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**PFI AND WASTE MANAGEMENT - DIRECTOR'S ACTION**

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**Report of the Director of Environment and Development**

**1. Purpose of Report**

To provide Members with details of decisions approved by the Director, under delegated powers as authorised by Cabinet on the 18<sup>th</sup> September 2000 and 29<sup>th</sup> January 2001, in relation to the PFI Waste Management project.

**2. Summary of Decisions**

The following table details decisions approved by the Director on 21.02.01:

Details of Decision	Date	Power to Act	Further Details
Waiver to Standing Orders 84.1(a) Waiver to Standing Orders 85.3(b) Use of Standing Order 82.2(b)	21.02.01	Cabinet 29.01.01	Appendix A

**3. Recommendations**

That Members note the Director's action regarding the use of Standing Order 82.2(b), and the decision to waive Standing Order 84.1(a) and Standing Orders 85.3(b). Details of this decision are in the background report at appendix A.

**4. Financial and Legal Implications**

Cabinet on 29<sup>th</sup> January 2001 approved that "the Director of Environment and Development, under delegated powers, in consultation with the Cabinet Member with lead responsibility for Environment, will be responsible for approving all key decisions relating to the PFI procurement". In relation to the use of Standing Order 82.2(b) there is a requirement that "such decisions shall be reported to the next following meeting of the Cabinet".

**5. Report Author/Officer to contact:**

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**Wards Affected**  
**None**

**Appendix A**

**Cabinet**

**9<sup>th</sup> April 2001**

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**Report of the Director of Environment and Development**

**1. Purpose of Report**

This background report provides Members with further information in relation to decisions taken by the Director in relation to the PFI Waste Management project.

**2. Background**

In September 2000 the Council was successful in its PFI bid to assist in the development of a new integrated Waste Management service for the city.

On 29<sup>th</sup> January 2001 Cabinet gave approval for the Director, in consultation with the Cabinet Lead Member for Arts, Environment and Public Health, to approve all key decisions relating to the PFI Waste Management procurement. This report provides further information as to the Director's action in approving a waiver to Standing Order 84.1(a) and 85.3(a) and use of Standing Order 82.2(b)

**3. Waiver to Standing Order 84.1(a) and 85.3(a) and use of Standing Order 82.2(b)**

The EU negotiated procedures, as recommended by the government, is being used to procure the PFI Waste Management contract. However in using of this procedures a number of waivers from Council Standing Orders were required.

Standing Order 84.1(a) states that "the director shall determine whether to use a restricted procedure or an open procedure in letting a larger contract". The use of the EU negotiated procedure is not catered for in this Order and therefore a waiver to Standing Order 84.1(a) was required.

Standing Order 85.3 (a) states "whenever the EU public procurement rules apply, not less than five qualified bidders shall be invited to bid". The EU Negotiated Procedures and the Environmental Protection Act, which shall be applied in the letting of the waste management contract, allows a minimum of four bids to be sought. This would provide greater flexibility within the procurement process, and therefore a waiver to Standing Order 85.3 (a) was required.

Furthermore it was necessary to act on these matters urgently, so as not to delay the procurement process further, delay of the procurement process will lead to a significant incurring of costs and undermine the successful delivery of the project within the specified time-table. Given the decision of Cabinet of 29<sup>th</sup> January 2001 to allow the Director of Environment & Development to make key decisions under delegated powers, the Director approved the waivers to Council Standing Orders 84.1(a) and 85.3(a) with reference to the use of Standing Order 82.2(b). This Order states: “contract Standing Orders may be waived in cases of extreme urgency, by written decision of the Director, if no meeting of the Cabinet will take place before the date by which bids must be obtained or a contract awarded. Such decisions shall be reported to the next following meeting of the Cabinet.”

**4. Other Implications**

OTHER IMPLICATIONS	YES/NO	Paragraph References within Report
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	
Crime and Disorder	No	
Human Rights Act	No	

**5. Details of Consultations**

Cabinet Lead Member for Arts, Environment and Public Health  
 Legal Services