

NORTH LONDON WASTE AUTHORITY

REPORT TITLE:

REUSE, RECYCLING AND RECOVERY OF WASTE TYRES (PART 1)

REPORT OF:

HEAD OF WASTE STRATEGY AND CONTRACTS

FOR SUBMISSION TO:

AUTHORITY MEETING

DATE:

23rd September 2010

SUMMARY OF REPORT:

This Part 1 Report advises Members of the conclusion of the tendering process for the contract of Reuse, Recycling and Recovery of Waste Tyres from November 2010 to October 2012 (plus extensions if required), and recommends to whom the contract should be awarded.

RECOMMENDATION

It is recommended that the Authority awards the contract for the Reuse, Recycling and Recovery of Waste Tyres from November 2010 to October 2012 to Tenderer B.

**Signed by Head of Waste Strategy
and Contracts**

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Date: 13th September 2010

1.0 BACKGROUND

- 1.1 Waste tyres are collected from various points within the Authority area by the London Borough Councils or their contractors with vehicles of varying size. Collections by London Borough Councils or their contractors can be made from any of the nine Civic Amenity sites or any fly tip in the North London Waste Authority (“Authority”) area.
- 1.2 The Authority’s current arrangements are with a tyre reprocessor that shreds waste tyres into crumb for use in equestrian centres and children’s playgrounds etc. The gate fee the Authority presently pays has a one tonne minimum load; this is to say that the Authority pays a minimum of a tonne rate for deliveries that weigh less than a tonne.

2.0 PROCUREMENT

- 2.1 The Authority placed an advert on the 28 June 2010 for procuring services for the Reception, Re-use, Recycling and Recovery of Waste Tyres on the Let’s Recycle website. This advert was also sent to all members of the Tyre Association’s Responsible Recyclers Scheme. The Authority invited all parties who expressed an interest to submit their tender for the provision of the Services in the forms prescribed in the Invitation to Tender.
- 2.2 Five tender packs were requested and sent to potential tenderers (Tenderers A-E), however at the deadline for tender returns (3rd August 2010) only one company submitted a tender (Tenderer B).

3.0 TENDER RECEIPT AND EVALUATION

- 3.1 In some respects the fact that only one tender was received is unsurprising as there are only a small number of tyre recovery facilities throughout the country and only one in close proximity to the Authority area.
- 3.2 On this basis the tender received was compared against the evaluation criteria of risk, technical feasibility and reliability and was evaluated against the existing service provider for the disposal of waste tyres and the evaluation showed that the proposed service is of a good enough quality for the Authority, being a slight improvement on the existing service, which is already good.

Price Assessment

- 3.3 Although the tendered gate fee is no different to that which the Authority pays under its existing arrangement the fact that the tender stipulated that loads of less than one tonne will be charged at a pro-rata amount of the tendered rate per tonne means that in real terms a saving of £2.5k is achieved, based on the tonnages delivered in 2009/10. Also there is no inflationary increase on gate fees until April 2012.
- 3.4 The cost of the service is expected to be some £26k per year.

Quality Assessment

- 3.5 The recommended tenderer's process of shredding tyres into various grades of shred and crumb for use on equestrian, sports, engineering and safety surfaces and metals from the tyres being recycled means the Authority can claim a 100% recycling rate for Waste Tyres.

4.0 RECOMMENDATION

It is recommended that the Authority awards the contract for the Reuse, Recycling and Recovery of Waste Tyres from November 2010 to October 2012 to Tenderer B.

5.0 COMMENTS OF THE FINANCIAL ADVISER

- 5.1 The tender evaluation shows that the future cost of this service should be no more expensive than now but with the added benefit of pro rata charging for loads of less than a tonne.

6.0 COMMENTS OF THE LEGAL ADVISER

- 6.1 The Legal Adviser has advised throughout the procurement process.
- 6.2 The Contract is a 'below threshold' contract and the procurement process was carried out in accordance with the EC treaty principles, namely equal treatment of bidders, non-discrimination and transparency.
- 6.3 The recommendation of the contract award in this report is on the basis of the most economically advantageous tender in accordance with C11 of the Authority's Contract Standing Orders. The Authority may award the contract, being satisfied that the contract is to be awarded to the most economically advantageous tenderer.

Local Government Act 1972 - Access to Information

Documents used:

Tender received in confidence

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Report Ends