

EAST LONDON WASTE AUTHORITY

18th March 2002
(3.00 — 4.40 p.m.)

Present:- Councillor Patient (Chairman); Councillor Weinberg (Vice-Chairman);
Councillors Dale, Hilton, Saunders, Stafford and Ware

1143 MINUTES

We have confirmed to correct the minutes of our meeting held on 4th February 2002.

1144 ELWA LOGO

We have received a report from the Clerk on the development of a new logo for the Authority. The current logo features a waste skip which emphasises the disposal element of the service whereas the proposed new logo is intended to be more reflective of the Authority's integrated approach to waste management as well as presenting a more modern image.

Accordingly, we have agreed to adopt the proposed new logo with immediate effect.

1145 BORROWING LIMITS FOR 2002/03

Having considered a report on the proposed borrowing limits of the Authority for the year ending 31st March 2003, we have approved the following maximum borrowing limits for the 2002/03 financial year:-

- (i) overall total borrowing limit of £3,370,000
- (ii) total short-term borrowing limit of £1,000,000
- (iii) total variable rate borrowing of £1,000,000

We have also noted issues relating to the potential impact of the PFI funding under the IWMS contract. The Treasurer advised that he would be presenting a Treasury Management Policy Strategy to us shortly after the award of the IWMS/PFI contract.

1146 BAFO EVALUATION RESULTS *

By Minute 1116 we approved the detailed evaluation methodology and criteria to be applied to the tenders received at the Best and Final Offer (BAFO) stage of the procurement process for the Authority's Integrated Waste Management Strategy (IWMS) Contract. This methodology and criteria has been applied to the BAFO tenders received from Shanks Waste Services Limited and Thames Waste Management Limited and we have received at this meeting two reports from Directors, one of which was considered after the public and press had been excluded from the meeting.

Both tenderers made their submissions in accordance with ELWA's requirements by the deadline of 31st January 2002. An in-house technical evaluation team was established and specialist support was provided by ELWA's appointed consultants, Wragge & Co. and PriceWaterhouseCoopers (PWC). Babbie Group was also appointed to carry out an independent technical and environmental evaluation of the tenderers' proposals, the results of which were fed into the overall evaluation by the in-house technical team. At an Informal meeting of the Authority on 11th March, we had received a presentation on the process of the BAFO evaluation exercise.

The report on the public agenda included a synopsis of the background to the Authority and the progression of the IWMS contract procurement in addition to summaries of the tender evaluation results and critical issues relating to the tenders. The report also referred to financial and legal issues and the proposed process for the selection of a Preferred Bidder.

The report on the confidential section of the agenda included a paper from the Waste Collection Authorities group on its consideration of the two tenderers' proposals, a summary of the events and risks that will continue to be met by ELWA under the contract, the position regarding property assets at the end of the contract term and the following evaluation reports from the various evaluation teams:-

- (i) Technical Evaluation Report by the ELWA Technical Project Team
- (ii) Technical and Environmental Evaluation Report by Babbie Group
- (iii) Legal Evaluation Report by Wragge & Co.
- (iv) Qualitative Financial Evaluation Report by PWC
- (v) Quantitative Financial Evaluation Report by PWC

In addition, we have noted that the IWMS Contract Project Board has considered the results of the evaluation exercise and the Board's conclusions and recommendations are included in the reports to this meeting.

Accordingly, having considered in detail the results of the evaluation of the BAFO submissions and noted the officers' comments and the recommendations of the Project Board, we have:-

- a) agreed to appoint the company named in the private & confidential report as the nominated Preferred Bidder, to proceed to the next stage of the Authority's procurement process for the IWMS Contract;
- b) authorised the Clerk to write to the nominated Preferred Bidder inviting that company to accept the position of Preferred Bidder on the terms of the conditions listed in 1-13 of the draft letter that was tabled at this meeting;

- c) authorised the Clerk to write to the nominated Preferred Bidder, after the company's acceptance of the conditions referred to in b) above, to formally award that company the status of Preferred Bidder (with whom the Authority intends to enter into the IWMS contract to implement the Authority's Strategy);
- d) authorised the Clerk to issue the appropriate notice concerning the award of Preferred Bidder status and to make the appropriate public announcement arrangements following c) above;
- e) authorised the Clerk to write to the company not selected as Preferred Bidder to request that they maintain their interest and position at BAFO for a limited period;
- f) authorised the Clerk, subject to the strategies and relevant previous decisions of ELWA, to finalise and complete (including the making of any drafting amendments considered expedient) the documents listed in Appendix B to the public report, together with any other documents necessary to allow the contract to proceed;
- g) agreed that the rental figures to be included in the leases for the four Borough Civic Amenity sites and the Ilford Recycling Centre be such sums as approved by the Valuation Officer acting on behalf of the Authority;
- h) confirmed that it remains the Authority's view that it is appropriate for the Treasurer to sign the appropriate certification documents under the Local Government (Contracts) Act 1997;
- i) asked the Clerk to advise Members accordingly if any slippage to the anticipated timetable for dealing with issues b) and c) above is likely to occur;
- j) requested officers to report further on the issue of pooled recycling targets and the availability of borough-by-borough recycling statistics.

The Clerk commented that the position that has been reached today represents a significant achievement for the Authority and the culmination of all of its efforts to introduce a long-term integrated approach to waste management to the ELWA area. We have placed on record our appreciation to all those involved in the work, including the Authority's appointed consultants and particularly the in-house Project Team.

(* Part of this item was considered after a resolution had been passed to exclude the public and press from the remainder of the meeting as this included information relating to the business affairs of and the terms proposed by the Bidders for the Authority's IWMS Contract, which is exempt from publication by virtue of paragraphs 7 and 9 of Part I of Schedule 12A of the Local Government Act 1972.)