

BRIEFING REPORT**Food Waste Collection Project**

(Award of Contract for the procurement of containers and distribution to households)

**I. EXECUTIVE SUMMARY**

The purpose of this document and the ancillary attachments is to provide context for the request for the approval to award the contract for the procurement and distribution of containers to the preferred supplier IPL Plastics UK Limited following a comprehensive tendering process. The city-wide weekly food waste collection service is a legislatively driven and mandatory initiative that affects all Waste Collection Authorities in England. The primary legislation is the Environment Act 2021, but the project also interfaces with the Climate Change Act 2008 and the UK's Net Zero targets on reducing greenhouse gases therein. The service must be delivered by 1 April 2026.

The Department for Environment, Food & Rural Affairs (Defra) provided funding for the project incrementally for the procurement of capital assets only in 2024/25. A decision was made to de-risk the full project by presenting a discrete capital Business Case for the procurement of vehicles and containers whilst awaiting confirmation of phases 2 and 3 revenue funding from Defra.

The budget for all containers (7 litre internal caddies, 23 litre caddies and communal bins and spares) is **£816,274.00** and is funded by the £1,941,574 Capital grant for vehicles and containers which was provided to the Council in the Financial Year 2024/25. The decision to procure containers has previously been approved under [Decision - L30 24/25 - Food Waste Collection Service Vehicles and Containers - Modern Council](#). Extensive Market Intelligence research with peer group local authorities, site visits, demos with suppliers and end user tests have taken place as a pre-cursor to this procurement to ensure that the contract presented Value for Money and that the product profile was "best in class" not only for operatives but residents.

The award of contract for the containers is underbudget by **£192,374.00** of the capital costs because the due diligence taken to obtain Value for Money for the procurement of caddies and additionally by repurposing existing garden waste bins for the Communal bins.

The award of contract also includes the distribution of containers from phase 2 Transitional (revenue) funding from Defra. Defra has made a provision for **£323,013.52** for the distribution of containers. The award of contract is for **£309,000** for the supplier to provide internal and kerbside caddies to non-flatted properties. The Council will have to distribute internal caddies and communal bins to flats in collaboration with Housing providers who may prefer to take ownership for the delivery to their residents with the variance of **£14,013.52**.

A total contract value from Capital and Revenue is for **£932,900** and does not compromise the Council's Medium-Term Financial Planning service borrowing.

The North East Procurement Organisation (NEPO) and The Procurement Partnership (TPPL) framework was selected for the procurement of the containers and distribution tender. The tender was presented in 2 Lots in an open competition procurement exercise in compliance with all public procurement regulations to appoint suppliers to the framework. Lot 1 was for containers only and lot 2 included the distribution. Selection of suppliers was based on the Most Economically Advantageous Tenders and defined in the OJEU Contract Notice with the following award criteria.

- Quality – 40%

- Price – 60%

Suppliers were assessed on their financial, technical, insurance, experience and references, environmental and health and safety procedures, and business continuity plans.

The supplier IPL Plastics UK Limited was awarded for the supply of containers and their distribution to non-flatted properties. An estimated 3–4-month lead time for the contract set up, manufacture and delivery is expected following approval.

The sooner the Council can approve the award of contract processes the greater the likelihood of meeting the April 2026 deadline.

2. BACKGROUND

In October 2023, the government launched 'Simpler recycling', a reformative and legislation driven programme that aims to make recycling easier, consistent throughout the country, to increase stagnant recycling rates and to align with net zero targets. The introduction of a weekly food waste collection service is one of the outcomes of the initiative. The UK currently produces 9.5 million tonnes of food waste annually and 70% of this food waste is deemed avoidable. The estimated costs associated with this food waste are £19 billion and has associated emissions of 36 million tonnes of carbon dioxide equivalent.

Defra has provided £295 million to around 50 per cent of all Waste Collection Authorities (WCA) in England who have not already implemented a food waste collection service.

The project has an intrinsic benefit that supports the Council's Corporate Plan, Plymouth's Net Zero Action Plan and financial savings from the cost of food waste being processed with residual waste. The introduction of a food waste collection service will increase the recycling rate by 3-7% depending on the participation rates and the efficacy of the public engagement and behavioural programme.

3. PROPOSAL

As part of this procurement the Council must provide 7 litre internal caddies to all 123,000 households in Plymouth of which approximately 29,000 are flats or Houses in Multiple Occupation (HMOs). Residents are, however, not obligated to present their food waste.

Residents will be asked to place the following into their internal food caddies.

- All uneaten food and plate scrapings
- Tea bags – biodegradable and non-biodegradable accepted
- Coffee grounds
- Out of date or mouldy food
- Raw and cooked meat, including bones
- Raw and cooked fish, including skin and bones
- Shellfish and seafood shells
- Dairy products such as cheese
- Eggs and eggshells
- Rice, pasta and beans
- Baked goods such as bread, cakes and pastries
- Fruit and vegetables, including raw and cooked vegetables and peelings and cut flowers
- Pet food waste

The Council must also provide external kerbside caddies where residents will deposit food waste for collection by the Council on a weekly basis. Communal bins will be provided for blocks of flats, estates and clusters of flats.

4. FINANCIAL IMPLICATIONS

The total cost breakdown is:

£ 787,500 - Actual Value, where price is fixed

- £ 138,600 (126,000 7L Kitchen Caddies)-Capital Cost from Phase 1 of the Business Case
- £ 339,900 (103,000 23L Kerbside Caddies)- Capital Cost from Phase 1 of the Business Case
- £ 309,000 (103,000 7L Kitchen, and 23L Kerbside Caddies delivered to Households) Revenue Cost from Transitional Funding FY 2025/26

£ 72,700 – Maximum Variable Value, for Annual Caddy top up's

- £ 22,100 (up to 11,000 7L Kerbside Caddies for 2027) Capital Cost from Phase 1 of the Business Case
- £ 50,600 (up to 11,000 23L Kerbside Caddies for 2027) Capital Cost from Phase 1 of the Business Case

£ 72,700 – Maximum Variable Value, for Annual Caddy top up's

- £ 22,100 (up to 11,000 7L Kerbside Caddies for 2028, if option to extend taken) Capital Cost from Phase 1 of the Business Case
- £ 50,600 (up to 11,000 23L Kerbside Caddies for 2028, if option to extend taken) Capital Cost from Phase 1 of the Business Case

£ 932,900 – Potential Total Contract Value

5. RISK

The following key risks have been identified:

- Missing the deadline: because of delay in awarding contract.
- Escalating Costs/Availability of Assets: Because around 50% of Waste Collection Authorities are procuring vehicles and containers at the same time from the same suppliers, there is a risk of escalating costs (market saturation and supply and demand issues).
- Negative media/public attention: Because of lack of information or misinformation.
- Low public appetite for participation due to socio-ideological biases, apathy, lack of information or misinformation.

6. RECOMMENDED DECISION

1. To award the contract to IPL Plastics (UK) for the provision of 126,000 seven litre internal kitchen caddies, with an estimated annual replenishment of 13,000 units, alongside 103,000 twenty-three litre external kerbside caddies, with an annual top-up of 11,000 units, to facilitate the Council's city-wide food waste collection service, set for implementation by 1st April 2026.
2. To award the contract to IPL Plastics (UK) to distribute internal and kerbside caddies to non-flatted properties.

The total potential contract value is £932,900.00.