



WINNER 2012



David Whitehouse



Working for Warwickshire

# Recycling and Re-use Partnerships

1. Lower House Farm Household Waste Recycling Centre (HWRC) - collaborative procurement with Staffordshire CC.
2. 'Franchising' of recycling centre re-use shops
3. Development of Judkins HWRC, Nuneaton.



# Lower House Farm HWRC

- £3.5m HWRC inc Re-use Shop + Waste Transfer Station + RCV parking
- Opened 12 June 2013
- Joint provision with Staffordshire County Council
- Near Tamworth (M42/A5)
- Operating costs shared between Warks CC and Staffs CC



# Lower House Farm HWRC



# Lower House Farm Re-use

- Biggest HWRC Re-use Shop in the UK
- 3,000 ft<sup>2</sup>
- Dedicated drop-off bays plus 50+ shared parking spaces



# As seen on TV

**BBC**  
**NEWS**

**Recycled goods  
sold in 'rubbish  
shop'**

[www.live.bbc.co.uk/news/uk-26765510](http://www.live.bbc.co.uk/news/uk-26765510)



# In the Beginning

- Burton Farm HWRC opened 2003
- The Shakespeare Hospice 'selected' as re-use shop operator



**£1 million+  
generated for  
the charity**

# HWRC Re-use Shop Network



First shop in 2003



Opened in 2005



Extension in 2008



Open in 2008



# Princes Drive HWRC Re-Use Shop

- OJEU Tender 2010
- 45 month contract
- 5 Bidders
  - 3 Local charities
  - 1 Waste Mgt Company
  - Sue Ryder
- Fierce competition
- ‘Reluctant’ incumbent operator



# Benefits of HWRC Re-use

## Local Authority

- Diversion from landfill
- Reduced disposal costs
- Highlights importance of re-use in waste hierarchy
- Big Society
- Feelgood factor for site users
- Award-worthy 😊
- Fee & Biz Rates savings

## Charity Operator

- Low risk and lucrative
- Raises profile
- Complements high street presence + other re-use / recycling activities
- Economy of scale
- Volunteering opps
- £££ Supports community projects

# Too good to tip?



- Electricals
- Furniture
- Books, CDs
- Bric-a-brac
- Tools
- Toys & Games

# How to pick a re-use partner

- a) Let us as a competitive concession contract – *how much are you willing to pay us?*
- b) Set rent + 100%  
Quality evaluation
- c) Arms length e.g. via HWRC contractor
- d) Arbitrary / first come (anti-competitive?)

## Prepare for:

- Cut-throat competition between bidders
- Feedback to unsuccessful bidders
- Aggressive lobbying and/or negative publicity by losers
- Exit strategy at end of term

# Client Considerations

- You can never, ever have enough space!
- Dedicated car parking & drop off zones
- Good housekeeping – it's not a tip!
- Stock rotation
- Affordability / pricing
- Site and shop staff / volunteers need to work together
- Integrate contracts with HWRC operation?
- Requirements of service
- Minimum opening hours
- Minimum staffing levels
- Health & Safety plan
- Record keeping, tonnages, accounts, audit trail
- Excluded goods
- Clear roles and responsibilities
- Interaction with HWRC staff
- Responsibility for waste disposal

# Austerity Prompts Pilot

- £900,000 annual savings required from WCC Waste Management
- Minimal impact on service delivery + user satisfaction
- Track record of working with 3<sup>rd</sup> Sector on Reuse Schemes – National Best Practice

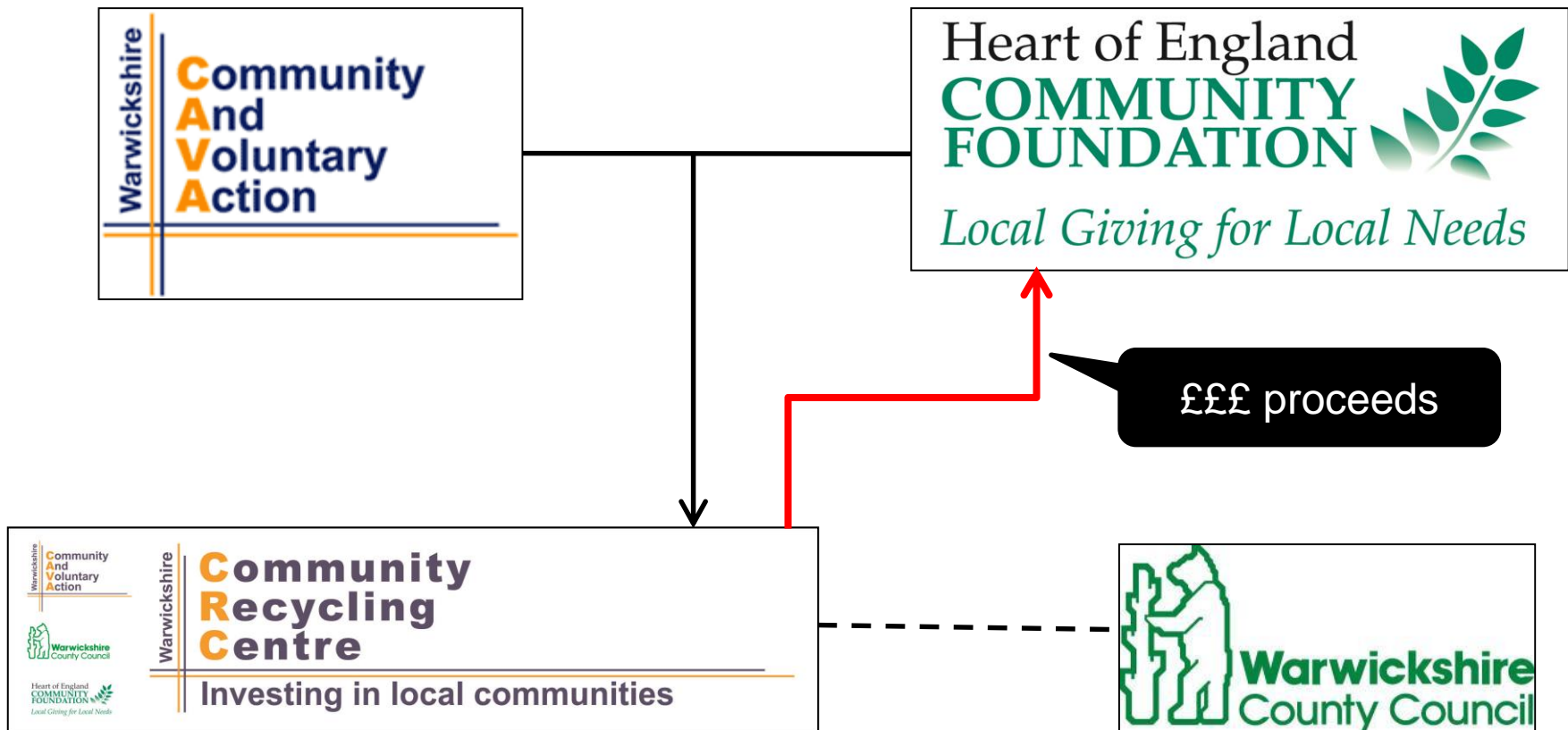


# The (interim) Solution

- 6 HWRCs brought in house
- Sub-contracting of 2 sites to Social Enterprise (MOU & Lease)
- Charity Reuse Shops
- **SAVING = £6.3m over 7 years**



# WCR Partnership





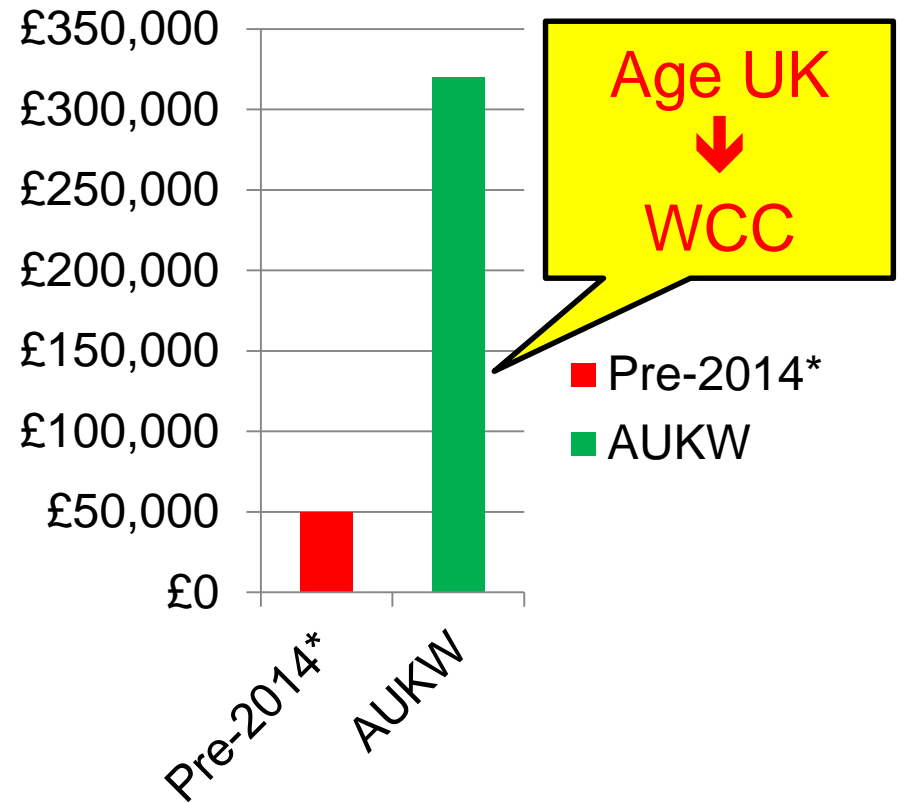
# Re-use Shops Tender – key facts

- 5 year contract + up to 5 year extension
- 2 HWRCs including re-use shops
- 6 stand-alone re-use shops
- Packaged into 4 Lots
- Procurement benchmark = Minimum £50,000 'franchise' fee per Lot per year
- Scored on level of £ concession offered (70%) + quality (30%)
- Information day attracted 15 organisations
- 26 Expressions of Interest
- 5 bids
- Age UK Warwickshire won all 4 Lots!
- £3m income for WCC over 10 years

# Re-use Shops Franchise Income



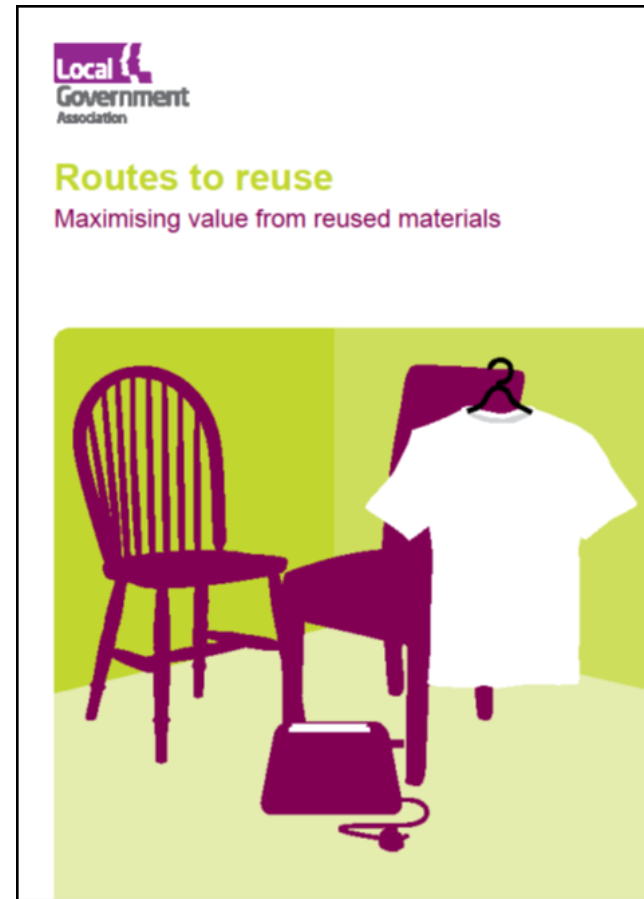
## Franchise Fee



\* Equivalent annual rental yield of re-use shops network

# HWRC Re-use Franchising

- Truly innovative & ground-breaking
- Austerity-busting
- Circular economy in action
- 360 degree Sustainability
  - Social
  - Economic
  - Environmental
- Replicable & Scale-able



# FCC Build HWRC FOC

- Provide / Design / Build / Operate Contract
- HWRC facility close to Nuneaton town centre
- Market testing and previous abortive procurement dictated 15 year term + extension
- Includes Charity Re-use Shop
- Trade waste option



# The 'new' Judkins HWRC



# Re-use Shop



# Generating Social Value

- 24 Volunteers recruited and trained
- 5,000 volunteer hours to date
- Nearly 2,700 items sold (19.1 tonnes) in June 2015 alone
- Pedestrian access to shop from main road



# Official Opening July 2014







CIWM Community Recycling Champion of the Year 2012

LARAC  
2012



Event Partner



Organised by



WINNER

WARWICKSHIRE COUNTY COUNCIL:  
OUTSOURCING HWRC'S TO THE THIRD SECTOR

Sponsored by:

Virgin

Trans



Best Partnership Award LARAC 2012



Highly Commended for Collaborative Procurement: Excellence in Public Procurement Awards 2014/15

# Contact



[davidwhitehouse@warwickshire.gov.uk](mailto:davidwhitehouse@warwickshire.gov.uk)

[uk.linkedin.com/in/davidwhitehouseuk](https://uk.linkedin.com/in/davidwhitehouseuk)