



East
Northamptonshire
Council

Policy and Resources Committee - 7 June 2010

Waste Contract Procurement - Update on Progress

Summary

This report updates Councillors on the progress of the waste, recycling and cleansing contract procurement project. It outlines major recent developments and highlights the next steps for the project.

Attachment(s)

Project timeline

1.0 Background

- 1.1 On 11 January 2010 the Waste Contract Project Board gave a presentation to Councillors on the progress of the project to procure the next waste collection, recycling and cleansing contract. This report is intended as an update on developments on the project since then.
- 1.2 Members will recall that the current contract ends on 31 July 2011 and the new contract, which we are procuring under EU rules, will have a value approaching £48m. The contract, the biggest single contract the Council procures and lasting up to 14 years, impacts on every resident in the District and some businesses.

2.0 Progress to date

- 2.1 Since January the Project Board, chaired by Councillor Harwood and including Councillors North, Lewis, Reid and MacGovern, has been meeting regularly to oversee the completion of a public consultation exercise and preparation of key documentation for the next phase of competitive dialogue with bidders and to determine who this will involve.
- 2.2 The competitive dialogue process started in March 2009 with the placing of the OJEU notice. Following the PQQ (pre-qualification questionnaire) stage 8 bidders progressed to the ISOS (invitation to submit outline solutions) stage.
- 2.2 The next phase of the project is to enter into the ISDS (invitation to submit detailed solutions) stage.
- 2.3 Members will note that this is a revised position on the number of bidders being taken forward to this stage and reflects advice that the Project Board has received on the process to date. Bidders will now be 'invited to submit their detailed solution'. These will be evaluated with a view to determining which bidders progress to the final tender stage. This stage will also require bidders to submit indicative costs for their proposed solutions.
- 2.4 Reference is also made to the public consultation exercise that has been carried out. The purpose of the exercise was to provide bidders with information to assist them in preparing their submissions and also to enable members of the Board to understand the key issues in respect of the waste agenda as the public perceives it. A summary of the findings of the exercise will be published and made available to bidders.
- 2.5 Reference is made in paragraph 2.2 to the advice that the Project Board has received to support its recent decision making. This advice, which is specialist legal

procurement advice, has been invaluable in enabling members to make informed decisions as part of the current process. The Project Board recognises that this is a resource that the Council does not retain within the organisation and resolved to recommend that this external adviser be retained by the Council to advise for the remainder of the procurement process. However, this will involve the Council in additional costs of £15,000 which it is proposed is funded from the contingency reserve.

3.0 Risk Management

3.1 Whilst the project remains on track and within projected timescales for completion, the Project Board has considered risks that may arise with a project of this nature and size.

3.2 The Project Board has supported negotiations that officers have entered into in respect of key risks and mitigating against their being realised. These negotiations have mainly revolved around depots, contract start dates, implementation of any new services and project support.

3.3 The current project timeline is attached as an appendix to this report for members information.

4.0 Recommendations

4.1 Members are requested to note the content of this report and to consider the resolution put forward by the Project Board and set out in section 2.5.

| Implications: | |
|---|---|
| Corporate Outcomes or Other Policy/Priority/Strategy | |
| Good Quality of Life | <input checked="" type="checkbox"/> Good Reputation <input type="checkbox"/> |
| Good Value for Money | <input checked="" type="checkbox"/> High Quality Service Delivery <input checked="" type="checkbox"/> |
| Effective Partnership Working | <input type="checkbox"/> Strong Community Leadership <input type="checkbox"/> |
| Effective Management | <input type="checkbox"/> Knowledge of our Customers and Communities <input type="checkbox"/> |
| Employees and Members with the Right Knowledge, Skills and Behaviours | <input type="checkbox"/> |
| Other: | <input type="checkbox"/> |
| Decision(s) would be outside the budget or policy framework and require full Council approval | <input type="checkbox"/> |
| Financial | There are no financial implications at this stage <input type="checkbox"/> |
| | There will be financial implications – see paragraph 2.4 <input checked="" type="checkbox"/> |
| | There is provision within existing budget <input type="checkbox"/> |
| | Decisions may give rise to additional expenditure at a later date <input type="checkbox"/> |
| | Decisions may have potential for income generation <input type="checkbox"/> |
| Risk Management | An assessment has been carried out and there are no material risks <input type="checkbox"/> |
| | Material risks exist and these are recorded at Risk Register Reference – 548 to 576 inherent risk score - residual risk score - <input checked="" type="checkbox"/> |
| Staff | There are no additional staffing implications <input type="checkbox"/> |
| | Additional staff will be required – see paragraph <input type="checkbox"/> |
| Equalities and Human Rights | There will be no impact on equality (race, age, gender, disability, religion/belief, sexual orientation) or human rights implications <input checked="" type="checkbox"/> |
| | There will be an impact on equality (see categories above) or human rights implications – see paragraph <input type="checkbox"/> |
| Legal | Power: Environmental Protection Act 1990 Public Contract Regulations 2006 |
| | Other considerations: |
| Background Papers: | |

| | | | | | |
|--|--|-----------|--|-----------|--|
| Person Originating Report: Mike Deacon, Head of Environmental Services, tel: 01832 742060, email mjdeacon@east-northamptonshire.gov.uk. | | | | | |
| Date: 11 May 2010 | | | | | |
| CFO | | MO | | CX | |

(Committee Report Normal Rev. 21)

Project Timeline

| Project Name: | ENC Waste Contract | | | | Date: | 01.05.10 | |
|-------------------------|-------------------------|---|--------------|-----------------------------|--|-----------------|-----------------|
| Project Owner: | Charlotte Tompkins | | | | Version No: | V2.3 | |
| Project Sponsor: | Mike Deacon | | | | | | |
| Project Support: | Kirsty Squires | | | | | | |
| Status | Activities / Milestones | | Dependencies | Estimated *WM Time required | Accountable / Responsible | Start Date | End Date |
| G | 1. | Agree WRWP as Project Board (plus one member of SMT) | n/a | n/a | MD | 19.03.09 | 24.03.09 |
| G | 2. | Attend meeting with DDC and NBC to investigate scope timescales and buy in for joint procurement. | n/a | 0.5 day | MD/BG | 24.04.09 | - |
| G | 3. | Contract criteria | | | | 20.03.09 | 17.04.09 |
| G | a. | Discuss project team requirements with <ul style="list-style-type: none"> • Legal, • Communications • Finance • other specialist depts./partners • | | 2 days per week | BG;MD | 20.03.09 | 30.03.09 |
| G | b. | Agree recommended key criteria/contractual issues and service proposals including <ul style="list-style-type: none"> • revenue/capital costs • options on lots/single contract • prescriptive or active tender • priorities for service delivery • Specialist consultants (?)/ benchmarking requirements | | | Project Team; Welland Procurement Unit; ENC Finance; Chair of WRWP | 20.03.09 | 10.04.09 |
| G | c. | Determine recommended tender process, selection & award criteria and weightings | | | Project Team; Welland Procurement Unit; Chair of WRWP | 20.03.09 | 10.04.09 |
| G | d. | Approval of recommended key criteria and tender process | 3b&3c | | MD; Project Board; SMT; Chair of WRWP | 07.04.09 | 21.04.09 |
| G | e. | Communicate approved process as appropriate | 3d | | MD | 10.04.09 | 17.04.09 |
| G | 5. | Pre-qualification process for tender | 3-5 | | | 24.04.09 | 17.07.09 |
| G | a. | Draft OJEU notice (Official Journal of the European Union) | 3d | 2 days per week | BG; Welland Procurement Unit | 24.04.09 | 07.05.09 |

| Status | Activities / Milestones | | Dependencies | Estimated *WM Time required | Accountable / Responsible | Start Date | End Date |
|--------|-------------------------------------|--|--------------|-----------------------------|------------------------------|-----------------|-----------------|
| G | b. | Draft Pre-Qualification Questionnaire (PQQ) | 3d/5a | | BG; Welland Procurement Unit | 24.04.09 | 07.05.09 |
| G | c. | Post OJEU notice | 5a | | BG; Welland Procurement Unit | 08.05.09 | - |
| G | d. | Issue PQQ | 5b | | BG; Admin Support | 11.05.09 | 12.06.09 |
| G | e. | PQQ's returned –collate and timetabling for those who need to be consulted at this stage | 5d | | MD; Project team; | 19.06.09 | 26.06.09 |
| G | f. | PQQ's evaluated | 5e | | BG; Admin; | 26.06.09 | 01.07.09 |
| G | g. | Pre-qualified list agreed | 5f | | MD; BG | 01.07.09 | 13.07.09 |
| G | 6. | Short listing process | 6 | | | | 13.05.09 |
| G | a. | Plan and issue next stage of short listing | 3d | 2 days per week | Project Team | 13.05.09 | 20.10.09 |
| G | b. | Notify shortlisted and unsuccessful bidders | 5g | | BG; Admin Support | 24.07.09 | 27.07.09 |
| G | Competitive dialogue process | | 7 | | | 27.07.09 | 30.07.10 |
| | 7. | Phase One Dialogue (ISOS) | | | | 27.07.09 | 22.12.09 |
| G | a. | ISOS issued | 6a | 4 days per week | BG; KS | 27.07.09 | 04.09.09 |
| G | b. | Questions received from bidders | 7a | | BG | 10.08.09 | 02.09.09 |
| G | c. | Written answers to questions received from bidders | 7a/b | | Project Team | | 14.09.09 |
| G | d. | Evaluation of responses from bidders | 7c | | BG | 15.09.09 | 06.10.09 |
| G | e. | Feedback to bidders | 7d | | BG; KS | 07.10.09 | 20.10.09 |
| G | f. | Dialogue – first round meetings | 7e | | MD; BG; KS | 20.10.09 | 09.11.09 |
| G | g. | Answers to first round questions rcd from bidders | 7f | | Project Team | 11.11.09 | 01.12.09 |
| G | h. | Evaluation of responses from bidders (first round) | 7g | | BG; KS | 12.11.09 | 03.12.09 |
| G | i. | Update meeting with Leader of the Council | - | | MD, GH | 09.12.09 | - |
| G | j. | Project team meeting to evaluate responses from phase one dialogue | 7h | | Project Team | 10.12.09 | - |
| G | k. | Project Board meeting to evaluate responses from phase one dialogue | 7h/j | | Project Board | 17.12.09 | - |
| G | l. | Shortlist and inform contractors | 7h-k | Project Board | 17.12.09 | 31.01.10 | |
| | I. | Phase One (ISOS) Complete | | | | 22.12.09 | - |
| | 8. | Consultation and Communications | | | | 01.10.09 | ongoing |
| G | a. | Develop communications plan | | | JS/BG/JEW/MD | 01.10.09 | 10.12.09 |
| G | b. | Briefing to Full Council/P&R | 7l | | MD/Cllr GH/ | 11.01.10 | - |

| Status | Activities / Milestones | | Dependencies | Estimated *WM Time required | Accountable / Responsible | Start Date | End Date |
|--------|-------------------------|--|--------------|-----------------------------|-----------------------------|-----------------|-----------------|
| G | c. | Implement communications plan | 7m | | JEW/JS | 25.01.10 | ongoing |
| G | d. | Consultation with public | 7i | | JS;JEW | 31.01.10 | 31.03.10 |
| A | d.1. | Obtain information about focus groups format and representation (including disability element) from QA | 8d | | JS | 15.02.10 | 15.02.10 |
| G | e | Parish council consultation | | | JS; JEW | 31.01.10 | 31.03.10 |
| G | e.1. | Town and Parish Council consultation survey onto SNAP system | E | | KS | 15.02.10 | 31.03.10 |
| G | f. | Youth Council Consultation | | | KS/RN | 01.02.10 | 31.03.10 |
| G | g. | Commercial customer consultation | | | JS | 01.02.10 | 31.03.10 |
| G | h. | Review equalities impact assessment at end of consultation | 8d/e | | JS | 01.04.10 | 29.04.10 |
| | 9. | Evaluation criteria | | | | 01.03.10 | 29.04.10 |
| A | a. | Develop evaluation criteria and descriptive document (pass to project board for approval) | | | KS, CT, RN, MD, TH | 01.03.10 | 14.05.10 |
| | 10. | Preparation for ISDS | | | | 01.03.10 | 29.04.10 |
| G | a. | Develop ISDS pack | | | KS, CT, RN, MD, TH | 01.03.10 | 29.04.10 |
| G | b. | Send pack for legal opinion and test scoring | 9a/10a | | CT, MR, Waste Team | 16.04.10 | 23.04.10 |
| G | c. | Dispatch Project Board Meeting papers (ISDS Pack including evaluation criteria) | 9a/10a | | KS, CT | 23.04.10 | - |
| G | d. | Project Board meeting to approve ISDS pack including evaluation criteria | 9c | | Project Board | 29.04.10 | - |
| G | e. | Dispatch Project Board Meeting papers (ISDS Pack including evaluation criteria) | 9a/10a/b/d | | Project Board | 07.05.10 | |
| A | f. | Project Board meeting to approve ISDS pack including evaluation criteria | 10e | | Project Board | 14.05.10 | |
| | 11. | ISDS Stage | | | | 14.05.10 | 15.10.10 |
| | a. | Dispatch ISDS pack to bidders | 10f | | KS, CT | 14.05.10 | - |
| | b. | Questions from bidders re ISDS pack | 11a | | CT, KS | 14.05.10 | 25.06.10 |
| | c. | Responses to bidders questions | 11b | | CT, KS | 21.05.10 | 02.07.10 |
| | d. | Any Additional documents to bidders (TUPE info) | 10a-f | | CT, KS | | 04.06.10 |
| | e. | ISDS dialogue meetings (2 rounds if needed) | 11a | | CT, TH, KS, MD | 24.05.10 | 18.06.10 |
| | f. | Recommendation to/and approval from Board re decision to evaluate ISDS submission | 11e | | Project Board/Dialogue Team | 18.06.10 | 24.06.10 |

| Status | Activities / Milestones | | Dependencies | Estimated *WM Time required | Accountable / Responsible | Start Date | End Date | |
|----------|-------------------------|---|--------------|-----------------------------|---|-----------------|-----------------|-------------|
| | g. | Notification to bidders of decision to evaluate/not evaluate ISDS submission | 11f | | KS/CT | 25.06.10 | | |
| | h. | References taken up | | | KS | 24.05.10 | 09.07.10 | |
| | i. | ISDS submission deadline | | | | 09.07.10 | - | |
| | j. | Update meeting with Leader, Lead Member and Deputy Leader of the Council | | | MD, CT | 09.07.10 | 16.07.10 | |
| | k. | Evaluation and clarification of bids | | | CT, TH, MD, KS, RN | 12.07.10 | 01.10.10 | |
| | l. | Shortlist and recommendation to Board to invite finalists if appropriate | | | CT, TH, MD | 04.10.10 | 15.10.10 | |
| | m. | Project Board to approve shortlist if appropriate | | | Project Board | 04.10.10 | 15.10.10 | |
| | n. | Inform deselected bidders if appropriate | | | CT MD TH | 18.10.10 | 22.10.10 | |
| | o. | Hold debrief mtgs for deselected bidders if appropriate | | | CT KS TH | 22.10.10 | 05.11.10 | |
| | 12. | ISFT Stage | | | | 18.10.10 | 25.03.11 | |
| | a. | Prepare ISFT pack (T&Cs, tender documents) | | | CT, KS, MD, MR, TH, RN | 18.10.10 | 12.11.10 | |
| | b. | Final clarification meetings | | | CT, MD, KS, TH | 01.11.10 | 26.11.10 | |
| | c. | Dispatch ISFT documents to finalists | | | CT, KS, RN | 12.11.10 | - | |
| | d. | Site visits and submission presentations | | | CT, TH, KS, MD WRWP | 01.11.10 | 26.11.10 | |
| | e. | Clarification phase ends | | | | 26.11.10 | - | |
| | f. | ISFT submission deadline | | | | 17.12.10 | - | |
| | g. | Evaluation and selection of preferred bidder (including project board meeting) | | | CT, MD, Project Board, TH, MR, KS | 17.12.10 | 21.01.11 | |
| | h. | Governance approval and call in (Proposed P&R date – tbc Proposed Full Council Date – tbc) | | | Full Council, P&R, WRWP, Project Board, MD, SMT | 21.01.11 | 18.02.11 | |
| | i. | 10 day standstill | | | | 21.02.11 | 04.03.11 | |
| | j. | Unsuccessful finalists informed | | | CT, KS | 05.03.11 | - | |
| | 13. | Contract formally awarded | | | | 05.03.11 | - | |
| | 14. | Award contract notice posted | | | CT, KS, TH, MD | 06.03.11 | - | |
| | 15. | Contract Mobilisation period | | | | 07.03.11 | 01.08.11 | |
| R | Red | = outstanding | A | Amber | = progress being made, regular updates to be provided | G | Green | = completed |