

## Award of the Refuse Sacks and Food Caddy Liners Contract (53401) – ESPO Framework 860\_22 – call off for Lot 9 - compostable liners to Cromwell Polythene Limited and Lot 10 – Plastic Refuse Liners to The Compost Bag Company Ltd

Date: 30th September 2022

Report of: Waste Management Business Officer

Report to: Chief Officer for Environmental Services

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

### Brief summary

- A competitive procurement process has been conducted to establish contracts for the supply of refuse/bin bags for use in the presentation of household waste, lining of litter bins, collection of litter and medical waste.
- The procurement will put in place call off contracts from the approved ESPO (Eastern Shires Purchasing Organisation) framework 860\_22 for Refuse and Recycling Products (including wheeled bins). The Call Off relates to Lot 9, Compostable Liners, and Lot 10, Plastic Refuse Sacks.
- The procurement has been concluded following a pre-approved evaluation process as outlined in the Instructions for Tendering. Cromwell Polythene Limited are recommended for award for Lot 9 – Compostable Liners and The Compost Bag Company Ltd have been recommended for award for Lot 10 – Plastic Refuse Sacks.
- These suppliers met the minimum quality thresholds and submitted the lowest price. The Chief Officer for Environmental Services is recommended to approve the award of contracts on this basis.

### Recommendations

- a) The Chief Officer for Environmental Services is recommended to note the content of this report and approve the award of contracts to:
  - Lot 9, Compostable Liners, Cromwell Polythene Limited.
  - Lot 10, Plastic Refuse Sacks, The Compost Bag Company Ltd
- b) The estimated total value of the contracts is £664K.
- c) The contracts will commence on 1st October 2022 and shall end on 30th September 2026.

## What is this report about?

- 1 As per decision D55066, which provided authority to procure contracts for bags for a variety of uses within the Council, a tender was published on 8<sup>th</sup> July 2022 via the Council's electronic tendering system YORtender, inviting bids from the 8 current suppliers of plastic and compostable liners appointed onto Lot 9 and Lot 10 of the ESPO Framework; 860\_22 Refuse and Recycling Products (including wheeled bins). The tender closed on 17<sup>th</sup> August 2022 and the Council received 2 bid submissions in relation to Lot 9 and 3 bid submissions in relation to Lot 10 by the deadline set.
- 2 The submissions received were evaluated in line with the methodology as detailed within the Tender Instructions on a consensus basis by a panel of Officers from across Environmental Services according to the previously agreed evaluation criteria. The tenders were evaluated on a quality / price separated basis as set out in the Tender Instructions. On Lot 10, 1 bid submission failed to reach the required minimum quality threshold set and therefore, was not considered further. For Lot 9 – Compostable Liners Cromwell Polythene Limited is recommended for award having met the required quality threshold and submitted the lowest price bid and for Lot 10 – Plastic Refuse Liners, The Compost Bag Company Ltd is recommended for award after meeting the required quality threshold and submitting the lowest price bid.
- 3 The tender was designed for bidders to be able to offer the Council an improved rate to that of the same product on the ESPO framework, but to not increase it. This approach provides the Council with an additional layer of competition whilst maintaining the protection of the overarching framework.
- 4 The tender pack included indicative order quantities based on historic usage but offered no guarantees to suppliers of what would be ordered, which maintains flexibility for the various teams that will be utilising the contract.
- 5 Confidential Appendix 1 details the evaluation process, the outcome of which is included in the recommendation.
- 6 The appropriate contracting of key services supports the delivery of sustainable infrastructure under the Best Council Plan with the specific aim of reducing waste and increasing recycling. Appropriate waste containment also helps to avoid anti-social behaviour and environmental crime issues which allows safe, strong communities and friendly city priorities to succeed.

## What impact will this proposal have?

- 7 The overall impact of this proposal is to deliver a continuation of effective and efficient services through appropriately contracted and managed waste containment provisions. Although stakeholders will not feel a change through the implementation of this proposal if it weren't adopted the impacts would be detrimental to the Councils frontline operational services.

## How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing       Inclusive Growth       Zero Carbon

- 8 This contract is needed to maintain the services provided by the Council's Environmental Services Section. The emphasis in contracts of this kind is to provide infrastructure to allow maximum adherence to the waste hierarchy where re-use and recycling is selected as the preferred method for dealing with wastes ahead of other waste disposal or treatment technologies.

## What consultation and engagement has taken place?

Wards affected: N/A

Have ward members been consulted?       Yes       No

- 9 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.

## What are the resource implications?

- 10 As a continuation contract for existing arrangements the services under the framework have been adequately budgeted for over the duration of the contract.
- 11 The procurement has delivered a saving of £9K per year or £36K for the duration of the framework which, in the context of the volatile polymer market, is of great benefit to the Council. The contract also delivers efficiencies through the suitability of the products being tendered, these have been developed over time using operational knowledge and experience to ensure specifications are fit for purpose whilst still delivering value for money.
- 12 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.

## What are the key risks and how are they being managed?

- 13 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 a key element of their waste collection services.
- 14 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 or escalating risks will be brought to the attention of the Chief Officer for Environmental Services.
- 15 It is imperative that secure, reliable suppliers are available for the consumable products used by the Council. The risk of not having those suppliers in place is that products are substandard, and the associated services are subject to change with prices and terms being varied at short notice without consideration of the Council.
- 16 Conclusion of this procurement will provide legally binding call-off contracts and the terms of those contracts will protect the Council against adverse performance issues, stock availability issues, health and safety concerns as well as protecting the rates agreed.

## What are the legal implications?

- 17 Officers from Procurement and Commercial Services have been consulted throughout this tendering exercise and as such all legislative requirements surrounding Public Procurements have been adhered to. The procurement exercise and evaluation has been undertaken in accordance with the Public Contract Regulations 2015 and the Council's Contract Procedure

Rules. An open and transparent process has been followed. Following evaluation, the panel believes that the contract should be awarded as set out in the recommendations of this report.

18 The decision is open for inspection through the Delegated Decision Process. This represents a Significant Operational Decision and will not be subject to call-in under the Council's constitution.

**19 Note that by virtue of Access to Information Rules 10.4.(3) The Appendices (1) 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.**

**20 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.**

## **Options, timescales and measuring success**

### **What other options were considered?**

21 It would have been possible to put suitable contracts in place following different procurement routes, but as described in decision D55066, the ESPO framework was considered to be the most advantageous to the Council.

22 Not putting any formal arrangements in place is also an option but would leave the Council vulnerable to the risks identified above.

### **How will success be measured?**

23 Success will be measure as part of the contract management process.

### **What is the timetable and who will be responsible for implementation?**

24 The start date for the contracts awarded under this Call Off will be 1<sup>st</sup> October 2022.

## **Appendices**

- Confidential Appendix 1.
- ECDI

## **Background papers**

- N/A