

**To:** Finance, Resources and Customer Services Policy Board

**On:** 30 March 2023

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**Report by:** The Chief Executive and the Director of Environment and Infrastructure Services

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**Heading:** Contract Award: Processing & Recycling of Mixed Paper and Card (RC-CPU-22-259)

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## 1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a Services Contract for Processing & Recycling of Mixed Paper and Card (contract reference RC-CPU-22-259) to WRC Recycling Limited.
  - 1.2 The recommendation to award this Contract follows a mini competition made under the Scotland Excel Recyclable & Residual Waste Dynamic Purchasing System (schedule 27/17), Lot 2 Treatment of Paper, Cardboard, News & PAMS (separate and/or mixed).
  - 1.3 A Contract Strategy was approved by the Director of Environment and Infrastructure Services and the Strategic Commercial and Procurement Manager in October 2021.
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## **2. Recommendations**

It is recommended that the Finance, Resources and Customer Services Policy Board:

- 2.1 Authorise the Head of Corporate Governance to award a contract for Processing & Recycling of Mixed Paper and Card (RC-CPU-22-259) to WRC Recycling Limited;
- 2.2 Note the Contract is for the period commencing 1 May 2023 until 30 April 2024 with the Council having the sole right to extend this contract for up to one year until 30 April 2025. In the event the Contract does not commence on 1 May 2023 the period of contract shall run from the actual Date of Commencement as stated within the Letter of Acceptance.
- 2.3 Also note that under this Contract the Council shall have the option to exercise a break clause and terminate the Contract every six months without penalty or compensation payable to the Service Provider where the Council identifies their proposed contract rate does not represent best value and does not match the emerging market conditions associated with mixed paper, card and cardboard;
- 2.4 Authorise the total Contract value of up to £900,000.00 excluding VAT.

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## **3. Background**

- 3.1 The Council has a requirement for the treatment of post-consumer recycle consisting of mixed paper, card and cardboard. The Council's Waste Services currently collect approximately 6215 tonnes each calendar year of post-consumer recycle consisting of mixed paper, card and cardboard from households, commercial premise and recycling centres. As part of this contract Council Refuse Collection Vehicles will deliver this material to the Service Provider's treatment site or designated reception point for onward transportation arranged by the Service Provider to the Service Provider's own treatment site. The purpose of the six monthly review breaks is for both the Council and the Service Provider to monitor the commodity market associated with mixed papers and cardboard with a view to understanding and reacting to market changes and to agree the level of the Gate Fee to reflect the anticipated price achievable by the Service Provider when the Target Waste is sold. Any subsequent price amendments agreed mutually will then be subject in due course to the same process of review during the period of the Contract and;

- 3.2 This procurement exercise has been tendered as a mini competition under the Scotland Excel Dynamic Purchasing System Treatment and Disposal of Recyclable & Residual Waste (schedule 27/17 Lot 2 Treatment of Paper, Cardboard, News and PAMs (separate and/or mixed).
- 3.3 Lot 2 of this Dynamic Purchasing System had thirty suppliers registered on the Public Contract Scotland Tender platform, all of whom were invited to participate in the mini competition when it was issued on 12<sup>th</sup> January 2023.
- In accordance with the DPS arrangements the Council could choose to use the Call off Terms prepared by Scotland Excel or the Council's own terms for the mini competition.
  - In this instance, the Council chose to use the Council's General Conditions of Contract for Services/Waste for this mini competition. These Conditions use the defined term *Service Provider* rather than *supplier*.
  - The Council chose to use Scotland Excel Processing & Disposal of Recycle and Residual Waste DPS contract schedule 27/17 and Operational Terms and Conditions.
- 3.4 By the closing date set for return of electronic tenders of 12 noon on 27<sup>th</sup> January 2023, four suppliers submitted a Tender Submission, the remaining twenty-six suppliers failed to provide a response.
- 3.5 All four Suppliers (Tenderers) completed the European Single Procurement Document (ESPD) when applying for a place on the Scotland Excel Dynamic Purchasing System.
- 3.6 One tender submission was deemed non compliant and as a result, this Tenderer bid was rejected.
- 3.7 The remaining 3 Tenderer Tender Submissions were evaluated against the set award criteria which was based on a combined weighting of 30% Quality and 70% Price. The three remaining Tenderer scores relative to the Award Criteria are as follows:

		<b>Quality (30%)</b>	<b>Price (70%)</b>	<b>Total (100%)</b>
1	WRC Recycling Limited	29.50	70.00	<b>99.50</b>
2	Regen Waste Limited	27.75	33.96	<b>61.71</b>
3	Enva Scotland Limited	28.25	27.37	<b>55.62</b>

- 3.8 The evaluation of tender submission received identified that the tender submission by WRC Recycling Limited was the most economically advantageous tender.

- 3.9 Community Benefits were requested as part of the procurement process and WRC Recycling Limited have committed to the following Community Benefits.

Community Benefit Description	No of People / Activity
Modern Apprenticeship	1
Work Experience Placement for an individual 16+ years of age	3
Financial Support for a Community Project	1

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## Implications of the Report

- Financial**  
The costs under this contract will be met from existing waste disposal revenue budgets.
- HR & Organisational Development** - No TUPE implications for the Council have arisen or are anticipated.
- Community/Council Planning – Place - working together to enhance well being across communities**  
Delivering those strong universal services we all receive and all rely on – for example safe roads, clean and well-lit streets, efficient waste and recycling - making Renfrewshire a great place to live.
- Legal**  
The procurement of this contract was carried out in accordance with the Scotland Excel Processing & Disposal of Recyclable & Residual Waste Dynamic Purchasing System mini-competition arrangements and the Council's Standing Orders Relating to Contracts.
- Property/Assets**  
None
- Information Technology**  
No property/asset implications have arisen or are anticipated
- Equality & Human Rights**  
(a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report.

If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety**

WRC Recycling Limited's Health and Safety submission was evaluated by the Council's Corporate Health and Safety team and meet the minimum requirements regarding health and safety.

9. **Procurement**

The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.

10. **Risk**

WRC Recycling Limited's insurances have been assessed and evaluated to confirm they meet the minimum requirements regarding insurable risk.

11. **Privacy Impact**

No Privacy Impact Assessment requirements were identified within this procurement.

12. **Cosla Policy Position**

No Cosla Policy implications have been identified or are anticipated.

13. **Climate Risk**

The level of impact associated with provision of this service has been assessed using the Scottish Government Sustainability Test and this contract will strive towards the Scottish Governments aims and objectives for a Zero Waste Scotland.

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## **List of Background Papers**

None

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