

Report of	Meeting	Date
Director of Streetscene, Neighbourhoods and Environmentment (Introduced by the Executive Member, Councillor E Bell)	Executive Cabinet	15 November 2007

REFUSE AND RECYCLING CONTRACT – PROCUREMENT EVALUATION MODEL

PURPOSE OF REPORT

To seek Members approval of the criteria to be used in the evaluation of tenders that will be submitted in the procurement process for the Refuse and Recycling Collection Contract in accordance with Council standing orders. (Contract Procurement Rule 9.3)

EXECUTIVE SUMMARY OF REPORT

1. This report proposes that tenders are evaluated on a broad split of 40% cost and 60% quality. The quality element is subdivided into several categories which are weighted to reflect the relative importance that the categories bring to service delivery. The cost element is scored relative to the lowest bid received. Overall the evaluation criteria when applied to the received bids will ensure that tenders are evaluated in a fair, open and consistent manner.

RECOMMENDATION

2. It is recommended that the evaluation criteria and weighting system proposed in this report are approved for use in the evaluation of the tenders submitted as part of the procurement of the next refuse collection and recycling contract.

REASONS FOR RECOMMENDATION

(If the recommendations are accepted)

3. To ensure the procurement process complies with Council contract procurement rules.
To ensure the Council can obtain the most economically advantageous bid for the service.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

4. No alternative methods of evaluation are considered appropriate.

CORPORATE PRIORITIES

5. This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the central Lancashire sub region		Improved access to public services	✓
Improving equality of opportunity and life chance		Develop the character and feel of Chorley as a good place to live	✓
Involving People in their Communities		Ensure Chorley is a performing Organisation	✓

BACKGROUND

6. The Councils Standing Orders and Contract Procurement Rules (9.3) state that contracts with a value greater than £75,000 must be procured through a tender process and European legislation requires that public services exceeding a contract value of £144,000 are subject to EU procurement rules.
7. As part of the procurement process the Council should determine the criteria on which tenders will be evaluated and those criteria approved by Executive Cabinet.
8. As part of the procurement process the Council has convened a Procurement Group which is made up of internal representatives from the financial, customer service, legal and waste teams. In addition external support is provided by representatives from the waste disposal authority, specialist waste services procurement consultants and neighbouring authorities.

EVALUATION CRITERIA

9. The evaluation process is critical to securing the best contractor equipped to provide the service at a cost within the Councils affordability envelope. The process will involve close scrutiny of bidder submissions and awarding scores against predetermined elements of the bid which are deemed to be crucial to service delivery and contract performance.
10. The Procurement Group have determined that in broad terms the evaluation of tenders should be split on the basis of 60% of marks are awarded for qualitative aspects of the bid and 40% of marks for the overall cost of the service. This means that the Council will be able to choose the most economically advantageous bid and not necessarily the cheapest one.

11. The table 1 below details the whole life cost and qualitative elements of tender submissions for the service that will be scrutinised and evaluated together with their respective weightings:

Table 1

<u>Evaluation Criteria</u>	<u>Weighting</u>
Strategic Commitment	5%
<i>Commitment to LWP strategy</i>	
<i>Commitment to continuous improvement</i>	
<i>Commitment to wider community benefits</i>	
<i>Commitment to customer service</i>	
Kerbside Collection	20%
<i>Overall service design</i>	
<i>Collection arrangements for Residual HW</i>	
<i>Collection arrangements for Recyclable HW</i>	
<i>Arrangements for missed collections</i>	
<i>Communal household solutions</i>	
<i>Arrangements for crew supervision</i>	
Container Replacement Service	5%
<i>Stock levels</i>	
<i>Container specification</i>	
<i>Container labelling</i>	
<i>Delivery system</i>	
Bulky/Clinical Waste Collection Service	5%
<i>Service design</i>	
<i>Customer service</i>	
<i>Appointment system (Bulkies)</i>	
<i>WEEE arrangements (Bulkies)</i>	
Bring Site Management Service	5%
<i>Development plan</i>	
<i>Servicing arrangements</i>	
Overarching Standards	20%
<i>Resources - fleet profile and crew levels</i>	
<i>Customer Service - incl image, marketing</i>	
<i>Recycling destination/processing arrangements</i>	
<i>Administrative support</i>	
<i>Depot facilities</i>	
<i>Mobilisation and Exit Plans</i>	
Whole Life Costs	40%
<u>Total Weighting</u>	<u>100%</u>

12. Each element is weighted according to its level of importance in the overall service so for example a greater weighting is placed on the proposed collection system than on the management of bring sites. Furthermore, within each category the individual elements carry additional weightings according to the effect they have on service delivery. The weighting system will ensure that tender submissions are scored according to the Council's priorities in the delivery of the overall service.

IMPLICATIONS OF REPORT

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

Finance	✓	Customer Services	
Human Resources		Equality and Diversity	
Legal	✓		

**COMMENTS OF THE ASSISTANT CHIEF EXECUTIVE
(BUSINESS IMPROVEMENT)**

14. A verbal report will be made by the Assistant Chief Executive (Business Improvement) at the meeting.

COMMENTS OF DIRECTOR OF CORPORATE GOVERNANCE

15. The recommendation will ensure compliance with EU procurement Rules and the Council's contract procedure rules.

JOHN LECHMERE
DIRECTOR OF STREETSCENE NEIGHBOURHOODS AND ENVIRONMENT

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
S Clark	5732	24 October 2007	