

Meeting of:	CABINET
Date of Meeting:	22 SEPTEMBER 2026
Report Title:	FUTURE WASTE SERVICE – UPDATE ON INSOURCING OF WASTE SERVICE
Report Owner: Responsible Chief Officer / Cabinet Member	CORPORATE DIRECTOR COMMUNITIES CABINET MEMBER FOR COMMUNITIES AND THE ENVIRONMENT
Responsible Officer:	ZAK SHELL HEAD OF OPERATIONS – COMMUNITY SERVICES
Policy Framework and Procedure Rules:	There is no effect upon the Policy Framework and Procedure Rules.
Executive Summary:	This report provides an update on progress with the current insourcing of the waste service and notes that where operationally necessary, authority will be sought to suspend the requirement to competitively procure service provision set out in the Council’s Contract Procedure Rules (CPRs) to ensure a smooth transition of the waste service.

1. Purpose of Report

1.1 The purpose of the report is to

1. Share an update on the progress of the insourcing of the waste service overseen by the waste project board.
2. Highlight the potential risks caused by substantial supplier change linked to the waste insourcing project and for Cabinet to note, that in order to mitigate against these risks, that where operationally necessary, authority will be sought to suspend the requirement to competitively procure service provision set out in the Council’s Contract Procedure Rules (CPRs) in accordance with paragraph 1.10 of Scheme A of the Council’s Scheme of Delegation to permit officers to negotiate terms directly with existing suppliers where appropriate to ensure smooth transition and ensure continuity of service.

2. Background

- 2.1 The Council has outsourced its recycling and waste contract to a commercial contractor since 2003. In November 2024 Cabinet decided to bring the waste service in house following the end of the contract with Plan B in March 2026.
- 2.2 In April 2025 a decision was taken to agree an extension of 15 months with the current waste contractor Plan B Management Solutions, following advice received from SLR Consulting Ltd (SLR) relating to the deliverability of the project in the time available. This was agreed with the contractor in May of 2025.
- 2.3 A Waste Project Board was set up and first met in December 2024. SLR were appointed in March 2025 to provide project management support. During March 2025, SLR visited relevant sites and met with relevant senior officers within the authority to scope out the project. Nine working groups were set up with leads from within the authority leading in the various areas:
- Operations
 - Assets
 - Systems
 - HR
 - Finance
 - Health and Safety
 - Property
 - Procurement
 - Legal
- 2.4 During the initial months of SLR project managing the insourcing, meetings were held on a fortnightly basis with all working group leads meeting and reporting on progress to date. Highlight reports were then presented to Board on a Monthly basis on progress.
- 2.5 The authority also recruited additional resources to support the transition process with a Transition Manager commencing in post in May 2025, and transition support officers being recruited in August and November of 2025. These officers have been working on gathering information on the services needed to ensure that a successful transition takes place when the authority becomes responsible for delivery of the service from July 2027. Additional posts have also been recruited to in the procurement team to support with the transition and a Compliance support role has recently been created with further recruitment in Human Resources underway currently.
- 2.6 The Cabinet Member for Communities and the Environment attends the monthly Transition Board meeting along with relevant officers where progress is reported on and any necessary requests for authorisation are raised.

3. Current situation/ proposal

- 3.1 A significant part of work undertaken to date is around key suppliers needed to enable the running of the service. Through transition preparation works, it is noted that there are currently around 130 suppliers engaged to support the waste collection service. These supply a range of services and goods in support of the current contract ranging from IT systems, plant and equipment maintenance and various waste containers.
- 3.2 The transition team are due to commence two open competition procurement exercises relating to delivery of the service around marketing of materials and skip provision for the Community Recycling Centres. Alongside this, since the decision to insource the service was made, several vehicles have been ordered with some of these being delivered and delivery of others expected over the next few months and into 2027. Meetings with many key suppliers have taken place to help the authority determine what needs to be in place for July 2027.
- 3.3 Whenever introducing new supply chains there is risk introduced. The consensus from the Transition Board is that, where possible, the service for residents should not be changed. To de-risk the transition as much as possible and to ensure continuity of service where possible and practical, existing suppliers in some key areas will need to be utilised.
- 3.4 It should be noted that this is not the case with all suppliers currently used by the existing contractor. There are a number of areas where the authority already has contracts in place for services and these will be utilised where at all possible. Also, if a provider is deemed to not be performing well, new suppliers will be sought.
- 3.5 Procuring goods, works or services without a compliant procurement process also presents risk for the authority. The Council's CPRs ensure that procurement exercises are lawful and carried out in compliance with statutory requirements. The Procurement Act 2024 requires that public bodies such as the authority openly advertise and competitively tender public contracts over prescribed value thresholds. Entering into a public contract with an existing supplier of Plan B without any competition will amount to a breach of that statutory requirement should the value of the contract exceed the applicable threshold and should there not be a statutory prescribed direct award justification available. The risk to the authority would be an aggrieved supplier initiating a procurement challenge whereby they may seek to have the contract set aside on the basis that it has been awarded unlawfully and/or damages for loss of profit or lost chance of bidding for the contract.
- 3.6 The procurement risk may be mitigated in some instances by ensuring that the term of any directly awarded contract is limited in duration which may bring the overall contract value below the applicable statutory threshold requiring a competitive tendering procedure. For goods and services contracts the current statutory threshold relevant to the authority is £207,720 and for works contracts the threshold is £5,193,000 (both inclusive of VAT). The authority also can consider whether there are any options to compliantly direct award the contracts in accordance with

any relevant statutory direct award justifications which are reflected as waivers under rule 3.2 of the Council's CPRs.

- 3.7 Where such mitigation measures are not possible and the risk associated with changing the supplier base outweighs the risks associated with not running a compliant competitive tendering procedure there may be some instances where the authority will need to rely on the delegated authority available under paragraph 1.10 of Scheme A of the Council's Scheme of Delegation to suspend the requirement of the Council's Contract Procedure Rules to competitively procure the contract providing the contract does not exceed £1,000,000.

4. Equality implications (including Socio-economic Duty and Welsh Language)

- 4.1 The protected characteristics identified within the Equality Act, Socio-economic duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services, and functions. It is considered that there will be no significant or unacceptable equality impacts because of this report.

5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives

- 5.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impact upon the achievement of well-being goals/objectives, as a result of this report.

6. Climate Change and Nature Implications

- 6.1 There are no Climate Change and Nature implications from this report.

7. Safeguarding and Corporate Parent Implications

- 7.1 There are no safeguarding or corporate parent implications arising from this report.

8. Financial Implications

- 8.1 A Waste Transition earmarked reserve was established in 2024/25 and has been used to fund transitional costs including consultancy support from SLR and additional resources employed on the waste insourcing project. All spend on waste transition is reported to and monitored by the Waste transition board that meets monthly.
- 8.2 Council approved an updated capital budget for new waste vehicles of £1.881 million on 24 July 2024 to mitigate the issues around the reliability of the fleet. Updates on purchases made and planned purchases is referenced in 3.2

9. Recommendation

It is recommended that Cabinet:

1. Note the progress to date on the waste insourcing.
2. Note that there will be some instances where key suppliers will need to be utilised without a compliant competitive tendering procedure and that, where deemed necessary and agreed by the Waste Transition Board, in such instances authority will be sought to suspend the requirement to competitively procure service provision set out in the Council's CPRs in accordance with paragraph 1.10 of Scheme A of the Council's Scheme of Delegation. This will be subject to the prior approval of the Monitoring Officer and in consultation with the Cabinet Member Finance and Transformation and subject to the value of the Contract not exceeding £1,000,000.

Background documents

None