

Report of: Business Officer

Report to: Deputy Chief Officer for Waste Management

Date: 2nd October 2018

Subject: Award of Call-Off from YPO Framework for Wheeled Bins

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: 10.4 (3) Appendix number: Appendix 1	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

SUMMARY OF MAIN ISSUES

- 1 A procurement process to appoint a range of suppliers for the provision of wheeled bins has recently been concluded. The procurement was a call-off from the YPO Framework 551-07.
- 2 Once awarded the outcome will be a contract running until 31st March 2021 and an identified supplier for each of the bin sizes used by LCC.
- 3 This report advises the Deputy Chief Officer for Waste Management the outcome of the tender exercise and seeks approval to award the contract to A&C Weber, Craemer and SSI Schaeffer.

RECOMMENDATIONS

- 4 The Deputy Chief Officer for Waste Management is recommended to note the content of this report and approve the award of DN341918 Plastic Wheeled Bin Supply Contract to A&C Weber, Craemer and SSI Schaeffer.

1 PURPOSE OF THIS REPORT

- 1.1 Contract Procedure Rule (CPR) 18.5 requires that a decision to award is made by the relevant Officer through the delegated decision process. The delegated decision should outline why any tenders were disqualified and the reasoning for the selection of the contractors.
- 1.2 The purpose of this report is to brief the Deputy Chief Officer for Waste Management on the processes adopted for the procurement and advise of the outcomes it has achieved in order to demonstrate that a fair and transparent process has been followed. The report further seeks to request approval for the award of the contract to the organisations identified by the evaluation process as being the best option for the City Council.

2 BACKGROUND INFORMATION

- 2.1 Historically LCC have always used frameworks for the supply of wheeled bins as CPRs dictate that Third Party frameworks should be used wherever suitable arrangements exist. Because they offer products used by all councils there are a number of well-established framework options for wheeled bins that could be used and made a stand-alone LCC procurement unnecessary.
- 2.2 The YPO framework was selected by LCC after a series of problems with the Warrington framework that had been used previously. YPO was deemed to be the best option, as per delegated decision D47362, because of the range of suppliers on the framework and the competitive prices offered for the products used by LCC. Pricing was key as in the call off suppliers are only permitted to improve on their existing prices so this effectively set the benchmark for the LCC call off.

3 MAIN ISSUES

3.3 Evaluation Process

3.3.1 The suppliers on the framework are:

- Craemer
- ESE World
- MGB Plastics
- Plastic Omnium
- Weber
- SSI Schaefer

3.3.2 Bidders were advised the evaluation would be based on a two stage approach:

CRITERIA	TOTAL POINTS AVAILABLE	MINIMUM SCORE THRESHOLDS
1. PRODUCT DETAILS (1st STAGE)		
A. Performance against the practical/physical testing schedule provided, including the following:- <ul style="list-style-type: none"> i. Quality of mouldings/welds (50 points) ii. Compatibility with bin lifts (50 points) iii. Strength/durability of product (100 points) iv. Quality/design of wheels, axles, tyres and castors. (50 Points) v. Design features (25 points) vi. H&S considerations (25 Points) 	300 Note sub criteria scores	60% of the score available for the criteria as a whole but on each sub criteria as well
2. STORAGE AND DELIVERY (2ND STAGE)		
A. Guaranteed delivery time from placing of orders and details on the availability of any local and/or other dedicated stocks held for the City Council For suppliers who import products consideration should be shown for potential changes as a result of Brexit, for example information on how will dockside delays as a result of tariff clearances will be handled.	35	N/A
B. Details of delivery practices including the following: <ul style="list-style-type: none"> i. Offloading procedures and facilities (5 points) ii. Delivery recording arrangements (5 points) iii. Details regarding flexibility on batch sizes (5 points) iv. H&S considerations (5 points) 	20 Note sub criteria scores	N/A
C. Provide details of how your product meets recognised industry quality standards, in particular EN840 or RAL-GZ951/1, and how often the product has been tested against such standards.	20	N/A
D. Provide information evidencing product quality control procedures and detail how they ensure consistency of product quality and product life expectancy in line with the specified warranty.	25	60% of the score available
TOTAL	400	

3.3.3 The evaluation panel was made up of staff from Waste Management Contracts Team, Bin Delivery Team and Waste Operations Team.

3.4 Evaluation Outcome

3.4.4 The submissions were scored on a 0-5 basis:

Score	Assessment
5	Excellent Response, all aspects of the question/criterion are covered with a high level of relevant information and backed up with clear and detailed evidence, with no areas lacking.
4	Good Response, all aspects of the question/criterion are covered and backed up with evidence, and/or with only minor areas, if any, lacking.
3	Average Response, the question/criterion is generally covered but the response is not fully detailed or backed up with evidence, and/or with limited areas lacking.
2	Below Average Response, the question/criterion is partly answered but the response is not detailed or backed up with evidence, and/or with key areas lacking.
1	Unsatisfactory, the response is substantially inconsistent with, or fails to meet the required standard.
0	Not answered

3.4.5 The 1st stage of the evaluation saw two bins eliminated, the Craemer 140lt and the MGB 240lt, with generally good scores seen across the rest of the products being evaluated. Full details of the scoring and information regarding the failures is shown in Appendix 1.

3.4.6 The 2nd stage of the evaluation saw no further eliminations but identified some issues that need to be addressed through contract management of the successful suppliers.

3.4.7 The quality evaluation scores were then combined with supplier pricing information to identify the successful suppliers of:

Lot 1: 140lt bins	SSI Schaeffer
Lot 2: 240lt bins	Craemer
Lot 3: 360lt bins	SSI Schaeffer
Lot 4: 660lt bins	A&C Weber
Lot 5: 770lt bins	A&C Weber
Lot 6: 1100lt bins	A&C Weber

3.4.8 The prices for the successful suppliers, including savings against published YPO prices, are shown in confidential Appendix 1.

3.4.9 Although the saving for the call off is not significant at £3258 per annum the process itself is where the real value for the Council is, by being able to conduct physical testing

as part of the quality evaluation using the City Councils own vehicles and staff's expertise there is confidence the products are fit for LCCs purposes. This is a clear advantage of conducting a call off instead of direct ordering products from the framework. The elimination of unsuitable bins in particular is important for the avoidance of operational problems and any associated costs.

- 3.4.10 The suppliers that have been identified through the evaluation process effectively become LCCs preferred suppliers for the individual lots where they were successful. No restrictions are placed on LCC in terms of procurements for alternative products that have not been included in the call off.

4 CORPORATE CONSIDERATIONS

4.1 Consultation and Engagement

- 4.1.1 It is not considered that the content of this report or the recommendations made will have a significant impact on any particular ward or community, and as such no consultations have taken place.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.2 An Equality Impact Assessment has been completed and it is not considered that the content of this report or the recommendations made will have any impact on any specific individual or group in terms of equality, diversity, cohesion and integration.

4.3 Council policies and City Priorities

- 4.3.1 It is paramount that procurements in the authority are undertaken with a view to ensuring openness, transparency and fairness. This procurement has been undertaken through a formal competitive exercise and the recommended award is based on an evaluation which achieves a cost/quality balance which subsequently offers best value to the authority. All appropriate governance arrangements have been followed throughout.

- 4.3.2 The issues being discussed within this report and the contract recommended to award will have specific implications with regard to environmental performance and the aspirations stated within the environmental policy and the Best Council Plan where the City Council are aiming for improved environmental protection through effectively handling waste.

4.4 Resources and value for money

- 4.4.3 By undertaking a formal tender process as described in this report an element of competitiveness has been introduced in the market place and this helps drive down prices. The benefits of this competitiveness are increased in a call off as there are effectively two rounds of supplier competition.

- 4.4.4 The evaluation criteria used for selecting service providers was developed alongside key stakeholders with a view to ensuring value for money is delivered. The criteria in terms of price/quality split and the actual quality requirements were presented to the Chief Officer for Waste Management for approval prior to tender.

4.5 Legal Implications, Access to Information and Call In

4.5.1 Officers from Legal and Democratic Services have been consulted throughout this tendering exercise and provided approval to use the framework. They have ensured all legislative requirements surrounding EU Public Procurements have been adhered to.

4.5.2 **Note that by virtue of Access to Information Rules 10.4.(3) The Appendices attached to this report are restricted as confidential. This is on the basis that they contain information relating to the financial or business affairs of any particular person (including the authority holding that information) which, if disclosed to the public, would, or would be likely to prejudice the commercial interests of that person or of the Council.**

It is considered that the public interest in maintaining this information as exempt outweighs the public interest in disclosing the information, as disclosure may prejudice the outcome of the procurement process, whilst the details of the tender proposals within the appendices also contain the financial details/business affairs of individual companies.

4.6 **Risk Management**

4.6.1 If the recommendation to award as described within this report is not approved then the Council will continue to be in a position where no formal contractual arrangements are in place for dealing with a key service requirement. Formal arrangements provide protection against adverse performance issues, health and safety concerns as well as protecting agreed rates.

4.6.2 A risk register will be maintained as part of contract management following award. Any high or escalating risks will be brought to the attention of the Chief Officer for Waste Management.

5 **CONCLUSIONS**

5.1 A fair and open procurement process has been conducted to appoint contractors to supply a variety of wheeled bin products to LCC.

5.2 The outcome of the procurement recommends awarding contracts to A&C Weber, Craemer and SSI Schaeffer which offers the overall best value solution for the Council.

6 **RECOMMENDATIONS**

6.3 The Deputy Chief Officer for Waste Management is recommended to note the content of this report and approve the award of DN341918 Plastic Wheeled Bin Supply Contract to A&C Weber, Craemer and SSI Schaeffer.

7 **BACKGROUND DOCUMENTS¹**

7.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.