

**Annual Procurement Plan 2022/23**

**SUMMARY**

This report provides details of the Authority's Annual Procurement Strategy for the year 2022/23.

**RECOMMENDATION(S)**

The Authority is asked to:-

- 1) Approve the Annual Procurement Plan for 2022/23;
- 2) Delegate authority to the Managing Director, in consultation with the Chief Technical Officer and the Chair, to approve contract award for Transport Services of Waste, Recycling and Associated services contract
- 3) Approve the contract award of the Green Waste Collection and Treatment contract

**1. Background** – West London Waste has the statutory responsibility to arrange for the disposal of controlled waste collected in its area by the waste collection authorities (the six constituent boroughs). The Authority and boroughs manage approximately 650,000 tonnes of waste per annum. Including waste streams for; re-use, recycling, composting, waste treatment and disposal. A significant proportion of the tonnage of both the residual waste and food waste fraction is contractually committed under three long term waste treatment contracts:

- The Residual Waste Services Contract with West London Energy Recovery Ltd operated by Suez,
- The Waste Processing (Lakeside) contract with Viridor Waste Management Ltd; and
- The organic waste stream contract with Bio Collectors Ltd.

The remaining waste is managed via medium and short-term contracts and arrangements. These are subject to procurement and market testing on a regular basis to ensure value for money and/or best environmental options is being delivered within the existing waste market.

The procurement and provision of high quality waste management contracts is key to the delivery of key strategic objectives in the joint strategy (JMWMS); effective and efficient operations focused on where we want to be in the future and joined up and consistent approaches using high-quality data. Successful procurement of suitable services and arrangements will have a critical role in delivering the above strategic objectives.

## **2. Transport procurement**

WLWA is currently procuring a contractor to provide Transport Services of waste, recycling and associated services from sites within the WLWA area. The requirements are split into Lot 1 – Bulk Haulage and Lot 2 – Roll On Roll Off Services (RoRo). Lot 1 and Lot 2 will be separate contracts and could be awarded to the same bidder. The contract is for an initial term of 2 years with two periods of one year extension. WLWA is looking for a contractor to work towards improving social value and minimising carbon throughout the contract term.

On 12 November 2021 the procurement documentation was sent to the GLA on in order to comply with GLA requirements. On 13 January 2022 WLWA issued an invitation to tender (ITT) for a 2+1+1 year contract with a contract start date of 1 June 2022. Due to the procurement being above the Find a Tender (which replaces the EUs Electronic Daily from 01/04/21 for high value contracts in the UK) threshold, the tender documentation has been published through London Tenders portal. Bid Evaluation will undertake two elements; quality (30%) and price (70%) and the tenders will be evaluated on load rates and prices also evaluated against a range of mileage bands in order to drive operational efficiencies and reduce risk for suppliers.

Low carbon principles have been incorporated into the procurement and evaluation process. Bidders are required to include details of their approach to evaluating and reducing carbon through the contract lifetime and approach to reporting carbon intensity of contract activities and monthly reporting of carbon outcomes.

A number of clarification questions were raised during the clarification process and five suppliers submitted tenders on the 28 February 2022.

The moderation session will take place on 21 and 22 March 2022 when a preferred bidder or bidders will be selected. Subject to approval, contract award is due to take place on 11 April 2022.

WLWA requests that the decision to contract award for this procurement to the Managing Director, in consultation with the Chief Technical Officer and the Chair.

Please refer to Part 2 notes for the template supplier recommendation report – which will be completed once the procurement evaluation has concluded.

## **3. Green Waste Procurement**

WLWA is currently procuring a supplier to collect and treat Green Waste from across the West London Waste Authority area. WLWA last tendered its Green Waste Treatment Services in May 2018 following an OJEU tender process for an initial two-year period. This contract was then extended by two years to 30 April 2022.

On 1 February 2022 WLWA issued an invitation to tender (ITT) through the Dynamic Purchasing System (DPS), hosted on the London Tenders Portal for a 2 year contract for the treatment of up to 60,000 tonnes of Green Waste with the initial contract start date of 1 May 2022. Bid Evaluation was undertaken using two elements; quality (40%) and price (60%).

Low carbon principles have been incorporated into the procurement documentation. Bidders are required to include details of their commitment to product circularity, approach to evaluating and reducing carbon through the contract lifetime and approach to reporting carbon intensity of contract activities.

Please refer to Part 2 notes for the full supplier recommendation report which includes evaluation scores and information regarding the preferred bidder.

#### **4. Health & Safety Advisor Support contract**

This contract was re-procured between 21/12/21 – 31/01/22 as a 1+1+1 year contract with a contract start date of 1 February 2022. The value of this contract is below Find-A-Tender threshold and six companies submitted tenders.

The contract has been awarded to Universal Safety Practitioners Ltd on the basis of a 1 year contract with the option to extend for two further years, subject to satisfactory performance.

The evaluation process showed that USP's price was competitive and they scored highest for quality – submitting an extremely comprehensive proposal which showed:

- A solid technical understanding of WLWA requirements and tasks
- A good approach to working in partnership and an understanding of the requirement to communicate at board level
- Strong H&S technical skills and experience and a suitable approach to training
- Good understanding of WLWA objectives, staff competence, strengths and which areas currently require development.

USP is the incumbent Health and Safety advisor, which facilitates a smooth transition to the new contract. The new Health & Safety contract commenced on the 1st February 2022 and the contractor has already started work to support our new Circular Economy projects.

#### **5. Multi-site CCTV systems contract**

On 21/02/22 a new contract was procured to provide CCTV systems at Abbey Road (Brent HRR) and Space Way (Hounslow) and CCTV installations on the access roads leading to both Transport Avenue and Victoria Road sites to improve access, security and operations.

The CCTV agreement that has been procured covers equipment supply, installation, repair and maintenance across all specified locations (Abbey Road, Space Way, Transport Avenue and Victoria Road). The contract was awarded to DSSL Group Ltd who are a specialist integrated security systems provider. The contract will be awarded on the basis of a 1 year contract with the option to extend for two further years, subject to satisfactory performance. DSSL submitted an extremely comprehensive proposal which provided:

- A solid technical understanding of each site's requirements / coverage
- A solution which is fully compliant and in accordance with GDPR / data protection requirements
- All ANPR, thermal and fire detection criteria addressed
- Easy remote access and a rapid response service engineering team
- Good onsite training including installation

This contract is currently being mobilised. An initial mobilisation meeting has been held to finalise timescales and requirements. Installation of new cameras and monitoring systems will be completed by June 2022.

#### **6. Low Carbon Procurement**

The eight local authorities in West London – Brent, Ealing, Hammersmith & Fulham, Harrow, Hillingdon, Hounslow, Richmond upon Thames, and Wandsworth – and West London Waste are collaboratively working together to reduce environmental impact through procurement activity by being proactive in embedding low carbon considerations in procurement processes across West London. This project has involved the development of a Low Carbon Procurement Policy, a Toolkit that sits behind it and a Charter.

The Low Carbon Procurement Toolkit provides advice and guidance to procurers in the local authorities to reduce carbon emissions across the procurement cycle and a database of questions, answers and KPIs for carbon. The toolkit aims to drive a coordinated and consistent approach across the participating authorities in achieving Net Zero objectives.

In order to develop a combined approach to engaging suppliers to help reduce West London carbon impacts, a Climate Commitment Charter for suppliers to sign up to, has been developed to show Suppliers' commitment to contributing to the net zero aims of the West London Alliance.

The Low Carbon Procurement Policy, Toolkit and charter will be ready for use by procurement officers, commissioning managers and procurement managers from 01/04/22 and already over 100 internal West London staff across the eight boroughs and WLWA have received training on the Low Carbon Procurement Toolkit.

**7. Dynamic Purchasing System (DPS)** – In total 33 suppliers are pre-approved onto the DPS for the offtake of materials and services. If suppliers are unsuccessful in their application onto the DPS they can reapply at any future stage. The Contracts and Procurement Manager is working closely with potential suppliers to raise awareness of the procurement opportunities that exist within the WLWA DPS to increase and diversify the range of suppliers that are registered.

The DPS will also support the boroughs by providing them with a procurement vehicle that offers greater flexibility, more efficiency and access to a wide range of pre-approved and specialist suppliers.

The DPS has been successfully used to carry out the Ealing MRF procurement, the treatment of mattresses contract, and the treatment of green waste. Going forwards the DPS will be used for procurement of unallocated residual waste, procurement of a Bulky waste solution and for mini competitions for the treatment/recycling of a range of materials from HRRC sites.

**8. Authority Contract Register** – The Contract Register for 2022/23 has been published on the Authority's website in compliance with the Local Government Transparency Code 2014 requirements. [Click here](#) for a link to the website page hosting the Contracts Register.

The Contract Register details the Authority's current contracts for not only waste management operations but other goods and services where their expected value exceeds the £25,000 threshold for publication. Included are the details of expiry dates, review dates, approximate annual value and comments relating to the ongoing management of these services. As well as providing statutory information, the publication of the Contracts Register will permit potential contracting partners' to identify upcoming future tendering opportunities.

**9. Authority Contracts and Procurement Rules** – The updated Contracts and Procurement Rules were approved at the December 2020 Authority meeting. These rules are now operational and all staff are procuring in line with these rules. WLWA staff have also been updated and trained on the changes to the Procurement rules. The Procurement Review Board is established and meets monthly to discuss the business cases for new procurements. WLWA has updated these rules in accordance with procurement process changes resulting from the UK's exit from the European Union.

**10. Procurement Plan** – The table below presents the projected procurements coming up in the 2022/23 financial year. The business cases for procurements are analysed on the basis of its benefit to WLWA strategic objectives, outcome of market research and difficulty to procure.

If additional services are required as a result of market/policy changes throughout the year – a business case for each procurement over £50,000 will be discussed by the Procurement Review Board, and the Head of Service Delivery and/or Contract Manager will report back to Chief Officers / Members accordingly.

**Table 1 - Approximate contract values on a per-year basis (unless stated as a one off cost)**

<b>Annual Procurement Plan 2022 - 2023</b>		
<b>PROJECT/SERVICE</b>	<b>ESTIMATED ANNUAL VALUE (£ p/t)</b>	<b>APPROX TIMESCALE FOR PROCUREMENT</b>
Unallocated residual waste long-term	£8,000,000	Apr-22
Objective tracking software	£4,300 (one off cost)	Apr-22
Unallocated residual waste short-term	£8,000,000	May-22
Waste Composition Analysis	£32,000	May-22
Annual Report (design & printing)	£3,000	May-22
Bulky waste collection service	£55,000	May-22
Wood recycling ( <i>currently covered under residual contract</i> )	£600,000	Jun-22
Street sweepings recycling ( <i>currently covered under residual contract</i> )	£200,000	Jun-22
Flats contaminated Dry Mixed Recycling	£864,000	Jun-22
Routing software 1 year licence ( <i>expires Jun '22</i> )	£26,000	Jun-22
Roving security to assist with the CCTV project	£5,000	Jun-22
Mechanical fork lift pallet mover (to buy)	£15,000 (one off cost)	Jun-22
Shipping containers for CE hub	£30,000 (one off cost)	Jul-22

Refurbishment of Harrow CE hub	£15,000 (one off cost)	Jul-22
Offtake materials at Abbey Rd: batteries	£1,000	Jul-22
Offtake materials at Abbey Rd: Gas bottles	£7,000	Jul-22
Offtake materials at Abbey Rd: Fire Extinguishers	£3,000	Jul-22
Offtake materials at Abbey Rd: Cooking oil / engine oil	£1,000	Jul-22
Offtake materials at Abbey Rd: Asbestos	£3,000	Jul-22
Hard plastics HRRC hub - hard plastics baler	£60,000 purchase / £26k pa lease	Jul-22
Hard plastics HRRC hub - Shelter for hard plastic baler	£15,000 (one off cost)	Jul-22
Access roads development	£150,000 (one off cost)	Jul-22
Brent Dry Mixed Recycling	£2,700,000	Sep-22
Bin sensors	£45,000	Sep-22
Carbon efficiency projects - heating efficiencies, LEDs & water saving measures	£15,000	Sep-22
West Drayton & Abbey Rd Cleaning Contract	£43,000	Sep-22
Rubble, Hardcore & Soil	£220,000	Oct-22
IT, hosted telephony & Desktop Services	£70,000	Oct-22
New main electric gate	£40,000 (one off cost)	Oct-22
Automatic gates @ Abbey Road	£40,000 (one off cost)	Nov-22
Metal panels to secure waste on WTS	£50,000 (one off cost)	Nov-22
Mobile plant / Machinery for investment in recycling infrastructure for West London	£200,000 (one off cost)	Jan-23
Annual maintenance of fire alarm system	£1,280	Jan-23
Opensky	£30,000	Jan-23
Installation of recycling infrastructure / Shed for Food or DMR at Abbey Rd	£500,000 (one off cost)	Mar-23

Billboard advert and design	£4,000	(throughout the year)
Printing, designing and distribution of marketing materials for various projects	£25,000	(throughout the year)
Software procurement (Adobe & survey software)	£6,000	(throughout the year)
Communications Training	£4,000	(throughout the year)
Website add-ons development	£5,000	(throughout the year)
Carbon Assessment, Site survey/audit, improvement measures	£25,000	(throughout the year)
Borough joint projects and events	£20,000	(throughout the year)
Offtake materials at Abbey Rd: Ferrous / non-Ferrous metal	£65,000 income	ongoing
Offtake materials at Abbey Rd: Paper/card	£12,000 income	ongoing
Training: Coaching programme and people development	£20,000	Year-long programme
Training: Organisational transformation	£15,000	Year-long programme

**11. Procurement Advice and Support** – The Authority continues to have external legal advisors (Sharpe Pritchard and HB Public Law) in place to provide on-going support for the West London Residual Waste Services contract. These services are provided through Service Level Agreements and under Framework Agreements. Advisors from HB Public Law are also used to support contract and procurement decisions. Additional advice and support for procurement projects primarily the Dynamic Purchasing System is provided by Hounslow Council Procurement Team.

**12. Financial Implications** – Financial provision has been included within the approved 2022/2023 budget for the provision of the services, including any proposed procurements as set out in this report. The majority of procurements in the 2022-23 Annual Procurement Plan are new procurements for 2022-23 rather than re-procurement of existing contracts. The 2022-23 new financial year is also starting at a time of uneconomic uncertainty given the current state of the global market and impact on supply chains and oil & gas. Our procurements also have a high focus on decarbonisation and it is therefore more difficult to give certainty that procurements will result in financial savings. To mitigate this risk our procurements require bidders to show their approach to measuring and reporting carbon savings.

**13. Risk Management** – The proposals detailed in this procurement plan will be aligned with the requirements of the Authority’s T&C Regulations. Officers will manage any risks that may be identified as they arise.

**14. Health and Safety Implications** – Health and Safety considerations form part of the tender evaluation process including potential partners’ record on health and safety and proposed future

management arrangements. Where appropriate advice will be sought from the Authority's Health and Safety advisors Universal Safety Practitioners Ltd.

**15. Legal Implications** – The Authority is required to act in accordance with the Public Contracts Regulations 2015. Many of the arrangements will involve the Authority entering in to a formal contract.

**16. Impact on Joint Municipal Waste Management Strategy** – The procurement and provision of high quality waste management contracts are key to the delivery of the Joint Waste Management Strategy and strategic procurement and joint working across the boroughs is also vital to a number of key WLWA strategic objectives; 'effective and efficient operations focused on where we want to be in the future', 'collaborative models in the sub-region and pan-London' and 'working joined up and consistent, using high-quality data'.

Background Papers	None	
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