

REPORT TO: Cabinet Member – Environmental

DATE: 16th December 2009

SUBJECT: **AWARD OF CONTRACT – RECYCLING FOOD WASTE CONTAINERS**

WARDS AFFECTED: Ford, Harington, Molyneux, Netherton & Orrell, Park, Ravenmeols, St Oswald & Sudell

REPORT OF: P Moore
Environmental Protection Director

CONTACT OFFICER: Jim Black – Assistant Director
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**EXEMPT/
CONFIDENTIAL:** No

PURPOSE/SUMMARY:

To advise the Cabinet Member – Environmental of the outcome of the evaluation of tenders for the provision and distribution of food waste containers and liners through external grant funding, provided by Waste Recycling Action Programme (WRAP) for the purpose of encouraging increased take-up of food waste recycling collection services.

REASON WHY DECISION REQUIRED:

To gain approval from the Cabinet Member – Environmental to award a contract for the provision and distribution of food waste containers and liners.

RECOMMENDATION(S):

The Cabinet Member – Environmental is requested to approve the award of a contract for the provision and distribution of food waste containers and liners to Tenderer number 2.

KEY DECISION: No

FORWARD PLAN: No

IMPLEMENTATION DATE: Immediately following the expiry of the call-in period.

ALTERNATIVE OPTIONS:

None. The financial value of this contract necessitates a formal procurement exercise to comply with contract procedure rules and European procurement legislation.

IMPLICATIONS:**Budget/Policy Framework:**

Financial: Costs associated with this contract will be met from the external grant funding provided by Waste Recycling Action Programme (WRAP) £300k.

<u>CAPITAL EXPENDITURE</u>	2009/ 2010 £	2010/ 2011 £	2011/ 2012 £	2012/ 2013 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure	Nil	Nil		
Funded by:				
Sefton funded Resources		Current Budget		
Funded from External Resources	Yes			
When?				

Legal:

The exercise fulfils the Authority's obligations within the current European Procurement Directive 2004/18/EC Public Sector

Risk Assessment:**Asset Management:****CONSULTATION UNDERTAKEN/VIEWS**

FINANCE DEPT. – FD254 - The Finance and Information Services Director has been consulted and his comments have been incorporated into this report

CORPORATE OBJECTIVE MONITORING:

Corporate Objective		Positive Impact	Neutral Impact	Negative Impact
1	Creating a Learning Community		✓	
2	Creating Safe Communities		✓	
3	Jobs and Prosperity		✓	
4	Improving Health and Well-Being		✓	
5	Environmental Sustainability	✓		
6	Creating Inclusive Communities		✓	
7	Improving the Quality of Council Services and Strengthening local Democracy	✓		
8	Children and Young People		✓	

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

An evaluation matrix showing the outcome of a tendering exercise arranged via Yorkshire Purchasing Organisation.

Background

1. The Cabinet Member – Environmental will recall that the Environmental Protection Department has been allocated a £300,000 grant by the Waste Resources Action Programme (WRAP) to encourage increased take-up of its established weekly food waste collection service.
2. It is intended that the grant be used to purchase and distribute 30,000 sets of food waste containers, with introductory compostable liners and instructions, to households that have not previously requested to use this service (opt-in). This should encourage ongoing use of the service by a greater number of households within Sefton.
3. One of the conditions regarding use of this grant is that the funding must be spent by the end of March 2010. It is anticipated that the cost of procuring and distributing the containers, liners and associated information will be ~£250k.
4. The Authority's Contracts Procedure Rules state that where there is expenditure estimated to be above £30,000 the requirement must be tendered. The constitution further states that authorisation for expenditure between £150,000 and £500,000, where the lowest priced tender is recommended under a quality / price basis of evaluation, rests with the Cabinet Member.
5. Due to the timescale referred to above, the Yorkshire Purchasing Organisation (YPO) framework agreement – 000154, for the supply of Recycling Products, has been used to obtain tenders for the provision and distribution of food waste containers and compostable liners. The use of framework agreements has previously been approved by Cabinet on the 16th June 2005.
6. The food waste service has now been running for over 2 years, in this time a variety of caddies have been used and tested. Product specification for the caddies demands those most suited to purpose, being very robust and easy to handle both for residents and operatives.

Procurement Process

7. Tenders have been received from organisations that are eligible to tender in relation to YPO framework agreement – 000154. This process complies with Sefton's Contracts Procedure Rules and current European Procurement Legislation. The results of the evaluation exercise are referred to in Appendix A of this report.
8. Three companies submitted quotes relating to the requirements of the contract: Gelpack Excelsior Ltd, Peter Ridley Waste Systems and Straight Plc

9. The weighted scores provided by the YPO Framework can be seen in Appendix A (attached).
10. Samples of food waste containers and caddy liners were supplied for staff to consider in relation to service criteria and contract specification. This was considered necessary as containers do vary. Staff within Sefton already have experience of purchasing/using different types of food waste containers and have used this knowledge to rate or assess the sample containers provided.

Conclusion

11. The procurement of the goods and services via this exercise will enable the Environmental Protection Department to comply with the terms of the grant and to contain costs within the funding provided. Fixed prices will apply to all items for the term of a contract.
12. The anticipated total cost of the contract during the contract period is approximately ~£250,000.
13. The evaluation process, see Appendix A, has identified that Tender 2 represents the best value to Sefton both in terms of price and compliance with the required product specification for the contract.