

WEST DUNBARTONSHIRE COUNCIL

Report by the Chief Officer – Supply, Distribution and Property

Tendering Committee: 17 February 2021

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**Subject: Contract Authorisation Report - Processing & Treatment of Mixed Scrap Metal**

**1. Purpose**

- 1.1** The purpose of this report is to seek the approval of the Tendering Committee to authorise the Chief Officer - Regulatory and Regeneration to conclude the award of the contract for the Processing & Treatment of Mixed Scrap Metal.

**2. Recommendations**

- 2.1** It is recommended that the Tendering Committee:
- a) Authorise the Chief Officer - Regulatory to conclude on behalf of West Dunbartonshire Council (the Council), the award of the contract for the Processing & Treatment of Mixed Scrap Metal to Doherty and Lafferty Limited trading as Forge Metal Recycling Limited.
  - b) Note that the contract shall be for 3 years with an option of a 1 year extension, with a maximum contract period of four years and at a forecasted value of £120,000 income for four years to the Council ex VAT. The estimated commencement date of the contract is 01 March 2021.

**3. Background**

- 3.1** The Council require a competent service provider to carry out the processing, treatment and recycling of scrap metal collected by Waste Services at the household waste recycling centres (HWRC). The recycling of mixed scrap metal will support the Council to meet their recycling targets.
- 3.2** The forecasted income from the Processing & Treatment of Mixed Scrap Metal supports the waste services wider budget that was approved at Council on 27 March 2019. This procurement exercise has been conducted in accordance with the Council's Standing Orders and Financial Regulations and the *Public Contracts (Scotland) Regulations 2015* (above the EU threshold) for Services. A Contract Strategy document was also approved by the Business Partner – Strategic Procurement Place on 13 August 2020.

**4. Main Issues**

- 4.1** A further competition was issued to the 31 service providers awarded on to the Scotland Excel's Dynamic Purchasing System for the Treatment and Disposal of Recyclable and Residual Waste (ref 27-17), under Lot 7 Treatment of Mixed Scrap Metal on 26 November 2020. Nine service providers expressed an interest, with two service providers submitting a response by the deadline for the submissions of 2pm on 17 December 2020.

- 4.2** The two tender submissions were evaluated by representatives from Waste Services and Corporate Procurement Unit against a set of award criteria which was based on Total Cost of Ownership (TCO) / Quality ratio of 85% / 15%. The scores relative to the award criteria of each tenderer are as follows:

		Doherty and Lafferty Ltd	Enva Scotland Ltd
Quality	Sub Section Weighting	Weighting	Weighting
Service Delivery & Methodology	7.5%	5.8125%	7.5%
Social Benefits (Community Benefits)	3%	3%	3%
Contract Monitoring and Management	1.5%	1.3875%	1.5%
Staffing Project Team Structure	0.75%	0.58125%	0.75%
Business Continuity Planning & Phase Out Plan & Exit Strategy	0.75%	0.5625%	0.4875%
Sustainability	0.75%	0.5625%	0.5625%
eProcurement	0.375%	0.28125%	0.375%
Commitment to Fair Working Practices	0.375%	0.28125%	0.375%
Quality Sub-Total %:	15%	12.46875%	14.55%
TCO Sub Total %	85%	85%	43.79%
Total Score	100%	97.46%	58.34%

- 4.3** It is recommended that the contract is awarded to Doherty and Lafferty Limited, of Dumbuck Yard, Dumbarton.G82 1EG, who has provided the most economically advantageous tender. The contract shall be for a maximum period of four years and at an estimated income value of £120,000 for four years, ex VAT. The value of the contract may vary and is dependent on the tonnage of mixed scrap metals received into the HWRCs and the published market rates.
- 4.4** Doherty & Lafferty Limited has committed to paying all staff as a minimum, the UK Real Living Wage (min. of £9.50 per hour).
- 4.5** Doherty & Lafferty Limited has committed to the delivery of the following social benefits which will be discussed at the implementation meeting and actions to take these forward will be agreed:
- £300 of sponsoring a charity that promotes physical or mental health or wellbeing; and
  - Donation of £300 of materials to support a local community project.

## **5. People Implications**

**5.1** There are no people implications as a result of this report.

## **6. Financial and Procurement Implications**

**6.1** The contract will bring an income to the Council and support any financial costs in respect of this contract and delivery of this service for Waste Services, in line with current budget levels.

## **7. Risk Analysis**

**7.1** The successful service provider has no known links to Serious and Organised Crime which would have significant political and reputational ramifications for the Council.

## **8. Equalities Impact Assessment (EIA)**

**8.1** An equalities screening was undertaken and the results confirmed there are no equalities impact.

## **9. Consultation**

**9.1** Finance Services, Legal Services and Waste Services have been consulted in relation to the content of this report.

## **10. Strategic Assessment**

**10.1** This report contributes to the Council's Strategic Priorities and particular towards efficient and effective frontline services that improve the everyday lives of residents by supporting recycling levels to maintain sustainable and attractive local communities.

**Name:** Angela Wilson

**Designation:** Chief Officer for Supply, Distribution and Property

**Date:** 28 January 2021

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**Appendices:** None

**Background Papers:** The Contract Strategy  
EIA Screening

**Wards Affected:** All Council Wards.