

Director of Energy, Waste and Environment	Ref No: OKD24 18.19
March 2019	Key Decision: Yes
Award of Contract for The Provision of Clinical Waste Services	Part I (exempt appendix)
Director of Energy, Waste and Environment	Electoral Division(s): All

Summary

The County Council has a statutory obligation to provide Clinical Waste Treatment and Disposal Services for the household waste collected in its area by the waste collection authorities.

[Key Decision ENV10 18.19](#) approved the procurement of a Clinical Waste Services Framework Agreement¹ and the initial services contract arising from this. A competitive procurement exercise was then undertaken in accordance with the Public Contracts Regulation 2015 (PCR 2015).

The same key decision delegated authority to the Director of Energy, Waste and Environment to award the contract to the bidder providing the most advantageous tender. This report seeks the approval of the Director of Energy, Waste and Environment to award the contract.

West Sussex Plan: Policy Impact and Context

This initiative supports the "Strong, Safe and Sustainable Place" priority under the West Sussex Plan.

Financial Impact

The financial impact of the successful tender is as follows:

Service	Paid by	Annual Cost	Total Cost (over maximum 6 year term)
Treatment and Disposal	WSCC	£199,925	£1,199,550
Collection and Support	District and Borough Councils	£286,384	£1,718,304

Please note that WSCC only pays for the Treatment and Disposal Service. The tendered cost is in budget. Collection and support costs are paid by the

¹ A framework is an agreement with suppliers to establish terms governing contracts that may be awarded during the life of the agreement. In other words, it is a general term for agreements that set out terms and conditions for making specific purchases (call-offs).

District and Borough Councils.

Recommendations

It is recommended that the Director of Energy, Waste and Environment:

- (1) approves the award of a Clinical Waste Services Framework agreement to Medisort Ltd for a period of 4 years from 1 April 2019 and;
- (2) approves the award of the Treatment and Disposal Services call off contract to Medisort Ltd for an initial period of 3 years from 1 April 2019, with the option to extend for a further 3 years, up to a maximum term of 6 years.

Proposal

1. Background and Context

The current contracts covering this provision conclude on 31/03/2019.

The Cabinet Member for Environment approved the commencement of a procurement process, detailed within the report ENV10 18.19, to recommission these services to become effective from 01/04/2019.

A Contract Notice was issued in the Official Journal of the European Union (OJEU) on 03/12/2018 (Ref. 2018/S 235-537384). Further promotion of the requirement was made through the West Sussex e-Sourcing Portal and Contracts Finder.

A total of 14 organisations expressed interest in the opportunity on the e-Sourcing Portal. One tender was received by the due date of 18/01/2019 in accordance with the tender documents made available on the e-Sourcing portal.

Capita Procurement Services undertook compliance checks on the tender submission on 18/01/2019 to ensure all schedules that were required were duly submitted and that the tender was correct.

Prior to publishing the contract notice and commencing the evaluation, it was agreed that the service provider submitting the most economically advantageous tender (MEAT) would be recommended for award of the contract.

The tender evaluation criteria and assessment model as detailed below, was agreed by officers, and was included in the tender documentation:

Criteria	Weighting
Technical	40%
Commercial	60%

2. Proposal Details

It is proposed that both the Framework Agreement and Initial Treatment and Disposal Call Off Contract are awarded to Medisort Limited.

The services will commence on 01/04/2019. The Framework Agreement is for a Period of 4 years with no option to extend. The Treatment and Disposal Call Off Contract is for an initial period of 3 years with the option to extend for a further 3 years up to a maximum term of 6 years.

Under the Framework Agreement the participating District and Borough Councils may enter into a direct call off contract with the Service Provider for the Collection and Support Services.

Factors taken into account

3. Consultation

The West Sussex Waste Collection Authorities were consulted throughout the process, with comments being incorporated into the procurement process. A collaborative working group was established to include representatives of all District and Borough Council participating in the new Framework Agreement. The Councils party to this collaboration were as follows:

- Crawley Borough Council
- Horsham District Council
- Chichester District Council
- Arun District Council

This joint working group allowed a Specification and Evaluation Methodology to be drawn up together and agreed by all parties.

Following evaluation all four of the participating District and Borough Councils confirmed that they are content for this contract to be awarded on their behalf.

4. Financial (revenue and capital) and Resource Implications

4.1 Revenue consequences of proposal

	Year 1 2019/20	Year 2 2020/21	Year 3 2021/22	Year 4 2022/23	Year 5 2023/24	Year 6 2024/25
	£k	£k	£k	£k	£k	£k
Current Cost of Service	205	205	205	205	205	205
Cost of Proposal	200	200	200	200	200	200
Cost Saving	5	5	5	5	5	5

Please note that WSCC only pays for the Treatment and Disposal Service. All other costs are paid by the District and Borough Councils. The four District and Borough Councils participating in this procurement have provided their approval for the award of this contract as a result of the evaluation process.

The annual cost of the proposed Treatment and Disposal Service contract is within the current budget of £205,000 per annum. There are no Capital funds associated with this proposal. The budget amounts set out in the table above will be adjusted accordingly to reflect the actual cost each financial year. An annual inflationary uplift element of 2% is permitted however the Service Provider must demonstrate that their costs have increased before this is applied.

4.2 *The effect of the proposal*

The proposal will allow the continuation of a statutory service at no additional cost to the County Council.

4.3 *Future transformation, savings/efficiencies being delivered*

None identified

4.4 *Human Resources, IT and Assets Impact*

None identified

5. Legal Implications

Under section 45 of the Environmental Protection Act, 1990 District and Boroughs have a duty to collect household waste (including clinical waste), produced by residents at a domestic property. Under section 51 of the Environmental Protection Act, 1990 it is the responsibility of West Sussex County Council as a Waste Disposal Authority to dispose of waste collected in its area by waste collection authorities.

The procurement was undertaken in accordance with the Public Contract Regulations 2015 and WSCC Standing Orders for Contracts and Procurement ensuring the principles of transparency and equal treatment were maintained, ensuring acceptable time limits were applied and details of the award procedure made clear in the tender documents.

6. Risk Assessment Implications and Mitigations

6.1 *Corporate and service risks and action to mitigate*

The County Council has a responsibility to dispose of waste collected by the District and Borough Councils. If the County Council does not have a contract in place for the treatment and/or disposal of clinical waste this would result in either a) the District and Borough Councils make their own treatment & disposal arrangements at the County Council's cost or b) the District and Borough Councils being unable to collect offensive and clinical waste. This would pose a risk to the health and safety of customers and residents as well

as a potential financial burden on the County Council. This procurement mitigates this risk.

7. Other Options Considered (and reasons for not proposing)

Alternative procurement options were considered as part of the Key Decision Report (Ref: ENV10 18.19).

8. Equality and Human Rights Assessment

There are no foreseeable equality and Human Rights Act implications associated with this proposal.

9. Social Value and Sustainability Assessment

Locating a delivery point in West Sussex for the waste collected by the Districts & Boroughs will result in increased employment in the County; it will also assist with a key sustainability principle of managing waste as close to the point of production as possible.

10. Crime and Disorder Reduction Assessment

None

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Appendix

Evaluation Summary (commercially sensitive, not for publication)

(The Appendix is exempt from publication because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information). The Appendix is available to members upon request)