

Meeting	Cabinet
Date	3 March 2015
Present	Councillors Williams (Chair), Crisp, Cunningham, Levene, Looker and Simpson-Laing (Vice-Chair)
In attendance	Councillors Burton, D'Agorne, Galvin, Merrett, Reid, Warters and Watson

Part B - Matters Referred to Council

123. Yorwaste Limited and Implementation of the Teckal Exemption

Members considered a report which updated them on progress made towards enabling the award of contracts, for the provision of waste services, to Yorwaste Limited, without competitive tender.

It was noted that this was to be achieved by implementing the 'Teckal exemption' and undertaking a number of actions to facilitate Yorwaste Limited in meeting the conditions required to achieve Teckal status.

Cabinet was asked to consider whether the Council should enter into the arrangements to facilitate Yorwaste Limited (of which the Council was the minority shareholder with a shareholding of 22.27%) becoming a Teckal compliant company.

Recommended: That Council be asked to confirm:

- (i) The City Council is supportive of the County Council's recommendation to its Executive that the County Council takes the steps necessary to facilitate Yorwaste Limited's obtaining Teckal compliant status.

(ii) That delegated authority be given to the Director of Customer and Business Support Services (acting in consultation with the Director of City and Environmental Services and the Assistant Director (Governance & ICT) to:

- to adopt new articles of association(as a shareholder of Yorwaste Limited) to evidence the control condition;
- enter into a Shareholders Agreement with Yorwaste Limited and NYCC to evidence the control condition;
- enter into a non binding collaboration agreement with Yorwaste Limited and NYCC and other such documents as necessary;
- take such steps and enter into such documents as necessary to approve the transfer of the shares of SJB Recycling Limited once satisfied that due diligence is complete and legal and financial advice has been provided identifying the most appropriate route;
- take any ancillary steps necessary to meet the control condition or the economic dependence condition required to assist Yorwaste Limited in achieving Teckal compliant status; and
- award future waste management to Yorwaste Limited without the need for a competitive procurement exercise if the tests required to make use of the Teckal exemption have been satisfied.

Reason: In order to facilitate Yorwaste Limited meeting the control condition and the economic dependence condition required to utilise the Teckal exemption thereby enabling the Council to award contracts for future waste management contracts to Yorwaste Limited without conducting a competitive procurement exercise.

Cllr D Williams, Chair

[The meeting started at 5.30 pm and finished at 7.25 pm].