

ABERDEEN CITY COUNCIL

COMMITTEE	Housing and Environment
DATE	20 May 2014
DIRECTOR	Pete Leonard
TITLE OF REPORT	Procurement of Big Belly Litter Bins
REPORT NUMBER:	H&E/14/041

1. PURPOSE OF REPORT

The purpose of this report is (a) to seek approval to exempt the award of a contract for the lease of Big Belly litter bins from the Council's Standing Orders relating to Contracts and Procurement (approved by Full Council on 5 March, 2014), by reason of special circumstance; and (b) to seek approval of the estimated expenditure, as detailed in Section 3 of this report.

2. RECOMMENDATION(S)

That the Committee:

- (i) Approves a request under Standing Order1(6)(a) for an exemption from the Council's Standing Orders on Contracts and Procurement to enable a contract to be awarded for the provision of Big Belly litter bins; and
- (ii) Approves the estimated expenditure of £96,200 for the lease of twenty Big Belly litter bins over a five year period.

3. FINANCIAL IMPLICATIONS

It is estimated that the costs involved will amount to no more than £96,200 in total. This is based over a 5 year lease period.

The full cost of the bins is covered within existing revenue budgets.

4. OTHER IMPLICATIONS

Advice sought from Legal & Democratic Services highlights that awarding a contract without a competitive tender would constitute a breach of the Public Contracts (Scotland) Regulations 2012 (the 2012

Regulations) and as such there is potential for the Council to be legally challenged on this basis. The value of the proposed contract, when added to the value of the existing contract procured jointly with Aberdeen Inspired, results in an aggregated total which exceeds the thresholds prescribed in the Council's Standing Orders and the 2012 Regulations. The contract therefore ought to be procured in accordance with the rules set out in the 2012 Regulations. However, the risks associated with legal challenge must be balanced with competing operational and economic factors. With only one global supplier of the required litter bins in the market place, the risk of challenge is reduced, but not removed entirely.

5. BACKGROUND/MAIN ISSUES

Big Belly Litter Bins

The Big Belly uses solar power for 100% of its energy needs. The unit takes up the same "footprint" of an ordinary litter bin - but because of its compaction capability it can hold six to eight times more waste than the average street bin.

Owing to its unique compaction capability, it can hold a minimum of 606, increasing to 800 litres of waste, which is up to eight times greater than the average litter bin currently used by Aberdeen city Council.

Benefits of Big Belly Litter Bins -

- Reduces bin collection costs by up to and over 70%.
- Proven to reduce street bin collections by an average 86%.
- 100% Solar Powered.
- An internal compactor increases the litter capacity by 6 - 8 times that of a normal litter bin.
- It sends an email & text to office when the bin is 85% full.
- Management & operatives can view, on desktops and smartphones, the real time fill levels of all bins, eliminating "milk round" type collection rounds.
- Eliminates overflowing bins.
- Eliminates weekend collections.
- Eliminates birds/vermin scattering rubbish across streets, parks & beaches.

- Reduces street cleaning & litter picking requirements due to enclosed nature of bin.
- Each Big Belly can transmit a Wi-Fi Platform providing local Council information and local retailer offers. This at no costs to the Council associated with this service.

Procurement of Big Belly Litter Bins

Environmental Services propose to lease from a sole supplier, 20 litter bins.

The sole supplier is Kyron Energy and Power Ltd.

It is the intention of Environmental Services to utilise these bins at Aberdeen beach to replace a substantial number of existing litter bins, and in doing so improve the litter bin capacity and consequently the cleanliness of the beach area.

Market research has been undertaken by the Service, in conjunction with the Central Procurement Unit, to establish the availability of this product in the current marketplace. Findings indicate that this product is the only one of its type in the world market, and is heavily patented.

The resulting efficiency savings in adopting this Big Belly bin have been evidenced by several UK Local Authorities, and confirmed by the adoption in 2013 by Aberdeen City Council, of a number of bins in the city centre.

This project was in partnership with Aberdeen Inspired and has proved to be very successful.

The introduction of Big Belly bins in the city centre has resulted in significant savings from a financial perspective and increased efficiencies with collection crew utilisation. The savings from litter bin emptying has been reinvested back in to the street cleaning service in the city centre. This area is seen as a priority of the team as they look to improve cleanliness ratings and team performance.

6. IMPACT

The principal links to Aberdeen – The Smarter City are with the following Strategic Priorities

Smarter Governance – Participation
 Smarter Living – Quality of Life
 Smarter People – Social and Human Capital

Smarter Environment –

This links in to the Council's Smarter Environment commitment in that *"We are investing in new technologies to increase energy efficiency*

and reduce our carbon footprint...". With the efficiencies and reduction in vehicle usage we will reduce the levels of both fuel used and emissions from the vehicles.

It will also assist the Council in delivering the Single Outcome Agreement's National Outcomes

No. 12 – 'We value and enjoy our built and natural environment and enhance it for future generations' and contribute to other outcomes such as

No. 6 – 'We live longer, healthier lives',

No. 10 – 'We live in well-designed, sustainable places where we are able to access the amenities and services we need'.

7. MANAGEMENT OF RISK

This report is seen as a benefit to all, the assessment of risk associated with this report is very low.

8. BACKGROUND PAPERS

None.

9. REPORT AUTHOR DETAILS

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