



## Belfast City Council

<b>Report to:</b>	Health and Environmental Services Committee
<b>Subject:</b>	<b>Tender for the Collection and Recycling of Scrap Metal from the Council's Recycling Centres and Civic Amenity Sites</b>
<b>Date:</b>	4 <sup>th</sup> August, 2010
<b>Reporting Officer:</b>	Suzanne Wylie, Director of Health & Environmental Services, Ext 3260
<b>Contact Officer:</b>	Jim Shields, Waste Manager (Education, Contracts & Operations), Ext 3338

### Relevant Background Information

The Waste Management Service provides a service for the collection and recycling of scrap metal received at both its Household Recycling Centres and Civic Amenity Sites. The current contract which commenced in February 2009 was for a period of one year, with the option to extend for a further two years subject to satisfactory performance.

In line with the Council's Financial Regulations the previous contract was procured using a quotation exercise as the total cost of the service or income generated was estimated to be under the £30,000 tender threshold. Following this process, TMet Ltd of Mallusk was awarded the contract.

Due however to the rising price of commodities, this contract has generated a larger income for the Council than anticipated, in excess of £11,000 per year. This would mean that, over the three year period, the £30,000 threshold would be breached.

The Council currently has taken up the option to extend the contract for the second year which will run until 8 February 2011.

The Procurement Unit has advised the Service that the option for the third and final year of this quotation should not be taken up due to the projected income and it is therefore necessary to commence a new tendering exercise to follow on from this current contract.

### Key Issues

Currently, about 1,200 tonnes of scrap metal is collected from the Council's waste facilities per annum.

It is proposed that the contract period for this contract will be for one year with the option for renewal on a yearly basis thereafter for a further three years, subject to satisfactory performance. The proposed term of the contract is to permit better scheduling for contract management purposes.

The evaluation criteria will be based on both cost and quality and the contract will be awarded to the most economically advantageous tender.

The Committee is requested to grant approval to commence a tendering exercise and to grant delegated authority under the Council's Scheme of Delegation to the Director of Health & Environmental Services to exercise her authority to award the tender in line with the evaluation criteria.

### **Resource Implications**

#### **Financial**

Based on historical data it is anticipated that this contract will generate an income in excess of £10,000 per year.

#### **Human Resources**

The contract will be managed using the Service's contract management staff. No additional resources will be required.

#### **Asset and Other Implications**

The provision of this service will help deliver a best value and customer-focused service. It will also generate an income for the Council.

In line with the Council's requirements under the EU Landfill and Waste Framework Directives, the provision of this service will help divert waste from landfill and deliver our recycling targets.

### **Recommendations**

The Committee is requested to grant approval to commence a tendering exercise for the provision of a service for the collection and disposal of scrap metal from the Council's Recycling Centres and Civic Amenity Sites.

Approval is also requested for the Director of Environmental Services to exercise her authority under the Scheme of Delegation to award the tender in line with the evaluation criteria.

### **Decision Tracking**

The Head of Service will oversee the letting of this contract and, should it fall out with the Council's Scheme of Delegation in terms of the cost or any other factors, a further report will be submitted to the Committee for approval.