

# North Lanarkshire Council Report

## Environment & Transportation Committee

approval  noting

Ref AM/RS

Date 20/11/19

## Disposal/Recycling of Bulky Waste and Fly Tipping Removal

**From** Andrew McPherson, Head of Regulatory Services & Waste Solutions

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### Executive Summary

Committee is asked to note the actions taken by the Executive Director of Enterprise and Communities to approve the award of the contract for the Disposal/Recycling of Bulky Waste from Special Uplift Service and Fly Tipping Removal Service (the 'Contract') to the Dow Group Ltd.

The Contract is for an initial period of three years commencing on 14 October 2019. The Council reserves the right to extend the Contracts for additional periods up to a maximum of a further two, twelve months extensions.

The value of the contract is Two Million Six Hundred And Seventy Nine Thousand Pounds (£2,679,000.00) excluding VAT.

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### Recommendations

That Committee notes the actions taken by the Executive Director of Enterprise and Communities to approve the award of the contract for the Disposal/Recycling of Bulky Waste from Special Uplift Service and Fly Tipping Removal Service (the 'Contract') to the Dow Group Ltd.

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### The Plan for North Lanarkshire

Priority Improve North Lanarkshire's resource base

Ambition statement (21) Continue to identify and access opportunities to leverage additional resources to support our ambitions

## **1. Background**

- 1.1 The Special Uplift Service for items of bulky household waste has been a long established service provided by the Council's Waste Solutions Service and generates approximately 3,500 tonnes of waste per annum. This waste stream has potential for high levels of recoverable materials and therefore is ideal for identifying items for reprocessing and recycling.
- 1.2 In addition to the above, it was recognised that the Land Management Service had a similar waste stream to bulky waste through the items collected as part of their fly tipping removal service. To allow a more competitive contract to be awarded, it was decided to add the tonnage from this waste stream, which generates approximately 1,200 tonnes per annum, to the bulky waste contract.
- 1.3 Waste Solutions invited 28 suppliers to participate in this procurement on 17 June 2019 with a tender for Disposal/Recycling of Bulky Waste from Special Uplift Service and Fly Tipping Removal Service.

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## **2. Report**

- 2.1 A user intelligence group (the 'UIG') of technical and procurement representatives was formed to review technical specifications, discuss trading processes, market conditions and trends, ways to maximise community benefits and sustainability and to agree the procurement strategy that would deliver maximum benefit for the Council.
  - 2.2 The value of the Contract dictated that the procurement procedure be undertaken in accordance with Scotland Excel's Special Terms and Conditions of Contract for their Dynamic Purchasing System (DPS). The contract opportunity was published to the potential 28 suppliers in Lot 11 – Treatment and Disposal of Bulky Waste through the Public Contracts Scotland website. The Route 2 procurement procedure was adopted.
  - 2.3 Based on the criteria and scoring methodology set out in the procurement documents, an evaluation of the tender responses was completed by members of the UIG.
  - 2.4 The contract award recommendation is made on the basis of the Tenderer who submitted the most economically advantageous tender.
  - 2.5 The tender submitted by Dow Group Ltd has been evaluated as representing the most economically advantageous tender.
  - 2.6 Appendix 1 confirms the scoring achieved by each Tenderer, further details of the procurement procedure is provided in Appendix 2.
  - 2.7 Officers from Waste Solutions will be responsible for managing the Contract which will be undertaken in accordance with the Councils agreed approach to Contract and Supplier Management.
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### **3. Equality and Diversity**

#### **3.1 Fairer Scotland Duty**

Dow Group Ltd is committed to providing a workplace that is geared to the development and well-being of its staff. They are a living wage accredited employer, they have no zero hour contracts and support a workforce development policy for age and gender.

#### **3.2 Equality Impact Assessment**

An Equality Impact Assessment is not required.

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### **4. Implications**

#### **4.1 Financial Impact**

The value of the contract is £2,679,000.00 including the options to extend the Contract.

The costs associated with contract delivery will be contained within the existing revenue budget allocations.

##### Savings

The contract will not deliver any saving as the price now being paid is on a par with that of the previous tender.

##### Price Stability

Contract pricing is fixed for the duration of the Contract.

#### **4.2 HR/Policy/Legislative Impact**

There will be no HR/Policy/Legislative impacts through this contract.

##### Community Benefits

The Council is committed to maximising the delivery of community benefits. The procurement included a community benefit requirement, this approach is designed to deliver local community benefits where possible. The successful Tenderer has committed to delivering a range of community benefits, principally that the Dow Group will endeavour to offer local employment within the North Lanarkshire catchment area whenever possible.

##### Fair Work Practices

The successful Tenderer has also demonstrated commitment to Fair Work practices including payment of the real Living Wage to staff employed in the delivery of the Contract.

##### Equalities

The procurement procedure excludes any Tenderer where a complaint had been upheld after investigation by the Equality and Human Rights commission or its predecessors and a failure to take remedial action.

#### 4.3 **Environmental Impact**

The Dow Group Ltd have indicated they can achieve over 40% recycling and a minimum of 25% diversion from landfill of the material delivered through this contract, thus improving North Lanarkshire's recycling performance.

#### 4.4 **Risk Impact**

There are no significant risk implications arising from this report.

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### 5. **Measures of success**

5.1 The Contract will deliver the following outcomes;

- the appointment of a Service Provider who has the experience and capability to deliver an innovative, high quality and responsive service which contributes to the amenity and recycling performance of North Lanarkshire Council;
- that best value is both demonstrable and achieved;
- that the Contract secures a range of community benefits;
- that the Contract supports payment of the real Living Wage to staff employed in the delivery of the Contract; and
- that the Contract performance is proactively managed against a number of Key Performance Indicators.

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### 6. **Supporting documents**

**Appendix 1**                Summary of Evaluation Process

**Appendix 2**                Summary of Procurement Procedure

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**Andrew McPherson**  
**Head of Regulatory Services & Waste Solutions**

## Appendix 1 – Summary of Evaluation Process

<b>Tenderer Name</b>	<b>Final Tender Score</b>	<b>Final Rank</b>	<b>Recommended for Contract Award (Yes/No)</b>
Dow Group Limited	86.11%	1	Yes
Levenseat Limited	85.96%	2	No
Enva Scotland Limited	85.28%	3	No
LOWMAC Alloys Limited	65.76%	4	No

## Appendix Two - Summary of Procurement Procedure

<b>Contract Title</b>	Provision of Waste Management & Recycling Services for Bulky Waste
<b>Contract Reference</b>	NLC-CPT-19-052
<b>Contract Takes Effect From</b>	14 October 2019
<b>Total Contract Period that can be Adopted by the Council (months)</b>	Thirty-six (36) months ending 13 October 2022 with a further maximum two years extension in two 12 month periods until the 13 October 2023 and /or 13 October 2024 respectively
<b>Estimated Total Contract Value</b>	£2,679,000
<b>Governing UK Regulation</b>	Procurement Reform (Scotland) Act 2014
<b>Procurement Procedure Adopted</b>	A call for competition via the Scotland Excel Treatment and Disposal of Recyclable and Residual Waste (27/17) Dynamic Purchasing System, Lot 11 – Treatment and Disposal of Bulky Waste
<b>Number of Organisations Invited to Compete in the Mini-Competition</b>	28
<b>Number of Tenders Received</b>	5
<b>Number of Non-Compliant Tenders</b>	1
<b>Number of Compliant Tenders</b>	4
<b>Number of Recommended Suppliers</b>	1
<b>Basis of Contract Award</b>	Most Economically Advantageous Tender <ul style="list-style-type: none"> <li>• 30% Quality</li> <li>• 70% Price</li> </ul>
<b>Evaluation Team</b>	Staff within Regulatory Services & Waste Solutions