



Report of: Waste Management Business Officer
Report to: Chief Officer Environmental Services
Date: 2nd February 2021
Subject: Contract Awards for Scrap Metal and Waste Electrical and Electronic Equipment (WEEE) for Leeds City Council and Bradford Metropolitan District Council

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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 type="checkbox"/> Yes <input checked="" 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

1. Main issues

- A collaborative procurement between Leeds City Council (LCC) and Bradford Metropolitan District Council (BMDC) has been conducted for various types of scrap metal and for Waste Electrical and Electronic Equipment (WEEE) collected in banks and at the authorities Household Waste Recycling Centres (HWRC's).
- The procurement that was led by LCC is a multi-award tender with 8 different 'Lots' or contracts to be awarded at the same time. The contracts run for 4 years with 2 x 2year extension options. The scrap contracts are standard collection and processing contracts but the contracts for WEEE recycling fall under a Producer compliance Scheme (PCS) which is run at zero cost to the Council but has enhanced evidence reporting obligations.
- This report advises the Chief Officer for Environmental Services of the outcome of the evaluation stage of the procurement process and recommends the award of contracts to Sims Group UK and WEEE Link Ltd.

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.
- Ensuring continuity in the of key waste streams forms part of the Council's efforts to address the climate emergency situation that has been declared in Leeds, and contributes towards the Council's aspiration of becoming a carbon neutral city by 2030.

3. Resource Implications

- As replacements for existing arrangements these services have been adequately budgeted for over the duration of the contract taking into consideration the potential for material prices to go down as well as up.
- The completion of the procurement 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

The Chief Officer for Environmental Services is recommended to note the content of this report and approve the award of the LCC contracts below to Sims Group UK and WEEELink Ltd.

The contracts will run from 1st March 2021 – 28th February 2025 with the exception of Lot 1B which wont commence until 1st July 2022 but will co terminate on 28th February 2025. There is an option to extend all contracts for a further 2 x 2 years.

Appendix 1 of the report details the value for each Lot. The estimated income across all Lots is £4.6 million for the duration of the contract with an annual income for Leeds City Council estimated at £378K and for Bradford Metropolitan District Council at £197K.

Leeds City Council:

Lot N°	Lot Description	Contractors Appointed
1A	Scrap Metal	Sims Group UK
2A	Lead Acid Batteries	Sims Group UK
3A	Alloy Wheels	Sims Group UK
4A	WEEE	WEEE Link Ltd.

Bradford Metropolitan District Council:

Lot N°	Lot Description	Contractors Appointed
1B	Scrap Metal	Sims Group UK
2B	Lead Acid Batteries	Sims Group UK
3B	Alloy Wheels	Sims Group UK
4B	WEEE	WEEE Link Ltd.

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 outcome of the procurement exercise in sufficient detail as to demonstrate that a fair and transparent process has been followed.

2. BACKGROUND INFORMATION

- 2.1 Because of the overlap between scrap metal and WEEE any contractor bidding for Lot 1A or 1B was required to be registered with the EA as an Approved Authorised Treatment Facility (AATF) which effectively allows them to produce formal evidence notes for the recycling of WEEE. The contract also imposed an obligation for this evidence to be made available to the Council's PCS, the successful bidders for Lot 4A and 4B.
- 2.2 LCC have an agreement in place with the Environment Agency (EA) which permits the inclusion of large domestic appliances (LDAs), a sub stream of WEEE, in normal scrap metal skips rather than segregating. Operationally this saves space on HWRCs and minimises manual handling. Financially, as the only WEEE category with an inherent value they sit well with scrap and generate an income for the Councils.
- 2.3 All suppliers who bid for the tender passed the vetting process.

3. MAIN ISSUES

Procurement

- 3.1 The contract was advertised in the Official Journal of the European Union (OJEU) as is required of a contract of this value and an open and transparent process utilising the Yortender portal has been followed throughout.

- 3.2 The procurement need arises as a result of the expiry of existing contractual arrangements for key waste streams that are continuing to be collected and need to be appropriately managed.
- 3.3 The current LCC contracts that are held with Sims for scrap metal and WEEELink for WEEE expire 28th February 2021.

Evaluation

- 3.4 The following bids were received:

	Lot 1A LCC Scrap Metal	Lot 1B BMDC Scrap Metal	Lot 2A LCC Lead Acid Batteries	Lot 2B BMDC Lead Acid Batteries	Lot 3A LCC Alloy Vehicle Rims	Lot 3B BMDC Alloy Vehicle Rims	Lot 4A LCC WEEE Collections	Lot 4B BMDC WEEE Collections
Crossley Evans Ltd	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sims UK Ltd	Yes	Yes	Yes	Yes	Yes	Yes	No	No
REPIC Ltd	No	No	No	No	No	No	Yes	No
Waste Care	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
WEEE Link Ltd	No	No	No	No	No	No	Yes	Yes

- 3.5 The confidential Appendix 1 details the quality and price evaluation stages. The summary of the outcome is included as the report recommendation.
- 3.6 There were no clarifications raised throughout the evaluation process.
- 3.7 As the new contracts will be awarded to existing suppliers TUPE will not apply.

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:

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

4.4 Climate Emergency

- 4.4.1 The contracts discussed in this report treat key waste streams for the Councils. 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 The evaluation criteria used requires contractors to show consideration for the carbon impacts of their own operations and challenges them to make improvements to their impact over the life of the contract.
- 4.4.3 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 improve prices and protects income for the Councils.
- 4.5.2 The quality requirements and the evaluation process were presented to the Chief Officer for Environmental Services for approval prior to the commencement of the 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 contract of this value and an open and transparent process has been followed.
- 4.6.2 This is a Significant Operational Decision as it is a direct consequence of a previous Key Decision, details [here](#).
- 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 key waste stream collected by the Councils.
- 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 materials collected by the Council. The risk of not having those outlets secured 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 legally binding contracts that 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 as 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 improves material prices and ensures that value for money has been achieved.
- 5.2 The award of contracts through the tender exercise will establish contracts that provide the Councils with formal terms and conditions and the legal framework needed to protect service levels and pricing.

6 RECOMMENDATIONS

The Chief Officer for Environmental Services is recommended to note the content of this report and approve the award of the LCC contracts below to Sims Group UK and WEEELink Ltd.

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4A	WEEE	WEEE Link Ltd.

Bradford Metropolitan District Council:

Lot N°	Lot Description	Contractors Appointed
1B	Scrap Metal	Sims Group UK
2B	Lead Acid Batteries	Sims Group UK
3B	Alloy Wheels	Sims Group UK
4B	WEEE	WEEE Link Ltd.

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.