

For General Release

REPORT TO:	Cabinet 11 July 2016
AGENDA ITEM:	14
SUBJECT:	South London Waste Partnership (“The Partnership”) – Procurement of joint Waste collection and Related Environmental Services
LEAD OFFICERS:	Jo Negrini, Acting Chief Executive Steve Iles, Director of Streets
CABINET MEMBER:	Councillor Stuart Collins, Cabinet Member Cabinet Member for Clean Green Croydon. and Councillor Simon Hall Cabinet Member for Finance and Treasury
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON Cleaner & Greener – through competitive dialogue to procure a contract capable of ensuring that environmental improvements will be achieved during the life of the contract to enhance and improve the environment, and increase recycling and promote reuse. These services meet the Council’s Corporate priorities to: Provide value for money to its residents through the development of an integrated waste and street cleansing service alongside three neighbouring authorities, considerable savings and also improvements in contract performance Support improved use of Council assets and investment in energy and carbon management. Contribute to the local economy and environment through social value. Include the Council’s commitment to the London Living Wage.	
FINANCIAL IMPACT: The financial implications of the award of this contract to the preferential bidder would result in revenue savings to the council of £4.2m per annum against a revenue budget of £14.069m. For the full initial 8 year period of the contract the council will save £34.297m against a cumulative budget for the duration of the 8 years of £98.489m. This takes into account financing costs on asset additions of £800k per annum over the 8 years.	
KEY DECISION REFERENCE NO: 20/16/CAB The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Strategic Overview Committee by the requisite number of Councillors.	

The Leader of the Council has delegated to Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

Having carefully read and considered the report and the requirements of the Council's public sector equality duty in relation to the issues detailed in the body of the report Cabinet is recommended to :

- a) Approve the appointment of Veolia ES (UK) Ltd as Preferred Bidder in relation to the procurement exercise that has been undertaken by the South London Waste Partnership for waste collection, street cleaning, commercial waste, winter gritting and fleet management/vehicle maintenance (Lot 1) as endorsed by the Joint Waste Committee and upon the terms detailed in the associated Part B report.
- b) Approve that Amey LG Limited is appointed as the Reserved Bidder for the Lot 1 services as endorsed by the Joint Waste Committee on 7 June 2016.
- c) Approve the appointment of The Landscape Group Limited as Preferred Bidder in relation to the procurement exercise that has been undertaken by the South London Waste Partnership for parks, grounds maintenance, cemeteries, verges and tree maintenance (Lot 2) as endorsed by the Joint Waste Committee on 7 June 2016.
- d) Approve that Veolia ES (UK) Ltd is appointed as the Reserved Bidder for the Lot 2 Services as endorsed by the Joint Waste Committee on 7 June 2016.
- e) Note that at this stage, due to existing contract arrangements, Croydon has opted not to partake in Lot 2 Services, although it has the Lead procurement function for this Lot on behalf of the Partnership.
- f) Delegate authority to the Director of Streets to agree the Inter Authority Agreement (IAA) and the arrangements relating to the management of the contracts prior to contract award.
- g) Agree that the Preferred Bidders are granted permission and allowed access to start discussions with staff and the unions about their proposed changes to employment terms and conditions where required.
- h) Note the service changes and approve the changes to garden waste and bulky waste collection costs the year 2018/19, although there is the option for boroughs to set their own prices.
- i) Agree that, subject to financial close and 'fine tuning' discussions, with the Preferred Bidder being resolved to the satisfaction of the South London Waste Partnership Management Group, and there being no material changes to the

proposed solution beyond the scope of the proposed solution set out in this report, authorise the Director of Streets(acting in consultation with the Chair of the Joint Waste Committee, the Management Group and the Partnership's Legal Lead) , to award the final contract and agree all necessary documentation without further recourse to this Cabinet.

2. BACKGROUND

- 2.1 Croydon's waste collection and street cleaning contract runs until 31 March 2017. It was originally let in 2003 to Cleanaway before the company was procured by Veolia in 2007. The current administration inherited the Veolia contract in 2014.
- 2.2 In recent times there has been a shift in the expectations regarding the standard to which Veolia delivered its services under the contract, although the current contract is regulated by a set of key performance indicators, which are not particularly robust by today's standards. The mechanisms by which residents can report service issues have also changed, resulting in considerably more requests via online reporting such as 'My Account' and the 'My Croydon' smartphone app.
- 2.3 The proposed new contract for the SLWP will be underpinned by a more robust set of performance indicators which will drive standards of service delivery and ensure there are appropriate penalties for service failures.

3. EXECUTIVE SUMMARY

- 3.1 This report informs the Cabinet of the outcome of the procurement process for the two lots in the South London Waste Partnership's (SLWP) Environmental Services Procurement and follows endorsement from the SLWP Joint Waste Committee on June 7th 2016.
- 3.2 This report seeks endorsement for the selection of Veolia ES (UK) Ltd as Preferred Bidder for waste collection, street cleaning, winter gritting and fleet procurement and maintenance (Lot 1) and Amey as Reserve Bidder. It also seeks approval to select The Landscape Group as Preferred Bidder for parks, grounds maintenance, cemeteries, verges and tree maintenance (Lot 2) and Veolia ES (UK) Ltd as Reserve Bidder.
- 3.3 This report details the implications of the proposal for Croydon's existing services, the governance arrangements for the new contract and confirms the timetable for the remainder of the procurement exercise. The SLWP contract for Lot 1 will commence on 1 April 2017, although the new service for

Croydon will not commence until 1 April 2018 for street cleansing, and 1 October 2018 for the new household waste collection service.

- 3.4 The SLWP contract for Lot 2 will commence on 1 February 2017, although due to existing contractual arrangements, Croydon has opted not to Award Lot 2 services for itself through the Partnership, but retains the option to do so in the future. Any such decision will be the subject of a considered business case and also Cabinet approval.
- 3.5 The contracts each cover a period of 8 years, with two further opportunities to extend for 8 years (up to 24 years in total) by mutual agreement.
- 3.6 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
TBC	TBC

4. DETAIL

- 4.1 The SLWP was formed in 2003 between the boroughs of Croydon, Kingston, Merton, and Sutton and has a proven record of providing improved and more cost-effective waste management services through the procurement of complex waste disposal treatment, recycling and Household Reuse and Recycling Centre contracts. The SLWP itself is not a legal entity and thus procures its contracts through one of the borough members of the Partnership in this case, Croydon Council.
- 4.2 Officers from the partner boroughs explored opportunities for future delivery of a range of high quality environmental services. An options analysis was undertaken to assess the merits of procuring services in Partnership, as opposed to procuring alone, or retaining existing arrangements. The four boroughs made an assessment of delivery, procurement options and modelling savings based on joint procurement by all boroughs. The modelling suggested savings in the region of 10% from procuring jointly with the potential to achieve savings in excess of this if the partner boroughs harmonised these services.
- 4.3 On this basis a business case for a joint procurement exercise for the following services was agreed in each of the boroughs

Lot 1 (All boroughs)	Lot 2 (Sutton & Merton only but Croydonm option to join later)
Waste collection	Parks

Street cleaning	Grounds maintenance
Commercial waste	Cemeteries
Winter gritting	Verge maintenance
Fleet Management / vehicle maintenance	Tree maintenance (excl inspections)

- 4.4 The objectives of procuring on a sub-regional basis are to maintain a high quality service and customer satisfaction, reduce spend, increase income opportunities, through environmentally sustainable, carbon efficient, innovative solutions.
- 4.5 Currently the partner boroughs deliver their waste collection services differently, with some providing weekly food waste collections, fortnightly collection and twin stream recycling services with all of the boroughs providing a chargeable green garden waste service.

5. HARMONISED SERVICE PROPOSALS

- 5.1 The recommended Preferred Bidders' service proposals involved harmonisation of services over time across the Partnership area.
- 5.2 Waste collection proposals include:
Food waste collected every week
- Residual (non-recyclable or 'black bag') waste collected every fortnight
 - Card and paper collected every fortnight
 - Tins, plastics glass collected every fortnight

The specific service methodology for the proposed approach are detailed in Part B.

- 5.3 Other services are also harmonised across the partnership area. The street cleaning service proposals operate on a neighbourhood basis. Parks and grounds maintenance service resource is flexible with dedicated staff at key locations. Boroughs are able to share depot space, enabling the services to operate more efficiently.
- 5.4 The recommended preferred bidder's likely timetable for service change in each of the Partnership boroughs is shown in the diagram below:



6. COMMUNICATIONS & ENGAGEMENT

- 6.1 The Partnership has created an overarching SLWP Environmental Services Procurement (Preferred Bidder) Communications Plan covering the period 26 April – 2 December 2016. The Plan has been drafted by the Partnership’s Communications Advisor in close liaison with the Communications Co-ordination Group (made up of communications representatives from each of the four boroughs).
- 6.2 The key objectives of the SLWP Environmental Services Procurement (Preferred Bidder) Communications Plan are to: Provide residents, elected Members, council staff and other stakeholders with clear, factual and timely information about the SLWP Environmental Services contracts; fill the seven-month ‘information void’ that would otherwise exist between the identity of the recommended Preferred Bidders entering the public domain on 27 May 2016 and contracts being signed in December 2016; help mitigate the risk of commercially sensitive information entering the public domain whilst the Preferred Bidder recommendations are being endorsed by the Joint Waste Committee and considered by the four boroughs.
- 6.3 During Fine Tuning (August – November 2016) the Partnership’s Communications Advisor will work with the Preferred Bidders to develop joint Communications and Engagement Strategies and Plans that take effect once contracts are signed.
- 6.4 Given the different implications of the contract award for each of the four boroughs, Merton and Sutton (where staff working on both Lot 1 and Lot 2 services are predominantly directly employed by those boroughs) have chosen to produce their own borough-specific communications plans. This has been done in liaison with the Partnership’s Communications Advisor.

7. THE PROCUREMENT PROCESS

- 7.1 The Competitive Dialogue procurement route was recommended due to the scope and complexity of services and feedback from market engagement. Annex 1 outlines the Competitive Dialogue procurement process in greater

detail. The key determinants of the decision to use Competitive Dialogue were; a) the complexity of the requirement and the need to shape the market, explore various options and service developments with bidders; b) the costs of the services which are approximately £38m per annum for the four boroughs, and; c) the requirement for skilled negotiation to take place with bidders, particularly given the scale of spend and objective to achieve significant savings.

- 7.2 One of the key benefits of using Competitive Dialogue is that it allows both the authorities and bidders to enhance and adapt the scope of the requirements throughout the process, including the final specification. This has highlighted further efficiencies, in demonstrating the benefits of incorporating, for example, the administration function for the cemeteries services, along with the sports bookings function for parks, within the scope of the contracts.
- 7.3 Following approval by the four boroughs, an OJEU notice was submitted in January 2015 and those companies expressing an interest were sent a Pre-Qualification Questionnaire (PQQ).
- 7.4 The Competitive Dialogue ran in three stages; Outline Solutions Stage, Detailed Solutions Stage and Final Tender Stage. Bids were evaluated at each stage according to the evaluation criteria; a detailed report on the evaluation process and outcome of each stage of dialogue is detailed in Part B.
- 7.5 Pre-Qualification Questionnaire Assessment
- 7.6 For Lot 1, Pre-Qualification Questionnaires were received from five companies by the 24 February 2015 deadline and were reviewed by officers and advisers.
- 7.7 For Lot 2, Pre-Qualification Questionnaires were received from nine companies. by the 24 February 2015 deadline and were reviewed by officers and advisers.
- 7.8 In Lot 1, all five companies submitting a PQQ were assessed as suitable to take through to the competitive dialogue process.
- 7.9 In Lot 2, six applicants were assessed as suitable to take through to the competitive dialogue process:
- 7.10 The Invitation to Participate in Dialogue was issued to bidders on 18 March 2015. The Evaluation Criteria for Lots 1 and 2 were applied to assess solutions received from each of the bidders at each stage of the procurement.
- 7.11 In Lot 1, price was evaluated separately at Invitation to Submit Outline Solutions (ISOS) stage. Bidders were awarded a maximum of 40% of marks available on the basis of a price for running the Lot 1 Services 'As Is', a price for a proposed 'New Service' which would offer an optimum level of savings,

the impact of the proposed 'New Service' on the treatment and disposal of waste costs, and potential to maximise recycling income, and finally the robustness of pricing and how savings were to be achieved. This detailed price assessment at ISOS stage helped to determine the specification going into the Detailed Solutions stage of the procurement, and to assess the likely impact of a change in collection regime in terms of the savings potential. All bidders proposed a 'New Service' which was cheaper than the 'As Is' service and therefore bidders were instructed to proceed at the next stage on the basis of their 'New Service' proposal.

- 7.12 In Lot 2, bidders were asked to submit an indicative price at Outline Solutions Stage, which was not evaluated, however bidders received feedback on their relative pricing position at the Detailed Solutions Stage to inform the development of their proposal.
- 7.13 At Invitation to Submit Detailed Solutions (ISDS) and Invitation to Submit Final Tender Solutions (ISFT) stages, bidders' prices were assessed in accordance with the Price Evaluation Method. Full details of the evaluation are set out in the Evaluation Report in Part B of this report.
- 7.14 Invitation to Submit Outline Solutions (ISOS)
- 7.15 Four bidders confirmed their intention to participate in dialogue and submit an outline solution. The fifth bidder dropped out of the process after the first round of meetings citing commitments competing for their resources elsewhere.
- 7.16 The dialogue meetings focused on bidders' technical solution. In Lot 1, Bidders' were asked to price two scenarios, one where the services were to operate on an 'as is' basis and the other where the services could be designed by the bidders to meet the Partnership's objectives. A significant amount of work went into assessing the pricing of both 'as is' and proposed solutions so that the relative costs of both were well understood. In both Lots, bidders were given opportunities to visit all available sites and depots. Bidders submitted a total of 315 separate clarification questions in this round.
- 7.17 Outline solutions were submitted by all four bidders in Lot 1 by the 10 July 2015 deadline. All six bidders in Lot 2 submitted outline solutions by the separate Lot 2 deadline of 3 August 2015. The submissions were reviewed and assessed by officers and the Partnership's advisers, according to the completeness and compliance of submissions, and by application of the Evaluation Criteria.

Note: The evaluation results are provided in Part B to this report

- 7.18 All four Lot 1 submissions were assessed to be of good quality. The bidders' proposals for new, cross-borough waste collection services were all considered to meet the boroughs' requirements and offered considerably greater savings than the 'as is' service proposals.

- 7.19 In accordance with the published process, the two lowest scoring bidders in Lot 2 were deselected and the remaining bidders were invited to the next stage of dialogue; detailed solutions. All four Lot 1 bidders were also invited to take part in the next stage. The Invitations were sent out on 9 September 2015.
- 7.20 Invitation to Submit Detailed Solutions (ISDS)
- 7.21 All the remaining bidders in both Lots received revised contract documents and instructions at the outset of detailed solutions and all the bidders confirmed their intention to participate.
- 7.22 In Lot 1, the dialogue meetings focused on bidders' approach to running the services including proposed changes to waste collections and street cleaning methodologies, their proposals for sharing income with the Partnership, and any efficiencies which could be derived leading to a reduced management fee.
- 7.23 In Lot 2, dialogue meetings focussed on the detailed technical proposals, including but not limited to levels of resources proposed and staffing structures, proposals for engagement with stakeholders (e.g. Friends of parks groups), income generation for chargeable services such as sports pitch bookings.
- 7.24 Across both Lots, bidders submitted a total of 305 clarification questions during detailed solutions dialogue.
- 7.25 Detailed solutions were submitted by all four bidders by the 16 November 2015 deadline. The four submissions in each of the two Lots were reviewed and assessed by officers and the Partnership's advisers, according to the completeness and compliance of submissions, the application of the Evaluation Criteria set out in full in Part B. The results of this evaluation were moderated by the project team and work-stream leads. The outcome of this process was to establish a quality score for each bid, and the decision tree set out in Part B was used with each submission's quality score and price to rank each bidder.

Note: The evaluation results are provided in Part B to this report.

- 7.26 Following the deselection of the lowest scoring bidder in Lot 1 and the two lowest scoring bidders in Lot 2 the remaining bidders in Lot 1 and Lot 2 were invited to final tender stage dialogue.
- 7.27 Invitation to Submit Final Tender Solutions (ISFT)
- 7.28 The Invitation to Submit Final Tender Solutions was issued to remaining bidders on 21 December 2015, and dialogue meetings commenced on 4

January 2016. The focus of the final round of meetings was to further negotiate price to attempt to derive further savings, and to discuss any areas of bidders' proposals requiring improvement or amendment to ensure each borough's requirements are met.

- 7.29 A significant amount of work was carried out at this stage, both by bidders and the Partnership on the further refined detail of bidders' solutions and the alignment of each solution with each bidder's financial model. The financial model was a requirement of submission both to evidence each bidder's costed model and basis for their assumptions, and also to provide the Partnership with the required level of transparency in each bid. At this stage, funding requirements were also clarified for each Lot 1, with boroughs electing to provide the capital requirements as this yields greater savings through the life of the contract. An extension of time of two weeks to the deadline for bidders to submit their detailed solutions proposals was agreed and granted, to allow further time for bidders to refine their financial models. This extension was workable within the overall timetable as it did not impact on the contract start date.
- 7.30 A two week period followed the completion of dialogue meetings, to allow bidders time to finalise their solutions and to put forward any final clarifications. There were 205 clarification questions raised by bidders in the final stage of dialogue.
- 7.31 The call for final tenders was issued on 31 March 2016 marking the formal closure of dialogue, and final tenders were submitted on the deadline date of 1 April 2016. The two submissions were reviewed and assessed by officers and the Partnership's advisers, according to the same criteria applied throughout the procurement. The results of this evaluation were moderated by the project team and work-stream leads and are set out in detail in Part B

8. BENEFITS OF THE NEW CONTRACTS

- 8.1 The objectives agreed prior to the commencement of the procurement exercise were:
- i. to target optimum savings on the costs of service provision through lower service costs and increasing recycle revenues;
 - ii. to deliver residents a high performing service, achieving high levels of customer satisfaction;
 - iii. to provide improved environmental and carbon outcomes in the way we deliver environmental services; and
 - iv. to ensure the community are engaged and involved in the management and maintenance of parks, cemeteries and open spaces in Merton and Sutton.

- 8.2 At a time of diminishing budgets the ability to provide higher quality services and improved levels of customer satisfaction becomes more challenging. The selection of the preferred bidder provides a resilience to services that Croydon are not able to provide in isolation, the contractor will be able to distribute resources across the partnership area to manage demand. The contractor will also be able to divert resources from outside of the partnership area to ensure resilience of service delivery.
- 8.3 The objectives agreed prior to the commencement of the procurement exercise, sought to ensure that levels of service delivery would be maintained, with a contribution to the required savings targets and enhance the environmental performance of the services. The recommended preferred bidder's solution delivers significant benefits to Croydon over the course of the contract term.
- 8.4 Whilst the recommended preferred bidder for Lot 1 services is the current provider of Croydon's Lot 1 services, there will be key enhancements to the way these services are delivered. The new contract will be underpinned by a new set of performance indicators which set the contractor challenging targets aimed at driving up performance in key areas such as missed collections and street cleanliness. With strict penalties associated with failure to meet these targets, the preferred bidder has proposed a robust monitoring approach to ensure these standards are upheld.
- 8.5 The proposal to increase additional recycling capacity for paper and card alongside fortnightly collection of residual waste and enhanced recycling capacity will assist in contributing to the achievement of the Council's Ambitious for Croydon targets.
- 8.6 In addition to the positive impact on the recycling performance, this contract will deliver significant savings to Croydon for the duration of the contract.
- 8.7 The street cleaning service proposed by the preferred bidder will introduce a neighbourhood approach with a change in the hours of coverage across the borough.
- 8.8 Where possible street cleansing schedules will complement the recycling service, meaning that problems associated with spillages and windblown litter are minimised. There will also be a harmonisation of standards across the partnership boroughs relating to response times for services such as graffiti removal and fly tipping.

9 GOVERNANCE AND CONTRACT MANAGEMENT

- 9.1 In 2015, the Partnership boroughs agreed a new Inter Authority Agreement (IAA) relating to the procurement of waste collection (including commercial waste), street cleaning, fleet management and parks, including cemeteries, grounds maintenance and their associated services. This document related to

the procurement phase with a commitment to agree a variation to the IAA for the contract management element prior to contract commencement.

- 9.2 As a result a new 'service phase' IAA is being drafted the Partnership's legal advisers, in consultation with the boroughs' lead officers. The main principles remain consistent with those in existing agreements and will cover the period from Contract Award onwards, so there is no gap between the Procurement IAA and the Contract IAA.
- 9.3 The contract will be managed by the Partnership in conjunction with each of the boroughs, with a centralised client function sitting in the Partnership team and a borough-led client team in each borough, in accordance with the reporting requirements developed through dialogue with bidders and agreed with the Preferred Bidder during fine tuning.

10 TIMESCALES & MOBILISATION

- 10.1 Subject to each partner borough executive's approval of the recommendations within this report, the contract will commence on 1 April 2017 for Lot 1 and 1 February 2017 for Lot 2. A mobilisation plan has been submitted by the Preferred Bidder in accordance with the submission requirements and will be subject to further discussion and agreement with Partnership officers during contract fine tuning.
- 10.2 The indicative timetable leading to contract commencement is as follows:

Borough Executive Approvals for Preferred Bidder	June – July 2016
Preferred Bidder Fine Tuning	August – November 2016
Contract Signing (includes 10 working day standstill period following notification of contract award)	December 2016
Mobilisation period (including TUPE transfer of relevant staff)	Lot 1: January – March 2017 Lot 2: January 2017
Contract Commencement	Lot 1: 1 April 2017 Lot 2: 1 February 2017

*Note these are dates of SLWP contract commencement, not the dates scheduled for these services to begin in Croydon as detailed in 4.4.

11 PROCUREMENT PROCESS AND COSTS

- 11.1 This section of the report details the procurement process undertaken in order to reach the recommendation of preferred bidder and reserve bidder for Lot 1 and Lot 2 services. Taking into account a successful funding bid from the DCLG, the procurement process cost less than £100,000 per borough.
- 11.2 The Department for Communities and Local Government (DCLG) awarded funding of £1.3m to the project following a successful application by London Borough of Sutton on behalf of the Partnership boroughs to the Transformation Challenge Award (TCA) scheme.

The table below details the total estimated cost of the procurement (£1,640,027) from 2014/15 to 2016/17. TCA funding of £1,330,500 was received in April 2015 from DCLG resulting in an estimated cost payable by the Partnership of £309,527 (£77,382 per borough). £1,221,130 expenditure has been incurred up until 31 March 2016 leaving an estimated £418,897 of expenditure to be incurred during 2016/17.

Item	Estimate £	Actuals to 31 March 2016 £
<i>Advisor Consortium</i>	1,254,997	1,086,077
<i>Project & Contract Management</i>	161,000	66,778
<i>Internal Legal Advice</i>	90,375	68,275
<i>Contingency</i>	133,655	0
Sub-Total	1,640,027	1,221,130
Less TCA funding	-1,330,500	-1,330,500
TOTAL	309,527	-109,370
COST PER BOROUGH	77,382	-27,343

12 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

12.1 Revenue and Capital consequences of report recommendations

See Table in Part B

12.2 The effect of the decision

Approval of the recommendation would allow the SLWP to continue the Competitive Dialogue process with the preferred bidder and develop a full, detailed solution. Full effects of the decision on approval of the recommendation are shown in the financial table in part B.

12.3 Risks

See Part B

12.4 Options

See Part B

12.5 Future savings/efficiencies

See Part B

Approved by: Lisa Taylor, Assistant Director of Finance and Deputy S151 Officer

13 COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

13.1 On behalf of the Acting Council Solicitor, it is commented that the recommendations contained within this report are within the powers of Cabinet.

13.2 The procurement exercise leading to the recommendation of a preferred bidder has been conducted using the Competitive Dialogue procedure as provided for under the Public Contract Regulations 2006 (as amended). Legal advice in relation to the procurement rules and the drafting of contract documentation and other relevant legal matters has been given throughout the whole of this procurement process. There are no governance or legal concerns at this time in relation to the proposed recommendation. Legal advice will continue to be provided up to financial close on the proposed contracts as well as the proposed inter authority agreement to be entered into between the Partnership boroughs to manage the contracts.

Approved by: Sean Murphy, Principal Corporate Solicitor (Regeneration), on behalf of the Acting Council Solicitor and Acting Monitoring Officer).

14 HUMAN RESOURCES IMPACT

14.1 This paper is likely to involve the transfer of some staff from the Council's Commercial Waste team to Veolia which will invoke the effects of the Transfer of Undertakings (Protection of Employment) 2006 Legislation and as amended 2014. All staff that predominantly work in the identified service would be transferred to the new contractor on their existing terms and conditions of service (with the exception of pension rights). The council's TUPE protocol and all other related policies and procedures must be followed, particularly the duty to consult.

Approved by: **Adrian Prescod HR Business Partner - Place Department** on behalf of the Director of Human Resources)

15 EQUALITIES IMPACT

15.1 The tender opportunity and procurement process was conducted with due regard for equalities legislation and bidders selected for Competitive Dialogue

were required to have a current Equalities Policy which met legislative requirements.

16 SOCIAL VALUE

- 16.1 To meet the requirements of the Public Service (Social Value) Act 2012, the Partnership is obliged to measure the social impact of services commissioned by the constituent councils. Bidders were therefore required in their submissions to demonstrate how their proposals would contribute to social value within the partner boroughs. Contribution to social value in the context of this procurement was defined as, but not limited to, apprenticeship schemes, local employment opportunities and third sector engagement.

17. ENVIRONMENTAL IMPACT

- 17.1 The new services will deliver environmental benefits by contributing to the boroughs' aims to reduce waste from households, increase recycling rates and reduce carbon emissions including vehicles used for the delivery of the services covered by these contracts, with the contract stating that all relevant environmental standards will be adhered to.

18. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 18.1 These are contained within this and the associated B report.

19. OPTIONS CONSIDERED AND REJECTED

- 19.1 The Partnership has explored options for individual partnering boroughs to undertake separate procurements, but the conclusion was that greater efficiencies could be achieved through joint working.

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BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972:

- 1 – Lot 1 Evaluation criteria and weightings
- 2 – Lot 2 Evaluation criteria and weightings
- 3 – Schedule 5 Evaluation Process
- 4 – Price Evaluation Method

