

Delegated Officer Report

Decision Maker: Helen Lockwood

Date of Decision: 05/10/18

Subject: Alignment of Bulky Bobs contract with the Council's fees & charges timelines

Report Author: Mark Husdan

Ward (s): n/a

Reason for the decision: Authorisation is required to extend the current contract with Bulky Bob's by 3 months to bring the contract timescales in line with the financial year and the Council's fees & charges timeframes

Summary: The contract has been financially structured to incentivise Bulky Bobs to grow their service as much as possible, with a view to becoming a viable stand-alone business so that in the long term the Council can reduce the current subsidy/contract fee for this service.

The current structure of the contract is by calendar year however, rather than financial year.

Extending the contract by 3 months would bring the contract in line with the financial year and the Council's fees & charges setting timelines as well as simplify the financial reporting arrangements.

There is no additional cost as such for extending the contract because the Council has a statutory duty to provide a bulky waste collection service i.e. we would need to provide a continuous service whether through Bulky Bobs or another supplier.

For information however, the cost of delivering the service for 3 months is approx. £40,000 therefore, the request for this extending this contract is made in line with Rule 17.1 (b) (ii) of the Council's Contract Procedure Rules.

What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):

Do not extend the contract. This would not significantly impact on service delivery but would continue to complicate the current financial reporting mechanisms of the contract.

Consultation: including any conflict of interest declared by relevant Cabinet Member consulted.

n/a

Recommendation(s):

To approve the extension request.

Implications:

What are the financial implications?

- The contractual cost of this service is £160k p.a. This is paid to the contractor on a monthly basis along with the income collected from service users.
- The Council is responsible for setting the level of fees and charges for bulky collections and does so as part of the budget setting process. Any resulting changes take effect annually on the 1st April.
- The impact of this proposal is to extend the initial 2 year contract period from 2 years to 2 years and 3 months. As a result, the initial contract term will conclude on 31st March 2020 rather than 31st December 2019.
- The cost of extending this service by 3 months is £40k (one quarter of the annual contract amount). There is adequate budget resource within the Council's Medium Term Financial Strategy to meet

this obligation (Waste Management – cost centre 23500).

(Nigel Howard/Sadrul Alam)

What are the legal implications?

There is provision under Rule 17.1 b (ii) of the Council's Contract Procedure Rules to extend the contract for an additional two years in the circumstances outlined in the body of the report.

(Elizabeth Cunningham Doyle)

What are the *procurement* implication?

Strategic Sourcing supports the approval to extend the contract by 3 months. The contract end date will then align with the financial year enabling a simpler process for reporting and implementing changes.

Emily Molden (Sourcing and Contracts Consultant).

What are the Human Resources implications?

n/a

Equality and Diversity Impact Assessment attached or not required because (please give reason)

n/a

What are the property implications

n/a

Risks:

n/a

Co-operative agenda

n/a

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution?

Yes

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget?

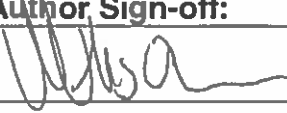
Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council?

Yes

List of Background Papers under Section 100D of the Local Government Act 1972:

There are no background papers for this report

Report Author Sign-off:	
	
Date: 4/10/18	

Please list and attach any appendices:-

Appendix number or letter	Description
None	

In consultation with Director/Executive Director



Signed : _____ Date: 04.10.18 _____