

27 August 2013

Award of the Household Waste Recycling Centres, Waste Transfer Station and Haulage Contract

Ward(s) All

Portfolios: Councillor M Arif - Environment

Executive Summary:

In April 2012 Cabinet gave approval to commence the procurement process for the Household Waste Recycling Centre (HWRC), Waste Transfer Station (WTS) and Haulage Contract (2014–2021). This report is a brief update on the procurement process. Bids were submitted to the Council on 14 August 2013 and are currently being evaluated. A report on the outcomes of the tender is scheduled for Cabinet on 11 September 2013.

Reason for scrutiny:

Members' request.

Recommendations:

That: Members note the contents of the report.

Background papers:

Cabinet Report dated 4 April 2012: Household Waste Recycling Centre, Waste Transfer Station Contract.

Resource and legal considerations:

There are Financial, Legal and Property implications to the contract. These will not be known until the bids have been submitted and evaluated. This information will be provided to Cabinet on 11 September 2013.

These services have been fully involved in supporting the procurement process and are significant contributors to the ongoing tender evaluation process.

The contract is high of value contract and has the potential to impact on budgets.

Consultancy support has been provided by Eunomia Consulting.

Citizen impact:

The two HWRCs are well used by residents of the borough. In addition to all the materials recycled, the new contract seeks to increase the range of items that can be re-used. Bidders have been asked to put forward proposals of how they would achieve this.

The specification for the new contract has been driven by the need for savings, the need to tighten up weak maintenance schedules, and an aim to facilitate higher throughputs for the new W2R 'waste to energy' facility at Four Ashes. The extent to which these have been achieved is currently being assessed.

Site satisfaction levels amongst service users are historically high and the specification requires high satisfaction levels to be maintained. Nevertheless, the award will be evaluated purely on the bid and not past performance.

Environmental impact:

The HWRCs allow residents to safely dispose of their household rubbish and to recycle materials that cannot be collected in the kerbside recycling service.

The biggest element of this contract in terms of its environmental impact is the WTS and haulage, not the two HWRCs, in that the Council will be hauling tonnes of waste to incinerate at W2R. This is considered to be the Council's most cost effective solution.

Performance management:

A performance mechanism for landfill diversion for HWRC waste is included in the new contract.

Equality Implications:


Has an Equality Impact Assessment been carried out? No

Consultation:

None.

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The Council provides two Household Waste Recycling Centres (HWRCs) for residents to dispose of their household waste. These sites are located in Fryers Road, Leamore and Merchants Way, Aldridge. The Council's Waste Transfer Station (WTS) is also located at Fryers Road and is a key facility in the management and transport of the borough's municipal waste. These sites are currently managed under contract by Kier MG Ltd (formerly May Gurney Ltd). This contract will expire after a term of eight years on 31 March 2014.

In April 2012, Cabinet gave approval to commence the procurement process for a new Household Waste Recycling Centre (HWRC), Waste Transfer Station (WTS) and Haulage Contract. The new contract is for a term of seven years with an option to extend for one further year subject to performance review.

The new contract has been procured in accordance with the Public Contract Regulations 2006 (as amended) and was advertised in the Official Journal of the European Union (OJEU) through a restricted tendering procedure. The procurement has been delivered through the Councils procurement portal, InTend.

Ten applications were received in response to the Pre-Qualification Questionnaire (PQQ) of which six were accepted to go forward to Invitation to Tender (ITT). One of the six bidders withdrew, with five potential bidders remaining.

Bids were submitted to the Council by 14 August 2013 and are currently being evaluated by Council officers supported by Eunomia Consulting.

A report is scheduled for Cabinet on 11 September 2013 seeking approval to award the contract to the winning bidder. This will allow a six month mobilisation period for the successful contractor which is considered necessary.