

MAIDSTONE BOROUGH COUNCIL

RECORD OF DECISION OF THE CABINET

Decision Made: 02 October 2012

**MID KENT JOINT WASTE COLLECTION AND STREET CLEANING
PROJECT - CONTRACT AWARD**

Issue for Decision

To consider, following the competitive dialogue process, the results of the tendering exercise and agree who the contract be awarded to.

Decision Made

1. That, subject to the final agreement of Ashford Borough Council and Swale Borough Council, the award of the Mid Kent Joint Waste Contract to Tenderer C be agreed.
2. That the revised Inter Authority Agreement (IAA), as detailed at exempt Appendix B to the report of the Assistant Director of Environment and Regulatory Services, be agreed.
3. That the Joint Working Agreement (JWA), as detailed at exempt Appendix C to the report of the Assistant Director of Environment and Regulatory Services, be agreed.
4. That delegated authority be given to the Assistant Director of Environment and Regulatory Services to make minor changes to the IAA and JWA.

Reasons for Decision

In October 2011 the Cabinet resolved to undertake a joint procurement of the council's waste and recycling contract with Ashford and Swale Borough Councils. Kent County Council was also a partner as savings were likely to come forward from its waste disposal arrangements that could be shared across the four partners. A joint Inter Agency Agreement was signed by the four parties.

The Mid Kent Joint Waste Project (MKJWP) seeks to provide the most cost effective means of collection and processing waste/resources. A preferred collection method (PCM) was identified :-

- Weekly food waste collection;
- Fortnightly residual waste;

- Fortnightly recycling collection with separate insert for collection of paper and card;
- Separate paid for garden waste collection.

Ashford and Swale also included street cleansing in the contract proposals and Maidstone included its mechanical sweeping.

A competitive dialogue process was adopted which allowed detailed discussions with the bidders and allowed innovation and the latest collection methods to come forward. This process is fully compliant with European Procurement Directives, National Regulations, the Council's Standing Orders and recognised procurement best practice.

The Tender Report & Client Acceptance Memo (as attached at Exempt Appendix A to the report of the Assistant Director of Environment and Regulatory Services) explains in more detail how the recommendation was reached. This has been prepared by the Maidstone procurement team which managed the procurement arrangements. The report describes the tender process from the initial Pre-Qualification Questionnaire through to the final assessment.

The report of the Assistant Director of Environment and Regulatory Services demonstrated how the Invitation to Tender (ITT) documents and the dialogue interviews were undertaken and assessed. To assist the officers undertaking the evaluation, a consultant was appointed to provide technical expertise.

Each of the final three tender submissions provided a solution that could provide the service required.

The bids were evaluated against quality (40%) and cost (60%). There was a clear margin between the successful tender and the other two tender submissions. Tenderer C was able to demonstrate on both cost and quality that its proposal offers a service that meets the councils' requirements and offers significant savings to each of the partners.

Tenderer C submitted a bid that represented the lowest cost to the partnership and consequently scored the highest price score as well as the highest quality score.

The submissions from Tenderer A and B are not recommended for the following reasons:-

Although submitting compliant and viable solutions they were more expensive than Tenderer C and were awarded lower scores by the evaluation team for their service delivery proposals.

The original Inter Agency Agreement (IAA) has been amended to reflect the outcome of the tendering process (attached at Exempt Appendix B to the report of the Assistant Director of Environment and Regulatory Services) and has been agreed.

In addition a Joint Working Agreement (attached at Appendix C to the report of the Assistant Director of Environment and Regulatory Services) has also been agreed. This sets out the joint arrangements between the three Councils and Kent County Council for the day to day management of the contract. It has been agreed that Maidstone will act as the administering authority, making payments to the contractor etc and this is reflected in the agreement. The supervising officer's role, effectively the contract manager, will rotate between the three authorities.

Ashford Borough Council stated they wished to carry out further due diligence and made the decision to delegate authority to their Chief Executive to agree the recommendations once that due diligence has taken place.

Alternatives considered and why rejected

The Cabinet could have chosen to accept a different tender. However this was not thought appropriate as it would not provide the best value for money and would be contrary to the procurement regulations and could lead to challenge from the other bidders. Tenderer C's bid meets the requirements of the four Councils and produces significant savings for all the partners.

The Cabinet could have decided to abandon the procurement process but this would have left the Council without a contractor to deliver the service.

As the Procurement process was a joint exercise, requiring a single outcome for all three authorities, it would be non-compliant for either of the other councils to accept the recommendation and award separately. Thus also leaving Ashford or Swale without a contractor to provide the service.

Background Papers

EU Procurement Rules

Maidstone Borough Council's Contract Procurement Rules.

Cabinet report on the waste and recycling tendering strategy, October 2011.

Project risk register

<p>Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Change and Scrutiny by: 19 October 2012</p>
