

**Glasgow City Council****Contracts and Property Committee****Report by Director of Legal and Administration****Contact: Maureen Fitzpatrick Ext: 76406****The Collection, Processing and Recycling of Gully Waste
Tender Reference :- GCC005840CPU****Purpose of Report:**

To submit details of the tenders received for the collection, processing and recycling of gully waste and recommend acceptance of the most economically advantageous tender as detailed in this report.

Recommendations:

The Contracts and Property Committee is requested to approve the award of a contract for the collection, processing and recycling of gully waste to the supplier listed below.

Supplier Name - J. & M. Murdoch & Son Limited
Companies House Number - SC057501

Ward No(s):

Citywide: Local member(s) advised: Yes No consulted: Yes No

1 Background and Tender

- 1.1 Glasgow City Council's ("the council's") spend for the collection, processing and recycling of gully waste is approximately £326,250 per annum.
- 1.2 Neighbourhoods, Regeneration and Sustainability (NRS) provide a gully and road sweeping service throughout the city, with the collected material taken to the council's Gartcraig roads depot. Approximately 4,100 tonnes of gully waste was collected for treatment in 2022.
- 1.3 The council requires a SEPA approved supplier to:
 - collect the gully waste and road sweeping waste materials on an as, and when, required basis from its Gartcraig roads depot.
 - process and recycle the gully waste and road sweeping waste materials. This includes the treatment and washing the waste several times to produce various different types of material which can be re-used i.e. sand, stone, aggregate etc.
 - achieve a minimum recycling rate of 95%.
- 1.4 The council is committed to diverting waste from landfill/residual waste treatment and to increase the level of recycling in the city. This contract will contribute towards this commitment.
- 1.5 The tonnage for gully waste and road sweeping waste materials fluctuates year on year, due to it being a reactive service the council has no direct control over the tonnage. It is also expected that the collected materials will fluctuate with the seasons and may include run-off of road detritus including litter, leaf fall and soils. Within this contract, the council has therefore reserved the right to increase or decrease the amount of gully waste and road sweeping waste materials in line with operational requirements without having a detrimental effect on the contract or incurring additional charges in rates.
- 1.6 A commodity team consisting of stakeholders from Neighbourhoods, Regeneration and Sustainability (NRS) and the Corporate Procurement Unit (CPU) was formed to develop the sourcing strategy and delivery a new contract.
- 1.7 In line with the effective and efficient objective within the council's Sustainable Procurement Strategy 2023-2027, which can be located here, and to support the national agenda in utilising national collaborative frameworks, it was agreed that a tender process from Scotland Excel's (SXL) Dynamic Purchasing System (DPS) for the Treatment and Disposal of Recyclable and Residual Waste, reference 27/17, would be the most appropriate method to deliver this contract.
- 1.8 The duration of the contract is for 2 years, commencing 19th June 2024 to 18th June 2026, with the option to extend for a period of up to 12 months.
- 1.9 The contract will be utilised by NRS.

2 Evaluation

2.1 All 26 suppliers appointed to Lot 17 of the SXL DPS were invited to submit a tender bid. Of the 26, 4 submitted a bid. Of the remaining 22 suppliers that failed to respond, 2 cited capacity issues and 20 did not reply.

2.2 Although Lot 17 is specifically for the treatment and disposal of street sweepings and gully waste, most of the 26 suppliers awarded to the lot cover a variety of different services or are haulage contractors rather than waste management suppliers, as a result there is only around 6 suppliers that can provide this service to the council.

2.3 The award evaluation was based on the following criteria and weightings:-

Price	Quality	Quality Sub Criteria
70%	30%	Treatment of Gully Waste – 10%
		Contract Management – 5%
		Business Continuity – 10%
		Fair Work First – 5%

2.4 The evaluation of award scoring and estimated award value of the supplier which has been recommended for award is shown in the table below: -

Supplier	Total Evaluation Score	Estimated Contract Value (per annum)
J. & M. Murdoch & Son Limited	96.00	£287,775

2.5 The previous iteration of this contract had issues with regards to the contamination levels of the waste materials due to seasonal changes. The estimated contract value is showing an 11.8% reduction based on the current rates which have only been in place for the previous 6 months. The contract represents an increase of 562.7% based on the previous iteration of this contract.

2.6 The estimated contract value is based on an assumed tonnage of gully waste and road sweeping waste materials produced annually throughout the city at the fixed rate per tonne provided in the tender submission.

2.7 A summary of the unsuccessful tender evaluation results can be found at Appendix A.

3 Contract implementation and Supplier Management

3.1 NRS's Roads Maintenance team will liaise with the awarded supplier and conduct a contract mobilisation meeting to begin the services.

- 3.2 The outcome of our Contract Management Assessment Tool (CMAT) has deemed this contract to be categorised as a low. The supplier will be monitored in line with our contract and supplier management process which includes tracking the suppliers performance against the key performance indicators and working collaboratively to identify opportunities of improvement and innovation.
- 3.3 The agreed community benefits outcomes and Fair Work First commitments will be monitored via Cenefits which is a web based monitoring tool. We will also capture sustainable commitments within the CPU Sustainable Register.

4 Policy and Resource Implications

Resource Implications:

Financial: The estimate annual award value of £287,775 per annum based on assumed tonnage and the tendered fixed rates, totaling £863,352 over the 3 years duration of the contract, including the extension if this is taken.

The contract spend will be met by the service areas revenue budget.

A cost reduction amounting to £115,398 in total has been achieved when compared to the current rates paid for this service, although the contract represents an annual price increase of 562.7% as detailed in section 2.5.

Legal: The report raises no new legal issues.

The Director of Legal and Administration will be responsible for concluding the contract.

Personnel: No direct personnel implications.

Procurement: DPS tender as detailed in section 1.7.

Council Strategic Plan: Grand Challenge 4, Mission 11 - Create safe, clean, and thriving neighbourhoods.

Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2021-25

Yes - the Sustainable Procurement Duty requires that before a contracting authority buys anything, it must think about how it can improve the social, environmental and economic wellbeing of the

What are the potential equality impacts as a result of this report?

Please highlight if the policy/proposal will help address socio economic disadvantage.

area in which it operates, with a particular focus on reducing inequality.

An EQIA was not required for this contract as there is no impact.

Fair Work First was included as part of the award criteria with a weighting of 5%. The supplier recommended for award, J. & M. Murdoch & Son Limited, has confirmed the following in their tender submission:

- It does not use zero-hour contracts.
- It is not an Accredited Living Wage employer, however, pays the Real Living Wage or above to their employees.
- Offers flexible and family friendly working practices, including remote working for office-based staff and variable start/finish times for drivers.
- Invests in workforce development, by facilitating additional employee training out with role requirements allowing increased opportunity for progression and promotion internally.

Community Benefit was included as part of the tender process. The supplier recommended for award, J. & M. Murdoch & Son Limited, has confirmed the following outcomes:

- 1x New Employee - Full Time Job (from Priority Group)
- 1x Career Event
- 1x Workplace Visit
- 6x Community Engagement - Financial Support (minimum £1k)
- 2x Community Engagement - Non-Financial Support (min. 5 hours)

Climate Impacts:
Does the proposal support any Climate Plan actions? Please specify:

What are the potential climate impacts as a result of this proposal?

Yes, theme 4 action 18 is supported via this contract

This contract seeks to ensure that the gully waste is processed in a clean and environmentally friendly way.

	The supplier will achieve or exceed a recycling performance rate of 95% with the remaining 5% half will be refuse derived fuel (RDF) and the other half waste to energy.
<i>Will the proposal contribute to Glasgow's net zero carbon target?</i>	Yes, as above. This contract seeks to divert waste from landfill and promote re-cycling.
Privacy and Data Protection impacts:	No data protection impacts identified.

5 Recommendations

The Contracts and Property Committee is requested to approve the award of a contract for the collection, processing and recycling of gully waste to the supplier listed below.

Supplier Name - J. & M. Murdoch & Son Limited
Companies House Number - SC057501

Appendix A – Unsuccessful Suppliers

Supplier	Rank	Total Evaluation Score
Wm Hamilton & Sons Limited (Companies House No.: SC295966)	2	91.74
Enviro-Clean (Scotland) Ltd (Companies House No.: SC176022)	3	81.66
William Thompson & Son (Dumbarton) Ltd (Companies House No.: SC025901)	4	57.98