

OVERVIEW & SCRUTINY COMMISSIONING COMMITTEE - RECOMMENDATIONS ON PREFERRED BIDDER FOR WASTE PROCUREMENT

Cabinet is asked to consider the attached recommendations of the Overview & Scrutiny Commissioning Committee from the meeting held on 11 January 2011.

A resolution to exclude the press and public may be required if any confidential information needs to be discussed.

Yours sincerely

Clare Gray

Senior Democratic Services Officer

Call in on the Cabinet decision to award preferred bidder status to WRG

To: All Cabinet members

At the Overview and Scrutiny Commissioning Committee meeting of 11 January 2011 members voted to refer the decision to award preferred bidder status to WRG back to you.

Please find below a copy of the Committee's recommendation:

The Overview and Scrutiny Commissioning Committee (OSCC) asks Cabinet to reconsider its decision to award preferred bidder status to the Waste Recycling Group (WRG) on 29 November 2010.

We recommend that the Cabinet reconsiders its decision in light of the issues that have come to the attention of the OSCC during the call-in process. In particular, we ask that Cabinet fully considers all the options, including not to proceed with either WRG or Covanta's proposals at this stage.

We seek clarification and reassurance in relation to the points set out below:

- The high long-term financial risk relating to the costs associated with a 30 year contract.
- The high risk associated with going ahead with the procurement process at this point, prior to the granting of planning permission. There is no guarantee that planning permission will be granted and there may be considerable delay.
- That the robustness of the financial case is not sufficient to justify the risk to the County Council of proceeding at this point.
- Assurance that the bidders are sufficiently experienced to meet the Council's requirements.
- That sufficient weight has been given to public feeling and the level of consultation and public engagement.
- That there may be a significant risk of legal challenge to the procurement process at this point. We ask the Cabinet to consider the legal case of Capel Parish Council vs Surrey County Council 2009 to learn from their experience.
- Given the time lapse between the original decision to proceed with Energy from Waste (EfW) technology and the proposed decision to award preferred bidder status, we ask for Cabinet to satisfy itself that that EfW continues to be the most appropriate solution.
- In light of proximity of other potential EfW sites in neighbouring counties, we ask Cabinet to look again at the capacity assumptions made.

I look forward to discussing this issue with you at Cabinet on 17 January and receiving your response.

Kind Regards

Trevor Egleton, Chairman of the Overview and Scrutiny Commissioning Committee