

Finance and Resources Committee

10am, Thursday, 27 August 2015

Supply of Non-wheeled Waste and Recycling Containers and Spare Parts

Item number	7.26
Report number	
Executive/routine	
Wards	

Executive summary

This report outlines the result of a competitive tender process for a framework agreement to supply Non-wheeled Waste and Recycling Containers and Spare Parts.

The report seeks the approval of the Finance and Resources Committee to award a contract for the Supply of Non-Wheeled Waste and Recycling Containers and Spare Parts to Spider UK Ltd, from 1 September 2015 to 31 August 2017, with the option to extend for up to two 12 month periods.

The maximum potential value of the framework, including extension, is £5,000,000.

Links

Coalition pledges	P49
Council outcomes	CO18
Single Outcome Agreement	SO4

Supply of Non-wheeled Waste and Recycling Containers and Spare Parts

Recommendations

- 1.1 It is recommended that the Finance and Resources Committee approves the appointment of Spider UK Ltd, as a single supplier framework agreement for the Supply and Delivery of Non-wheeled Waste and Recycling Containers and Spare Parts, for a period of two years with the option to extend by two 12 month periods.

Background

- 2.1 The Transport Infrastructure and Environment Committee, at its meeting of 29 November 2011, approved the report 'Modernising Waste Collection in the World Heritage Area (Modernising Waste)'.
 - 2.2 As part of the report, the Committee approved the use of non-wheeled waste containers in certain streets in the World Heritage Area, as a major contribution to ending black bag refuse collection.
 - 2.3 The Redesign of Recycling Outline Business Case approved by the Transport and Environment Committee at its meeting of 27 August 2013, proposed increasing the capacity of recycling containers for high-density housing areas by using 3200 litre side-loading containers where appropriate.
 - 2.4 It is estimated that up to 5,000 non-wheeled containers will be required over the next 4 years to provide an adequate supply for the Modernising Waste Project, expansion of on-street recycling services and replacements for current and future container stock.

Main report

- 3.1 The City of Edinburgh Council has a policy of containerising refuse collection within the city. Currently all of the city's high density housing is serviced through the on-street siting of communal wheeled and non-wheeled side-loading containers of various sizes.
- 3.2 It was established through extensive analysis that the market is very limited for side-loading containers.

- 3.3 Waste containers are normally procured through the Scotland Excel Framework Agreement for Recycle and Refuse Containers. However this is not suitable for use in this instance because the Framework does not include side-loading containers, and none of the suppliers on the Framework manufactures this type of container.
- 3.4 The procurement strategy was to advertise the opportunity Europe wide rather than conduct a non-competitive action contract award, as it was considered that there might be manufacturers that the Council had not been able to engage with during the market engagement phase of the procurement.
- 3.5 Commercial and Procurement Services advertised the opportunity through Public Contracts Scotland, on 5 March 2015, using the open procedure, as set out in the Public Contracts (Scotland) Regulations 2012.
- 3.6 Suppliers engaged and submitted bids for this opportunity through Public Contracts Scotland Tender website.
- 3.7 There were nine notes of interest, however only one bid was received. This would reaffirm the market engagement prior to going out to Tender.
- 3.8 The Tender was evaluated using 70% Price and 30% Quality with the Technical (Quality) aspect being assessed by officers from Waste Services. The Commercial (Price) aspect was assessed by officers within Commercial and Procurement Services.
- 3.9 The offer from Spider UK Ltd was evaluated and confirmed as meeting the Quality Criteria laid down in the Contract Specification.
- 3.10 Officers from Waste Services will be responsible for contract management and will monitor the performance of the contract.

Measures of success

- 4.1 Entering into a contract for the Supply of Non-wheeled Waste Containers will help to ensure stability of pricing.
- 4.2 The Contract will support implementation of the Modernising Waste and Redesign of Recycling projects (para. 2.1 and 2.3 above), increasing the Council's recycling rate.

Financial impact

- 5.1 The maximum potential value of the framework, including extension, is £5,000,000.
- 5.2 The cost of replacements for existing provision is estimated at £100,000 per annum, which will be met from the containers' capital budget. Actual expenditure

will be dependent on the types of containers and spare parts purchased from the framework.

- 5.3 The Contract will also be utilised for the purchase of containers for the New Tenemental Recycling Service and in furtherance of the Modernising Waste Project; external funding is being pursued to finance this activity.
- 5.4 The costs associated with procuring this contract are estimated to be from £10,001 to £20,000.

Risk, policy, compliance and governance impact

- 6.1 Entering into the Contract will help provide stability of supply.
- 6.2 In the event of supplier failure the service could continue to be provided using wheeled containers although this would not offer the same capacity.
- 6.3 Entering into the Contract will ensure compliance with the Public Contracts (Scotland) Regulations 2012 and with the Council's Contract Standing Orders.

Equalities impact

- 7.1 An Equalities and Rights Impact Assessment was carried out and potential impacts on the elderly and disabled were identified. Measures to address these potential impacts are in place.

Sustainability impact

- 8.1 Extending the recycling provision within the World Heritage Site will increase the Council's recycling rate and reduce the amount of waste sent to landfill.
- 8.2 Replacement of 1280 litre containers with 3200 litre containers will increase the capacity of recycling sites and potentially reduce vehicle miles and emissions required to service them.

Consultation and engagement

- 9.1 Refuse Collection, other local authorities and Scotland Excel were consulted on technical aspects of the requirement.
- 9.2 As part of the Modernising Waste and Redesign of Recycling Projects, extensive consultations were held with community groups, residents' associations and Zero Waste Scotland.

Background reading/external references

[Modernising Waste Collection in the World Heritage Area, Transport Infrastructure and Environment Committee - 29 November 2011](#)

[Redesign of Recycling Services – Outline Business Case, Transport and Environment Committee - 27 August 2013](#)

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Links

Coalition pledges P49 –Continue to increase recycling levels across the city and reduce the proportion of waste going to landfill.

Council outcomes CO18 - We reduce the local environmental impact of our consumption and production.

Single Outcome Agreement SO4 - Edinburgh's communities are safer and have improved physical and social fabric.

Appendices Appendix A – Summary of Tendering and Tender Evaluation Processes

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Contract	CT9703 Supply of Non-Wheeled Waste and Recycling Containers and Spare Parts
Contract period (including any extensions)	Four years
Estimated contract value	£ 1,250,000 (Annual) £ 5,000,000 (Total)
Standing Orders observed	2.4, 3.2, 4.1, 4.2, 5.1, 5.3, 6.1, 8.1
Portal used to advertise	Public Contracts Scotland Website / OJEU
EU Procedure chosen	Open Procedure
Notes of interest received	Nine
Tenders returned	One
Tenders fully compliant	One
Recommended supplier/s	Spider UK Ltd
Primary criterion	Most Economically Advantageous Offer
Evaluation criteria and weightings	Commercial (Price) 70%, Technical (Quality) 30%. Technical Breakdown Production 40% / Delivery 40% / Monitoring, Enquiries and Complaints 20%
Evaluation Team	Officers from Waste Services, Financial Services and Commercial and Procurement Services