

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

**On: 11 November 2020**

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

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**Heading: Contract Award: Treatment of post-consumer recyclate consisting of mixed paper, card and cardboard (RC-CPU-20-107)**

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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 Treatment of post-consumer recyclate consisting of mixed paper, card and cardboard (RC-CPU-20-107) to Regen Waste Limited.
  - 1.2 The recommendation to award this Contract follows a mini competition made under the Scotland Excel Processing & Disposal of Recycle & Residual Waste Dynamic Purchasing System Framework (schedule 27/17), Lot 2 Processing of Paper, Cardboard, News & PAMS (separate and/or mixed).
  - 1.3 A Contract Strategy was approved by the Director of Environment and Infrastructure and the Strategic Procurement Manager on 23 July 2020.
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## **2. Recommendations**

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

- 2.1.1 Authorise the Head of Corporate Governance to award a contract for Treatment of post-consumer recyclate consisting of mixed paper, card and cardboard (RC-CPU-20-107) to Regen Waste Limited;
- 2.1.2 Note the Contract is for a period of up to 15 months from the anticipated contract commencement date with the contract commencing no later than 3<sup>rd</sup> December 2020 or such other date as the Council may specify in the Letter of Acceptance. Under the terms of this Contract the Council shall have the option to exercise a break clause and terminate the Contract every (5) months from commencement without penalty or compensation payable to the Service Provider where the Council identifies such a proposed contract rate does not represent best value and does not match the emerging market conditions associated with mixed paper, card and cardboard;
- 2.1.3 Authorise the total Contract value of up to £712,782.88 excluding VAT.

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## **3. Background**

- 3.1 The Council has a requirement for the treatment of post-consumer recyclate consisting of mixed paper, card and cardboard. The Council's Waste Services currently collect approximately 9,041 tonnes per 15 months of post-consumer recyclate 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.
- 3.3 The purpose of the (5) 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.

- 3.4 This procurement exercise has been tendered as a mini competition under the Scotland Excel Processing & Disposal of Recycle & Residual Waste Dynamic Purchasing System Framework (schedule 27/17 lot 2 Processing of Paper, Cardboard, News & PAMS (separate and/or mixed).
- 3.5 Lot 2 of the Scotland Excel Processing & Disposal of Recycle & Residual Waste Dynamic Purchasing System Framework has thirty-three (33) Suppliers currently registered on the Public Contract Scotland Tender platform. All thirty-three (33) Suppliers were invited to participate in the mini competition issued on 19<sup>th</sup> August 2020. In accordance with the terms of the DPS the Council could use the Call off Terms prepared by Scotland Excel or could use Council terms for the mini-competition. The Council chose to use the Council's General Conditions of Contract for Services ( "Terms and Conditions") for this mini-competition which also uses the term Service Provider rather than Supplier.
- 3.6 By closing date set for return of electronic tenders of 12noon on 22<sup>nd</sup> September 2020, four (4) Suppliers submitted a Tender Submission with twenty-nine (29) failing to provide a response.
- 3.7 All four (4) Suppliers completed the European Single Procurement Document (ESPD) when applying for a place on the Scotland Excel Dynamic Purchasing System.
- 3.8 All Tender Submission received were evaluated against the set award criteria which was based on a combined weighting of 30% Quality and 70% Price. Two (2) failed to fix their prices as required within the Invitation to Tender. Both these Supplier Submissions were rejected and deemed non-compliant with the mini-competition invitation to tender requirements. The remaining two (2) Supplier scores relative to the Award Criteria are as follows:

		<b>Quality (30%)</b>	<b>Price (70%)</b>	<b>Total (100%)</b>
1	Regen Waste Limited	30.00	70.00	<b>100.00</b>
2	Enva Scotland Limited	28.25	58.00	<b>86.25</b>

- 3.8 The evaluation of tender submission received identified that the submission by Regen Waste Limited was the most economically advantageous tender.
- 3.9 Community Benefits were requested as part of the procurement process and Regen Waste Limited have committed to the following Community Benefits.

<b>Community Benefit Description</b>	<b>No of People / Activity</b>
Event to promote supply chain opportunities	2

Financial Support for a Community Project	2
Non financial support for a Community Project	2

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## Implications of the Report

1. **Financial**  
The costs under this contract will be met from existing waste disposal revenue budgets.
2. **HR & Organisational Development** - No TUPE implications for the Council have arisen or are anticipated.
3. **Community/Council Planning –**  
Creating a sustainable Renfrewshire for all to enjoy - the work proposed will support the delivery of this outcome.
4. **Legal**  
The procurement of this contract was carried out in accordance with the Scotland Excel Processing & Disposal of Recycle & Residual Waste Dynamic Purchasing System Framework and the Council's Standing Orders Relating to Contracts.
5. **Property/Assets**  
None
6. **Information Technology**  
No property/asset implications have arisen or are anticipated
7. **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 because for example it is for noting only. 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**

Regen Waste 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**

Regen Waste 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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