procured.
- 4.6 On the basis that prices are known in February 2017 Officers will make an assessment to participate in the National Waste Brokerage contract from August 2017. However where prices are unfavourable Officers will proceed with a mini competition on the Scotland Excel Framework to cover the Council's requirement over the longer term.

5.0 IMPLICATIONS

Finance

- 5.1 This report does not impact on Finance.

Financial Services – One Off Costs

There are no one off cost implications with respect to the waste disposal budget pressure.

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From	Other Comments

Financial Services – Annually Recurring Costs / (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From	Other Comments

Legal

5.2 This report does not impact on Legal Services.

Human Resources

5.3 This report does not impact on Human Resources.

Equalities

5.4 This report does not impact on Equalities.

Repopulation

5.5 This report does not impact on repopulation.

6.0 BACKGROUND PAPERS

6.1 None.