



## **Agenda Item 9**

# **Food Waste & Absorbent Hygiene Products (AHP) Contract Procurement Strategy**

**Falkirk Council**

**Title:** Food Waste & Absorbent Hygiene Products (AHP) Contract  
Procurement Strategy  
**Meeting:** Executive  
**Date:** 6 December 2022  
**Submitted By:** Director of Place Services

**1. Purpose of report**

- 1.1 This paper relates to the requirement of Falkirk Council's Contract Standing Order, Section 6.2(ii) to detail to The Executive future major contract requirements for Falkirk Council.
- 1.2 This new contract seeks to create a more efficient kerbside service, in recognition of the forthcoming national Deposit Return Scheme. This will contribute to the 2022-27 Council Plan's strategic enabler of Financial Sustainability and align to Council's carbon reduction targets and strategy.

**2. Recommendation(s)**

- 2.1 The Executive Committee is asked to:
  - (1) Approve the requirement to secure a kerbside collection service for domestic food waste and Absorbent Hygiene Products (AHP), and the cessation of the existing black box collections. The proposed term of contract being 7 years with an option to extend for a further 3-year period. This identified contract term aligns with the anticipated vehicle replacement programme for collection vehicles required to deliver contract requirements.

**3. Impact on Climate Change Targets**

- 3.1 The impact of the new contract is likely to have a positive impact on reducing the Council's carbon footprint, through reducing the volume of waste materials collected from the kerbside and negating the requirement for the manufacture, delivery and replacement of black boxes.
- 3.2 Through financially incentivising the recycling on glass bottles, aluminium cans and clear plastic bottles, through a national return scheme, the Government aspire to recycle 90% of these container types; reducing the volume of waste sent to landfill/disposal.
- 3.3 Bidders for the Council contract will require to demonstrate that their solution recognises the Council's net zero agenda. The proposed solution will require to consider and detail the carbon impacts of service efficiencies including route optimisation and all associated infrastructure of project delivery.

**4. Background**

- 4.1 Falkirk Council is seeking a single supplier contractor for the provision of all required infrastructure. This will include the provision of a Depot, manpower, vehicles and all associated contract running costs to provide a weekly kerbside food waste collection service and a two weekly collection service of AHP. AHP will continue to be collected in Falkirk Council provided designated sacks. Current volumes of domestic

food waste collected per annum is 5,800 tonnes and for AHP the volume is 700 tonnes, with approximately 4,600 service users.

- 4.2 Falkirk Council will provide an exclusive contract arrangement, and seek an all-inclusive annual fee for contract delivery, with an agreed annual inflationary increase to be applied per contract year. The anticipated annual contract value at commencement will be £1m.

## **5. Considerations**

- 5.1 This paper relates to the requirement for Council to secure a solution to the kerbside collection requirement of domestic food waste and AHP in order to continue to comply with the Household Recycling Charter for Scotland and associated Code of Practice.
- 5.2 The Council's current kerbside black box and food waste contract will terminate on 3 September 2023. The black box is a 2 (two) weekly collection service, provided for glass, textiles, small WEEE and household batteries. Domestic food waste is collected weekly, alongside the scheduled black box, as are bagged textiles.
- 5.3 The national Deposit Return Scheme for Scotland (DRS) is scheduled to commence on 16 August 2023. This Scheme which will target drinks containers, negates the requirements for the collection of the black box at the kerbside. Householders will be able to return their used recyclable containers to a retailer (supermarket/local convenience store) and receive a financial return of 20 pence for each returned container. Additionally, a network of automated reverse vending machines (RVMs) will also be established to accept the containers in scope of DRS and provide a financial return of 20 pence per container. It is anticipated that location of RVMs will be identified from March 2023.
- 5.4 Post DRS implementation, any remaining glass will be collected via the Council's network of Recycling Points. The Recycling Centre(s) will also have provision for glass, textiles, small WEEE and household batteries.

## **6. Consultation**

- 6.1 This report has been consulted on with colleagues in Finance, HR, Legal and Procurement.

## **7. Implications**

### **Financial**

- 7.1 The financial implications for the service will be dependent on the annual contract fee secured through procurement. Until the tendering exercise has been completed, it is not possible to provide further detail. The Council requires to secure this service from external provision, as Waste Services do not have the additional budget, infrastructure or manpower to deliver the service internally.

### **Resources**

- 7.2 To provide the service internally, would require the Council to procure a minimum of 10 additional vehicles, and employ 24 additional staff (1 driver plus 2 loaders per collection round). This requirement is based on approximately 1800 households per

collection round. Additional vehicle, cost is approximately £1.8M, with additional staffing costs per annum approximately £0.84M based on current year.

- 7.3 In addition to frontline vehicle and staffing budget, there would additional Waste Services management costs, Fleet costs (servicing, repairs and staff), Insurances and also implications for the Council's Fleet Operator License,
- 7.4 The external procurement exercise will be conducted on a 65:35 price to quality ratio. This ratio recognising the importance of a range of quality considerations including carbon footprint in contract delivery.

### **Legal**

- 7.5 The Council as a signatory to the Household Recycling Charter for Scotland has an obligation to provide a collection service which is designed to maximise household recycling and aligns to the requirements of the Code of Practice.

### **Risk**

- 7.6 Due to the timelines for a bidder to secure the infrastructure to meet Council requirements, securing early contract arrangements is required. The current black box and food collection contract cannot be further extended beyond the term date of 3 September 2023.

### **Equalities**

- 7.7 An EPIA screening identified the requirement for a full EPIA to be undertaken on the recommendations contained in this report. This illustrated that whilst glass collections will no longer be provided from the kerbside, which may impact residents with mobility issues, the Council will retain its comprehensive network over 90 local bring sites. Additionally, it is likely that large grocery retailers will provide a kerb collection of recyclate within the scope of DRS (including glass bottles) as part of their grocery delivery service.
- 7.8 Should individual residents with protected characteristics have issues that are not addressed by these mitigations or others then officers would commit to working with them to find solutions.

## **8. Conclusions**

- 8.1 Falkirk Council require a procured solution to provide a 52-week, kerbside collection service to its domestic households within the Falkirk Council boundary. The changes detailed in this report will align with the forthcoming Deposit Return Scheme which is integral to Scotland's Route Map towards a Circular Economy to 2025 and Beyond. The Deposit Return Scheme has an implementation date commencing 16 August 2023. Black box collections will cease from 1 September 2023.

---

Director of Place Services

Author – Douglas Gardiner, Head of Environment & Operations  
Date: 01 November 2022