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Award

The Provision of a Waste Recovery and Disposal Service

Newcastle City Council

F15: Voluntary ex ante transparency notice

Notice identifier: 2022/S 000-014945

Procurement identifier (OCID): ocids-h6vhtk-034107

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Section I: Contracting authority/entity

I.1) Name and addresses

Newcastle City Council

Barras Bridge

NEWCASTLE-UPON-TYNE

NE1 8QH

Contact

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+44 1912116936-26936

Country

United Kingdom

NUTS code

UKC22 - Tyneside

Internet address(es)

Main address

<http://www.newcastle.gov.uk>

I.4) Type of the contracting authority

Regional or local authority

I.5) Main activity

General public services

Section II: Object**II.1) Scope of the procurement****II.1.1) Title**

The Provision of a Waste Recovery and Disposal Service

Reference number

000171

II.1.2) Main CPV code

- 90500000 - Refuse and waste related services

II.1.3) Type of contract

Services

II.1.4) Short description

To secure the provision of a waste recovery service at its existing waste recovery facilities within Newcastle upon Tyne

II.1.6) Information about lots

This contract is divided into lots: No

II.1.7) Total value of the procurement (excluding VAT)

Value excluding VAT: £13,300,000

II.2) Description

II.2.3) Place of performance

NUTS codes

- UKC22 - Tyneside

Main site or place of performance

Byker Reclamation Plant

II.2.4) Description of the procurement

N/A

II.2.11) Information about options

Options: No

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Award of a contract without prior publication of a call for competition in the cases listed below

- The procurement falls outside the scope of application of the regulations

Explanation:

The authority is proposing to execute variation to its residual waste contract with SUEZ Recycling and Recovery UK Ltd (formerly known as SITA GB Limited) dated 2 April 2001 which it awarded following the publication of a contract notice in the Official Journal of the EU in 1999 (Original Contract). The estimated value of the Original Contract was £90m (in 2001 prices).

This will formally extend the contract by 12 months to 31 March 2026 and include options for a further two extensions of six months each that can be taken up by mutual agreement by both parties. The period of the extension has been agreed to allow the Original Contract to be co-terminus with the intended commencement of the Tees Valley Energy Recovery Facility contract (TV ERF) which will replace (in part) the service provided under the Original Contract. The TV ERF is currently in procurement and the service commencement date is currently anticipated to be 1 April 2026. The estimated amount payable by the authority for the extension period is £13.3m per year (which is the value inserted section 2 above).

The variation also formalises previous operational changes made to the Original Contract over the last twelve years, as well as the further changes that are needed to facilitate both the smooth transfer from the Original Contract to new model contracts managing the Council's waste stream and allow the authority to plan for change in infrastructure to a configuration which will be able to meet the requirements set out in the Environment Act 2021 (including separate collection of food waste).

Operational changes made historically include:

- Treatment of a proportion of the residual waste stream at Suez's existing EfW facilities on Teesside, in particular the facility at Haverton Hill, Billingham
- modification of the technology from production of compost using open windrows to production of a compost like output via an In Vessel Composting (IVC) facility and landfill of the residue to meet the requirements of the Animal By-products Regulations

- use of the residue from the mechanical treatment of the residual waste as a Refuse Derived Fuel for use in energy from waste to minimise biologically active waste going to landfill to comply with the Landfill Allowance Trading Scheme.

Further changes to now be incorporated in the variation include:

- Convert Byker Resource Recovery Centre from a Mechanical Biological Treatment (MBT) facility to a traditional Waste Transfer Station (WTS) capable of receiving additional waste volumes not currently delivered there to allow alignment with the TV ERF requirements and future recycling collection and treatment (including separate food waste).
- Changes required to implement the statutory responsibilities on councils to provide certain waste services, for instance a weekly food waste collection, and greater segregation of recyclable material at the kerbside under the Environment Act 2021.
- Close Benwell WTS to enable the authority to include the site in its waste infrastructure review.
- Close the Ellington IVC.

IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: Yes

Section V. Award of contract/concession

Contract No

000171

Title

The provision of a waste recovery and disposal service

A contract/lot is awarded: Yes

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract

27 May 2022

V.2.2) Information about tenders

The contract has been awarded to a group of economic operators: No

V.2.3) Name and address of the contractor/concessionaire

SUEZ Recycling and Recovery UK Ltd

SUEZ House, Grenfell Road, Maidenhead

Berkshire

SL6 1ES

Country

United Kingdom

NUTS code

- UKC22 - Tyneside

The contractor/concessionaire is an SME

No

V.2.4) Information on value of contract/lot/concession (excluding VAT)

Initial estimated total value of the contract/lot/concession: £13,300,000

Total value of the contract/lot/concession: £13,300,000

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

Newcastle City Council

Newcastle upon Tyne

Country

United Kingdom