

## INVITATION TO TENDER

June 2016

### Support to South East London Boroughs: Reference 2016/17 - 11

#### 1. Overview

This invitation to tender is issued by the London Waste and Recycling Board (LWARB) ('the Customer') on behalf of the Resource London programme. The tender is for the provision of consultancy services ('the Service Provider') to the London boroughs of Bexley, Bromley, Greenwich, Lewisham and Lambeth, specifically developing an options appraisal of the different models of service delivery available to them for jointly commissioning services.

#### 2. Background to Resource London

Resource London is the new, jointly funded support programme for London waste authorities delivered in partnership by the London Waste and Recycling Board and WRAP, the UK's resource efficiency body.

Its primary goal is to help local authorities across London achieve 50% recycling by 2020. The stated objectives of the programme are to:

- achieve the Mayor of London's (current) target that London recycles 50% of local authority collected waste by 2020;
- make an effective contribution to the Mayor of London's (current) CO<sub>2</sub> emissions performance standard; and
- make a significant contribution towards England achieving its 50% household waste recycling target in 2020.

More information about Resource London can be found on our [website](#).

#### 3. Background to the requirement

The south east London boroughs of Bromley, Lewisham, Bexley and Lambeth have been considering a partnership approach to running a range of environmental services. This is either through jointly procuring (Bromley, Bexley and Lambeth) or directly providing (all four boroughs) services. These services could include but are not limited to:

- Household waste and recycling collections;
- Commercial waste and recycling collections;
- Waste disposal (not all boroughs);
- Street cleansing;
- Litter bin emptying and washing;
- Gully cleansing;
- Grounds maintenance;
- Highways maintenance;
- Winter maintenance;
- Tree management (surveying and maintenance);
- Fleet management and maintenance; and
- Other related services.

The objective of working in partnership is to find the most effective and cost efficient means of continuing to provide quality services to residents while securing optimum savings and value for money. An initial report on the opportunities for joint working was produced by Local Partnerships on behalf of Resource London – Joint Waste Report, May 2016. This will be made available to the successful Service Provider upon award.

The next stage in this consideration of joint working is to take forward and expand upon the recommendations in the Joint Waste Report and produce an options appraisal for the partner boroughs with a clear recommendation as to the next steps and outline proposals for each of the partners for the delivery of services that can be used to inform the commissioning strategy for each borough. The options appraisal should be sufficiently detailed and broad enough in its scope, so as to give confidence to senior officers and Members from the partner boroughs that the recommendations presented have been sufficiently researched and analysed. It must address the key issues and concerns they will have about working in partnership but will also fully explore the opportunities for partner working drawing upon the most relevant and up to date information available. The options appraisal should avoid generic assumptions and data sets and seek to draw actual recent and comparable examples.

Greenwich Council was not included in the original Local Partnerships report. However the Council is considering whether to run their waste management services through a Council owned [local authority owned trading company](#). Therefore, Greenwich have been included in this stage of the process as a potential partner.

Greenwich and Lewisham both currently run their waste management services in house and would only consider looking at operating under a local authority owned trading company or remain in house. Bexley, Bromley and Lambeth are all contracted out and are considering all options. Details of the Boroughs' services and contracts can be found on the [Resource London](#) website. Due to Bromley's timescales, the preliminary findings of the options appraisal are required by October 2016.

Concurrently to this piece of work, WRAP is tendering for consultancy support to model the implications of these boroughs providing a service that collects a consistent suite of materials from all households, as outlined within the Framework for Greater Consistency in England (to be published). This will be ready by October 2016.

The successful Service Provider will be expected to pull together a final report incorporating the options appraisal and recommendations for joint working along with the results from WRAP's consistency piece of work to feed into the report to Members.

#### **4. The specified requirement**

The production of an options appraisal for the boroughs of Bexley, Bromley, Greenwich, Lewisham and Lambeth on working in partnership for the delivery of environmental services and a consistent household waste management service.

The content of the options appraisal will at a minimum address:

- High level project objectives;
- Base case performance and costs for each borough drawing on relevant available data;
- Potential service delivery models both in house, outsourced and local authority owned trading company models;
- Specific considerations should be given to the legal, financial, tax and pension issues that are pertinent to the establishment and operation of a local authority owned trading company;
- Possible partnering efficiencies;
- Funding options;

- The current state of the services market from market testing and intelligence (derived from real and demonstrable market intelligence);
- Commercial income and revenue generating possibilities;
- Commercial risks;
- Project risks including – technical, legal, commercial and financial, operational, political and stakeholder and communications risks;
- Project timetable and costs drawn from real cost information;
- A clear set of recommendations for the partner boroughs with a timetable of next steps and the estimated cost of implementing the recommendations.

NB the Service Provider will be expected to have up-to-date and detailed knowledge of the services and solutions the market will offer together with likely pricing based on real market insight and not just assumptions. The Service Provider will be expected to liaise with either the director/assistant director and the heads of service from the boroughs and should demonstrate previous experience of liaising with senior management.

The Options Appraisal will incorporate the findings from the WRAP consistency project, which is anticipated to be ready by early October 2016. The final version of the report incorporating both pieces of work should be ready for the boroughs by the end of October 2016.

## **5 The project deliverables are:**

**5.1** Attendance at a project inception meeting with the Boroughs and Resource London on 26 July 2016 at 13:30 at Resource London's office at 169 Union Street. London SE1 0LL. This meeting will provide an opportunity to discuss the proposed methodology; outputs; agree timelines; project management and to meet all the boroughs.

This meeting will be attended by the Environmental Director, AD and/or Head of Service from each borough. Delegates are booked to attend till 16:00. This meeting provides an opportunity to work through the boroughs priorities and drivers to help shape the options appraisal.

NB: The Service Provider is to take notes of the meeting and provide them to Resource London within three working days of the meeting.

**5.2** Produce a draft options appraisal with recommendations of partnership working as set out in paragraphs 3 and 4. As a minimum the options appraisal will:

- Set out the benefits and disadvantages for this potential partnership to meet its ambitions;
- Identify the work-streams necessary in delivering the optimum approach for the partners;
- Include an estimate of the saving for procurement costs by establishing a formal partnership as either a combined contract or as single service activities;
- Identify where and how much the ongoing savings and efficiencies can be achieved for the partnership;
- Consider options for future contract management for the partner boroughs for each delivery model, together with indicative costs for managing contracts;
- Provide a risk assessment for both the set-up and the operation of the partnership, specific to the service activities; and
- Include as an appendix an outline partnership agreement which the boroughs can develop if a decision is made to take the partnership forward.

NB: The boroughs have already gathered a lot of data on their services for internal evaluation and review. Any pertinent reports will be made available to the successful Service Provider upon award. Please include in your tender submission a list of data you anticipate requiring from the boroughs, in order to ensure this project can begin in a timely manner.

- 5.3 The draft options appraisal as described in paragraph 5.2 will be provided to Resource London and the lead borough in the first instance for review. Amendments should be made before a version is ready to be shared with the boroughs. The Service Provider will use the Resource London template to produce the report, which will be provided upon award.
- 5.4 Present the draft findings and recommendations to the Boroughs and Resource London at a venue to be agreed.
- 5.5 Incorporate the options appraisal into a final report with the findings from the WRAP modelling on delivering a consistent household collections service.
- 5.6 Throughout the project the Service Provider shall provide regular project updates by email, telephone or in person (whichever is appropriate at the time of the project) with the Resource London project officer and the borough lead project officer. This will be agreed at the inception meeting.

## 6 Timetable

The timetable below gives an indicative timeline for this project. Bidders are advised that, with the exception of the tender submission date, this timetable is not binding and may be changed if necessary.

Bidders are asked to note the timescale for delivery and in their tender submission they should set out how they propose to complete the work within this timescale and identify key dates where they would expect input from the Council's project team.

<b>Milestone</b>	<b>Date</b>
Invitation to Tender issued	Wednesday 29 June 2016
Deadline for clarification questions	Midday Thursday 07 July 2016
<b>Tender return deadline</b>	<b>Midday Thursday 14 July 2016</b>
Contract signed	W/C 18 July 2016
Inception meeting	13:30 Tuesday 26 July 2016
Provision of draft options appraisal to Resource London and the lead borough	End of September 2016
Presentation of findings to Boroughs	Early October 2016
Provision of final report	31 October 2016

## 7. Interface/ Contract management

The main points of liaison between the Service Provider and the Customer will be Beverley Simonson, Local Authority Support Manager, Resource London and Dan Jones, Assistant Director, London Borough Bromley, Lead Authority.

## 8. Quality of Service

The Service Provider shall provide the services in a competent, timely manner in accordance with recognised industry quality standards. The Service Provider shall ensure an adequate supply of suitably qualified and competent personnel are available to fulfil the requirements of the Contract.

## 9. Delivery Personnel

Resource London requires Bidders to nominate Key Personnel with appropriate skills to perform the service for the duration of the contract.

Bidders shall provide a CV for Key Personnel as part of their submission. The CV shall demonstrate the individual's experience, competence and capability and their role in the project and should be no more than 3 pages.

The Service Provider shall ensure any changes to the Key Personnel be undertaken with minimal negative impact to the service and at no additional cost to Resource London.

Resource London may at its discretion request that the Service Provider remove and replace any Key Personnel from the service that Resource London or the Boroughs consider in any respect unsatisfactory in the delivery and performance of the contract. Resource London shall not be liable for the cost of replacing any Key Personnel.

Bidders may include other specialists ("Sub-contractors") in their Delivery Teams. However, the Service Provider will remain entirely responsible for the performance of the service. Such Sub-contractors must act in accordance with the terms and conditions of the contract entered into between LWARB and the Service Provider.

## 10. Submissions

Bidders are requested to submit:

- Details of their suitability to fulfil the contract, how the contract is to be managed and their approach to delivering the required specification within the timeline indicated in 6 above. To include examples of relevant project experience, in particularly working on similar partnership projects.. **Maximum 10 sides of A4** (excluding project experience and CVs which can be included as an Appendix).
- Details of the personnel comprising the Delivery Team, including CVs (no more than 3 pages) and a description of their role in delivering the contract.
- A Pricing Schedule giving day rates and anticipated number of days for nominated personnel (see Appendix 1) to **include VAT and expenses**.

Bids must be submitted by **12:00 midday** on **Thursday 14 July 2016** with the reference "LWARB tender: 2016/17– 11" to [info@lwarb.gov.uk](mailto:info@lwarb.gov.uk)

NB Clarification questions should be sent to [beverley.simonson@resourcelondon.org](mailto:beverley.simonson@resourcelondon.org) by 12:00 midday on Thursday 07 July 2016

## 11. Contract

The contract will be let by the London Waste & Recycling Board, as the contracting organisation.

The following special terms shall apply:

### Travel and Expenses

All fees shall be inclusive of any travel and subsistence incurred to locations in Greater London.

Where additional expenses\* are incurred, the following rates will apply:

<b>SUBSISTENCE</b>	
Hotel accommodation	Value for money must be sought at all times. Cost should not exceed £200 per night in Greater London and £175 per night elsewhere. Extras such as newspapers, minibar costs and entertainments will not be reimbursed.  Prior approval should always be sought before hotel stays are booked.
<b>TRAVEL</b>	
Public Transport (Train, tube, tram, bus, light rail)	Actual costs incurred only may be claimed. Rail travel must be standard class. Upgrades to First Class travel may be paid personally but are not reclaimable.
Taxis	Taxis are only to be used in exceptional circumstances when other public transport is unavailable or impractical Actual costs only may be claimed.
Mileage	You can only use your car where reasonable public transport is not available and you have a valid business insurance cover. HMRC approved rates are applied

*\*additional expenses to be agreed with Resource London prior to being incurred.*

## 12. Evaluation

Resource London must be satisfied that each potential contractor has the appropriate capabilities and resources available to undertake the work to our requirements and provide the necessary services. The process we use to select contractors is a competitive one. Your tender submission will be evaluated by both Resource London and borough representatives by looking at the following criteria:

<b>Evaluation criteria</b>	<b>Weighting</b>
Price <sup>1</sup>	30%
Methodology, including a demonstration of the understanding of the project objectives and requirements; an approach and timeline that will deliver	35%
Authority of allocated personnel, their skills and technical capability. The consultant will be expected to demonstrate recent experience of structuring and delivering similar partnering options appraisal and business case for a range of environmental services to a senior (Director/CEO) audience in an urban environment, and demonstrate experience of working in political environments on sensitive issues	25%
Project and stakeholder management. The Service Provider should be experienced managing stakeholder expectations in a similar project. This should be evident in how the whole project recommendations are managed.	10%

<b>Scoring</b>	
Outstanding - cannot be faulted	100
Excellent	90
Very good	80
Good	70
Above average	60
Average	50
Below average	40
Poor	30
Very poor	15

Responses will be evaluated based on written submissions, but in the event of a high response rate and numerous submissions, a shortlist of two or three Service Providers will be drawn up and presentations required. These presentations will not ask for any additional development, but rather a face-to-face presentation of your submission.

## 13. Acceptance of bids

In issuing this invitation to bid, Resource London is not bound to accept the lowest or any bid and reserves the right to accept the whole or any specified part of the bid unless the bidder expressly stipulates otherwise.

Resource London will not enter into discussion with non-selected potential suppliers, or justify its decision. Potential suppliers are deemed to have accepted these conditions by the act of submitting their quote. The selected preferred supplier cannot assume they have been granted the contract until a formal contract is signed.

<sup>1</sup> This will be assessed by deviation from the lowest compliant tender

**14. Period for which bids shall remain valid**

Unless otherwise stipulated by the bidder, bids shall remain valid for 30 days from the closing date for receipt of tenders.

## Appendix One Pricing Schedule

### Specification for the provision of consultancy services Ref 2016/17 - 08

An example breakdown table is shown below. Whilst this format is not mandatory, the breakdown you provide should include at least this information. Provide the breakdown as a separate Excel spreadsheet file in addition to a static form in your main tender document.

<b>Role:</b>	Project Director	Project Manager	Senior Consultant	Consultant	Junior Consultant	<b>Total days</b>	<b>Total cost</b>
<b>Name:</b>	Joe Bloggs	John Smith	Name	Name	Name		
<b>Day rate (incl VAT):</b>	£850	£720	£650	£520	£420		
<b>Task</b>							
<u>Project Management</u>							
Initiation meeting	1	1				<b>2</b>	<b>£1,570</b>
Monthly progress reports		20				<b>20</b>	<b>£14,400</b>
Quarterly meetings	6	6				<b>12</b>	<b>£9,420</b>
<u>Task 1 – Scoping</u>							
Develop delivery plan			3			<b>3</b>	<b>£1,950</b>
....						<b>0</b>	
<b>Total days</b>	<b>7</b>	<b>27</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>37</b>	
<b>Total Fees</b>	<b>£5,950</b>	<b>£19,440</b>	<b>£1,950</b>	<b>£0</b>	<b>£0</b>		<b>£27,340</b>
						<b>Expenses incl. VAT</b>	<b>£0</b>

**Please ensure all day rates are inclusive of VAT and inclusive of travel costs to and within Greater London.**

Bidders should provide their best estimate of total price to deliver the specification outlined in 3 and 4 based on the day rate and days input for each of the nominated personnel.