

Scotland Excel

To: Executive Sub-Committee

On: 21 May 2021

**Report by:
Chief Executive of Scotland Excel**

Tender: Waste Composition Analysis Services

Schedule: 15/20

Period: 09 June 2021 until 08 June 2025

1. Introduction and Background

This recommendation is for the award of the first-generation framework for Waste Composition Analysis Services.

This proposed framework was advertised for the period from 9 June 2021 until 8 June 2025. It is intended to commence on 9 June 2021.

This framework that will offer a mechanism for local authorities to procure the services of suitably qualified service providers to conduct waste composition analysis (“WCA”). This will include sorting and detailed reporting of analysis results following scrutiny of waste collected from households at the kerbside or via Household Waste & Recycling Centres.

Scotland Excel has delivered this framework with support from Zero Waste Scotland (ZWS). ZWS is a not-for-profit organisation funded by the Scottish Government with a remit to use evidence and insight to inform policy and motivate individuals and businesses to embrace the environmental, economic, and social benefits of a circular economy. A key component of ZWS’s role in informing policy and motivating change involves gathering informative and accurate data. ZWS plans a programme over the coming years that will provide support to local authorities for the procurement of waste composition analysis services ensuring a consistent approach, high quality data and ease of market engagement. ZWS has supported Scotland Excel in securing the required resource to tender and maintain a procurement framework that can be accessed by all 32 local authorities.

2. Scope, Participation and Spend

The framework comprises a single lot - "Lot 1 - Kerbside Residual Waste and Recycling Study".

The framework agreement is available for use by all 32 councils in Scotland plus Tayside Contracts.

The forecast annual spend for participating councils and associate members, with contingency, is £750,000 per annum, equating to an estimated £3 million over the full 4-year term of the framework.

3. Procurement Process

Following engagement with ZWS as the key stakeholder, the procurement strategy was endorsed on 25 November 2020 and service requirements developed in line with this. In addition, a working group consisting of suitably qualified council officers and ZWS representatives was formed to participate in the evaluation.

A Prior Information Notice (PIN) was published on 29 September 2020, which resulted in expressions of interest from 21 organisations. Service Providers were given the opportunity to provide Scotland Excel with information in relation to, but not limited to; market intelligence, market trends, sustainability initiatives, community benefits to help inform the strategy.

The Contract Notice was published via the Find A Tender and Public Contracts Scotland (PCS) portal on 18 February 2021, with the tender documentation being immediately available via the Public Contracts Scotland Tender (PCS-T) system. The tender exercise was conducted and concluded in accordance with the regulations and procedures currently in place.

The procurement process followed the open tender process to ensure maximum competition and inclusion of all potential providers to service the framework. All bidders were examined against selection criteria, using the Single Procurement Document (SPD) and award criteria, concurrently. The award criteria included technical and commercial sections that were evaluated against the following criteria and weightings:

Technical: 50%
Commercial: 50%

Within the technical section, bidders were required to evidence their knowledge and experience by responding to method statements which covered areas that included: Planning and Delivery of a Quality WCA Study, Risk Management, Project Management, Resourcing & Key People and Sustainability & Fair Work Practices. Bidders were also assessed in terms of their ability to provide community benefits.

Table 2: Technical Section Weighting

Question	Description	Weighting
1	Planning and Delivery of a Quality WCA Study	14
2	Risk Management	10
3	Project Management	10
4	Resourcing and Key People	9
5	Sustainability & Fair Work Practices	6
6	Community Benefits	1
Total Score		50

Within the commercial section, bidders were invited to offer rates/pricing as part of their tender submission. Fixed pricing for 12 months was required, and in addition to which bidders were asked to confirm if they were willing to offer a longer period of fixed pricing from the framework contract start date. Bidders were also invited to specify if they would offer any early settlement discount.

4. Report on Offers Received

The tender document was downloaded by 11 organisations, with 5 tender responses received by the specified closing date and time. A summary of all offers received is provided in Appendix 1.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers received was completed. Appendix 2 confirms the scoring achieved by each bidder.

5. Recommendations

Based on the evaluation undertaken, and in line with the criteria and weightings set out above, it is recommended that a multi-supplier framework arrangement is awarded to 5 service providers as outlined in Appendix 2.

These 5 recommended service providers offer best value and represent a mix of small, medium and large organisations. 4 service providers are classed as SME, 1 is classed as a large service provider. 2 of the service providers are Scottish based.

The range of service providers recommended provides competitive options for all participating local authorities as well as offering a degree of choice and capacity.

6. Benefits

Savings

This is the first national collaborative framework for waste composition analysis services that will provide all thirty-two councils in Scotland with a route to market for the procurement of a waste composition analysis service.

The only historic data on previous spend is available from waste composition analysis funded by ZWS and commissioned by a small number of councils in recent years. Following analysis, ZWS confirmed that it would not be possible to draw a comparable cost from the previous studies for the following reasons:

- A relatively small number of studies in total previously supported by ZWS during 2013-15 (eighteen in total).
- The requirements of individual procurements were more flexible than has been specified for this framework.
- Individual self-funded council studies have a greater degree of variation in what they specified and what was actually delivered.
- The main cost drivers sought in this tender are based on a scenario and in practice mini competitions will be carried out by councils.

The success of this framework will be measured on delivering consistent high-quality levels of waste composition analysis services, participation, level of actual spend and the convenience of a legally compliant framework option from which councils can easily access.

Price Stability

The framework applies twelve months fixed pricing. All recommended service providers have offered further fixed pricing periods of between 12 months and the lifetime of the framework. Thereafter, all requests for price increases will be evaluated against prevailing market conditions and require to be supported by documentary evidence.

Sustainable Procurement Benefits

Within the technical section of the tender, a sustainability method statement assessed service providers in relation to their corporate approach to sustainability and how they promote recycle, reuse and reduce initiatives to minimize the impact of their supply chain on the environment. A range of sustainable measures were outlined by service providers including:

- Adoption of low-emission vehicles to reduce carbon footprint.
- Reduction of miles travelled per employee, whilst increasing the proportion of more sustainable transport modes.
- Development of an automated electronic data recording system for waste composition analysis to reduce paper use.
- Re-use of PPE whilst not comprising safety.
- Recycling of waste paper, spent toner/ink cartridges, obsolete computer hardware, printers and mobiles.

Community Benefits

Scotland Excel is committed to maximising community benefit delivery for our members. Tenderers were asked to confirm whether they were willing to comply with our community benefits approach for the lifetime of the framework. This approach is designed to deliver local community benefits based on individual member requirements and all 5 recommended service providers have confirmed their acceptance.

The community benefits approach focused on supporting the Scottish Governments National Performance Framework, and the benefits delivered should support, but are not limited to, the following indicators:

- Improve the skill profile of the population
- Reduce underemployment
- Improve workplace learning
- Reduce waste generated
- Reduce Scotland's carbon footprint

Service providers have agreed to report ongoing delivery of community benefits to Scotland Excel on a six-monthly basis.

Delivery of commitments made will be monitored throughout the lifetime of the framework.

Fair Work Practices including the Real Living Wage

Scotland Excel and its members are committed to the delivery of high-quality public services and recognise that this is dependent on a workforce that is well-rewarded, well-motivated, well-led, has access to appropriate opportunities for training and skills development, are diverse and is engaged in decision making. Within the technical section of the tender, bidders were assessed on their approach to fair work practices and payment of the Real Living Wage to their workforce (Appendix 3). Of the 5 recommended bidders:

- 1 is an accredited Real Living Wage Employer
- 3 are not an accredited Real Living Wage Employer but pay the Real Living Wage to all employees (except volunteers, apprentices and interns)
- 1 is not an accredited Real Living Wage Employer and does not currently pay the Real Living Wage to all employees.

Scotland Excel will continue to monitor Fair Work Practices including the Real Living Wage status during contract and supplier management.

7. Contract Mobilisation and Management

As part of the mobilisation process, all service providers will be offered a contract mobilisation meeting to outline the operation of the framework, including roles and responsibilities, management information and community benefit commitments. Both service providers and participating members will be issued with a mobilisation pack containing all required details to utilise the framework.

In accordance with Scotland Excel's established contract and supplier management programme, in terms of risk and spend as detailed in Appendix 4, this framework is classified as class D. As such, it will require annual service provider and user group reviews as appropriate. During the current market conditions Scotland Excel will continue to engage with service providers on a regular basis to manage the response to the pandemic and ensure continuity of service delivery for our members.

Meetings and engagement undertaken with service providers will adhere to all applicable health and safety guidelines.

8. Summary

This first-generation framework for the Waste Composition Analysis Services maximises collaboration, facilitates the procurement of a waste composition analysis services, promotes added value and delivers best value in terms of price, quality and service.

The Executive Sub Committee is requested to approve the recommendation to award this framework agreement as detailed in Appendix 2 (Scoring and Recommendations).

Appendix 1 - Summary of Offers Received

Name of Tenderer	SME Status	Location	Lot Tendered	Lot Awarded
Alfred H Knight Energy Services Limited	Medium	Prescot	Lot 1	Lot 1
Resource Futures Limited	Medium	Bristol	Lot 1	Lot 1
Integrated Skills Limited	Small	Leeds	Lot 1	Lot 1
RPS Consulting Services Limited	Large	Abingdon	Lot 1	Lot 1
Albion Environmental Limited	Small	Ayr	Lot 1	Lot 1

Appendix 2 - Scoring and Recommendations

Tenderer	SCORE	Awarded (Yes/No)
Alfred H Knight Energy Services Limited	72.25	Yes
Resource Futures Limited	59.10	Yes
Integrated Skills Limited	56.55	Yes
RPS Consulting Services Limited	45.26	Yes
Albion Environmental Limited	43.99	Yes

Appendix 3 - List of Recommended Service Providers with Living Wage Status

Tenderer	Accredited	Currently progressing through Real Living Wage accreditation process	Pay Real Living Wage to all employees, and committed to gaining accreditation over the initial 2 years of framework	Pay Real Living Wage to all employees, but not accredited	Neither accredited nor paying Real Living Wage, but do commit to pay the Real Living Wage to all employees over the initial 2 years of the framework	Neither accredited nor paying Real Living Wage
Albion Environmental Limited				Yes		
Alfred H Knight Energy Services Limited						Yes
Integrated Skills Limited				Yes		
Resource Futures Limited	Yes					
RPS Consulting Services Limited				Yes		

Appendix 4 - Segmentation classifications

15-20 Waste Composition Analysis Services is classified as class D.

There are five segmentation classifications and these classifications are rated from Class A to Class E. Each classification has contract and supplier management activities associated with it based on pre-determined weighted criteria.

Class A

Due to the unique and bespoke nature of the frameworks that fall within this class, a contract management plan to be developed and agreed with CSG.

Class B

Quarterly supplier contact, six monthly surveys, annual UIG, frequent support to councils, suppliers and external stakeholders requiring high level of procurement expertise, extensive contract monitoring.

Class C

Six monthly supplier contact, six monthly to annual surveys, annual UIG, regular support to councils, suppliers and external stakeholders requiring procurement expertise, high contract monitoring.

Class D

Annual supplier contact, annual surveys, optional annual UIG, ad-hoc support to councils, suppliers and external stakeholders potentially requiring procurement expertise, regular contract monitoring.

Class E

Annual supplier contact (if required), optional annual surveys, no requirement for annual UIG, straightforward ad-hoc support to councils, suppliers and potentially requiring procurement assistance, basic contract monitoring.