



NOTICE OF MEETING

CABINET MEMBER FOR ENVIRONMENT & COMMUNITY SAFETY

**THURSDAY, 11 JANUARY 2018 AT 5PM
(POSTPONED FROM 23 NOVEMBER 2017)**

THE EXECUTIVE MEETING ROOM - THIRD FLOOR, THE GUILDHALL

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If any member of the public wishing to attend the meeting has access requirements, please notify the contact named above.

CABINET MEMBER FOR ENVIRONMENT & COMMUNITY SAFETY

Councillor Robert New (Conservative)

Group Spokespersons

Councillor Dave Ashmore, Liberal Democrat

Councillor Stephen Morgan MP, Labour

(NB This agenda should be retained for future reference with the minutes of this meeting). Please note that the agenda, minutes and non-exempt reports are available to view online on the Portsmouth City Council website: www.portsmouth.gov.uk

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AGENDA

1 Apologies for Absence

2 Declaration of Members' Interests

3 Glass Processing Contract. (Pages 3 - 8)

Purpose.

To agree to continue the glass processing contract partnership with Project Integra (PI) partners.

RECOMMENDED that the Cabinet Member for Environment & Community Safety approves that PCC continues to partner PI partners to procure and sign up to a new glass processing contract.

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Title of meeting:	Cabinet Member for Environment & Community Safety
Date of meeting:	23 November 2017
Subject:	Glass processing contract
Report by:	Director of Property and Housing
Wards affected:	All
Key decision:	No
Full Council decision:	No

1. Purpose of report

- 1.1. To agree to continue the glass processing contract partnership with Project Integra (PI) partners.

2. Recommendations

- 2.1. That the Cabinet Member for Environment & Community Safety:
 - Approves that PCC continues to partner PI partners to procure and sign up to a new glass processing contract

3. Background

- 3.1. There is a PI contract (currently held by Veolia) for the processing of glass collected from bring-banks, the kerbside and Household Waste and Recycling Centres (HWRCs). In practice the key function is to manage and market the glass. The contract was let by Portsmouth City Council in 2010/11, but subsequently novated to Hampshire County Council (HCC), who manage the contract on behalf of Project Integra partners for a nominal fee. A partnering agreement between all councils underpins the current relationship between HCC as contract manager and the partners as users of the service.
- 3.2. The original contract term was 5 years, which ended in 2016. By agreement at PISB in February 2015, this was extended by a further 2 years. The contract end date is 5th February 2018 although this has been extended so the new contract will begin on 6th July 2018.

4. Re-tender the Contract

- 4.1. Consideration was given to incorporating the glass processing within the waste disposal service contract. However, legal advice highlighted the risk of challenge from the glass

industry over lack of competition. It was not considered that the overall benefits of incorporating the glass into the waste disposal contract (WDC) were sufficient to justify the risk. Therefore, it was agreed that a new contract would be procured.

- 4.2. HCC are leading on the procurement and will award the contract on behalf of all partners. This option ensures that best value is obtained by running a competitive process. Whoever provides the service is incentivised to maximise income through the income share arrangement, with values per tonne fluctuating depending on the market. Therefore maximum benefit is obtained from a company that has the contacts and experience to consistently obtain high glass prices.
- 4.3. PI glass is of good quality (i.e. does not contain large % of contamination and has been accepted to market without rejection), and would therefore be likely to attract interest from the industry.
- 4.4. A partnering agreement would need to be signed between all partners.

5. Reasons for recommendations

- 5.1. This is a continuation of an existing partnering arrangement that falls under the umbrella of PI (albeit it does not form part of the WDC).
- 5.2. HCC have managed this contract with the existing contractor and delivered improvements to sales income (through the auction method).
- 5.3. Along with PI partners helps PCC deliver maximum levels of income to partners.
- 5.4. Allows PCC to participate with PI partners, maximising the economies of scale.
- 5.5. Contract ensures glass handled in a manner that preserves its quality and value to ensure maximum use as re-melt feedstock.
- 5.6. Ensures service is reliable and reduces operational difficulties at glass delivery points.
- 5.7. Costs of procurement shared with PI partners (total estimated to be £24,240 of which approximately £1500 is expected to fall on Portsmouth City Council).

6. Equality impact assessment

- 6.1. A preliminary EIA has been completed and a full one is not required as there would be no detriment to any of the groups with protected characteristics.

7. Legal implications

- 7.1. Legal Services have reviewed the proposed partnering agreement and will review the final version.

8. Director of Finance's comments

8.1 The income recovered from the existing glass processing contract over the past three years is detailed in Appendix A and summarised below:

	Income from glass recycling £
2014/15	33,995.19
2015/16	19,164.59
2016/17	24,152.75
2017/18 to date*	7,456.74

* Spend up to end of June 2017

8.2 The recommendation within this report to approve that Portsmouth City Council continues to partner with Project Integra partners to procure and sign up to a new glass processing contract will ensure economies of scale, maximise income and allow necessary procurement costs to be shared across the PI partnership. This one off cost to Portsmouth City Council is anticipated to total approximately £1,500 and will be funded from existing budgets.

8.3 The income from the new glass processing contract will continue to be monitored on a monthly basis, and be incorporated into future budget setting processes.

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 Signed by:
 Director of Property & Housing

Appendices: Appendix 1 - Income - from glass sales

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Environmental Protection Act 1990	http://www.legislation.gov.uk/ukpga/1990/43/contents

The recommendation set out above was approved/ approved as amended/ deferred/rejected by on

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 Signed by:

Cabinet Member for Environment & Community Safety

Appendix A - Income from glass recycling

	2014/15	2015/16	2016/17	2017/18
Apr	£ 2,926.55	£ 1,432.43	£ 1,208.54	£ 2,361.55
May	£ 6,589.93	£ 1,300.79	£ 1,728.80	£ 2,488.29
Jun	£ 4,104.62	£ 1,706.01	£ 1,740.78	£ 2,606.89
Jul	£ 4,095.25	£ 1,512.24	£ 2,565.10	
Aug	£ 2,760.90	£ 2,016.71	£ 1,886.70	
Sep	£ 4,037.40	£ 1,862.18	£ 2,630.42	
Oct	£ 2,086.93	£ 1,806.88	£ 1,677.54	
Nov	£ 1,756.76	£ 1,719.89	£ 1,696.81	
Dec	£ 1,977.52	£ 1,001.91	£ 1,709.23	
Jan	£ 1,693.64	£ 2,518.38	£ 2,757.39	
Feb	£ 1,116.19	£ 1,287.67	£ 1,996.80	
Mar	£ 849.50	£ 999.52	£ 2,554.64	
Total	£ 33,995.19	£ 19,164.59	£ 24,152.75	£ 7,456.74

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