Food Waste contract under discussion

Four contractors have been invited to take part in competitive dialogue to determine which one of them will deliver facilities to treat food waste collected by Edinburgh and Midlothian Councils in the future.

AmeyCespa, Kelda Water Services, Shanks and Viridor Waste Management were shortlisted after submitting pre-qualification questionnaires to the project team. When the procurement process began in February over 50 organisations expressed an interest in competing to deliver the facilities.

It is expected that winning bidder will deliver Anaerobic Digestion (AD) facilities that will recover value from food waste through a contained and carefully controlled composting process. The AD process converts food waste into a resource by producing a biogas that could be used to generate renewable energy and 'digestate' that could be used as soil improver or fertiliser.

The competitive dialogue procedure is recognised as a successful method for managing complex procurement projects. The process ensures that risks and contract terms are agreed between the contracting authority and bidders during the competitive stage of the procurement, increasing competition between bidders and providing best value for money.

Councillor Russell Imrie, Cabinet Member for Strategic Services at Midlothian Council, said: "Now the early stages of the food waste treatment procurement are complete four bidders have been invited to take part in competitive dialogue. The project team can now focus on the detail of how each bidder suggests they can help deliver our goal of a Zero Waste Edinburgh and Midlothian."

Councillor Robert Aldridge, Environment Leader at the City of Edinburgh Council, said: "This latest development in the Zero Waste Project will help us to achieve our aim by making best use of our food waste by turning it into energy as well as for use as a fertiliser. It also means that we are a step closer to commissioning a food waste treatment contract which will ensure that we will no longer have to send our food waste to landfill."

Once the project team identify the best solutions the competitive dialogue will end and the remaining bidders will be invited to submit their final tenders. Following the receipt of final tenders a preferred bidder will be chosen. It is expected that the food waste treatment contract will be awarded by the end of 2012 and that the facilities would be operational in advance of 2015.

A separate procurement process for additional residual (mixed) waste treatment facilities is likely to commence later in the year in order to be ready in time for a proposed ban on the disposal of biodegradable waste to landfill, planned to be introduced in 2017.