
MEETING	EXECUTIVE
DATE	30 NOVEMBER 2010
PRESENT	COUNCILLORS WALLER (CHAIR), AYRE, STEVE GALLOWAY, MOORE, MORLEY AND RUNCIMAN
APOLOGIES	COUNCILLOR REID

PART B - MATTERS REFERRED TO COUNCIL

127. AWARD OF LONG TERM WASTE MANAGEMENT SERVICE CONTRACT

Members considered a report which advised of the outcome of the procurement of a contract for the long term waste management service.

In view of the fact that reliance on landfill as the primary method of waste disposal was not a sustainable strategy for the future, York and North Yorkshire councils had been working together for several years to identify an appropriate solution for the treatment of residual waste. A formal procurement exercise had taken place using the competitive dialogue procedure, beginning in summer 2006 and ending in autumn 2009 with evaluation of the two final tenders and the identification of AmeyCespa as the highest scoring bidder. A second stage review of affordability had then been carried out, followed by a due diligence check on the project by North Yorkshire County Council's Waste PFI Working Group, concluded in November 2010. Details of these processes were set out in the report.

Approval was now sought from North Yorkshire County Council to award the Waste PFI contract to AmeyCespa, from City of York Council to support the award, and from both councils to make sufficient budgetary provision for the term of the contract and to make the necessary delegations to finalise their Waste Management Agreement.

Having noted the comments of the Labour Group Spokespersons on this item, it was

RECOMMENDED: That Council agree to:

- (i) support the award of the Waste Private Finance Initiative (PFI) by North Yorkshire County Council to AmeyCespa for the service operation period of 25 years, with an option to extend for up to 5 years;
- (ii) commit to make sufficient budgetary provision (£750k per annum growth from 2011/12 to 2015/16 inclusive) for the contract for its term, and determine the

limits of the affordability envelope within which financial close may be agreed, as set out in paragraph 193 of the report;

(iii) delegate authority to the Director of City Strategy (acting in consultation with the Director of Customer & Business Support Services and the Head of Civic, Democratic & Legal Services) to determine the final terms of the Waste Management Agreement between the County Council and City of York Council documents at commercial and financial close, as necessary, subject to the Agreement being within the affordability envelope agreed by Council;

(iv) delegate authority to the Director of City Strategy (acting in consultation with the Leader, the Director of Customer & Business Support Services and the Head of Civic, Democratic & Legal Services) to execute on behalf of the City Council the Waste Management Agreement with North Yorkshire County Council;

(v) authorise the Director of Customer & Business Support Services to issue the certificates under the Local Government (Contracts) Act 1997 to confirm the City Council's powers to enter into the contract referred to in the above paragraph;

(vi) give an indemnity to the Director of Customer & Business Support Services against any claim that may arise out of or in connection with the issue of the certificates under the Local Government (Contracts) Act 1997;

(vii) note that, if the above is agreed, the Executive will take all such decisions as may be required out of or in connection with the implementation of the decision to award the PFI contract to AmeyCespa, including agreeing that financial close may proceed within the limits of the affordability envelope set by the Council. ¹.

REASON: In order for Council to determine whether to enter into a long term waste treatment contract.

A Waller, Chair

[The meeting started at 2.00 pm and finished at 2.55 pm].