



Portfolio Holder Decisions

Award of Bulky Household Waste Contract

1. **The Award of the Bulky Household Waste Contract** (Pages 1 - 6)
Report of the Service Director People and Places

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Report of:	Portfolio Holder	Date of publication
Mark Billington, Service Director People and Places	Councillor Simon Bridge, Street Scene Parks and Open Spaces Portfolio Holder	5 September 2019

The Award of the Bulky Household Waste Collection Contract

1. Purpose of report

- 1.1 To agree the outcome of the evaluation exercise for the bulky household waste collection contract, in order to award the contract.

2. Outcomes

- 2.1 A high quality bulky household waste collection service that provides high levels of customer satisfaction and value for money. A service that diverts waste from landfill for recycling and offers items for reuse to assist households on low incomes and provide training opportunities as well as support the climate change agenda.
- 2.2 Compliance with:
- The Council's Waste Strategy;
 - The European Landfill Directive 2000, and;
 - Financial Regulations.
- 2.3 Delivery of the Business Plan key priorities:
- Collaborate with our partners to respond to climate change issues and;
 - Implement initiatives and promote activity to help achieve a cleaner, greener Wyre.

3. Recommendations

- 3.1 That following the detailed evaluation process, Wyre and Blackpool Councils award the Contract for Bulky Waste collections to Supplier A, with the year one tender price of £166,884, inclusive of premises rent (Wyre's element is £50,065 year which equates to 30%) for a minimum of one year commencing 1 October 2019 with the option to extend.

- 3.2 Wyre will also be required to contribute to vehicle costs under a Service Level Agreement (SLA) with Blackpool Council and this is estimated to cost £9,000 annually for a minimum term of one year, commencing 1 October 2019 with the option to extend.
- 3.3 That approval is given to continue the arrangement based on a SLA with Blackpool Council to jointly manage the Bulky Waste Contract.

4. Background

- 4.1 In March 2011, the Council agreed to enter into an Agreement with Furniture Matters, Lancaster City Council and Blackpool Council for the provision of a pilot scheme for the bulky waste collection service for a period of 16 months, after which it was agreed to undertake a formal procurement process in conjunction with Blackpool Council.
- 4.2 A contract was subsequently awarded in August 2012 to Furniture Matters (now part of the Calico Group) and a Service Level Agreement with Blackpool for an initial term of five years with the option to extend for a further two years which was accepted by all parties.
- 4.3 The introduction of the service has seen a marked improvement in service delivery to customers and high customer satisfaction levels reflect this. Customers can get refrigerated units collected cheaper and are offered a choice of appointment slots, including evenings and weekends.
- 4.4 The feedback from customers has been positive, with an average diversion from landfill of waste collected at 56% (reuse and recycling) over the last six years.
- 4.5 Working in partnership with Blackpool Council offers Wyre Council economies of scale as they have a greater demand for the service with a higher number of households and can offer warehousing / depot facilities at a reduced rate. Whilst a longer contract period would have been preferable to provide greater continuity, Blackpool Council could only commit to a shorter contract term of one year as they are currently in a transition process with the development of their new arm's length company Envenco which will undertake waste and environmental services.

5. Key Issues and Proposals

- 5.1 The procurement process was undertaken in conjunction with Blackpool Council, with them acting as the Lead Authority, although the whole process was overseen by the Procurement Officers of both councils. The process formally commenced when the advert was placed in the Official Journal of the European Union (OJEU) on the 15 July 2019.

5.3 The contract award criteria were based on the Most Economically Advantageous Tender (MEAT); 30% quality, 20% social value and 50% price. The deadline to return the tender documents was the 16 August 2019.

5.4 The tender evaluation panel consisted of:

- A Procurement Officer from Blackpool;
- A Procurement Officer from Wyre;
- The Waste Management Officer from Blackpool;
- The Senior Accountant from Wyre;
- The Senior Waste Officer from Blackpool; and
- The Waste Management Officer from Wyre.

Additionally, part of the tender (relating to the General Data Protection Regulation) was evaluated by the Head of Information Governance from Blackpool.

5.5 Actual Submissions

One bid was received within the deadline and was assessed as being compliant (Supplier A).

5.6 Price Evaluation

The evaluation panel discussed the tender price and identified one point of clarification to be raised with the Supplier.

The panel noted that the price was within the advertised tender budget.

As the only bidder the Supplier received the full allocation of points 50%.

5.7 Quality Evaluation

5.7.1 The quality evaluation consisted of a meeting of the evaluation panel on 21 August to review and score the tender submission on a consensus scoring basis, in line with the advertised assessment criteria and scoring methodology. This included evaluation of the quality element and social value element.

The evaluation panel awarded scores as follows:

- Quality: 24%
- Social Value: 20%

The panel was in agreement that the submission was of good quality and the supplier was suitably experienced and competent to deliver the service in line with the councils' requirements.

5.8 Total Scores

5.8.1 On the basis of the results and information supplied the only tender, it is recommended that the Supplier be awarded the Bulky Household Waste Collection Contract for the council detailed in this report for the tendered price of £166,884 each year (Wyre's element being £50,065 annually) for a period of one year, with the option to extend for up to a further three years, commencing 1 October 2019.

5.8.2 Members should note that Wyre will also pay an estimated £9,000 each year for the vehicles shared between Wyre and Blackpool Councils as per the SLA with Blackpool Council. Previously the shared depot cost was paid directly to Blackpool Council but this was included in the tender for suppliers to include in their costs as instructed by their Estates Team.

6. Delegated Functions

6.1 The matters referred to in this report are considered under the following Executive Function delegated to the Street Scene Portfolio Holder (as set out in Part 3 of the Council's Constitution): "To consider arrangements for the design and provision of services for refuse collection, street cleansing, and litter control (including beach and foreshore cleaning) and to determine charges or fees for any relevant services operated within the Portfolio".

Financial and legal implications	
Finance	The projected cost to Wyre Council in year one is £59,065 each year compared to the current budget of £58,420 (3430/27009/2706). The slight increase in contract service costs can be met from increased income from the service and the budget will be raised from £48,000 to £48,650 accordingly (3430/93419). The tender prices with the supplier will be fixed for the first 12 months of the contract, with only wages rising in line with inflation each year thereafter. The SLA with Blackpool Council will be extended on an open book accounting basis and this will be used to monitor the level of vehicle and property costs to ensure value for money is maintained; with CPI applied to the premises rental.
Legal	Compliance with the EU Directives and the Public Contracts Regulations 2006 has been and will be adhered to and legal agreements will be entered into with Blackpool Council and Supplier A for the provision of this service.

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	x
equality and diversity	x
sustainability	x
health and safety	x

risks/implications	✓ / x
asset management	x
climate change	✓
ICT	x
data protection	x

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

report author	telephone no.	Email	date
Ruth Hunter	01253 887478	Ruth.hunter@wyre.gov.uk	02/09/2019

List of background papers:		
name of document	date	where available for inspection
None		

List of appendices

None

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