



# **South London Waste Partnership**

## **Contract for Consultancy Services for Waste Management Procurement**

**Brief**

**2007**



**ROYAL BOROUGH KINGSTON UPON THAMES**

**South London Waste Partnership**

**Contract for Consultancy  
Services for Waste Management Procurement**

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**APPENDICES**

Appendix A	WIP governance brief;
Appendix B	Procurement programme;
Appendix C	WIP sites and planning brief;
Appendix D	Soft market testing study report executive summary.

## **1.0 INTRODUCTION**

- 1.1 The South London Waste Partnership (SLWP) comprises of the Boroughs of Croydon, Kingston, Merton and Sutton. The Boroughs have formed the partnership to provide improved waste management services and meet Landfill Allowance Trading Scheme (LATS) targets.
  
- 1.2 It is the intention of the SLWP to appoint external consultants to support in the procurement and delivery of improved waste treatment and disposal services. The requirement is for a panel of consultants who can speak to the partnership with one voice and work together in a coordinated fashion equivalent to the Latham principles in "Constructing the Team". For this reason we have considered whether we would be best served by a consortium or by a Lead Advisor managing sub-consultants. We have decided not to impose the form of bid and to accept variants. What we will look for in your proposals is about how you propose to work together with consultants in a cost effective non duplicating service provision for the partnership. This paper provides the brief to organisations bidding to be external consultants to the partnership.

## **2.0 BACKGROUND**

### **South London Waste Partnership (SLWP)**

- 2.1 The SLWP comprises of:
- London Borough of Croydon;
  - Royal Borough of Kingston;
  - London Borough of Merton; and
  - London Borough of Sutton.
- 2.2 The Boroughs have been working together for a number of years to provide more economic, efficient, effective and sustainable waste management services. Heads of Terms have been agreed between the Boroughs and a formal Agreement is being developed to pave the way for a Local Government Act 1972 Joint Committee. A Defra 2006/07 Waste Implementation Programme (WIP) project has recently been awarded to SLR Consulting Ltd to lead on the development of the governance arrangements and cost dis-aggregation between the Boroughs (see details in Appendix A).
- 2.3 The Heads of Terms has allowed the SLWP to form a Shadow Board (shadow Joint committee) for Leaders to make decisions. Some decisions are referred back to the individual Boroughs whereas others are delegated to Officers. The decision on the appointment of external consultants will be made by the Management Group, (as described in 2.7) and ratified by the Shadow Board.
- 2.4 Waste Officers meet weekly to discuss the delivery of improved services. The project manager for the Lead Advisor will be expected to attend these weekly meetings, with other members of the advice team available to attend as appropriate. The Waste Officers are supported by teams of:
- Legal Officers, being led by Merton and focusing on governance arrangements and the Agreement between the Boroughs;
  - Finance Officers, being led by Croydon and focusing on budgets, funding, affordability, value for money and the costs for improved services;
  - Procurement Officer, being led by Kingston and focusing on the appointment of a consortium of external consultants and the delivery of new contracts; and
  - Planning Officers, being led by Merton and focusing on the delivery of sites and planning permission for facilities necessary for the services.
- 2.5 Sutton generally provides the facilities for the management of the SLWP.
- 2.6 The Legal, Finance, Procurement, Planning and Waste Officers meet on the first Tuesday of every month.

- 2.7 A Shadow Management Group has been established to:
- Manage the delivery of the waste treatment and disposal services;
  - For Officers to report to; and
  - To report to the Shadow Board of Leaders

### **Procurement Strategy**

- 2.8 To meet LATS targets the SLWP has a two phase procurement strategy:

Phase A: new services to be procured and operational by September 2008 for:

- Transport and Disposal: 6 lots (4 individual Boroughs, SLWP and the option of SLWP with Sutton joining the contract later because of existing contract arrangements) procured through the OJEU Open procedure;
- Household Waste Recovery Centres (HWRCs): 6 lots (individual Boroughs, SLWP and SLWP excluding Merton procured through the OJEU Restricted procedure; and
- In-Vessel Composting (IVC), Materials Recovery Facilities (MRFs) and Mechanical Biological Treatment (MBT): individual contracts procured through OJEU Competitive Dialogue.

Phase B: residual waste treatment to be procured and operational by April 2012.

- 2.9 Phase A procurement documentation is currently being prepared and the Consultants will be required to support in the procurement process. It is expected that when the Lead Advisor is appointed the Phase A procurement process will be at the following stage:

- Transport and Disposal: Tender period, OJEU advertisement placed with documents sent to bidders;
- HWRCs; Pre-qualification questionnaire (PQQ) period, OJEU advertisement placed with PQQ documentation sent to potential bidders; and
- IVC, MRF and MBT: PQQ period, OJEU advertisement placed with PQQ documentation sent to potential bidders.

- 2.10 The SLWP is following the PFI route for Phase B and intends to submit an Expression of Interest (EoI) in March 2007 and an Outline Business Case (OBC) in October 2007.

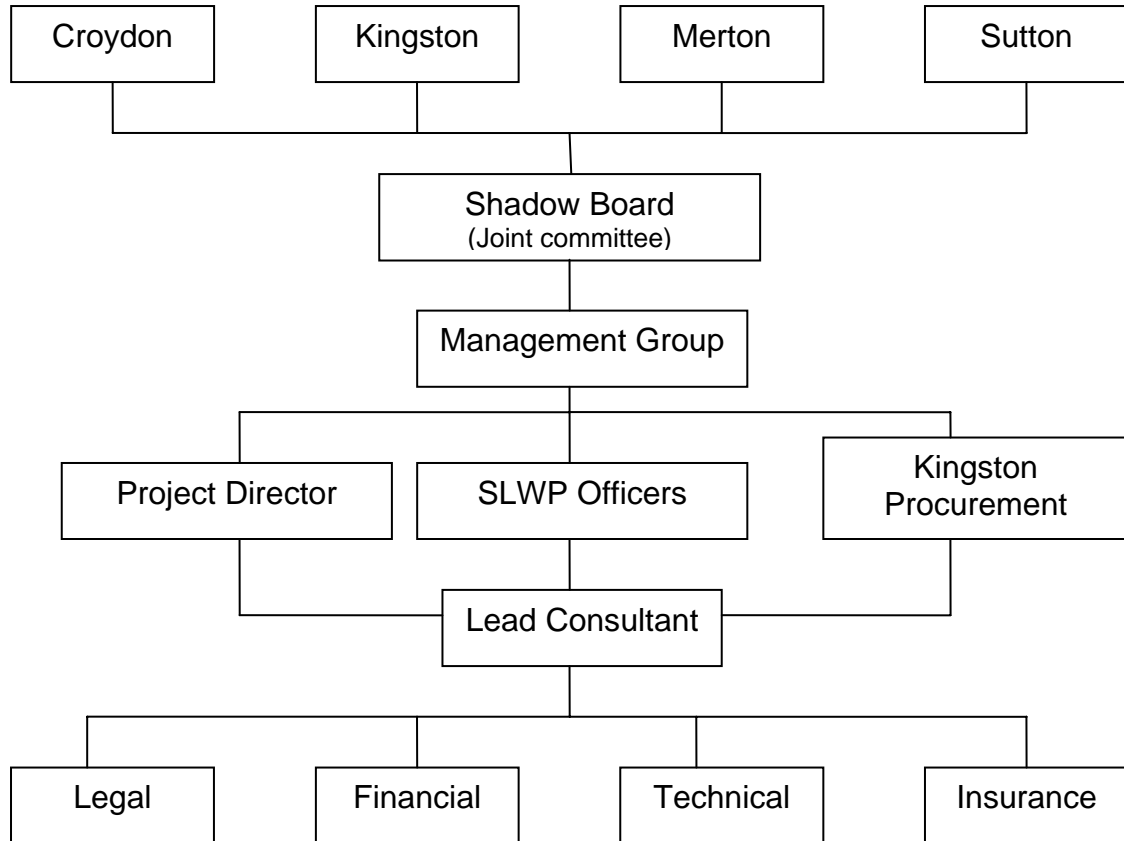
2.11 The following appendices are attached to provide further information to consultants on the procurement strategy:

- Appendix B: procurement programme;
- Appendix C: 2006/07 WIP project brief for investigation into the delivery of sites and planning for Phase B facilities, which has recently been awarded to ERM consultants; and
- Appendix D: executive summary from a report on a soft market testing study into the delivery of waste treatment services.

### 3.0 DETAILED REQUIREMENTS

3.1 The suggested project structure is as follows:

Figure 1: Management Structure



3.2 The Lead Consultant will be required to liaise closely with the SLWP. The procurement process will be managed on behalf of the SLWP through the Management Group who will be supported directly by the Project Director and SLWP Officers (Waste, Legal, Financial, Procurement and Planning).

3.3 The Lead Consultant will be expected to have a Project Manager dedicated to this project. The Project Manager shall liaise directly with the partnership's Project Director. The Project Manager shall directly manage the Lead Consultant's staff and the legal, financial, technical and insurance project managers.

3.4 Kingston will procure the advice on behalf of the SLWP. The consultants will be expected to have a minimum of £5 million professional indemnity cover in place.

3.5 Bids should provide details of:

1. Experience of the consultants for at least three other similar Waste Disposal contracts projects and demonstration of evidence of understanding recent issues (related to your specialism) in waste disposal locally, nationally and EU wide;

this can be by way of recent publications, articles, research, seminars, participation in, for instance, working parties/task groups for government, 4ps etc

2. Team structure and management arrangements for working together within your team and method statement for working with other specialists consultants and with Council personnel.
  3. Details of key personnel who will work on the project (including CVs, each of which should not exceed 3 A4 pages in length);
  4. Evidence of understanding of the scope of work in the proposed delivery of the project, in particular the various steps which need to be taken and the documents which need to be produced at various stages and consultants' roles in it; and
  5. Financial proposals.
- 3.6 The Scope of work shall clearly describe the tasks in the procurement, and how the Advisor will support the SLWP.
- 3.7 The Financial proposals should include:
- a) Target bids for various elements:
    - Phase A Transfer and Disposal;
    - Phase A HRWC;
    - Phase A IVC, MRF and MBT; and
    - Phase B Outline Business Case.
  - b) Budget estimates against
    - Management of the project and for attending regular project meetings during 2007.
    - Scope of work for procurement of the Phase B PFI contract .
    - An estimate if the Phase B contract is non-PFI.
    - Other advice likely to be required.
  - c) Hourly and daily rates for each member of the team together with details of expenses not included within the charge out rates.
- 3.8 All prices quoted should be exclusive of VAT.

#### **4.0 TENDER ASSESSMENT**

- 4.1 The partnership intends to award this work on the basis of completion of Phase A and the Expression of Interest and Outline Business Case for Phase B. The advice associated with the remainder of Phase B is provisionally included but is **not guaranteed** as the partnership has yet to determine its approach to and advice requirements for this Phase.
- 4.2 Bids will be evaluated 50% on cost and 50% on quality.
- 4.3 Cost will be scored against the mean price submitted for:
- Phase A and B target costs (20%);
  - Management and meetings (20%); and
  - Day rates (10%).
- 4.4 Quality will be evaluated on:
- Experience (20%);
  - Personnel, team structure and management arrangements (10%); and
  - Understanding of the Proposed scope of work (20%).