

## **WIRRAL COUNCIL**

### **COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE**

**31 JANUARY 2012**

<b>SUBJECT</b>	<b>SECURE DISPOSAL OF CONFIDENTIAL WASTE</b>
<b>WARD/S AFFECTED</b>	<b>ALL</b>
<b>REPORT OF</b>	<b>DIRECTOR OF FINANCE</b>
<b>RESPONSIBLE PORTFOLIO HOLDER</b>	<b>COUNCILLOR ADRIAN JONES</b>
<b>KEY DECISION</b>	<b>NO</b>

#### **1.0 EXECUTIVE SUMMARY**

- 1.1 This report informs Members that a contract for the secure disposal of confidential waste has been awarded, under the scheme of delegation, to PHS Datashred. This follows a full tender process conducted in accordance with European Union regulations under the restricted procedure.

#### **2.0 RECOMMENDATION**

- 2.1 That Members note the award of the contract for the Secure Disposal of Confidential Waste to the highest scoring tenderer.

#### **3.0 REASONS FOR RECOMMENDATION**

- 3.1 The previous contract for the secure disposal of confidential waste expired on 31 October 2011.
- 3.2 The results of the evaluation of tenders are set out in the exempt report which is not for publication as it contains commercially sensitive information.
- 3.3 This contract commenced on 1 November 2011 for a period of three years, with an option for two further extensions, each extension period is for up to one year.
- 3.4 The specification is for the secure collection, disposal and recycling of confidential waste, including paper and multimedia, on a cost per volume and frequency basis.

- 3.5 The scope of the contract provide a range of container options of varying sizes to allow for convenient, secure storage throughout Council premises. Regular weekly, fortnightly, monthly and adhoc collection frequencies offered provides greater flexibility to suit the needs of individual sections and departments.
- 3.6 As part of the environmental commitment, the contract provides the added benefit of a closed loop recycling process whereby all paper waste will be recycled into grade 2 tissue and cardboard products. Shredded multimedia waste will be sent to an “Energy from Waste” plant for incineration to generate power for the National Grid.
- 3.7 This contract is primarily for Council establishments in Wirral. However, it is also, as part of the collaborative agenda, open to other Local Authorities and Public Sector Bodies within Merseyside.
- 3.7 The new contract includes a competitive pricing structure in terms of price per container, per frequency. However, as a minimum invoice charge per building applies, staff are encouraged to plan their choice of container and frequencies in order to maximise best value for the Council. Provided the minimum invoice charge has been met for the entire building, the minimum invoice charge will not apply.
- 3.8 The current expenditure on disposing of confidential waste for the Authority over a three year period is approximately £47,500. For evaluation purposes, a baseline calculation was undertaken which indicates an approximate saving of 60% on current costs.

#### **4.0 BACKGROUND AND KEY ISSUES**

- 4.1 In accordance with Contract Procedure Rules, as well as to allow for the collaborative scope, an OJEU European tender process was conducted under the restricted procedure. Initially forty three expressions of interest were received indicating a highly competitive market. Twelve completed questionnaires were received at the pre-qualification stage, which resulted in tender documents being sent out to seven qualifying suppliers. Six completed tenders were subsequently received. During the evaluation process one supplier opted out of the process.
- 4.2 The tender evaluation panel, comprising of officers from Records Management & Archives Services with the support of Procurement, applied a cost/quality model to the submitted six tenders. This was based on 70% price and 30% quality to determine the most economically advantageous tender as set out in the exempt report.

## **5.0 RELEVANT RISKS**

- 5.1 This award of this contract adhered to European Union legislation and the procurement strategy. The process has not been subject to external challenge.
- 5.2 The contract will be managed by Records Management & Archives Services to ensure that the Council obtains, and can evidence, value for money.

## **6.0 OTHER OPTIONS CONSIDERED**

- 6.1 Existing purchasing frameworks were examined such as Buying Solutions and Eastern Shires Purchasing Organisation. However it was felt in such a competitive market a full tender would offer the best opportunity for savings. This decision also ensured that all suppliers were given a fair and equal opportunity to bid.

## **7.0 CONSULTATION**

- 7.1 Procurement and Records Management & Archives Services were involved at each stage of the options appraisal, tender process and evaluation.
- 7.2 Schools have the option to be part of this contract.
- 7.3 Members of the Merseyside Procurement Partnership were invited to collaborate and a collaborative clause has been included in this contract for other Councils within the Partnership to participate in the contract.

## **8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

- 8.1 There are no implications.

## **9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

- 9.1 **Financial.** Current expenditure is approximately £15,900 per year. Applying good procurement practices to prevent unnecessary minimum invoice charges per building will reduce and further control expenditure and ensure that value for money is optimised. The savings potential for schools if they take advantage of the contract could be in the region of 60%.
- 9.2 **IT Services.** There are no implications.
- 9.3 **Staffing.** There are no implications.
- 9.4 **Assets.** There are no implications.

**10.0 LEGAL IMPLICATIONS**

10.1 The letting of this contract has adhered to public procurement procedures, the Contract Procedures Rules, and UK and European Union legislation.

**11.0 EQUALITIES IMPLICATIONS**

11.1 There are no implications

11.2 Equality Impact Assessment (EIA)

(a) Is an EIA required? No

**12.0 CARBON REDUCTION IMPLICATIONS**

12.1 All paper waste will be recycled into grade 2 tissue and cardboard products. Shredded multimedia waste will be sent to an “Energy from Waste” plant for incineration to generate power for the National Grid.

**13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

13.1 There are no implications

FNCE/12/12

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**SUBJECT HISTORY (last 3 years)**

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