



## Environment Overview and Scrutiny Committee

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| <b>Date:</b>  | <b>Tuesday, 17 July 2018</b>                 |
| <b>Time:</b>  | <b>4.00 p.m.</b>                             |
| <b>Venue:</b> | <b>Committee Room 1 - Wallasey Town Hall</b> |

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### AGENDA

**1. MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST / PARTY WHIP**

Members are asked to consider whether they have any disclosable pecuniary interests and/or any other relevant interest in connection with any item(s) on this agenda and, if so, to declare them and state the nature of the interest.

Members are reminded that they should also declare whether they are subject to a party whip in connection with any item(s) to be considered and, if so, to declare it and state the nature of the whipping arrangement.

**2. CALLED-IN BUSINESS - DELIVERY OF THE ENVIRONMENTAL ENFORCEMENT CONTRACT (Pages 1 - 14)**

To consider the decision of the Cabinet Member for Environment made on 18 June 2018 relating to the Delivery of the Environmental Enforcement Contract which has been called-in in accordance with Council Procedure Rule / Standing Order 35.

The following papers are attached -

- Call-in meeting procedure;
- The Call-in Notice;
- The Decision Notice;
- The report considered by the decision maker.

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## **CALL IN PROCEDURE**

### **Chair's opening remarks (5 minutes)**

The Chair will open the special Committee meeting convened to consider the Call-In and set out the procedure as follows:

### **Explanation of the call in by the lead signatory (5 minutes)**

The Chair will invite the lead signatory to set out the reasons for the Call-In. Members of the Committee will be invited to ask the lead signatory questions.

### **Overview and explanation of the decision taken by the relevant Cabinet Member (5 minutes)**

The Chair will invite the Cabinet Member to explain the reasons for the decision. Members of the Committee will be invited to ask the Cabinet Member questions.

### **Evidence from call in witnesses**

The Chair will invite the following witnesses to come forward. Witnesses may read out a written statement (not to exceed 5 minutes) if they wish, prior to questions from Members of the Committee. (Running order of witnesses – List of witnesses to be confirmed)

### **Evidence from decision-taker's witnesses**

The Chair will invite the following witnesses to come forward. Witnesses may read out a written statement if they wish (not to exceed 5 minutes), prior to questions from Members of the Committee. (Running order of witnesses – List of witnesses to be confirmed)

### **Summary of the lead signatory (5 minutes)**

The Chair will invite the lead signatory to summarise the key points of evidence given in support of their case.

### **Summary of the decision-taker (5 minutes)**

The Chair will invite the decision-taker to summarise the key points of evidence given in support of the initial decision.

### **Committee Debate**

The Chair will invite comments, observations and discussion from members of the Committee.

### **Committee Decision**

The Committee having considered the evidence and debate may:-

- Refer the decision back to the Cabinet Member setting out in writing the nature of its concerns.
- Refer the matter to the Council. Such a referral should only be made where the Overview and Scrutiny believes that the decision is outside the policy framework or contrary to or not wholly in accordance with the budget. The procedures set out in those rules must be followed prior to any such referral.
- Uphold the decision - If the Overview and Scrutiny Committee agrees with the initial decision the relevant Senior Officer may implement it without delay.

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## LIBERAL DEMOCRAT GROUP & GREEN PARTY - CALL-IN SCHEDULE

We hereby give notice that we wish to Call-In the Cabinet decision dated 18 June 2018 to approve the appointment of Kingdom Environmental Services for the delivery of the Environmental Enforcement Contract for a period of 3 (three) years with the option to extend the contract (conditional) for a further 3 (three) years.

**Call In deadline date: 25 June 2018**

**Submitted: 25 June 2018**

Reason(s) for Call In:

The process has been concluded so close to the expiry of the current contract that this has presented a very limited opportunity for Members to consider the scope and extent of the contract.

Members have had also had insufficient opportunity to explore the scope and specification of the revised contract so that they can be satisfied the contractor will meet requirements that Members might reasonably expect.

Members need to be satisfied that there is a proper balance between changing the behaviour of the public and the generation and share of income from the fines. In particular, we have concerns about the financial model within the bid being predicated on a "per ticket" share of income.

The published documentation provides little information on the financial arrangements, costs and income generation, the process of setting targets and the spread of activity throughout Wirral. Members wish to be fully apprised of the way in which priorities are set, resources are targeted and employees are directed and supervised.

Members believe that the approach to litter enforcement approved by Council needs to be undertaken in a way that secures public support and understanding. They, therefore, wish to be satisfied that the aim of reducing litter is not undermined by suspicions that the ease of generating cash from some crackdowns and fines leads to the prioritising of some activities rather than others.

Members seek formal recognition that as section 4.2.1 of the 'invitation to tender' states that 'The Service Provider shall deliver the Services in accordance with both overarching Legislation and the standards set by the Council...' and this includes 'Operational and Statutory Guidance', the DEFRA Guidance <https://www.gov.uk/guidance/enforcement-officers-issuing-fixed-penalty-notice> (issued on 23 March 2015 and last updated 15 February 2017) shall be properly followed in all circumstances.

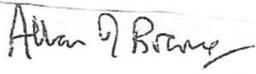
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Called in by:

Cllr Phil Gilchrist



Cllr Allan Brame



Cllr Chris Carubia



Cllr Stuart Kelly



Cllr Dave Mitchell



Cllr Pat Cleary



## EXECUTIVE MEMBER DECISION FORM

**DECISION TO BE TAKEN BY: CLLR MATTHEW PATRICK**

**KEY DECISION: YES**

**PORTFOLIO AREA: ENVIRONMENT**

**PORTFOLIOS AFFECTED: ENVIRONMENT**

**WARDS AFFECTED: ALL WARDS**

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**SUBJECT: APPROVAL OF APPOINTMENT FOR A CONTRACT TO UNDERTAKE ENVIRONMENTAL ENFORCEMENT SERVICES**

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### **1. RECOMMENDATIONS:**

The Cabinet Member is recommended to

- (i) Approve the appointment of Kingdom Environmental Services for the delivery of the Environmental Enforcement Contract for a period of 3 (three) years with the option to extend the contract (conditional) for a further 3 (three) years.

### **2. REASON/S FOR RECOMMENDATIONS:**

Wirral is a beautiful place to live in and work and visit, having a fantastic and unique environment which people love to experience and enjoy. The vast majority of Wirral's residents are proud of the borough and want to do the right thing to cherish and protect the local environment. However there is a sizeable minority of residents and visitors who do not respect Wirral's environment and damage or defile it through irresponsible and illegal actions. Wirral Council has made a commitment through the corporate pledges set out in the Wirral Plan, to drive behaviour change and transform the relationship between residents and their local environment. The Council has demonstrated during recent years that it is serious about tackling environmental crime through enforcement action. The high profile deterrent created through the enforcement regime of the initial Environmental Enforcement Contract is regarded as a key element that will drive behaviour change over time.

The Council's first Environmental Enforcement Contract, which has been in place since the summer of 2015, has proven to be successful in tackling key environment crimes such as littering and dog fouling, with tens of thousands

of enforcement actions taken and a number of high profile public awareness campaigns delivered. The first contract has enabled the Council to commence the journey to drive behaviour change with some early signs that it is beginning to happen. The Council wishes to build on the initial work of the first enforcement contract by establishing the next contract, recognising that there is more work to be done over time and, through the deterrent of enforcement action, to achieve the behaviour change being sought.

The Council has also taken the opportunity when preparing the new contract to review environmental enforcement requirements and identify priorities moving forward. Therefore the scope and specifications of the new contract have been revised from those for the original contract to reflect identified priorities and requirements.

### 3. STATEMENT OF COMPLIANCE

*The recommendations are made further to legal advice from the Deputy Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been completed. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.*

### 4. DECLARATION OF INTEREST

There are no conflicts of interest.

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| <b>Signed:</b>  | <b>Signed:</b>  |
| <b>Executive Member: Cllr M Patrick</b>  | <b>Chief Officer: Mark Smith</b>   |
| <b>Date: 18 June 2018</b>  | <b>Date: 18 June 2018</b>  |
| <b>Also present:</b>   |  |
| <b>Date of Senior Policy Team Meeting(s):</b>  |  |

**A list of background papers on this issue is held with:**

Contact Officer: Andy McCartan  
Date: 11 June 2018

**Date of Publication:**

**Date of Expiry of Call-In Period:**

*Form Reference: Executive Member Decision Form May 2012 v 1.0*



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|---|---|
| <p><b>COUNCILLOR MATTHEW<br/>PATRICK<br/>CABINET MEMBER –<br/>ENVIRONMENT</b></p> | <p><b>CABINET MEMBER REPORT<br/>18 JUNE 2018<br/>APPROVAL OF APPOINTMENT FOR A<br/>CONTRACT TO UNDERTAKE ENVIRONMENTAL<br/>ENFORCEMENT SERVICES</b></p> |
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### **REPORT SUMMARY**

This report seeks Cabinet Member approval for the appointment of Kingdom Environmental Services to undertake the Environmental Enforcement Contract to support the delivery of the Loving our Environment for Wirral Residents Pledge within the Wirral Plan.

### **RECOMMENDATION/S**

The Cabinet Member is recommended to

- (i) Approve the appointment of Kingdom Environmental Services for the delivery of the Environmental Enforcement Contract for a period of 3 (three) years with the option to extend the contract (conditional) for a further 3 (three) years.

## **SUPPORTING INFORMATION**

### **1.0 REASONS FOR RECOMMENDATION**

- 1.1 Wirral is a beautiful place to live in and work and visit, having a fantastic and unique environment which people love to experience and enjoy. The vast majority of Wirral's residents are proud of the borough and want to do the right thing to cherish and protect the local environment. However there is a sizeable minority of residents and visitors who do not respect Wirral's environment and damage or defile it through irresponsible and illegal actions. Wirral Council has made a commitment through the corporate pledges set out in the Wirral Plan, to drive behaviour change and transform the relationship between residents and their local environment. The Council has demonstrated during recent years that it is serious about tackling environmental crime through enforcement action. The high profile deterrent created through the enforcement regime of the initial Environmental Enforcement Contract is regarded as a key element that will drive behaviour change over time.
- 1.2 The Council's first Environmental Enforcement Contract, which has been in place since the summer of 2015, has proven to be successful in tackling key environment crimes such as littering and dog fouling, with tens of thousands of enforcement actions taken and a number of high profile public awareness campaigns delivered. The first contract has enabled the Council to commence the journey to drive behaviour change with some early signs that it is beginning to happen. The Council wishes to build on the initial work of the first enforcement contract by establishing the next contract, recognising that there is more work to be done over time and, through the deterrent of enforcement action, to achieve the behaviour change being sought.
- 1.3 The Council has also taken the opportunity when preparing the new contract to review environmental enforcement requirements and identify priorities moving forward. Therefore the scope and specifications of the new contract have been revised from those for the original contract to reflect identified priorities and requirements.

### **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 Do nothing.
- 2.2. Undertake the service "in house". This option was discounted based upon a lack of internal capacity, extensive investment in technical infrastructure being required and previous unsuccessful attempts at delivering environmental enforcement services.

### **3.0 BACKGROUND INFORMATION**

- 3.1 The purpose of this document is to set out how the evaluations for the Environmental Enforcement Contract were conducted, report on the results and advise of the Provider to be approved as successful.

- 3.2 The key objective of the evaluation exercise was to identify the bidder having the capability and capacity to meet the Authority's requirements and execute the contract with a view to a contract commencement date of 1 July 2018.
- 3.3 This document contains information that is Commercial in Confidence and is not in the public domain. The contents of this document must not be disclosed or discussed with any third party.
- 3.4 This report and recommendation has been compiled on behalf of the Environmental Enforcement Evaluation Team following the completion of the evaluation of ITT submissions received in relation to OJEU Notice.
- 3.5 The technical evaluation was carried out by Sue Bannister and Rob Cain from the Commissioning Services Team and Mike Cockburn from the Strategic Hub.
- 3.6 In seeking to elicit market interest and establish market capacity, an initial Soft Market Testing Exercise was undertaken in December / January 2017/18 at which 3 bidders presented outline solutions to the Authority. It should be noted that the Environmental Enforcement market remains immature with only a limited number of specialist providers.
- 3.7 Consequently, the Council was not expecting a high number of returns for this procurement and the option to operate the service internally was not considered due to an internal lack of capacity, investment and experience following previous unsuccessful attempts. The desired outcomes of the evaluation were therefore to:-
- Understanding exactly what each bid offered.
  - Confirm the approach and practicality of what the bidder is offering.
  - Ensuring that information was provided in such way as to facilitate a fair, transparent and proportionate evaluation.
- 3.8 Each bidder submitted a formal bid, marked in accordance with the agreed evaluation approach and using the following scoring arrangements:

| <b>Score</b> | <b>Definition</b>  |
|--------------|--|
| 5            | Excellent. Response is completely relevant and excellent overall.  |
| 4            | Good. Response has significant relevance and good.   |
| 3            | Acceptable. Response is relevant and acceptable.   |
| 2            | Inadequate. Response has partial relevance and addresses some aspects but with deficiencies with detail or explanation of how the requirement will be met. |
| 1            | Poor. Response has insufficient relevance and provides no detail or explanation of how the requirement will be met.  |
| 0            | Unacceptable. Nil response or no relevance to the requirement.   |

3.9 The following process was used for the evaluation of submissions

- **Stage 1** – ITT submission: All bids were submitted via the Due North Chest e-procurement portal. These were opened simultaneously on 16 April 2018.
- **Stage 2** - individual evaluations: Each member of the evaluation team carried out their own assessment individually and without collusion, and these were then discussed in Stage 3.
- **Stage 3** - Consensus: A moderation meeting was held on 26 April 2018. The purpose of the meeting was to ensure there were no anomalies between the scores from the individual assessors and to agree a final assessment in situations where there was a disparity in the individual scoring.

3.10 Following scoring, Kingdom Environmental Services demonstrated sufficient capacity and capability and it was recommended that they be awarded the Environmental Enforcement Contract for a period of 3 (three) years with an option to extend (conditional) for a further 3 (three) years.

3.11 The following results were obtained following moderation of the individual scores. Scores were weighted against the standard Price /Quality criteria with Price attracting a 60% weighting and quality a 40% weighting. Table 1 (below) provides an overall summary of the final weighted scores.

**Table 1 – Summary Scoring Results**

**Table 1a - Price**

| <b>Company Name</b> | <b>Score</b> |
|---------------------|--------------|
| <b>Kingdom</b>      | <b>60</b>    |
| <b>3GS</b>          | 13.25        |

**Table 1b - Quality**

| <b>Company Name</b> | <b>Score</b> |
|---------------------|--------------|
| <b>Kingdom</b>      | <b>40</b>    |
| <b>3GS</b>          | 33.02        |

3.12 Kingdom’s bid was felt to be the strongest of both bids. Their response successfully managed to balance the conflicting objectives of being concise and providing enough detail. Presentation was excellent and the submission was very well structured. In terms of content, the bid was also very strong. The strategic vision is in tune with the council’s and many examples were given that illustrated how partnership working would help to achieve the aims of the contract and the outcomes of the Wirral Plan. The bid scored well in

terms of its approach to environmental behaviour change priorities and social values, and it was also strong in terms of operational management. The Evaluation Team is confident that this organisation would be able to deliver a flexible and workable solution that meets the needs of the council. In accordance with the above criteria, the company scored higher than the other tenderer. The Council therefore concluded that the tender submitted by Kingdom was the most economically advantageous to Wirral Council.

- 3.13 3GS presented a robust bid however could not compete with the Kingdom submission on price, quality or experience. In accordance with the criteria, the company scored in total lower than the other tenderer. The Council therefore concluded that the tender submitted by 3GS was not the most economically advantageous to Wirral Council.

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 The financial model within the winning bid is predicated on a “per ticket” share of income. This means that the contractor is only paid on performance albeit a number of other key performance indicators will be contained within the contract for the purposes of compliance.

- 4.2 Based upon submitted figures within the bid and performance to standard, it is estimated that the contract value will be approximately £614,000 per annum.

#### **5.0 LEGAL IMPLICATIONS**

- 5.1 The procurement process has been undertaken in accordance with the latest version of the Public Procurement Regulations (2015) and in line with Wirral Council’s Contract Procedure Rules.

#### **6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS**

- 6.1 The winning bidder will be expected to provide their own resources including IT and accommodation. The Council’s Commissioning Services Team will act as lead client for the service.

#### **7.0 RELEVANT RISKS**

- 7.1 Failure to undertake the procurement exercise would impact on the delivery of creating an attractive local environment for Wirral residents pledge as set out within the Wirral Plan.

#### **8.0 ENGAGEMENT/CONSULTATION**

- 8.1 No specific consultations have taken place.

#### **9.0 EQUALITY IMPLICATIONS**

Has the potential impact of your proposal(s) been reviewed with regard to equality?

No – the procurement exercise has no relevance to equality.

**REPORT AUTHOR:** **Andy McCartan (Commissioning Services Manager)**  
**Mike Cockburn (Lead Commissioner - Environment)**  
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**APPENDICES**

None

**REFERENCE MATERIAL**

None

**SUBJECT HISTORY (last 3 years)**

| <b>Council Meeting</b> | <b>Date</b> |
|------------------------|-------------|
| <b>None</b>            |             |