AGENDA ITEM NO 22
REPORT NO 662/11

ANGUS COUNCIL
NEIGHBOURHOOD SERVICES COMMITTEE – 6 OCTOBER 2011

RESTENNETH LANDFILL SITE – ENVIRONMENTAL MONITORING AND CONSULTANCY

REPORT BY DIRECTOR OF NEIGHBOURHOOD SERVICES

ABSTRACT: The Committee are asked to authorise the Director of Neighbourhood Services to tender for and procure environmental monitoring and consultancy services for Restenneth and Arrat’s Mill landfill sites and to delegate to the Director of Neighbourhood Services’ authority for acceptance of the tender.

1. RECOMMENDATION(S)

1.1 It is recommended that the Committee agree to:-

(i) authorise the Director of Neighbourhood Services to procure environmental monitoring and consultancy services for Restenneth and Arrat’s Mill landfill sites and;

(ii) delegate authority to the Director of Neighbourhood Services for acceptance of the tender.

2. BACKGROUND

2.1 Due to the complexities and specialist nature of the work involved in the environmental monitoring and development of the Council operated landfill site at Restenneth, consultants Grontmij were engaged to provide (a) consultancy services and (b) environmental monitoring services following a tendering process in 2007/08. Infrastructure Services Committee Report No. 100/08 accepted the tender from Grontmij for these specialist consultancy and monitoring services at Restenneth and Arratts Mill Landfill sites.

2.2 Neighbourhood Services Committee Report No. 152/11 gave approval to extend the current contract with Grontmij to the 31 March 2012 – this to allow the procurement process to be implemented and completed. The current contract with Grontmij is, therefore, due to end on the 31st March 2012.

3. PROCUREMENT AUTHORITY

3.1 Sourcing Strategy

The Director of Neighbourhood Services considers that the provision of Environmental Monitoring and Consultancy Services specific to Angus Council’s landfill sites at Restenneth and Arrats Mill is an essential element to meet the requirement for the Council’s waste management and disposal functions and specifically the landfill site at Restenneth, which is subject to a licence in terms of the Pollution and Prevention Control (Scotland) Regulations 2000 (PPC).

Alternatives to procuring the supply have been considered, namely delivering the required service on an in-house basis. No alternative delivery to procurement of the required supply is appropriate here because the required specialist expertise or specialist equipment does not exist on an in-house basis.

The following Angus Council policies support and/or are relevant to this procurement. The Council has a statutory obligation to provide waste management for the community and has statutory targets to meet with regards to recycling and waste
disposal. In addition, there is the requirement to meet the licence currently held by the Council in terms of the Pollution and Prevention Control (Scotland) Regulations 2000 (PPC) and that previously held by Angus District Council.

The impact on the locally-based supply chain of letting this contract for this requirement has also been considered and is considered to be minimal. Due to the specialist nature of this work no known suppliers of this kind of service are based in Angus and all known potential providers are national companies.

Due to the close relationship between the monitoring function, the consultancy function and the requirement to meet the licence currently held by the Council in terms of the Pollution and Prevention Control (Scotland) Regulations 2000 (PPC) and to allow consistency of approach and advice, it is proposed that these services will be procured as one lot.

No national Procurement Scotland or Scotland Excel contracts currently exist to meet this requirement.

There is no current potential for collaborative procurement of the Council's requirement at present under the umbrella of the Tayside Procurement Consortium. This is because the consultancy is related solely to the landfill sites and none of the other partners own or operate such a facility.

The procurement is not considered to be a “major procurement” in terms of Financial Regulation 16.8.4. Approval of this report would mean that the contract can be accepted without the need for further approval by the relevant Committee. In accordance with the new arrangements, the contract award will be reported to the Corporate Services Committee for noting only.

3.2 Key Terms Proposed

It is envisaged that the contract will commence on 1 April 2012 for a three year period with option to extend for a further two years.

The estimated value of the supply for monitoring is £50,000 per annum. In respect of consultancy services, it is considered, based on experience in previous financial years, the likely input required for known projects and the previously tendered daily rates, that the value of supply for consultancy services is approximately £120,000 per annum. The amount of the consultancy services required is very much dependant on the work commissioned, this being determined by, for example, the rate of filling of current cells at Restenneth, the subsequent capping works and further cell development to ensure sufficient landfill capacity is available to the Council.

In total, therefore, it is estimated that the value of supply for this contract is approximately £170,000 per annum and £510,000 over the initial 3 year life of the contract, based on previous relevant expenditure.

3.3 Procurement Procedure

It is considered that a two stage (“restricted”) tender procedure would be the best means of procuring the required supply here. This is because (a) there is likely to be a high degree of interest in bidding for the contract and (b) the quality of the supply will be highly dependent on the quality of the supplier selected. The maximum number of suitably qualified bidders who will be invited to tender will be six.

The contract opportunity will be openly advertised on the Public Contracts Scotland Portal in accordance with Council policy and as a means of securing good competition to deliver best value for money.

The following outline timetable is proposed for the tendering exercise to be carried out in 2011/12:-
• Tender document preparation completed by June 2011;
• Pre Qualification Questionnaire issued by autumn 2011;
• Select list of companies issued with tender documents by late autumn 2011;
• Tender issued for return January 2012;
• Tender evaluation by the end of February 2012;
• Contract let for start on 1 April 2012.

3.4 Contract Evaluation and Award Basis

Completed tenders returned to the Council shall be evaluated and the contract will be awarded on the basis of the most economically advantageous tender, on a mix of quality and price. The price/quality split applied will be 70/30% in accordance with Financial Regulation 16.14.2. The broad evaluation criteria and weightings will be:-

• Price (70%);
• Quality (30%).

The Corporate Procurement Manager has been consulted on the proposed procurement process and outline requirement and is satisfied that this approach is suitable and likely to produce best value for the Council.

4. RISKS

4.1 A risk assessment has been undertaken for this procurement, the relevant risks have been identified and what is considered to be acceptable mitigation measures have been applied.

4.2 It should be noted, however, that the Environmental Monitoring Services being procured are an inherent requirement of the PPC licence. Neither the equipment nor the expertise is currently available within Angus Council to carry out this specialist function, therefore, there is risk to the immediate operation of the landfill sites if this monitoring is not in place.

5. FINANCIAL IMPLICATIONS

5.1 The cost of environmental monitoring is identified within and met from the Environmental Management revenue budget. The estimated £50,000 annual monitoring cost can, therefore, be contained within existing revenue budgets.

5.2 Consultancy costs are met from provisions within the Environmental Management revenue budget or capital plan as appropriate to the work commissioned and are identified (along with the appropriate funding) within the financial implications presented for each element of work commissioned.

6. HUMAN RIGHTS IMPLICATIONS

6.1 There are no human rights implications arising from this report.

7. EQUALITIES IMPLICATIONS

7.1 The issues contained in the report fall within an approved category that has been confirmed as exempt from an equalities perspective.
8. CONSULTATION

8.1 The Chief Executive, Director of Corporate Services, Head of Law and Administration and Head of Finance have been consulted on the contents of this report.

RON ASHTON
DIRECTOR OF NEIGHBOURHOOD SERVICES

NOTE: No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

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