

**MANSFIELD AND DISTRICT JOINT CREMATORIUM COMMITTEE**

**Date: 22 February 2021**

**MERCURY ABATEMENT EQUIPMENT PROCUREMENT**

**1. SUMMARY**

- 1.1 This report provides information to the Committee on the procurement of the new Mercury Abatement Equipment (MAE). It should be read in conjunction with the Mercury Abatement Equipment report on this agenda.

**2. RECOMMENDATIONS**

**To be resolved:**

- 2.1 That the information is noted.

**3.0 Background Information**

- 3.1 On 23 February 2018 a report was presented to the JCC advising on the issues with the MAE installed in 2010. This is referred to in the Mercury Abatement Equipment report on this agenda.

- 3.2 It was agreed by the JCC that the MAE would be changed.

- 3.3 The replacement of the MAE is to be carried out by Matthews Environmental Solutions (Matthews). The Mercury Abatement Equipment report on this agenda advises the JCC that the reason for using Matthews was reported to the Committee on 16 September 2019 (and again on 24 February 2020) when Members were advised that Matthews would need to be used to ensure compatibility with the existing cremators as the control system for the abatement system has to work in sync with the cremators.

- 3.4 As this was going to be a single supplier quotation for the reason outlined above, in accordance with Mansfield District Council's Procurement Rules, a Contract Regulation Form allowing the acceptance of one quote was requested by the Crematorium Service and the Head of Neighbourhoods on 14 June 2019 and authorised by the Head of Finance and s151 Officer on 17 June 2019.

- 3.5 The reason given as to why competitive tendering was not viable was as follows:

*The equipment needs to work in sync with existing equipment and as such physical and mechanical controls will be upgraded to allow for this which will affect both the cremators and the abatement. As such, the provision of abatement equipment is required and must be compatible with existing cremators but also allow for ease of maintenance especially to the areas of interconnecting ductwork and control systems so that there are no issues when either the cremator or the abatement equipment is serviced or a fault develops which utilising one company will endeavour to stop.*

*In essence the technical control of the cremator will also control how the abatement equipment works.*

*The financing of this is approved by the Crematorium Joint Committee out of their capital reserves which are held on their behalf by Mansfield District Council. The VAT element has also been agreed to be split between the 3 constituent Local Authorities.*

*Audit have confirmed it is within the EU threshold.*

- 3.6 The estimated value at the time the exemption was sought was £725,000 and the preferred contractor to be used was cited as Matthews.
- 3.7 A budget quotation was prepared by Matthews for the design, manufacture, delivery, installation and commissioning of one single line powdered reagent injection type flue gas treatment system in accordance with PG5/2(12). This is the Process Guidance Note which provides Statutory Guidance for Crematoria.
- 3.8 The budget quotation allowed for two options – option A which was the provision of three single line systems at a cost of £720,000 and option B which provides for one single line system and one 2-into-1 system at a cost of £627,000. It should be noted as previously advised these option costs did not allow for any ancillary work that would arise out of the main contracted work.
- 3.9 The option agreed by the then Director and Registrar was option B.
- 3.10 Accordingly, a contract was prepared and on 19 May 2020 the Head of Neighbourhoods took a Key Delegated Decision to award the contract to Matthews at a value of £627,000. The decision was not called in.
- 3.11 As referenced in the Mercury Abatement Equipment report on this agenda, the contract was entered into on 25 August 2020.
- 3.12 The £627,000 represents a design cost of £15,000 and £612,000 for the equipment, installation, commissioning etc. The work will, subject to design, be:
  1. Removal of existing redundant equipment
  2. 1 set of Hot Gas Transfer ducting
  3. 1 off Waste Compact Heat Recovery Exchanger
  4. 1 off Air Blast Cooler
  5. 1 off Pressurisation Set
  6. 1 off Reagent Storage and Injection System
  7. 1 off Cyclonic Spark Arrestor
  8. 1 off Bag House Filter
  9. 1 off Induced Draught Fan

10. 1off Sets of Cool Gas Ducting
11. 1 off Control System
12. 1 off Supervising Computer and Data Acquisition System
13. Documentation (three sets)
14. Installation/Training/Commissioning/Training
15. Maintenance costs for 12 months

Background Papers

Matthews Budget Quotation MQ27575rev1

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