

ROCHFORD DISTRICT COUNCIL

Minutes of the Compulsory Competitive Tendering Panel

At a Meeting held on 2 December 1999. Present: Councillors Mrs J Helson (Chairman), D E Barnes, G Fox, V D Hutchings and P F A Webster

77. MINUTES

The Minutes of the Meeting held on 25 November 1999 were approved as a correct record and signed by the Chairman

78. EXCLUSION OF THE PUBLIC AND PRESS

In view of the need to discuss detailed proposals for inclusion in the Council's I T and Waste contracts, it was:

Resolved

That under Section 100(A)(4) of the Local Government Act 1972, the public and press be excluded from the Meeting for the following items of business on the grounds that they involved the likely disclosure of Exempt Information as defined in Paragraph 9 of Part 1 of Schedule 12A of the Act.

79. I T CONTRACT

NOTE: The Chairman agreed to admit this item as urgent in view of the need to adhere to the timetable for awarding the contract.

As requested at the Panel's last Meeting, Mr Steven Watson from Vantagepoint was present to report on the merits of the expressions of interest that had been received, the deadline for submission of which was 30 November 1999. A detailed assessment of each submission, evaluating the extent to which the criteria previously agreed by the Panel was met, was tabled at the Meeting, together with an executive summary.

Mr Watson informed the Panel that 28 expressions of interest had been received, two of which had been withdrawn. Of the remainder, Vantagepoint had identified eight that met all the criteria fully, and which should therefore be included on the shortlist that would be invited to submit tenders; twelve that failed comprehensively to meet the criteria and which could be rejected; and six whose submissions were marginal. Members considered this latter category in particular detail, and concluded that two should be included on the shortlist.

The shortlist which, following a motion by Councillor P F A Webster and seconded by Councillor D E Barnes was agreed unanimously by the Panel, is given below.

EASAMS
Hyder Services
Integris UK
ITNET
MDIS Ltd
Rebus Computer Services Ltd
Securicor Information Systems Ltd
Sema Group
Triad Group
WS Atkins Information Technology

Mr Watson informed the Panel that he would be undertaking further discussions with these ten companies concerning the detail of the contract. Members requested that they be informed should any of the shortlisted companies withdraw at a future stage of the contract process.

Resolved

That the shortlist of suppliers that would be invited to submit tenders for the IT contract be as outlined above (Minute 79). (HAMS)

80. WASTE CONTRACT STRATEGY OPTIONS

The Panel considered the confidential joint report of the Head of Housing, Health and Community Care and the Head of Leisure and Client Services which provided Members with an update on the draft Refuse Contract, and examined a number of issues that would need to be resolved before finalising the specification.

The Panel was reminded that, at its Meeting in early November 1998, the draft Domestic Refuse Collection and Recycling specification, (a copy of which was appended to the report was endorsed). The specification was due to be tendered in January 1999. The essence of the service to be provided was a five year domestic refuse collection service, with a recycling option operating on an alternate fortnightly collection of dry recyclables. This option was to be piloted on 1500 properties in Hawkwell, which would then be extended to cover the whole District over a 36 month period.

In late November 1998, the draft Essex & Southend Waste Plan was published for consultation. In response to the draft Plan, Members considered it appropriate to delay the retendering of the refuse collection contract to provide time for the development of a high waste diversion strategy. A one year extension of the contract was negotiated with the current contractor, Serviceteam. Specialist consultants, Ecologika, were engaged as part of a wider consortium of authorities to produce an Essex-wide waste management strategy and a specific high diversion strategy for Rochford.

It was noted that the Council had already started a kerbside collection trial for dry recyclables in Ashingdon/ Hawkwell and had submitted a bid to host

a four year high waste diversion trial to cover the whole of Rayleigh, the outcome of which would be announced early in the New Year.

The Head of Housing, Health and Community Care reported that, since preparing the report, the County Council's Waste Management Sub-Committee had met to consider all the bids submitted by District and Borough Councils and had accepted four out of seven, one of which was from Rochford. However, the Sub-Committee had also recommended that this Council should consider making a further financial contribution towards the costs of the scheme in order to attract matched funding from external sources. It was confirmed that the Council had previously agreed to contribute a capital sum of £100,000 towards the cost of the trial. A response to the County Council's request for an increased contribution was required to be submitted by 24 December 1999.

The Panel considered this issue in some detail, during which the following main points arose:

- It was recognised that Rochford's bid was the most expensive but, when taking the number of households covered into account, it compared favourably with the other submissions, some of which covered approximately half the number in this Council's proposals.
- Members agreed that, whilst increasing the contribution would undoubtedly improve the likelihood of the bid being successful, it was nevertheless essential to examine the impact upon the Council's finances of such a course of action. Officer time in the preparation of a bid would need to be considered, as would other competing budgetary priorities, most appropriately, it was agreed, by the Member Budget Monitoring Working Group. A number of Members were of the opinion that the County Council should be requested to identify the sum that they would be expecting any successful partnership authority to contribute over a four year period, to enable this Council to consider the practicability of pursuing a bid.
- It was considered that the funding by the County Council of a high diversion waste strategy could be perceived as contradictory to the logic of the Waste Plan, currently the subject of a public enquiry. The Inspector's report concerning the Plan was identified as a fundamental source of guidance for this Council's waste management strategy.

The Panel concluded discussion of this issue by agreeing to seek the views of the Member Budget Monitoring Working Group, in view of the potentially significant revenue costs associated with participation in the recycling trial. Involvement in this project would inevitably have to be judged against the likely impact upon other Council initiatives for which revenue funding was required.

In the meantime, it was recognised that letting the refuse contract by the target date of April 2001 would be difficult if the outcome of the County Council's decision in respect of the trial bid, anticipated to be available next

February, was awaited. In reply to a Member question, the Corporate Director (Finance and External Services) indicated that a further extension of the existing contract would not be advisable, and that it should be put out to tender as originally anticipated. The draft contract had, it was confirmed, been prepared to ensure maximum flexibility in meeting future changes and the Panel considered two possible options to address the potential problems generated by the uncertainty associated with the outcome of the Rayleigh Trial Bid. These were as follows:

Option 1: If the bid was to be successful, two contracts would be let: one from September 2000 for 4.5 years for all refuse collection and kerbside recycling in Rayleigh; the other for 4 years from April 2001 for a basic refuse collection service for the remainder of the District. Both contracts would finish on 31 March 2005.

The outstanding period of the existing refuse collection contract in Rayleigh, i.e. September 2000 – March 2001, would be the subject of negotiations with Serviceteam.

Option 2: One refuse collection contract would be let from April 2001 for, say five years for the whole District, containing the provision that if and when required by the Council, collections would alternate between residual waste and organic waste.

Kerbside collection of dry recyclables in Rayleigh would be through a separate contract for four years, commencing September 2000.

Following careful consideration the Panel agreed that Option 2 was the more suitable with which to proceed, although at present, it was not possible to include or identify the likely capital costs. It was suggested that a seven or even fourteen year contract would be more economic than five years. A preliminary advertisement inviting expressions of interest could, it was suggested, be issued in January before the content of the contract was confirmed, with further detail being made available at a later state of the tendering process. The Panel concurred with the view of a Member that consideration should be given to the use of consultants to carry out evaluation of the tenders and appointment of a contractor in a similar way as for the IT contract.

The Panel noted that the Hawkwell trial was due to finish in August 2000 and gave consideration as to its possible extension beyond then, under the new contract. It was recognised that the budgetary implications of adding a separate trial to the contract would need to be assessed by the Member Budget Monitoring Working Group but, if possible, Members agreed that a commitment to its continuation should be given, up to 31 March 2001 to coincide with re-letting the contract. After that time however it was suggested that the collection system for Hawkwell should replicate that for the District as a whole. In this connection it was pointed out that Transportation and Environmental Services Committee had already agreed modifications to the Hawkwell Trial so that it more closely followed the format of the Rayleigh bid.

RECOMMENDED to Transportation and Environmental Services Committee:

1. That Option 2 forms the basis upon which to proceed with a collection contract for a period of seven years commencing on 1 April 2001 which contains a provision enabling the Council to require alternate weekly collections of organic material and residual refuse in any specified part, or all, of the District.
2. That if the bid for funding for the high diversion trial in Rayleigh is successful, tenders be separately invited for the collection and sorting of dry recyclables in the trial area.
3. That consideration of the extension of the Hawkwell trial beyond August 2000 be deferred, pending examination by the Member Budget Monitoring Working Group of the likely budgetary implications.
4. That the contract for collection of paper from 1100 litre banks be tendered separately for the period 1 April 2000 to 31 October 2004.
5. That the specification includes the Best Value principles outlined in the report.
6. That the contract requires the use of low emission vehicles and livery which reflects the Council's prevailing role.
7. That consideration be given to whether the Council's financial contribution to the Rayleigh high diversion trial bid should be increased.
8. That consideration be given to the use of consultants to assist in evaluation of the tenders and appointment of a contractor.
(HLCS)(HHHCC)

The Meeting closed at 1.30 pm

Chairman

Date