

WASTE SERVICES CONTRACT – STRATEGIC APPROACH TO SERVICE PROVISION

Item CE 25/4 referred from Communities and Environment Scrutiny Select Committee of 5 February 2025

Consideration was given to a number of commissioning options for the future delivery of the Borough Council's Waste Services Contract, which was currently delivered in partnership with Tunbridge Wells Borough Council and provided household waste and recycling collection services as well as street cleansing throughout Tonbridge and Malling.

An external industry consultant had provided a detailed costed report assessing the options and which considered changes in interest rates, reduction in CPI, current market conditions, pay rates and specifically the anticipated annual operating costs of each commissioning option and their relative strengths and weaknesses. A summary was provided at paragraph 10.6 with the full detailed report attached as a restricted Annex 1 due to its commercial sensitivity.

Due regard was given to the commissioning options report, the partnership arrangement with Tunbridge Wells Borough Council, the financial and value for money considerations and the legal implications. The risks, advantages and disadvantages associated with contracting out, direct service ownership and LATco were given careful consideration.

The report also drew attention to the modelled financial figures within the restricted Annex 1 which highlighted that service costs, regardless of which commissioning option was selected, would be significantly higher than the current costs. An increase in such costs was factored into the Medium-Term Financial Strategy from 1 April 2027 onward with an increase of £2.4m. It was noted that even the lowest costs highlighted exceeded the financial allocation and would need to be considered through either service reductions, increased charges or an increase in the Borough Council's savings target (or a contribution of all three).

A further report on the contract specification, preferred procurement route, length of contract, timescale and the evaluation criteria for the contract award would be considered at the next meeting of the Communities and Environment Scrutiny Select Committee.

Particular reference was made to the uncertainty arising from the Government's intention to re-organise local government and drive devolution. However, it was important that the Borough Council continued to operate business as usual to ensure that there was no interruption to service. Members were assured that the Borough Council would continue to explore all options arising from any re-organisation and establishment of a unitary authority.

The strong and effective working relationship with Tunbridge Wells Borough Council was recognised and the continuation of the partnership arrangement was supported.

***RECOMMENDED:** That

- (1) the Borough Council remained in partnership with Tunbridge Wells Borough Council for the delivery of the provision of the household waste and recycling collection and street cleansing service;
- (2) the contracting out model remained the Borough Council's preferred commissioning model for the delivery of the provision of the household waste and recycling collection and street cleansing services; and
- (3) a further report be presented to this Committee to allow for the consideration of key service specification issues and the proposed procurement process for the delivery of the provision of the household waste and recycling collection and street cleansing services.

***Recommended to Cabinet**