



Leeds
CITY COUNCIL

Report author: Alison Gilliland

Tel: 0113 3781693

Report of: Chief Officer Environment Services

Report to: Director of Communities and Environment

Date: 3rd March 2021

Subject: Approval to commence a multiple contract procurement for the purchase of Litter and recycling bins for Cleaner Neighbourhoods, City Centre, Parks and Countryside and Sport Activities.

Are specific electoral Wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, name(s) of Ward(s):		
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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

SUMMARY OF MAIN ISSUES

1. Currently there is a contract in place for the supply of litter bins for Leeds which will expire in May 2021 to supply the specific type of litter bin required by Leeds and where site delivery can be included.
2. A procurement process is required to allow the Cleaner Neighbourhoods Team to purchase litter bins for a period of 1 plus 1 plus 1 plus 1 plus 1 years to commence on 22nd May 2021 (City Centre, Parks and Countryside and Sport Activities will also be able to purchase bins using this contract).
3. There is an ESPO framework available, however, it is not suitable as it would exclude the current supplier from having the opportunity to bid and the ESPO does not have provisions for the bespoke design of bin that is used in Leeds. It is considered that a competitive procurement exercise would be more suitable to ensure that the council obtains value for money and consistency of supply.
4. The increased use of on street recycling bins and the predicted further increase going forward has resulted in an additional lot for the supply of on street recycling bins.
5. In order to comply with the councils own Contract Procedure Rule (CPR) 3.1.8, the service requires Director (Communities and Environment) approval to commence a formal tender process.

RECOMMENDATIONS

The Director of Communities and Environment is recommended to note the content of this report and approve the commencement of the procurement for the supply of a Leeds type litter bin, on street recycling bins and low quantities of other litterbins with the contract being effective from 22nd May 2021 for a period of up to 5 years (1 year plus opportunity to extend annually up to 5 years in total) to commence after the current contract expires.

1. PURPOSE OF THIS REPORT

- 1.1 This report seeks to obtain approval from the Director, Communities and Environment to commence a procurement exercise whereby a tender process will be undertaken to provide a formal contract for the supply of a Leeds type litter bin, on street recycling bins and low quantities of other litterbins. In particular this report ensures that the requirement of CPR 3.1.8 is adhered to.

2 BACKGROUND INFORMATION

- 2.1 For at least the past 8 years Broxap have been the main supplier of Litter bins and throughout this time the Leeds type litter bin has been developed with the concrete weight and can be delivered to individual sites where required. The current contract has been in place since November 2016 and following a recent variation to extend the current contract will expire on 21st May 2021.
- 2.2 Since the previous contract was put in place, as part of Leeds ambition to increase recycling rates in line with the Waste Strategy, bins have been installed or adapted to allow recycling of items such as coffee cups, with provision of on street recycling bins likely to be expanded in the future.
- 2.3 An ESPO framework does exist for litter bins, however, the Leeds Bin is bespoke in its design, having been developed over a number of years, so a bin that is suitable for the requirements of Leeds is not currently available through this framework.

3 MAIN ISSUES

- 3.1 The main issues for the operational service can be summarised as:
- 3.2 Litterbins are currently purchased through a contract with Broxap Limited until 21st May 2021.
- 3.3 An ESPO framework does exist for litter bins, however, the bin used by Leeds City Council is bespoke in its design and slightly different to the standard bins that are available on the frameworks and therefore they wouldn't exactly meet the needs of the service.
- 3.5 The Leeds type Litter bin currently supplied by Broxap Limited has been developed and refined over a number of years which suits the requirements of all, with delivery direct to individual sites if needed.
- 3.6 The use of on street recycling for items such as coffee cups has significantly increased in recent times, with a likely further increase in such on street recycling provision, a separate lot has been created to allow contractors to bid for the provision of these bins.

- 3.7 Other suppliers are able to provide a similar product and service it is therefore appropriate that a competitive procurement process is undertaken.
- 3.8 The new contract is required to commence 22nd May 2021 after the current contract extension expires.
- 3.9 It is anticipated that between all three CNT areas, City Centre, Parks and Countryside and Sport Activities that the number of litter bins purchased will be a total of 600 litter bins per year at an annual cost of approximately £130,000. Therefore it is anticipated that for the duration of the 5 years the cost will be approximately £650,000
- 3.10 The contract will be divided into 3 lots, with lot covering the fixed contract prices of the Leeds litter bin and Leeds (City Centre) litter bins, lot 2 will relate to a set level of discount from the catalogue price of other types of bins from the full range offered by the provider and lot 3 will cover the set prices of the 3 street recycling bins.

4 CORPORATE CONSIDERATIONS

4.1 Consultation and Engagement

- 4.1.1 The Chief Officer Environmental Services will be consulted prior to the award of this contract.
- 4.1.2 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 further consultations are expected to take place other than with Officers in PACS who will be supporting the procurement process.

4.2 Council policies and City Priorities

- 4.2.1 It is paramount that procurements in the authority are undertaken with a view to ensuring openness, transparency and fairness. This procurement will be undertaken through a formal competitive quotation exercise and the award will be based on an evaluation which price only which subsequently offers best value to the authority. All appropriate governance arrangements will be followed throughout.
- 4.2.2 The provision of a formal contract which also includes a lot to provide on street recycling bins in line with the Leeds Waste Strategy.
- 4.2.3 The proposals in this report support the Vision for Leeds 2011 to 2030 and in particular the aspiration that 'there are high quality buildings, places and green spaces, which are clean, looked after, and respect the city's heritage, including buildings, parks and the history of our communities' as part of the overall aim that 'all Leeds' communities will be successful'. The proposals contribute to the Best Council Plan outcomes to 'enjoy happy, healthy, active lives', and 'enjoy greater access to green spaces, leisure and the arts' and also priority 20 'enhancing the quality of our public realm and green spaces'.

4.3 Resources and value for money

- 4.3.1 It is envisaged that the proposed procurement will obtain value for money. Whilst this is not guaranteed it is considered that by the very nature of a competitive procurement the prices will be driven down.

- 4.3.2 Each tender will be evaluated in order to ensure that they pass provide a satisfactory level of quality, only tenders that provide satisfactory levels of quality, will be assessed based 100% on price.
- 4.3.3 This will be the first time that on street recycling bins will be included as a lot and as such it's hoped that it will provide better value for money as a result.
- 4.3.3 At the time of contract award the Chief Officer will be provided with the value of all bids and the ranking of each supplier in the process.

4.4 Legal Implications, Access to Information and Call In

- 4.4.1 Officers from Procurement and Commercial Services (PACS) will be consulted throughout this competitive quotation exercise and as such legislative requirements surrounding EU Public Procurements will be adhered to.
- 4.4.2 The Chief Officer will be notified of the actual value prior to the award of the contract, with the decision to award being a key decision that subject to call in.

4.5 Risk Management

- 4.5.1 If the recommendation to conduct this procurement is not agreed then the Council leaves itself open to a legal challenge on the basis that we would be in breach of Public Procurement Regulations having not invited competition
- 4.5.2 Without a corporate contract there would be no terms and conditions for the arrangement, as the current contract extension will expire on 21st May 2021. The product and service provided and the prices applicable could be subject to change without notice or recourse. Furthermore we would not be able to demonstrate that we are obtaining value for money in procuring litter bins.
- 4.5.3 Throughout the procurement a risk register will be developed and any risks which are high or which escalate at any time will be brought to the attention of the Chief Officer.

5 Conclusions

- 5.1.1 The commencement of a procurement exercise for the product and services detailed within this report will ensure that the Council complies with its own CPR's. The requirement to seek competition in these circumstances is at the core of these rules.
- 5.1.2 An open procurement process will introduce competition which in turn should drive down prices and ensure that value for money is being achieved.
- 5.1.3 The award of the contract will provide the Council with formal terms and conditions which provides the legal framework protecting service levels and prices etc.
- 5.1.4 A formal procurement is being proposed, however, the service considers that a competitive tender exercise is the only means by which the litter bins can be procured within an acceptable timescale.

6 Recommendations

- 6.1 The Director of Communities and Environment is recommended to note the content of this report and approve the commencement of the procurement for the supply of a Leeds type litter bin, on street recycling bins and low quantities of other litterbins with the contract being effective from 22nd May 2021 for a period of up to 5 years (1 year plus opportunity to extend annually up 5 years in total) to commence after the current contract expires.

7 Background documents

- 7.1 None.