

WEST DUNBARTONSHIRE COUNCIL

Report by the Director of Housing, Regeneration and Environmental Services

Tendering Committee: 26 April 2006

Subject: Tender for the Reprocessing of Dry Recyclate

1. Purpose

- 1.1** To seek the Committee's approval to procure the services of the most economically advantageous tender submitted for the reprocessing of dry recyclate.

2. Background

- 2.1** The Scottish Executive developed a National Waste Plan which introduced a recycling target of 30% by 2008.
- 2.2** The Strategic Waste Implementation Plan (S.W.I.P.) 2004-2006 for West Dunbartonshire was adopted by Council in June 2003. The S.W.I.P. includes a range of actions that require to be taken to ensure that the Council meets its waste management obligations including the Council's blue bin kerbside recycling collection scheme.
- 2.3** In May 2005, the Council was successful in its application for funding to consolidate existing and develop new recycling initiatives. The total amount awarded is £19,052,000 to cover the period to 2020. The funding incorporates the 2004-2006 funding award which has been consolidated into the Council's Strategic Waste Implementation Plan (Maximising the Solution).
- 2.4** As part of the Scottish Executive's policy on funding, Scottish Ministers propose to make grant award of payments of £6,178,000 up to 2007/2008 and thereafter an indicative grant up to £19,052,000.
- 2.5** At a meeting of the Tendering Committee held on 31 August 2005, a tendering exercise for the reprocessing of dry recyclate collected through the blue bin kerbside recycling scheme to 2008 was approved. From 2008, subject to the indicative grant being made available, a longer term solution for the reprocessing of the dry recyclate will be sought.

3. Main Issues

- 3.1** Due to the anticipated value of the expenditure, a formal tendering exercise was carried out with adverts placed in the Official Journal of the European Union, and in the Herald newspaper.

3.2 The tender, to reprocess an estimated 4000 tonnes of dry recyclate waste annually, contained various options within the specifications which would add value to the Council's blue bin kerbside recycling collection scheme. The options included the reprocessing of the current co-mingled paper, plastic bottles and cans and an opportunity for the Council to add cardboard to this material. The addition of cardboard would allow residents to recycle more from home, and help the Council work towards meeting its Landfill Allowance objectives.

3.3 Two tenders for the work were returned:-

Glasgow City Council	£ 55,440
William Tracey Limited	£104,000

3.4 The evaluation criteria included gate fee cost per tonne (projected to an annual cost in 3.3 above), ease of access to the reprocessing site, non-productive time associated with transportation to/from the reprocessing site, anticipated percentage of dry recyclate being recovered by the contractor and the total waste diverted from landfill.

3.5 Glasgow City Council has since withdrawn its tender offer.

3.6 Legal and Administrative Services have confirmed that while the assessment of bids received may have indicated that the Glasgow City Council tender was marginally advantageous, it has been withdrawn and there is no legal impediment to the contract being awarded to William Tracey Limited either on the grounds that only one tender remains, or that this tender would not be viewed as Best Value.

3.7 Legal and Administrative Services have also confirmed that, provided the Council is satisfied that the William Tracey Limited tender represents a reasonable market position and value for money to the Council, it is open to the Tendering Committee to accept it and award the contract.

3.8 The Waste Services Section has benchmarked the costs against the current William Tracey Limited ad hoc agreement with the Council and found that the tender represents value for money.

4. Personnel Issues

4.1 There are no personnel issues.

5. Financial Implications

5.1 The contract will be funded from the existing Waste Disposal revenue budget supplemented by the Council's Strategic Waste Implementation Plan funding.

6. Conclusions

- 6.1 The tender submitted by William Tracey Limited represents a reasonable market position and cost to the Council in terms of cost per tonne, waste diverted, transportation and value for money.

7. Recommendations

- 7.1 **The Committee is invited to approve the award of the contract for the reprocessing of dry recyclate to William Tracey Limited for the period May 2006 to July 2008.**



David McMillan
Director of Housing, Regeneration and Environmental Services
Date: 18 April 2006

Wards Affected: All wards

Background Papers: Report to Tendering Sub - Committee held on 31 August 2005 entitled: Tender for Reprocessing/Recovery of Civic Amenity/ Residual Waste and Recycling of Dry Recyclate

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