



Report of: Waste Management Business Officer

Report to: Chief Officer Environmental Services

Date: 3rd September 2020

Subject: Award of the Year Two Tonnage Allocation (DN480208) under the Household Waste Site Recycling Framework (DN370317)

Are specific electoral wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If yes, name(s) of ward(s):		
Has consultation been carried out?	<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
Will the decision be open for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, access to information procedure rule number: 10.4 (3)		
Appendix number: Appendix 1		

SUMMARY

1. Main issues

- A procurement process was conducted in 2019 to establish a 4 year framework to deal with a range of waste streams collected at the Household Waste Sorting Sites (HWSS). The materials are separated into lots and include residual waste, timber, inert waste and plasterboard.
- The evaluation of the framework was designed as a two staged process. The first stage was purely qualitative to determine which organisations were appointed onto the framework lots. The second stage is a mini competition exercise to enter into a call off under the framework.
- The second stage of the evaluation is repeated every year to allocate tonnage under the framework for the coming contract year. This process has now been completed for the second year of the framework i.e. from 1st October 2020 to 30th September 2021 and the suppliers recommended to be awarded contracts are detailed in this report.

2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

- The appropriate contracting of key waste services supports the delivery of sustainable infrastructure under the Best Council Plan with the specific aim of reducing waste and increasing recycling.

- This procurement also indirectly supports a number of other priorities. Appropriate services helps to avoid anti-social behaviour and environmental crime issues which allows safe, strong communities and friendly city priorities to succeed.

3. Resource Implications

- As a replacement contract for existing arrangements the services under the framework have been adequately budgeted for over the duration of the framework.
- The completion of the Call Off exercise and the subsequent contract management of the awarded contracts will be undertaken by the Waste Management Contracts Team, and the requirements of this have been identified in the Waste Management procurement strategy.

RECOMMENDATIONS

- a) The Chief Officer for Environmental Services is recommended to note the content of this report and approve the appointment of the following tenderers as suppliers under Year 2 (1st October 2020 to 30th September 2021) of the Household Waste Site Recycling Framework. Estimated value of the Call Off is £2.7m

Lot N°	Lot Description	Contractors Appointed	Sites Proposed
1	Residual Waste	Associated Waste Management Ltd	Geldered Road, Gildersome
			Valley Farm Road, Stourton
2	Timber	Timberpak Ltd.	Cross Green, Leeds
3	Inert Waste	Associated Waste Management Ltd	Carr Crofts, Armley
		FCC Environment (UK) Limited	Wellbeck, Normanton
4	Plasterboard	Associated Waste Management Ltd	Carr Crofts, Armley
			Valley Farm Road, Stourton

1. PURPOSE OF THIS REPORT

- 1.1 Contract Procedure Rule (CPR) 18.6 requires that a decision to award is made by the relevant Officer through the delegated decision process. The decision should outline why any tenderers were disqualified and the reasoning for the selection of the contractors.
- 1.2 The purpose of this report is to brief the Chief Officer on the process adopted for the Call Off and advise on the outcome it has achieved in order to demonstrate that a fair and transparent process has been followed.
- 1.3 The report further seeks to request approval for the allocation of tonnage to the named organisations and sites under the framework call off.

2. BACKGROUND INFORMATION

- 2.1 The overarching framework provides an arrangement where multiple service providers can be appointed on to the framework for each individual Lot. There are no guarantees of tonnages being delivered to any of the organisations on the framework. The annual allocation of tonnages (call-off), which is determined through the mini competition, takes into account the gate fees offered, the environmental performance of the solution and the cost of our own transport to the facility proposed.

3. MAIN ISSUES

Stage 1 Evaluation

- 3.1 The following suppliers were appointed onto the framework when it was established:

Lot N°	Lot Description	Contractor	Sites Offered
1	HWRC Residual Waste	Associated Waste Management Ltd	Geldered Road, Gildersome Valley Farm Road, Stourton
		FCC Environment (UK) Ltd	Welbeck, Normanton
2	Timber	Associated Waste Management Ltd	Carr Crofts, Armley Valley Farm Road, Stourton
		R Plevin & Sons Ltd	Hazlehead, Sheffield
		Timberpak Ltd	Cross Green, Leeds
3	Inert Waste	Associated Waste Management Ltd	Carr Crofts, Armley Valley Farm Road, Stourton
		FCC Environment (UK) Ltd	Wellbeck, Normanton
4	Plasterboard	Associated Waste Management Ltd	Carr Crofts, Armley Valley Farm Road, Stourton

Stage 2 Evaluation (mini competition)

3.2 The confidential Appendix 1 details the Year 2 second stage of evaluation where price is combined with Environmental Performance to allocate tonnage under the different Lots. The summary is below:

Lot N°	Lot Description	Contractors Appointed	Sites Proposed	Tonnage Allocation
1	Residual Waste	Associated Waste Management Ltd	Geldered Road, Gildersome	17,902
			Valley Farm Road, Stourton	8,938
2	Timber	Timberpak Ltd.	Cross Green, Leeds	14,110
3	Inert Waste	Associated Waste Management Ltd	Carr Crofts, Armley	1,607
		FCC Environment (UK) Ltd.	Wellbeck, Normanton	1673
4	Plasterboard	Associated Waste Management Ltd	Carr Crofts, Armley	323
			Valley Farm Road, Stourton	67

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

4.2.1 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 the Best Council Plan

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 award is based on an evaluation which 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 subsequent contracts that are being awarded have specific implications with regards the Councils environmental performance and the aspirations stated within our environmental policy where we are aiming for improved environmental protection. The following are all relevant contributors to meeting the needs of this Council policy:

- Preventing pollution and minimising our environmental impact
- Taking steps to reduce carbon emissions
- Improving our resilience to current and future climate change

4.4 Climate Emergency

4.4.1 This contract is to help maintain Leeds City Councils network of destinations to treat a range of waste streams arising at the Council's 8 HWRC's. The emphasis in procurements of this kind and for these waste streams is to maximise adherence to the waste hierarchy where re-use and recycling is selected as the preferred method for dealing with these wastes ahead of other waste disposal or treatment technologies.

4.4.2 This demonstrates efforts made to combat the climate emergency situation which has been declared in Leeds and contributes towards the Council's aspiration of becoming a carbon neutral city by 2030.

4.5 Resources, procurement and value for money

4.5.1 By undertaking the formal tender process as described in this report competitiveness has been introduced into the market place which helps to drive down prices.

- 4.5.2 The evaluation criteria and the methodology used for selecting service providers was developed with the financial officer supporting Waste Management with a view to ensuring value for money.
- 4.5.3 The criteria in terms of price/quality split, the actual quality requirements and the evaluation process were presented to the Chief Officer for Environmental Services for approval prior to the initial tender exercise.

4.6 Legal implications, access to information, and call-in

- 4.6.1 Officers from Procurement and Commercial Services have been consulted throughout this tendering exercise and as such all legislative requirements surrounding EU Public Procurements have been adhered to. The contract was advertised in the Official Journal of the European Union (OJEU) as is required of a framework of this value and an open and transparent process has been followed.
- 4.6.2 The decision to allocate tonnages under the second year of this framework is open for inspection through the Delegated Decision Process.
- 4.6.3 **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.**
- 4.6.4 **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.**

4.7 Risk management

- 4.7.1 If the recommendation to award as described within this report is not approved then the Council will risk being in a position where no formal contractual arrangements are in place for dealing with a number of waste and recycle streams collected by the Council.
- 4.7.2 Throughout the procurement a risk register has been developed and those risks have been adequately managed. The risk register will continue to be maintained until the conclusion of the procurement but also in terms of the ongoing management of the contract once awarded. Any high risks or escalating risks will be brought to the attention of the Chief Officer for Environmental Services.
- 4.7.3 It is imperative that secure outlets are available for the materials collected by the Council. The risk of not having those outlets in place is that any available capacity may be taken up by other organisations and/or prices and terms may be varied at short notice and without the consideration of the Council as a client.
- 4.7.4 Conclusion of this procurement will provide a range of legally binding call-off contracts with the organisations on the framework and the terms of those call-off contracts will protect the Council against adverse performance issues, site availability issues, health and safety concerns as well as protecting the rates agreed.

5. CONCLUSIONS

- 5.1 The procurement for the waste streams detailed within this report ensures the Council complies with EU Public Procurement Regulations and the Councils own CPRs. The process has introduced competition which in turn has driven down prices and ensured that value for money has been achieved.
- 5.2 The allocation of tonnages through the second mini competition exercise will establish contracts that provides the Council with formal terms and conditions and the legal framework needed to protect service levels and pricing.

6. RECOMMENDATIONS

- 6.1 The Chief Officer for Environmental Services is recommended to note the content of this report and approve the appointment of the following tenderers as suppliers under Year 2 (1st October 2020 to 30th September 2021) of the Household Waste Site Recycling Framework. Estimated value of the Call Off is £2.7m

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			Valley Farm Road, Stourton	67

7. BACKGROUND DOCUMENTS¹

- 7.1 In compiling this report no additional background papers were used.

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.