

Soft Market Test

For

Dry Mixed Recycling Bulking

RECAP Waste Partnership

Section 1: Introduction

1. Background

- 1.1. Following an abandoned procurement the RECAP Partner authorities are keen to engage the market for 2 new opportunities – firstly Dry Mixed Recyclate processing and haulage and secondly Waste Transfer Station provision. This document contains high-level information on initial changes and key information regarding the new opportunities. RECAP is prepared to consider further feedback from the market in shaping these reviewed and updated opportunities.
- 1.2. Proposed key changes include the ability for MRF processors to receive much lower tonnages (as opposed to 82ktpa) in small Lots, likely as low as 10,000 tonnes per annum. Contamination risk will be a full pass through cost to the authorities. The MRF Contractor will be able to price for haulage and MRF processing (the gate fee). DMR income will be shared on the basis of a 50/50 share on the net value of the basket of materials. It is politically and economically important councils recognise the resource value of recyclates they collect. The demonstration of income will be subject to Open Book processes but unlike our previous procurement these will not extend to Open Book demonstration of costs – only of income. The contract will likely be for a term of five years with possible extension/s of a further two years. Given the potential for changes in the sector Change in law protection will be provided.
- 1.3. In filling in the attached questionnaire, we would also invite you to raise any further questions you have at this stage and consider if you would appreciate the opportunity of a more detailed Teams discussion with the Partner Councils, where we can discuss the proposed contract in more detail prior to the issue of contract and tender documentation. The agenda for those discussions would of course be the basis of your response and any further questions you may have.

2. General Requirements

- 2.1. The purpose of this document is to briefly explain to suppliers the business and technical requirements and the expected scope of Dry Mixed Recycling Bulking in order that suppliers can explain the relevance of products, services and their experience to the requirements.
- 2.2. Suppliers can find out more about the Procurement and Commercial Teams tender process, role and strategies via the [Supplying to the Council](#) webpage as RECAP's procurement is being hosted by Cambridgeshire County Council.

2.3. **Please note:** this market testing exercise is **not** an invitation to tender or a request for formal expressions of interest. This document does not form any part of an invitation to tender. CCC is issuing this request for **information only**. Any supplier invited to present to CCC is doing so to support market research only and to help make any potential procurement process more focused and efficient. No supplier selection or supplier preference is implied. Cambridgeshire County Council are hosting the procurement on behalf of the RECAP partners but are not party to the eventual contracts being tendered for.

3. Confidentiality and Freedom of Information (FOI)

3.1. **Please note:** all information included in this Soft Market Testing is confidential and only for the recipients' knowledge. No information included in this document or in discussions connected to it may be disclosed to any other party without prior written authorisation.

3.2. All responses will be treated confidentially. However, please be aware that we are subject to the disclosure requirements of the FOI Act and that potentially any information we hold is liable to disclosure under that Act. For this reason, we strongly advise that any information you consider to be confidential is labelled as such. In the event that a request is subsequently made for disclosure under FOI the request will be dealt with in accordance with the legislation.

4. Background

The Cambridgeshire and Peterborough Waste Partnership (RECAP) works together to continuously improve waste services, increase recycling and reduce waste, finding cost effective and environmentally responsible ways to meet the needs of local communities. This soft market testing follows a previous abandoned procurement to procure bulking and processing facilities for all RECAP Local Authorities in the RECAP Waste Partnership. The procurement was abandoned on the basis that solutions offered were not value for money. This soft market testing will inform our next procurements. There will be a procurement for DMR along with a separate procurement for waste transfer stations and bulking services. We will be dividing both the bulking and the processing into smaller lots. Whilst the RECAP Partnership wishes to work as closely as possible smaller lots potentially by areas or size may better suit the market for bulking and processing to achieve a workable solution.

The soft market testing is aimed to help formulate a more market focused approach with how the total tonnage of 82,000 tonnes of dry mixed recycling is bulked and ready for onward processing. The RECAP Partnership are looking for economies of scale on bulking and processing to reduce contract management but understand that the market conditions may differ. We are keen to hear from a wide range of providers for this service so that we can establish a broader response from the waste transfer market.

5. Soft Market Test Timetable

- 5.1. Please read this document and if you feel that your organisation is able to contribute to this exercise please complete the questionnaire at the end of this document and return, via email to clare.ellis@cambridgeshire.gov.uk by 1st March 2024
- 5.2. Potential responders will not be prejudiced in any future procurement processes by either responding or not responding to this soft market test exercise.
- 5.3. Due to the previously abandoned procurement, we are running a very fast soft market testing exercise with the aim to review and amend our documentation as soon as possible so that the procurement can start in March 2024

Section 2: Identification of Requirement

6. Current Situation

- 6.1. The RECAP Partnership has decided to make the following changes to the previous procurement,
 - Reduce the size of the lots by dividing up the quantity of tonnage.
 - Make the terms of the contract and bidding process more attractive to the market.
- 6.2. We will be carrying out an open tender process for the bulking and processing of the mixed dry recyclables. We wish to hear views on the initial high-level thinking on the suggested changes and any other ideas bidders may have. The partnership is keen to continue working together and the separation of lots is as a response to the market capacity only. We are still keen to provide a consistent and effective dry recycling services to all our residents in Cambridgeshire and Peterborough and find contractors that are able to help us achieve this goal.

7. Our Requirements

- 7.1. Our requirements are, via two separate procurements, to establish bulking transfer facilities for the total tonnage of 82k tonnes via several lots, and deliver via several lots, 82k tonnes to Mechanical Recycling Facility/ies to extract the highest quality and quantity from the mixed dry recyclables for Cambridgeshire and Peterborough residents.
- 7.2. To create a series of identical contracts that provides full service coverage for all RECAP Partners with bulking and processing for the best value price.
- 7.3. To manage and operate these contracts as a collective with a consistent and collaborative approach working with bidders. Providing a joined up approach on behalf of the partnership to prevent duplication and provide efficiency.
- 7.4. We are looking for a solution that will:
 - Deliver a sustainable cost effective dry mixed recycling service to our partners with due consideration to our impact on the environment.
 - Utilise the full potential of the waste market by being open to smaller and larger scale contractors to meet our requirements and engaging them to ensure this is possible.
 - We are looking for a successful collaboration with contractors that will work with us to improve the dry recycling in Cambridgeshire and Peterborough, meeting all the required standards to maximise the impact of this service.

Section 3: Supporting information

Please complete the following short questionnaire to complete the soft marketing testing by the deadline of 1 March 2024.

Questionnaire about the Processing Procurement

<https://forms.office.com/e/ZipW7gkkmq>

Questionnaire about the Bulking Procurement

<https://forms.office.com/e/WUL2uPShvK>