

# Finance and Resources Committee

10.00am, Thursday, 7 October 2021

## Contract Award Recommendation Report – Supply and Installation of Corralling for Bin Hubs and Associated Road Works

Executive/routine Wards Council Commitments	Executive All 18, 23, 25, 27
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### 1. Recommendations

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- 1.1 It is recommended that Finance and Resources Committee:
- 1.1.1 Approves the award of a contract for the Supply and Installation of Corralling for Bin Hubs and Associated Road Works to Maclay Civil Engineering Ltd; and
  - 1.1.2 Note that the contract period is 18 months, with the option to extend for a further six months, with a total maximum anticipated contract value of £1,673,320.

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Executive Director of Place

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# Report

## Contract Award Recommendation Report – Supply and Installation of Corralling for Bin Hubs and Associated Road Works

### 2. Executive Summary

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- 2.1 Following a tendering exercise, this report seeks approval from the Finance and Resources Committee for the award of a contract for the supply and installation of corralling for bin hubs and associated road works. The total maximum anticipated contract value (including extensions), for the delivery of all project phases (as outlined in section 3.10 of this report) is £1,673,320.

### 3. Background

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- 3.1 In order to provide fit for purpose and future proofed communal waste and recycling facilities for the citizens of Edinburgh, a Communal Bin Review (CBR) project is underway. It is the intention to re-configure and install on-street communal bins for all waste and recycling streams, with a view to creating one-stop communal bin hubs and ensuring ease and equality of access to all citizens.
- 3.2 As part of the CBR project the on-street communal bins, which service around 60,000 households city-wide, will be surrounded by corralling (railings/bull bars) to keep them in the correct position and to create a “hub”. Corralling will be installed in an estimated 1,750 locations city-wide.
- 3.3 The introduction of corralling will deliver the following benefits:
- Residents:**
- 3.3.1 Easier access to waste and recycling bins; and
- 3.3.2 Safer passage for pedestrians, wheelchair users, prams, cyclists and other road users, resulting from the reduction/prevention of obstruction of crossing points, dropped kerbs and pavements.
- Waste Collection Crews:**
- 3.3.3 Easier access for bin collection;
- 3.3.4 Safer passage during collection and reduction/prevention of the requirement to move the bins between cars; and

3.3.5 Easier bin return following collection (as the bin hub will be clearly demarcated by the corralling).

**Environmental:**

3.3.6 Enhancement of the existing recycling service is expected to increase the amount of waste recycled, and reduce the amount sent for energy recovery or other disposal, which contributes to a reduction in carbon emissions and improvements to resource use at a global level; and

3.3.7 A more cohesive communal bin service is expected to reduce littering and so enhance the local environment, and reduce leaks of waste to the wider environment;

**Streetscape:**

3.3.8 Reduction of clutter in the public realm; with particular benefits for specific groups such as people with visual impairments and wheelchair users;

3.3.9 Increased pavement space for social distancing;

3.3.10 Improved street cleanliness; and

3.3.11 General improvement in the local environment and on street aesthetics.

3.4 To deliver the aforementioned requirement, a contract is proposed for the Supply and Installation of Corraling for Bin Hubs and Associated Road Works.

3.5 The corraling installation will be undertaken in a phased approach (by area) which will enable a co-ordinated phased approach for the required statutory compliance activities, such as Traffic Regulation Order (TRO) approval, and faster commencement of roll out.

3.6 Outline of the phases\*:

Phase	Area	Estimated Timeframe
1	Leith, Leith Walk and Craighentiny	14 weeks
2	Gorgie, Fountainbridge, Corstorphine, Forth, Portobello and Colinton	7 weeks
3	Fountainbridge, Hillside, Inverleith and Morningside	14 weeks
4	Inverleith, City Centre and Southside	18 weeks

\*overview - subject to change/development during installation roll-out

3.7 A short-term supply of corraling (400 units, approximately six to eight weeks supply) was procured from a third party supplier (following a Quick Quote) to enable the recommended Contractor to commence the phase one works as soon as possible following contract award.

- 3.8 This contingency mitigates against the risk of potential project delays resulting from corraling lead times (eight to 10 weeks).
- 3.9 Once the short-term supply of corraling is exhausted, the recommended Contractor will supply the corraling moving forward.
- 3.10 The approach to be taken in the World Heritage Site (part of phase four) will be subject to a further options appraisal, which will include consultation with Edinburgh World Heritage and engagement with residents.

## 4. Main report

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- 4.1 Commercial and Procurement Services (CPS) conducted a mini competition utilising the Council's Transport and Infrastructure Framework Agreement, Lot 1 - Carriageway, Footway and Cycleway Construction and Redesign (including public realm and paved areas).
- 4.2 Prior to their appointment to the Framework Agreement, all Contractors were pre-vetted to ensure that they satisfied the requirements necessary for the delivery of the services, including consideration of financial probity (relating to insurance and financial standing), health and safety and environmental management.
- 4.3 On 16 July 2021, CPS issued a Mini Competition Invitation through the Public Contracts Scotland (PCS) portal, to the five potential Contractors named on the relevant Lot of the aforementioned Framework Agreement, with a tender submission deadline of 20 August 2021.
- 4.4 In order to identify the most economically advantageous tender submissions were assessed on the basis of 70% Cost and 30% Quality. This cost/quality ratio was applied because it was established framework agreement level and the service specification was sufficiently detailed referencing mandatory regulated industry standards, therefore a higher emphasis on quality was not considered necessary.
- 4.5 A summary of the tender and evaluation process is attached at Appendix 1 of this report and the table below shows the weighted scores awarded to each tender submission following evaluation:

Tenderer	Cost (Max. 70%)	Quality (Max.30%)	Total	Ranking
Maclay Civil Engineering Ltd	70.00	21.75	91.75	1
Contractor 2	58.75	24.30	83.05	2
Contractor 3	59.15	19.35	78.50	3

- 4.6 To compliment the phased approach to corralling installation (described in section 3.10 of this report), a “serial contract” approach has been utilised whereby, subject to meeting a range of delivery related criteria in phase one (including on-budget and timely delivery), the recommended Contractor may be awarded the subsequent phase (and so on). Conversely, it was also specified that the Council may, at its discretion, delay or abandon subsequent phases.
- 4.7 The recommended Contractor’s Bills of Quantities for phase one will be used as a basis for future phase costs.

## **5. Next Steps**

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- 5.1 Subject to approval, the Contract will commence on 10 October 2021 and will assist the Council in delivering the CBR project and continuing to meet its statutory obligations with regards to the collection, treatment and disposal of waste and recycling materials.
- 5.2 The Contracts and Grants Management team and the appointed Contract Manager will ensure that effective contract management is delivered throughout the Contract lifecycle. A Contract Management and Handover report, detailing the necessary steps and measures, will be produced and agreed. It is envisaged that proactive contract management (to include robust monitoring of all appropriate management information, key performance indicators and budget/savings tracking) will assist in the delivery of an effective and efficient service for the City of Edinburgh throughout the duration of the Contract.

## **6. Financial impact**

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- 6.1 The maximum anticipated contract value (for the delivery of all phases) is estimated at £1,673,320 over the full contract period (including potential extensions). This total includes a 10% contingency uplift to allow for any potential variation in deployment.
- 6.2 The cost will be met from the CBR project budget. In addition, funding has been sought from Zero Waste Scotland for the delivery of a range of elements of the CBR project (including the supply and installation of bin hubs corralling and associated road works).
- 6.3 It is anticipated that the outcome of the Zero Waste Scotland funding application will be known by the end of October 2021.
- 6.4 To calculate the contract value and estimated savings, estimated volumes were provided within the tender documentation. Tendered prices were then applied to the estimated volumes to establish a total cost for each tender.
- 6.5 The recommended Contractor’s bid represents an estimated overall total saving of £145,000, against an average of tendered costs submitted by all Contractors.
- 6.6 During the contract period the Contract Manager will be responsible for the tracking “actual” savings, which will be dependent on contract usage.

- 6.7 The costs associated with procuring the proposed Contract are estimated to be between £10,000 and £20,000.

## **7. Stakeholder/Community Impact**

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- 7.1 The citywide CBR project will affect around half of the city's residents and the following engagement was undertaken by the Waste and Cleansing Service prior to commencement of related procurement process.
- 7.1.1 **Elected Member and Internal Stakeholder Engagement** - As detailed within the Transport and Environment Committee Report of [5 December 2019](#), on 3 October 2019 a 'Show Case' event was held for Elected Members and Internal Stakeholders at the Seaford Depot. The event included a presentation on the progress and next steps of the CBR project and different types of communal bins, bin housings and corralling options were displayed. In total around 30 people attended including Elected Members, stakeholders such as Edinburgh World Heritage, and Council officers. Feedback was collected at the end of the session which contributed to the approval of the parameters, criteria and type of bins required, as detailed in a report to Transport and Environment Committee on [27 February 2020](#).
- 7.1.2 **Community Engagement** - As detailed within the Business Bulletin to the Transport and Environment Committee on [12 November 2020](#), Changeworks and the Council's Waste and Cleansing Team collaborated to deliver a series of on-street community engagement events across Edinburgh to inform the public about planned improvements to their waste and recycling service as part of the Council's CBR project. In addition, a "Residents' of Edinburgh" Communal Recycling Consultation was carried out by Changeworks in 2018 as detailed within the appendix of the Enhancing Communal Bin Collections update report to Transport and Environment Committee on [9 August 2018](#).
- 7.2 Concept Testing was undertaken in Albert Street which included the corralling of bin hubs, as detailed within the following two reports:
- 7.2.1 Communal Bin enhancement report to Transport and Environment Committee on [20 June 2019](#) (Appendix 4 Albert Street – concept testing report).
- 7.2.2 Communal Bin Enhancement Update Report to Transport and Environment Committee on 5 December 2019 (Appendix 1 – Concept testing monitoring summary. Including resident's consultation carried out by Changeworks).
- 7.3 The award of this contract will contribute to the realisation of Council Commitments numbers 18 (to "improve Edinburgh's air quality and reduce carbon emissions"), 23 (to "implement improvement plans for the Waste and Cleansing Service to improve street cleanliness in every ward"), 25 (to "increase recycling to 60% from 46%

during the lifetime of the administration”) and 27 (to “tackle pavement parking and reduce street clutter to improve accessibility”).

- 7.4 The recommended Contractor has committed to provide Community Benefits at Framework Agreement level. The total numerical value of business awarded to them through the Framework Agreement is transposed into points and then based on points accrued (annually or by mutual consent) the Contractor is required to deliver pre-agreed Community Benefits of sufficient social value, such as sponsorship of a local organisation or delivering a workshop in a school or community centre (linked to the Curriculum for Excellence).
- 7.5 The recommended Contractor has confirmed that they intend to pay workers (including any agency or sub-contractor workers) the Real Living Wage.
- 7.6 There are no negative impacts on carbon, adaption to climate change and sustainable development arising directly from this report. Further to the environmental benefits described in section 3.6 of this report, improvements to the quality of the waste and cleansing services is expected to result in an increase of the amount of waste recycled and support delivery of the Council’s Waste and Recycling Strategy.
- 7.7 The procurement process followed is compliant with all relevant regulations as well as the Council’s Contract Standing Orders. The risk of legal challenge relating to this procurement exercise has therefore been minimised.

## **8. Background reading/external references**

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- 8.1 The proposed service will contribute to the success of [Council Commitments](#) 18, 23, 25 and 27.
- 8.2 The Council’s [Waste and Cleansing Strategy](#).
- 8.3 The Communal Bin Review project [website](#).

## **9. Appendices**

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- 9.1 Appendix 1 - Summary of Tendering and Tender Evaluation Processes.

## Appendix 1 - Summary of Tendering and Tender Evaluation Processes

<b>Contract</b>	Supply and Installation of Corraling for Bin Hubs & Associated Road Works Ref: CT2807	
<b>Contract period (including any extensions)</b>	11 October 2021 to 10 May 2023 with an optional extension of up to 6 months	
<b>Maximum Anticipated Contract Value (including extensions)</b>	£1,673,320	
<b>Procurement Route Chosen</b>	Mini Competition utilising the Council's Transport & Infrastructure Framework Agreement, Lot 1 - Carriageway, Footway and Cycleway Construction & Redesign (including public realm and paved areas) ref: CT2205	
<b>Tenders Returned</b>	3	
<b>Recommended Contractor</b>	Maclay Civil Engineering Ltd	
<b>Cost / Quality Ratio</b>	Cost 70%	Quality 30%
<b>Cost / Quality Ratio Rationale</b>	Ratio established framework level	
<b>Evaluation Criteria and Weightings</b>	<b>Quality Criteria</b>	<b>Weighting</b>
	Service Delivery Methodology	30%
	Resources	15%
	Quality Workmanship	15%
	Contract Management	10%
	Product Offered (Corraling)	10%
	Product Quality and Warranty	10%
	Business Continuity	5%
	Covid-19 Pandemic Working Practices	5%
<b>Evaluation Team</b>	Two officers from Waste & Cleansing Services and one officer from Transport Contracts & Design	