

Report of	Meeting	Date
Director (Customer & Digital) (Introduced by the Executive Member (Resources))	Executive Member Decision	24/05/21

CONTRACT AWARD FOR THE DOMESTIC CLINICAL WASTE COLLECTION SERVICE

Purpose of report

- To agree the contract award for the domestic clinical waste collection service.

Recommendation(s)

- To award the contract to Lancashire Environmental Services (LES) for the period 31 May 2021 to 31 March 2022

Executive summary of report

- The Council operates a weekly collection service for domestic clinical waste and medical sharps waste and the current service contract with Rentokil-Initial is due to expire.
- A new services contract with Lancashire Environmental Services (LES) is proposed for the period 31 May 2021 to 31 March 2022, which will provide best value for the Council.
- As Chorley Council moves to shared waste services with South Ribble Borough Council, we can work towards procurement of a joint service contract later this year which could identify costs savings for both councils.

Confidential report Please bold as appropriate	Yes	No
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Key Decision? Please bold as appropriate	Yes	No
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Reasons for recommendation(s)

- LES offer the best value for domestic clinical waste and medical sharps collections.
- A contract procurement exercise is expected to take place later this year for this service, which will look to deliver efficiencies by having a joint contract with South Ribble Borough Council, whose service is currently provided under contract by FCC.
- A service contract for Chorley is required in the short term (10 months) to ensure continuity of service.

Alternative options considered and rejected

- Other service providers including FCC were invited to quote but did not offer best value for this service.

Corporate priorities

- This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy homes and communities	x	An ambitious council that does more to meet the needs of residents and the local area	

Background

11. The Council operates a weekly collection service for domestic clinical waste and medical sharps waste.
12. There are currently 25 households that receive weekly collections of clinical waste bags, and a further 25 to 30 households that request a collection of sharps (used syringes). The collected bags and boxes are classified as hazardous waste and taken for disposal by incineration. On average there are 62 clinical bags and 33 sharps boxes collected weekly.
13. Chorley Council pays the costs of collection and disposal of all domestic clinical waste, but then reclaim the disposal costs from Lancashire County Council (as the waste disposal authority).
14. The contract with our current service provider, Rentokil-Initial, is due to expire at the end of May 2021
15. Quotations have been sought from the incumbent and alternative service providers to ensure Council achieve best value.
16. Responses to the invitations to quote are summarised in Table 1 below. Disposal prices are not included here since these are all reclaimed from LCC.

Table 1: Annual cost estimate for clinical waste services

Service provider	Unit pricing	Annual price estimate
Rentokil-Initial	£4.00 per clinical bag per collection £8.00 per sharps box per collection	£19,050
LES	£5.50 per collection *	£14,300
FCC	£12.00 per collection *	£31,200

*Flat rate charge irrespective of number of items collected

17. The bid from LES is regarded as the best value service option.
18. LES currently provide a clinical waste collection service for Fylde Borough Council and are a highly recommended service provider.
19. Provisional arrangements have been made for LES to service to commence 31 May 2021 and run until to 31 March 2022.
20. The cost of this new contract has increased compared with the existing service contract, by £5,000. This is due to market price increases in clinical waste service costs, also the previous contract pricing for sharps collections was well below market rates.
21. As Chorley Council transitions to shared waste services with South Ribble Borough Council, the intention is to explore and identify cost savings by procuring a joint service contract.
22. An intermediate value contract procurement exercise is therefore envisaged later this year, ideally for both Chorley Council and South Ribble Borough Council, for a clinical waste collection service contract to commence April 2022.

Risk

23. Risks for this service will be managed by contractual arrangements. Operational risks will be managed by the contractor and a risk assessment will be in place.

24. This report has implications in the following areas and the relevant Directors' comments are included:

Finance		Customer Services	
Human Resources		Equality and Diversity	
Legal		Integrated Impact Assessment required?	
No significant implications in this area	x	Policy and Communications	

Comments of the Statutory Finance Officer

25. This Council holds a budget of £15k which would be sufficient to cover the estimated cost with some contingency.

Comments of the Monitoring Officer

26. The proposed contract is compliant with the council's contract procedure rules.

Asim Khan
 Director of Customer and Digital

Report Author	Ext	Date
Doug Cridland	5661	24 th May 2021

Following careful consideration and assessment of the contents of this report, I approve the recommendation(s) contained in Paragraph 2 of the report in accordance with my delegated power to make executive decisions.



_____ Dated 24.05.21 _____

Councillor Peter Wilson
 Executive Member (Resources)