

To: ENVIRONMENTAL SERVICES COMMITTEE	Subject: OUTCOME OF TENDER PROCESS FOR WASTE MANAGEMENT & RECYCLING SERVICES FOR GENERAL WASTE FROM HOUSEHOLD WASTE RECYCLING CENTRES (HWRC)
From: EXECUTIVE DIRECTOR OF REGENERATION & ENVIRONMENTAL SERVICES	
Date: 12 AUGUST 2014	Ref: KW/HM/AMK

## 1 Purpose of the Report

- 1.1 The purpose of this report is to seek Committee approval for the award of a Waste Management & Recycling Services contract for General Waste collected from the Council's Household Waste Recycling Centres (HWRC).

## 2 Background

- 2.1 North Lanarkshire Council have 7 household waste recycling centres throughout the local authority area. There has always been a requirement to dispose/recycle the waste streams generated there. Due to various factors, one being the introduction of charges to special uplifts, the noticeable increase in general waste tonnage has led to disposal costs reaching procurement tender levels in accordance with Contract Standing Orders.
- 2.2 North Lanarkshire Council initially published a PQQ notice via Public Contracts Scotland and OJEU on Monday 30<sup>th</sup> April 2012, inviting bidders to submit tenders for a contract with the Council, for the provision of Waste Disposal/Recycling facilities to process mixed general household wastes from the Council's Household Waste Recycling Centres. PQQs were received from 11 companies by the PQQ submission deadline date of Friday 8<sup>th</sup> June 2012. Following evaluation of the returned PQQ submissions, 6 companies qualified and were subsequently invited to tender on 28<sup>th</sup> January 2013. Only 3 of the original 6 companies that qualified to the ITT stage, submitted a tender by the submission deadline date of Monday 4<sup>th</sup> March 2013
- 2.3 During the evaluation of the submitted ITTs, it was identified that other services throughout the Council, had similar waste streams to those involved with this contract. Consequently, a corporate decision was reached to cancel this procurement process. Further research was carried out to distinguish the similar waste streams throughout North Lanarkshire Council Departments, to enable the tonnage to be included into a revised procurement process.
- 2.4 An open procedure ITT for Waste Management & Recycling Services for General Waste From Household Waste Recycling Centres (HWRC) was duly published on Public Contracts Scotland and OJEU on 14<sup>th</sup> March 2014 with a return date of 30<sup>th</sup> April 2014.

### 3 Tender Evaluation

- 3.1 On the 30<sup>th</sup> April 2014 at 12 noon at Civic Centre, Motherwell there were 3 submissions received from bidders for the general waste from the HWRC's contract for both lots 1 and 2. Prior to these bids being formally evaluated, initial checks showed all 3 of the tender submissions were compliant.
- 3.2 A tender evaluation panel was established, consisting of three managers and a support assistant within the Waste Management Section of Environment & Estates, with all managers fully engaged at all points in the evaluation process. A further mediation meeting was convened within Waste Management Services, to consolidate and agree the evaluation outcome.
- 3.3 The period of the Contract Award from September 2014 until January 2017 (two years and 4 months – plus two (2) one year additional extensions up to January 2019). The tender evaluation award outcome was published as being the “Most Economically Advantageous Tender” to the Council, which would be determined using a price/quality ratio of 70/30 for both lots 1 and 2. These lots shall be awarded independently of each other.
- 3.4 During the evaluation outcome meeting it was evident that 1 out of the 3 submissions would not pass the selection stage D of the tender for both lots. Dow Waste Management Ltd and Viridor Waste Management Ltd were the 2 companies who qualified for the award stage of this tender process, i.e. Viridor Waste Management for lots 1 and 2; and Dow Waste Management Ltd for lot 1 only.
- 3.5 The tables below provides the detail of the outcome of the evaluation of the tender process after the price quality ratio had been applied to all bids.

<b>FINAL Scoring Lot 1</b>					
<b>Bidder</b>	<b>Value per Annum</b>	<b>Weighted Financial Scoring 70%</b>	<b>Weighted Qualitative Scoring 30%</b>	<b>TOTAL SCORE</b>	<b>Ranking</b>
Dow Waste Management Ltd	£998,699.80	70%	30%	100%	1
Viridor Waste Management Ltd	£1,049,619.20	66.1%	25.07%	91.17%	2

<b>FINAL Scoring Lots 2</b>					
<b>Bidder</b>	<b>Value per Annum</b>	<b>Weighted Financial Scoring 70%</b>	<b>Weighted Qualitative Scoring 30%</b>	<b>TOTAL SCORE</b>	<b>Ranking</b>
Viridor Waste Management Ltd	£717,701.60	70%	30.00%	100.00%	1

- 3.6 From the above, the preferred bidders have been identified as Messrs Dow Waste Management Ltd for Lot 1, and Viridor Waste Management Ltd for Lot 2.

#### **4. Recommendations**

- 4.1 The Committee are asked to note the contents of this report, and approve the outcome of the tender process to award the Waste Management and Recycling Services for General Waste collected from the Council's Household Waste Recycling Centres (HWRC), to Messrs Dow Waste Management Ltd for Lot 1, and Messrs Viridor Waste Management Ltd, for Lot 2.



**KENNETH WILSON**  
**HEAD OF ENVIRONMENT & ESTATES**

Local Government Access to Information Act: for further information on this report, please contact: Andrew MacKenzie, Assistant Business Manager: Telephone No 01698 506274