

## WEST DUNBARTONSHIRE COUNCIL

### Report by Strategic Director – Transformation & Public Service Reform

Tendering Committee: 22 January 2020

---

**Subject: Contract Authorisation Report – Supply of Waste Receptacles**

#### **1. Purpose**

- 1.1** The purpose of this report is to seek the approval of the Tendering Committee to authorise the Strategic Lead - Regulatory to conclude the award of the contract for the Supply of Waste Receptacles.

#### **2. Recommendations**

- 2.1** It is recommended that the Tendering Committee:
- a) Authorise the Strategic Lead Regulatory to conclude on behalf of West Dunbartonshire Council (the Council), the award of the contract for the Supply of Waste Receptacles to MGB Plastics Limited; and
  - b) Note that the contract shall be for a period of two years from 01 February 2020 with an option to extend for a further two x 12 months until 31 January 2024. The overall estimated value of the contract over four years is £296,000 ex VAT.

#### **3. Background**

- 3.1** The Council has a requirement to provide, repair or replace waste receptacles to a number of properties in the West Dunbartonshire area. For example, new build properties or ad-hoc replacements for current properties. The two wheeled receptacles that are required are 140 and 240 litres for household recyclable and non-recyclable waste.
- 3.2** The budget for the Supply of Waste Receptacles was approved as part of wider service budgets at the West Dunbartonshire Council meeting 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* for Goods. A Contract Strategy document was also approved by the Business Partner - Strategic Procurement (Place) on 09 October 2019.

#### **4. Main Issues**

- 4.1** Historically, the Council has used Scotland Excel Framework Agreements (FA) to source Waste Receptacles and the Contract Strategy identified that this is the best route to market for this requirement. The FA allows for the facility to

undertake a reverse electronic auction (e-Auction) - an online real-time purchasing tool to select the successful submission using a Quality / Price ratio that creates a supplier score whenever a supplier enters a lower price.

**4.2** An e-Auction, conducted under this FA was published on the Public Contracts Scotland - Tender (PCS-Tender) portal. Two of the six FA suppliers invited to the e-Auction submitted responses by the deadline of 11am on 03 December 2019.

**4.3** The e-Auction scores are as follows:

	<b>Weighting</b>	<b>Craemer UK Limited</b>	<b>MGB Plastics Limited</b>
<b>Quality (20%)</b>	20%	10.6%	12.5%
<b>Quality Sub-Total %:</b>	<b>20%</b>	<b>10.6%</b>	<b>12.5%</b>
<b>Price</b>	-	£77,816.30	£74,082.94
<b>Price (80%)</b>	80%	76.1%	80%
<b>Price Sub Total %:</b>	<b>80%</b>	<b>76.1%</b>	<b>80%</b>
<b>Total Score</b>	<b>100%</b>	<b>86.7%</b>	<b>93.5%</b>

**4.4** It is recommended that the contract is awarded to MGB Plastics Limited of Rotherham, England, who has provided the most economically advantageous e-Auction score. The duration of the contract shall be for a period of two years from 01 February 2020 with an option to extend for a further two x 12 months until 31 January 2024, at an estimated value over four years of £296,000 ex VAT. The value of the contract is below the value approved in the budget.

**4.5** MGB Plastics Limited don't pay the Scottish Living Wage, but pay above the UK Government's National Minimum Wage (24 and under) and National Living Wage (25 and over), as well as providing employees with benefits such as flexible working hours and options for enhanced pensions.

**4.6** As part of the Scotland Excel FA, MGB Plastics Limited offered a range of social benefits based on the level of spend by Council per FA year. The Council will agree with MGB Plastics Limited the most appropriate social benefits to be delivered to the Council. The range of social benefits include:

- Improving Employability – Work Experience Placements;
- Economic Impact – Sponsorship of Local Sports Team/Community Event to the Value of £250;
- Economic Impact – Donation of Materials/ Labour to Support Community

- Project to the Value of £250; and
- Economic Impact – Donation of Product Vouchers to Support Apprentices to the Value of £250.

## **5. People Implications**

**5.1** There are no people implications.

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

**6.1** The price for evaluation for waste receptacles was based on current estimated spend of £82,300. The requirement is demand led, therefore the spend against the annual budget is variable with over or underspends occurring based on demand level, but is offset by income from sales of landfill waste receptacles. The financial saving of £22,000; is based on applying the percentage saving based on the evaluation price, to the annual budget of £55,000.

**6.2** This procurement exercise was conducted in accordance with the agreed contract strategy produced by the Corporate Procurement Unit in close consultation with Waste Services officers and the provisions of Contract Standing Orders, the Financial Regulations and relevant procurement legislation.

## **7. Risk Analysis**

**7.1** The successful supplier 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 for this report to determine if there is an equalities impact. The results were there is no equalities impact.

## **9. Consultation**

**9.1** The Service Lead from Waste Services has been consulted regarding the Contract Strategy. Finance and Legal Services have been consulted on the contents of this report.

## **10. Strategic Assessment**

**10.1** The Supply of Waste Receptacles will contribute to the delivery of the Council's strategic priorities by supporting the provision of efficient and effective frontline services that improve the everyday lives of residents.

Angela Wilson  
Strategic Director - Transformation & Public Service Reform  
07 January 2020

---

---

**Person to Contact:** Andrew Duncan - Procurement Officer, Corporate  
Procurement Unit, 16 Church Street, Dumbarton, G82  
1QL. Telephone 01389 737425

**Appendices:** None

**Background Papers:** 1. Contract Strategy;  
2. EIA Screening;

**Wards Affected:** All