

## **EX111. CONTRACT FOR THE PROVISION OF DRY RECYCLATE SEGREGATION AND RESALE SERVICE**

The Executive considered a report by the Director of Development Services in regard to the contract with Oran Environmental Solutions Ltd (OES) for the processing of dry recyclates. The report had been continued from a previous meeting on 19 November 2013 to allow further information to be evaluated.

The current contract with Oran Environmental Solutions Ltd (OES) expires in February 2014. Options for the provision of a service post February 2014 were presented together with legal and financial implications.

Following discussion, the meeting adjourned for 15 minutes to allow members to consider the options set out in the report and reconvened at 12.15pm with all members present as per the sederunt.

Councillor Dr CR Martin moved that the Executive agree to;

- 1) accept the proposals from Oran Environmental Solutions Ltd in paragraph 3.2 of the report and authorise the extension of the dry recyclates segregation and re-sale contract for one year (with the additional conditions set out in paragraph 3.4 of the report) with Oran Environmental Solutions Ltd with an estimated annual contract value of £30,000;
- 2) authorise the Director of Development Services, in consultation with the Portfolio Holder for the Environment, to implement contingency measures in the event of early termination of the contracts and to ensure that monthly updates are provided to the Portfolio Holder on progress with an oversight of this contract.
- 3) note that a claim for damages has been raised by the Council against Regen Waste Limited, and
- 4) authorise the Director of Development Services, in consultation with the Leader or one of the Depute Leaders of the Council, to conclude any settlement of the claim in the terms set out in the report.

As an addendum Councillor D Goldie moved that:

The Roughmote waste transfer station would not be utilised in the event that contingency measures are required without further approval from the Executive.

### **Decision**

#### **The Executive agreed:-**

- 1) **to accept the proposals from Oran Environmental Solutions Ltd to amend the terms of the contract for the provision of dry recyclate segregation and resale service as below:-**
  - The replacement of the original £0 per tonne (pt) gate fee for processing with a surcharge of £2.50pt to continue the improvements in relation to the management of material;

- A commitment to the enhancement of local employment and to employ 8 people through the Council's Employment Training Unit (ETU);
- A commitment to continue to work in partnership with the Council to improve the quality of recyclate that can be produced through the sorting process and thus secure best price for the recyclate product;
- A commitment to continual improvement of the facility and to processing the recyclate material as quickly as possible for onward sale;
- The provision of a rebate to the Council if market prices improve as per the original assignation agreement.

**and to authorise the extension of the dry recyclate segregation and re-sale contract for one year with the following additional conditions applied:-**

- The SEPA Compliance Assessment Scheme rating from 1 January 2014 must remain at least "broadly compliant" throughout the extension period;
- Compliance with any enforcement notice;
- No environmental conviction served against the company or the company directors

**with Oran Environmental Solutions Limited with an estimated annual contract value of £30,000, and to ensure that monthly updates are provided to the Portfolio Holder on progress with an oversight of this contract;**

- 2) **to authorise the Director of Development Services, in consultation with the portfolio holder for the environment, to implement contingency measures in the event of early termination of the contract;**
- 3) **that the Roughmute waste transfer facility would not be utilised in the event that a contingency measure was required;**
- 4) **to note that a claim for damages has been raised by the Council against Regen Waste Limited, and**
- 5) **to authorise the Director of Development Services, in consultation with the Leader or one of the Depute Leaders of the Council, to conclude any settlement of the claim in the terms set out in the report.**