

CAPITAL INVESTMENT BUSINESS CASE

Part I version

(Garden Waste Containers)



EXECUTIVE SUMMARY

The Executive Summary is a short summary of the Business Case and should be the last section you complete, this will enable you to extract or only the key facts from relevant sections i.e. 'project on a page'. The summary is a 'snapshot' of the business case which will need to tell the story and sell the proposal.

It is proposed to change the Council's Garden Waste Collection Service by issuing wheelie bins instead of the bags that are currently used by residents. The use of wheelie bins is considered to be the industry standard to reduce the risk arising from the nature of the manual lifting, as per the Health and Safety Executive's guidance and the Manual Handling Operations Regulations 1992.

Over 38,000 households are currently registered for the service in 2020. The 2020 service has been significantly impacted by the coronavirus pandemic. The registration process has provided a more accurate picture of who utilises the service with approximately a third of all City households being registered.

Associated with transition to wheelie bins is the requirement to replace the Refuse Collection Vehicles (RCVs). The existing vehicles have passed their reasonable operating life and are therefore both unreliable and costly to maintain. They have also been adapted to remove the bin lifts to reduce the lifting height required to tip bags into the refuse vehicle well. Therefore in addition to new wheelie bins there is also a requirement to purchase new vehicles, albeit this will be from the 2022 season. The intention for 2021 is to initially use other RCVs waste vehicles that were due to be released as part of the wider fleet replacement programme agreed in October 2019.

The key risk associated with this project is meeting the tight timeframes for the procurement of wheelie bins, the delivery roll out and the need for residents to re-register in order to receive a container in time for the new season. Whilst this is wholly achievable, any delay to decision making or implementation will have an impact which could result to a delay in the 2021 season commencing.

The key benefits of this project include:

- Improved manual handling operation and reduced staff turnover
- Reduced risk of injuries to our staff
- Reduced carbon emissions from more modern vehicles
- Reduced vehicle maintenance costs
- Reduced churn rate on garden waste containers (bags)
- Greater efficiency of operation by amending rounds to registration-only leading to fuel and time savings.
- Improved reliability of the service, including reduced missed collections, through the use of new vehicles.
- Improved intelligence from participation data to make further service improvements
- Further integration of customer and crew reporting to improve customer journey and improved back-office processes and ability to verify reports.

The project value is £1.899m which is made up of £0.847m for the purchase and initial roll out of wheelie bins, £0.860m for the purchase of five x Refuse Collection Vehicles, and the remaining £0.192m is a combination of contingency, project management costs, the expansion of the Street Services Information Management System and promotional costs. The majority of these amounts will be capitalised, only with the exception of marketing and promotion costs which will be wholly

revenue. As explained in the next section the service will consider options which may reduce the need to replace all or some of the Garden Waste RCVs which will reduce the actual capital spend accordingly.

SECTION I: PROJECT DETAIL

Project Value (indicate capital or revenue)	£1.874m Capital £0.025m Revenue Total: £1.899m	Contingency (show as £ and % of project value)	£89k (5% of project value)
Programme	Transforming Council Services	Directorate	Place
Portfolio Holder	Cllr Sue Dann, Environment and Street Scene	Service Director	Philip Robinson (Street Services)
Senior Responsible Officer (client)	Katrina Houghton	Project Manager	Heidi Ondrak
Address and Post Code	Prince Rock Depot	Ward	Citywide

Current Situation: *(Provide a brief, concise paragraph outlining the current situation and explain the current business need, problem, opportunity or change of circumstances that needs to be resolved)*

The Council provides a seasonal kerbside garden waste collection service across the City. Residents are issued reusable bags used to contain their garden waste and present for scheduled collection. The 90 litre reusable bags are manually lifted by operatives and emptied into the back of Refuse Collection Vehicles (RCVs). The RCVs have been modified to remove the mechanical bin lifts to reduce the lifting height required.

The 2020 season has been significantly impacted by the coronavirus pandemic due to the need to reallocate a reduced workforce to ensure that statutory general and recycling household collections were maintained. Only a limited service could re-start from 24 August on four-weekly basis. Traditionally, the service starts in Spring and is provided two-weekly. Following an Executive Decision made in October 2019 the requirement for residents to register was introduced with the intention of helping to redesign the rounds to ensure they were as efficient as possible. As of August 2020 this process has led to the registration of over 38,000 households which is approximately a third of all households.

Health and Safety.

The extensive use of bags has a physical impact on our staff from the repeated lifting from the ground to shoulder height, and the associated twisting manoeuvre, which increases the risk of musculoskeletal injuries occurring. Measures have been implemented in recent years to reduce the risk to communicate and enforce the terms of service including ensuring appropriate content is placed in the bags, the number of bags that can be presented and their weight.

The Manual Handling Operations Regulation 1992, Regulation 4, clearly states that Employers hold duties to avoid manual handling and reduce the risk of injury so far as is reasonably practicable. The receptacle (container) design achieved through wheeled bins for waste collection is an industry standard as part of the Health and Safety Executive (HSE) guidance and the recognised waste industry safety and health (WISH) forum. A benchmarking exercise for garden waste collections across 21 Local Authorities¹ in our family group, and our neighbours, demonstrated that 95% (20 out of 21) use wheelie bins as either the sole or main form of container. Moving to wheelie bins reduces the risk of injury and specifically meets the Health and Safety Executive (HSE) guidance that pushing or pulling a load is preferred to lifting, as is lifting by mechanical means.

¹ Southampton, Cornwall, South Hams, West Devon, East Devon, North Devon, Blackpool, Bournemouth, Bristol, Calderdale, Coventry, Darlington, Derby, Dudley, Gateshead, NE Lincolnshire, North Tyneside, Redcar & Cleveland, Sefton, Sunderland, Wirral

Missed Collections.

Previous data on service performance shows that has been a high proportion of missed collection reports. This is in part due to the sporadic nature of participation, gardening activity varies and can create significant peaks in volumes, as well as crews having to literally search the streets for presented garden bags. On this basis, service improvements have been underway with investment in digitisation of routes and in-cab devices as part of the opt-in registration service for 2020.

Covid-19 has impacted the 2020 service but early indications show that missed bin reports have significantly reduced. The 2021 wheelie bin service will be routed based upon registered participants only which will achieve further efficiency and reliability improvements.

The reliability of the existing dedicated vehicles, which are significantly beyond their operating life, has also impacted upon service delivery, with regular instances where vehicles are unavailable for crews due to the requirement for unscheduled maintenance.

An additional disruption to scheduled routes can arise from safeguarding the statutory collection services in the event of insufficient driver numbers due to unplanned absences. The operating model for 2021 will review the established Driver FTE.

Vehicle age and specification.

The current garden waste vehicles are 2008 registrations and are therefore beyond a standard operating life. The vehicles can suffer significant downtime and are costly to maintain. Bag collection requires a dedicated vehicle specification, with bin lifts removed in order to reduce the well height and the associated lifting action. This means that there is no resilience in the fleet to support downtime i.e. the domestic collection fleet cannot currently be used for Garden Waste and so in the event of a vehicle fault or breakdown requiring unscheduled maintenance there is no ability to maintain service delivery for the effected route.

High replacement costs for bags.

There is a significant cost associated with the provision of bags from loss, poor durability and misappropriation, £21k was spent in FY2018/19. Since the 2019 season the majority of container stocks including bags have been Capitalised. Furthermore demand has reduced greatly in 2020 due to the impacts of Covid-19 on service delivery and restriction to delivery only.

Environment.

The migration to the latest Euro vehicle emissions standard will contribute to lower air born particulates and carbon emissions.

The adoption of wheelie bins with a ten plus year life expectancy is anticipated to be preferable to bags with their high churn rate over the period and the fact that garden bags cannot be recycled. Broken wheelie bins are recycled and are made from recycled materials. The wheelie bins are made from up 90% recycled materials, dependent upon the colour chosen and the supplier.

Proposal: *(Provide a brief, concise paragraph outlining your scheme and explain how the business proposal will address the current situation above or take advantage of the business opportunity) and (What would happen if we didn't proceed with this scheme?)*

This business case sets out the proposal to transition from a bagged service to a wheelie bin service for the City ready for the 2021 season. This will require the investment in circa 45,000 bins and the replacement of up to five Refuse Collection Vehicles as part of the Council's ongoing fleet replacement programme.

Residents will need to continue to opt-in by registering for each season and in doing so accept the terms of service and the requirement to receive a wheelie bin. It is proposed that bins will be delivered free of charge for those who register within a defined period of time.

The life expectancy of a wheelie bin will be in excess of ten years if properly used and looked after, and depending upon the choice of bin they can be made of materials which are up to 90% recycled helping the Council meet its Climate Emergency objectives.

The existing Street Services Information Management System (SSIMS) will be further expanded to integrate more comprehensively with the customer and crew reporting. This will provide valuable data which can help further service improvements and efficiencies be delivered.

A robust communications plan will be developed and delivered which sets out the requirements for residents including the registration process, registration cut off points, wheelie bin deliveries and later any changes to collection days etc.

The current dedicated fleet without lifting arms will be disposed of as they will be thirteen years old in 2021 and are beyond their useful life. The intention for all or part of the 2021 season will be to keep utilise other general refuse vehicles within the fleet that were due to be released as part of the first phase of the Fleet Replacement Programme. They will therefore be retained for a year longer than planned.

RCV's have an effective lifespan of between six and eight years, beyond which they suffer from increased breakdowns and require greater levels of reactive maintenance, which impacts upon service delivery and increases costs.

There will be a robust assessment to determine the best and most efficient way to operate the Service for 2022 taking account of the lead in time for replacement RCVs of about eight months. A particular area for consideration is whether shift times outside of the traditional operating hours can be undertaken, which will reduce the number of new vehicles required therefore optimising the fleet. Notwithstanding this opportunity, there are constraints to fleet optimisation to consider, particularly with regard to permitted operating hours for disposal. At this stage this decision and associated business case includes provision for the option of a full replacement of the current dedicated fleet of five RCVs.

The vehicle options for the 2022 season will be:

- 1) Full replacement of the five Garden Waste RCVs as per provision made within this Business Case.
- 2) Partial replacement of the Garden Waste RCVs by altering the operating hours of the current service so other existing RCVs can be utilised, or due to lower than anticipated demand, and associated route efficiencies.
- 3) No replacement of the Garden Waste RCVs by successfully delivering the service completely outside of existing operating hours, thus fully utilising other existing RCVs.

TO NOTE. There may be an impact upon employee terms and conditions and also additional revenue implications which would arise from extending or altering operating hours including additional staffing and supervision and associated extended or altered garage capacity and operating hours. Detailed analysis of the costs and benefits will be undertaken of the operating options to inform decision making.

Making financial provision now for the decision to replace all or some of the fleet makes practical sense and will avoid any delay to procurement in 2021 in readiness for 2022. The final decision will be made by the relevant Cabinet Member in 2021.

Ultimately, the move to wheeled bins, new vehicles and the ongoing requirement for a registration will result in a better service for residents due to increased efficiency and reliability, they will also reduce maintenance costs and the impact upon the environment.

Project Cost overview

Item	No. of	Unit cost	Total	Notes
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Wheelie bins	Part 2	Part 2	Part 2	Part 2
Delivery charge	Part 2	Part 2	Part 2	
Refuse Collection Vehicles	Part 2	Part 2	Part 2	
Integrations and SSIMS	n/a	Part 2	Part 2	
Other project costs (see section 4)	n/a	n/a	Part 2	Includes 5% contingency, project management & publicity
Total			1,899,000.00	

Key Project Milestones

Key Activity	Date
Cabinet Decision	13-Oct-20
Communication campaign for residents launched	Early Nov-20*
Online Registration portal opens	10-Nov-20*
Contract award to successful tenderer	Oct-20*
Initial supplier order placed (based on estimated participation)	Oct-20*
Initial Registration period closes	7 Jan 21
Secondary registration process commences	8 Jan 21
Supplier order updated based on registration and container choices	14 Jan 21
Bin distribution commences by supplier	25-Jan-21
Bin distribution completed for those registering before 7 Jan	Wc 22-Mar-21
New Garden Waste Service 2021 commences	05-Apr-21
Review complete to determine vehicle requirement for 2022 season	01-Jun-21
New vehicles ordered, subject to requirements	01-Jul-21

*Dates subject to call in of decision.

Why is this your preferred option: *(Provide a brief explanation why this option is preferred) and (Explain why this is a good capital investment and how this would be an advantage for the Council) and (explain how the preferred option is the right balance between the risks and benefits identified below).*

Due to the Council's commitment to protect the Health, Safety and Wellbeing of its employees the alternative options of continuing with the current bagged operation isn't acceptable. The alternative would be to cease the Garden Waste collection service entirely and rely upon residents bringing waste to the Household Waste and Recycling Centres, home composting or setting up some form of community tipping point. However, the Council is aware that this service is highly valued by residents, as demonstrated by the high registration level for the 2020 season, and therefore considers that it is very important that the service continues.

Benchmarking and industry insight demonstrates that wheelie bins is really the only viable option for a safe and sustainable Garden Waste collection service.

Option Analysis: (Provide an analysis of 'other' options which were considered and discounted, the options considered must be a 'do Nothing' and 'do minimum' and 'viable alternative' options. A SWOT – Strength, Benefit, Opportunity, Threat analysis could be attached as an appendix).	
Do Nothing Option	Continue with existing operation
List Benefits:	Reduced cost for replacing bags with bins.
List Risk / Issues:	Increased risk of injury to staff with limited opportunity to mitigate. Would still require vehicle replacement programme.
Cost:	No additional cost
Why did you discount this option	Does not resolve HSW issues associated with manual handling of bags.
Do Minimum Option	
Do Minimum Option	Continue with current operation on a reduced frequency
List Benefits:	Partially reduce risk of injury to staff by allowing greater rest between rounds.
List Risk / Issues:	Risk would still be unacceptable Offering a lower collection frequency in main summer growing period will simply not meet demand.
Cost:	Not investigated but savings in resources and operation costs.
Why did you discount this option	Does not resolve HSW issues and likely to be unacceptable to residents.
Viable Alternative Option	
Viable Alternative Option	Cease Garden Waste Service
List Benefits:	Removes and reduces HSW risks. Removes cost of operating the service
List Risk / Issues:	Highly valued by City residents Will lead to higher volumes of Garden Waste entering domestic general collections leading to increased charges at the Energy from Waste facility. Recycling rates will reduce significantly
Cost:	Saving of circa £374k
Why did you discount this option	As a democratic organisation the Council do not wish to cease highly valued services unless there is no reasonable alternative.
Viable Alternative Option	
Viable Alternative Option	Implement a subscription charge to offset the investment in wheelie bins and new vehicles
List Benefits:	Removes the financial pressure of the capital investment
List Risk / Issues:	Potentially contrary to latest emerging Government policy Will lead to higher volumes of Garden Waste entering domestic general collections leading to increased charges at the Energy from Waste facility. Recycling rates may reduce significantly Places new financial pressure on city residents.
Cost:	Saving of circa £800k
Why did you discount this option	Whilst the option was proposed by Officers, the Administration did not wish to implement a charge, as other Local Authorities have.

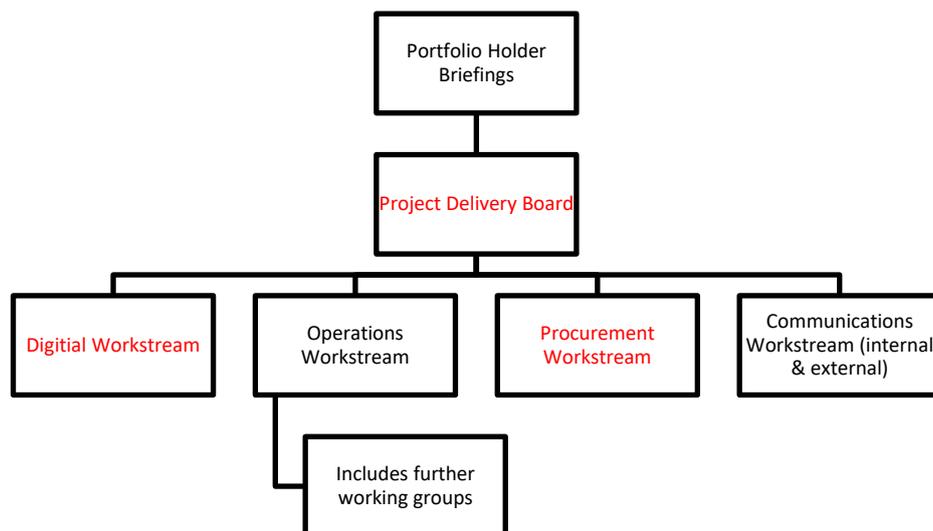
Strategic Case:	
	a clean and tidy city

Which Corporate Plan priorities does this project deliver?	a green sustainable city that cares about the environment
	people feel safe in Plymouth
Explain how the project delivers or supports delivery of Joint Local Plan/Plymouth Plan Policies (include policy references)	Environmental factors run throughout the Council’s local development policies and are wholly aligned to this investment in a service which will help it become more efficient, less wasteful and produce less carbon emissions.

Project Scope: *(To avoid scope creep and cost escalation it is important to have an agreed scope of what the project will and will not deliver. List below what is included and not included in the project ‘budget’. Projects should be delivered within scope and budget, but should project change happen then the business case requires revisiting, updating and re-approval)*

In Scope	Out of Scope
Procurement of containers and vehicles. Redesign of operations and rounds as required. Engagement with staff and unions Communications with residents Digital systems and software changes including amendments to the Street Services Information Management System	Street Services Information Management System project delivery Ongoing service efficiencies post service roll out in Spring 2021.

Project Governance : *How the project delivery is structured (amend example chart as appropriate)*
High Risk Projects will require a Project Board Chaired by Portfolio Holder
Low Risk Projects will require a structured Project Team reporting to Portfolio Holder



Milestones and Date:		
Contract Award Date	Start On Site Date	Completion Date
Containers (December 2020)	January 2021	March 2021

Who are the key customers and Stakeholders	Staff, unions, Councillors and residents	Which Partners are you working with	n/a
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SECTION 2: PROJECT RISK, OUTCOMES AND BENEFITS

Risk Register: *The Risk Register/Risk Log is a master document created during the early stages of a project. It includes information about each identified risk, level of risk, who owns it and what measures are in place to mitigate the risks (cut and paste more boxes if required).*

Potential Risks Identified			Likelihood	Impact	Overall Rating
Risk	Wheeled bins are not procured and delivered on time to start 2021 season		Medium	Medium	Medium
Mitigation	Robust project planning adherence to milestones		Low	Medium	Medium
Calculated risk value in £ (Extent of financial risk)	£0	Risk Owner	Project Manager		
Risk	Demand exceeds forecast and some residents do not have a wheelie bin for service commencement		Low	Medium	Medium
Mitigation	A combination of 2020 season registrations and actual 2021 registrations will be used when forecasting and also suitable contingency volumes allowed for.		Low	Medium	Medium
Calculated risk value in £ (Extent of financial risk)	£0	Risk Owner	Project Manager		
Risk	Reputational damage if service fails to mobilise for 2021 season and deliver as per resident expectations		Medium	Medium	Medium
Mitigation	Robust project governance to oversee risk, pace and milestone achievement.		Low	Medium	Medium
Calculated risk value in £ (Extent of financial risk)	£0	Risk Owner	Project Manager		
Risk	Reputational damage as result of some residents not been able to access the Service due to not having space for a wheelie bin.		Medium	Medium	Medium
Mitigation	Project is assessing options in conjunction with regular Portfolio Holder engagement		Medium	Medium	Medium
Calculated risk value in £ (Extent of financial risk)	£0	Risk Owner	Head of Service		

Outcomes and Benefits

List the outcomes and benefits expected from this project.

*(An **outcome** is the result of the change derived from using the project's deliverables. This section should describe the anticipated outcome)*

*(A **benefit** is the measurable improvement resulting from an outcome that is perceived as an advantage. Benefits are the expected value to be delivered by the project, measurable whenever possible)*

Financial outcomes and benefits:	Non-financial outcomes and benefits:
Reduced vehicle maintenance costs Reduced churn rate on garden waste containers (bags)	Improved manual handling operation and reduced staff turnover Reduced risk of injuries to our staff

<p>Greater efficiency of operation by amending rounds to match registrations leading to fuel and time savings.</p> <p>Reduced cost of sickness absence including sick pay, agency and overtime.</p>	<p>Reduced sickness absence</p> <p>Higher staff engagement through appreciation of significant capital investment to keep them safe.</p> <p>Reduced carbon emissions from more modern vehicles.</p> <p>Reduced carbon emissions from disposal</p> <p>Improved reliability of the service, including reduced missed collections, through the use of new vehicles.</p> <p>Improved intelligence from participation data to make further service improvements</p> <p>Further integration of customer and crew reporting to improve customer journey and improved back-office processes and ability to verify reports.</p> <p>Offers opportunity to encourage residents to also home compost where possible.</p>
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SECTION 3: CONSULTATION

Does this business case need to go to CMT	Yes	Date business case approved by CMT <i>(if required)</i>	
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Have you engaged with Planning Department. <i>(If no, please state the reason)</i>		No
If yes, summarise the planning requirements. <i>(If PP is required ensure you engage with planning prior to seeking approval of this Business Case)</i>	There are no Planning implications associated with this business case.	
Is the budget cost reflective of planning requirements	n/a	
Who is the Planning Officer you consulted with.	n/a	
Planning Consent Date		

Have you engaged with Building Control. <i>(If no, please state the reason)</i>		No
Is the Building Control pre-application registered	There are no Building Control implications associated with this business case.	
What is the pre-application number	N/A	
Is this classed as a HRRB building	No	
Is this building classed as 'high risk'	No	
Who is the Building Control Case Officer	N/A	

Low Carbon	
What is the anticipated impact of the proposal on carbon emissions	<p>The migration to the latest Euro vehicle emissions will contribute to lower air born particulates and carbon emissions.</p> <p>The adoption of wheelie bins with a 10 year + life expectancy is anticipated to offset the continued high churn rate of plastic bags over the period. It should also be noted that the dependent upon bin colour and supplier the bins may be made of up to 90% recycled materials.</p>
How does it contribute to the Council becoming Carbon neutral by 2030	As above box.

Have you engaged with Procurement Service.		Yes
Procurement route options considered for goods, services or works	<p><u>Procurement Options</u></p> <p>In line with the Council's Contract Standing Orders, both requirements (wheeled bin containment, and refuse collection vehicles) will be classed as High Value / High Risk Procurements, as the value of each exceeds the relevant EU threshold and will be subject to the full public procurement regime as set out in the Public Procurement Regulations 2015. Of the six EU procurement procedures available, two procurement procedures are appropriate and have been considered for these particular requirements as follows:</p> <p><u>Open Procedure</u></p> <p>With the Open Procedure, any interested bidder may submit a bid. The Council is free to use this procedure, which can be applied to both contracts and framework agreements. However in some cases it can be beneficial to choose a procedure (such as the Restricted procedure) where the number of the bidders can be reduced at the selection stage based on their capability and capacity, especially if the Council does not have enough resources (such as time) to conduct a full Open Procedure.</p> <p>The Open procedure is best used where the requirements are typically straight forward, with a relatively simple selection and award process, or it is anticipated that only a small number of suppliers will respond to the advertised Contract Notice.</p> <p>The practicality of the Open Procedure will depend upon the potential number of bids received and the nature of the evaluation criteria. If the Council receives a large number of bids, the evaluation of all compliant bids is likely to be time consuming.</p> <p><u>Timescales to Consider</u></p> <p>After despatching the contract notice, at least 35 days has to elapse before the closing date for receipt. In the case of Tenders that submitted electronically, the number of days may decrease to 30. Timescales can be reduced to 15 days If urgent (and</p>	

justified), or a Prior Information Notice is issued under certain conditions.

Restricted Procedure

This is a two-stage procedure. Stage 1 is a pre-selection stage and is used to de-select suppliers. Stage 2 is the tender stage and is used to determine a successful supplier to whom a contract will be awarded. A minimum of five suppliers must be invited to tender and in all other cases a minimum of three must be invited to Stage 2. The Restricted Procedure should be used for procurements where market analysis has indicated a large number of bidders are likely to be interested in participating. In this case it is beneficial to use this procedure where the number of bidders can be reduced at the selection stage based on their capacity, capability and experience to perform the contract. Like the Open Procedure the Council are free to use this procedure, in any circumstances and for any type of contract. The contract will be awarded to the most economically advantageous tender (MEAT).

Timescales to Consider

In Stage 1, bidders must be given a minimum of 30 days from the day the Contract Notice is sent for publication to respond to a call for competition. Timescales can be reduced to 15 days if urgent (and justified).

In Stage 2, Bidders must be given a minimum 30 days to respond to the ITT (or 25 days where the Council has indicated that, it will accept electronic submission). Timescales can be reduced to 15 days If urgent (and justified), or a Prior Information Notice is issued under certain conditions.

Other Options

In line with the Regulation 33 of the Public Procurement Regulations, and the Council's Contract Standing Orders section 30 there is also the option to use Predetermined OJEU compliant Framework Agreements.

The following frameworks have been considered for each requirement:

Wheeled Bin Containment

Eastern Shires Purchasing Organisation (ESPO) Framework 860_18 – Refuse and Recycling Products (including wheeled bins)

This framework is a nationally procured framework, This framework offers a quick, simple and competitive route to the supply of refuse & recycling products including but not limited to wheeled bins, kerbside recycling boxes and bags, food waste containers, compostable liners, plastic refuse sacks, waste housing units and compost bins. The framework will also provide services for container maintenance. Utilising this framework, will provide the Council with the ability to undertake a further competition from market leading suppliers.

Some of the benefits from using this option are:

- Product choice - Provides a vast range of refuse and recycling products from trusted suppliers.
- Quick and easy to use - Compliant with UK/EU procurement legislation, so no need to run a full EU procurement process.
- Suppliers listed on the framework were assessed during the procurement process for their financial stability, track record, experience and technical & professional ability, before being awarded a place on the framework.
- Pre-agreed terms & conditions - Pre-agreed under the framework and will underpin all orders.

Refuse Collection Vehicles

Crown Commercial Services Framework RM6060 – Vehicle Purchase

This framework is a nationally procured framework, which allows access to a full range of new motor vehicles including vehicles that are both currently available and those that will be developed and brought to market during the term of the framework. These include cars, light commercial vehicles, motorbikes, heavy goods vehicles (HGVs), buses and coaches. Customers can also obtain bespoke conversions which manufacturers are able to provide as part of a turnkey solution. Utilising this framework, will provide the Council with the ability to direct award (if appropriate to do so, and justifying best value), or undertake a further competition.

Some of the benefits from using this option are:

- Access to a wealth of technical and pricing information via the CCS Fleet Portal to support decisions for direct award / further competition.
- Ability to access turnkey solutions from suppliers for both standard build and converted vehicles
- Supportive of the Clean and Energy Efficient Vehicles Directive 2009-33-EC and flexibility for sustainable vehicle procurement measures
- Discounts on base vehicles are also available via the CCS vehicle lease and vehicle conversion arrangements if the vehicles are being sourced by or on behalf of an eligible customer

	<ul style="list-style-type: none"> Option to use local dealerships for delivery and after-sales service <p>Any resulting contract through either of the above options will be awarded to the most economically advantageous tender (MEAT).</p>
Procurements Recommended route.	<p>The recommended procurement route for both requirements is as follows:</p> <p>Further competition through the following frameworks:</p> <p>Wheeled Bin Containment Eastern Shires Purchasing Organisation (ESPO) Framework 860_18 – Refuse and Recycling Products (including wheeled bins)</p> <p>Refuse Collection vehicles Crown Commercial Service Framework RM6060 – Vehicle Purchase.</p> <p>Running a further competition procurement under these frameworks provides the Council with access to a list of market leading suppliers who have been pre-approved in terms of their economic & financial standing, technical ability, including environmental and social standing. By utilising these frameworks, the Council can also benefit from lower pricing due to the considerable economies of scale used to set up the framework. These economies would not be available if the Council ran its own OJEU compliant procurement process.</p> <p>If there is, a change in circumstances and the recommended procurement route cannot be undertake or no longer represents best value for the Council any subsequent procurement route undertaken will be in accordance with the Council’s Contract Standing Orders and Procurement Law.</p>
Who is your Procurement Lead.	Paul Williams – Category Lead
Which Members have you engaged with and how have they been consulted <i>(including the Leader, Portfolio Holders and Ward Members)</i>	Leader and Cabinet Members via Cabinet Planning and portfolio holder meetings.
Confirm you have taken necessary Legal advice, is this proposal State Aid compliant, if yes please explain why.	Legal advice sought and confirmed proposal is compliant with State Aid legislation because it will follow procurement rules and best practice.
Who is your Legal advisor you have consulted with.	Linda Torney, Assistant Head of Legal Services

Equalities Impact Assessment completed (This is a working document which should inform the project throughout its development. The final version will need to be submitted with your Executive Decision)	Yes
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SECTION 4: FINANCIAL ASSESSMENT

FINANCIAL ASSESSMENT : In this section the robustness of the proposals should be set out in financial terms. The Project Manager will need to work closely with the capital and revenue finance teams to ensure that these sections demonstrate the affordability of the proposals to the Council as a whole.

CAPITAL COSTS AND FINANCING

Breakdown of project costs including fees surveys and contingency	Prev. Yr. £m	20/21 £m	21/22 £m	22/23 £m	23/24 £m	24/25 £m	Future Yrs. £m	Total £m
Wheelie bins		Part 2	Part 2					Part 2
Bin delivery		Part 2						Part 2
Refuse Vehicles			Part 2					Part 2
Project Staff		Part 2	Part 2					Part 2
SSIMS integration & devices		Part 2						Part 2
Procurement fees		Part 2						Part 2
Contingency (5%)		Part 2	Part 2					Part 2
Total capital spend		0.863	1.011					1.874

Provide details of proposed funding: Funding to match with Project Value

Breakdown of proposed funding	Prev. Yr. £m	20/21 £m	21/22 £m	22/23 £m	23/24 £m	24/25 £m	Future Yrs. £m	Total £m
Corporate Borrowing		0.863	0.151					1.014
Service Borrowing			0.860					0.860
Total funding		0.863	1.011					1.874

S106 or CIL (Provide Planning App or site numbers)	No
Which alternative external funding sources been explored (Provide evidence)	N/A

Are there any bidding constraints and/or any restrictions or conditions attached to your funding	N/A		
Tax and VAT implications	N/A		
Tax and VAT reviewed by	N/A		
Will this project deliver capital receipts? <i>(If so please provide details)</i>	No		
Schemes in excess of £0.5m should be supported by a Cost Benefit Analysis. Calculations undertaken should be attached as an appendix to support financial implications shown below. Please contact your revenue accountant for assistance with this section.			
Is the capital ask greater than £0.5m	Y	If the answer is yes, have you attached the Cost Benefit Analysis	N

REVENUE COSTS AND IMPLICATIONS

Cost of Developing the Capital Project (To be incurred at risk to Service area)

Total Cost of developing the project	Up to £10,000
Revenue cost code for the development costs	4356
Revenue costs incurred for developing the project are to be included in the capital total, some of the expenditure could be capitalised if it meets the criteria	Y
Budget Managers Name	Katrina Houghton

Ongoing Revenue Implications

	Prev. Yr.	19/20 £	20/21 £	21/22 £	22/23 £	23/24 £	Future Yrs.
Revenue cost							
Loan repayment <i>(Corporate Borrowing) Bins & Project</i>				97,336	114,367	114,367	114,367
Loan repayment <i>(Service Borrowing) Vehicles</i>					118,667	118,667	118,667
Other <i>(Marketing and promotion)</i>			25,000				
Total Revenue Cost (A)			25,000	97,336	233,034	233,034	233,034

Service area revenue benefits/savings								
Annual revenue savings (<i>reduced vehicle maintenance costs</i>)					(25,000)	(33,000)	(40,000)	(40,000)
Total Revenue Savings (B)				(0.000)	(25,000)	(33,000)	(40,000)	(40,000)
Service area net (benefit) cost (B-A)				25,000	72,336	200,034	193,034	193,034
Has the revenue cost been budgeted for or would this make a revenue pressure			Corporate HSW contingency funding for the bins and project costs. Service borrowing for the vehicles.					
Which cost centre would the revenue pressure be shown			Corporate for bins and project costs CC 4356 for vehicles	Has this been reviewed by the budget manager			Y	
Name of budget manager								
Loan value	£1,014,000 bins & project costs	Interest Rate	2.25%	Term Years	10	Annual Repayment	£114,367	
Loan value	£860,000 vehicles only	Interest Rate	2.25%	Term Years	8	Annual Repayment	£118,667	
Revenue code for annual repayments			Corporate for bins and project costs CC4356 for vehicles					
Service area or corporate borrowing			Corporate HSW contingency funding for the bins and project costs. Service borrowing for the vehicles.					
Revenue implications reviewed by			Ruth Didymus and Charlie Green					

SECTION 5: MONITORING PERFORMANCE & POST PROJECT REVIEW

To conclude, the purpose of a business case is to outline the business rationale for undertaking a project and to provide a means to continually assess and evaluate project progress throughout delivery. It is the responsibility of the project manager to ensure the project remains on time and within budget during delivery and to monitor the project throughout and provide a Post Project Review on completion.

Investment Team Monitoring:

The Investment Team are required to report on completed projects and what they have achieved. To do this information will need to be captured during delivery and on completion of the project from your Post Project Review including:

Did the project deliver the intended outcomes and benefits as stated in the business case.

Which company was the contract awarded, is this a local company.

How many jobs did this project provide.

How much income from Council Tax and NHB will be collected.

How has the carbon omissions been mitigated and how much did this cost

Was the project delivered on time and on budget (including contingency)

Finance Monitoring :

It is essential for Capital Finance Team to monitor the financial element of projects during delivery for reporting purposes. Monthly spend profiles against budget, matching with finance profiles will be collected monthly during delivery and on completion of the project.

Version Control: (The version control table must be updated and signed off each time a change is made to the document to provide an audit trail for the revision and update of draft and final versions)

Author of Business Case	Date	Document Version	Reviewed By	Date
Andy Sharp	01/09/2020	v 1.0	Katrina Houghton	02/09/2020
Andy Sharp	15/09/2020	v 2.0	Katrina Houghton	17/09/2020
Andy Sharp	02/09/2020	v 3.0	Katrina Houghton	02/10/2020

SECTION 6: RECOMMENDATION AND ENDORSEMENT**Recommended Decision****It is recommended that the Leader of the Council:**

- Approves the Business Case
- Allocates £1.874m for the project into the Capital Programme funded
 - £1.014m Corporate Borrowing
 - £0.860m Service Borrowing
- Authorises the procurement process
- Delegates the award of the contract to Strategic Director for Place.

Cllr Sue Dann, Environment & Street Scene		Philip Robinson, Service Director (Street Services)	
Either email dated:	5 October 2020	Either email dated:	5 October 2020
Or signed:		Signed:	
Date:		Date:	