

Report to Cabinet

26 November 2020



DECISION REQUIRED

Not exempt

Exempt Appendix 1 under Paragraph 3 Part 1 of Schedule 12A to the Local Government Act 1972

Contract Award for the Provision of Wheeled Bins Tender

Executive Summary

Horsham District Council requires plastic wheeled bins for the collection of domestic refuse, recycling and garden waste. The purpose of this report is to ask Cabinet to approve the preferred bidder for the supply of wheeled bins as the contract award is over the value of £250,000.

The current contract for the supply of wheeled bins has expired and therefore it has been necessary to undertake a tendering exercise to obtain wheeled bins at the most competitive price, balanced against quality and the ability to supply.

A mini tender exercise has been conducted through a framework agreement established by Eastern Shires Procurement Organisation (ESPO). The mini tender was issued to five organisations and two returns were received and evaluated. Key considerations of the tender exercise included service and delivery timescales, quality and defects resolution and the supply of spares.

Recommendations

Cabinet is recommended:

- i) To accept the bid and award the contract to Company A (exempt Appendix 1), as the preferred supplier of plastic wheeled bins for the next 4 years

Reasons for Recommendations

- i) The tendering exercise offered a preferential unit cost for each bin, with the option to purchase replacement parts as required
- ii) The evaluation exercise favoured Company A on quality of products

Background Papers: None

Wards affected: All

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Background Information

1 Introduction and Background

- 1.1 The purpose of this report is to seek the approval to award the contract for the purchase of wheeled bins for the next four years.
- 1.2 The new supplier will maintain a reasonable stock level to which we are able to access quickly. The council will only pay for stock that we will hold at any one time.

2 Relevant Council policy

- 2.1 Horsham District Corporate Plan 2019-2023 – Continue to manage our finances prudently

3 Details

- 3.1 The current contract for the supply of wheeled bins has expired and therefore it has been necessary to undertake a tendering exercise to obtain wheeled bins at the most competitive price, balanced against the quality and the ability to supply.
- 3.2 A mini tender exercise has been conducted through a framework agreement established by Eastern Shires Procurement Organisation (ESPO). The mini tender was issued to five organisations and two returns were received and evaluated. Key considerations of the tender exercise included service and delivery timescales, quality and defects resolution and the supply of spares.
- 3.3 From the procurement exercise undertaken, Tender Company A has emerged as the Preferred Bidder. The Preferred bidder submitted the highest quality return and also the lowest cost, which includes transport delivery of the bins.

4 Next Steps

- 4.1 Following approval by Cabinet to award the contract, there will be a mandatory legal ten-day “standstill” period as required by the Public Contract Regulations, to allow unsuccessful tenderers time to request feedback and scrutinise the award process. Once this has passed without incident, the appointment can be ratified and legal formalities concluded.

5 Views of the Policy Development Advisory Group and Outcome of Consultations

- 5.1 The Cabinet Member’s Policy and Development Advisory Group (PDAG) has considered the proposal on 16 November 2020 and are supportive of the recommendation.
- 5.2 The Councils Monitoring Officer and Director of Corporate Resources have been consulted and their comments have been incorporated in to this report.

6 Other Courses of Action Considered but Rejected

- 6.1 None. The Council is required to put the contract out to tender for competition at the expiry of the previous contract.

7 Resource Consequences

- 7.1 The successful contractor's costs are per bin representing a saving on previous purchases and expenditure will fall within the current budget.

8 Legal Consequences

- 8.1 The Public Contracts Regulations 2015 ("the Regulations") and HDC's contract rules require that a competitive tender be utilised for procurements of this nature.
- 8.2 The ESPO framework meets the requirements of both the Regulations and HDC's contract rules.
- 8.3 As a consequence, the recommended contract award meets the necessary legal and governance requirements.

9 Risk Assessment

- 9.1 There are no specific risks in relation to this project.

10 Other Considerations

- 10.1 This proposal does not impact on Crime & Disorder; Human Rights and Equality & Diversity matters.
- 10.2 The wheeled bins supplied by Company A are made of HDPE plastic, which can be recycled into new products at the end of their serviceable life.
- 10.3 The preferred bidder is awarded the Blue Angel Certificate for environmentally friendly product design.
- 10.4 The preferred bidder manufactures its bins with up to 30% recycled polymer, 70% virgin materials. 30% recycled polymer is currently the maximum threshold to ensure there is no impact on quality and the ten-year guarantee can be sustained. However, the preferred bidder is exploring options to increase the amount of recycled materials within its wheeled bins.
- 10.5 The preferred bidder is one of the few suppliers to manufacture its wheeled bins in the UK reducing the carbon footprint of transportation from Europe.