

North Lanarkshire Council

Report

Finance and Resources Committee

approval noting

Ref

Date 30/01/20

National Framework Contract for Supply of Water and Waste Water Billing Services

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Executive Summary

The Council (and its ALEO's) have a requirement to secure a regulated water supplier to provide its operational properties with the supply of water and disposal of waste water including any associated billing costs etc. for the services provided.

The current national framework contract for the Supply of Water and Waste Water Billing Services that the Council is participating in was procured by Scottish Procurement in 2015. This contract was awarded to Anglian Water Business (National) Limited and is due to expire on 31 March 2020.

Committee is asked to approve the Council's continued participation in the national framework contract for the Supply of Water and Waste Water Billing Services (WWWBS) (the "Contract") resulting from the work recently undertaken by Scottish Procurement to put in place the next generation of the national framework contract for WWWBS on behalf of the Scottish Public Sector.

The Contract has been awarded to Scottish Water Business Stream Limited and is anticipated to commence on 01 April 2020 and will cover an initial supply period of three years to 31 March 2023 with the option to extend for a further one year until 31 March 2024.

Based on historic spend patterns and ongoing remedial action to improve consumption within the Councils operational properties, it is anticipated the Council will spend £6,000,000 (£1,500,000 per annum) throughout the full term of the Contract.

Recommendations

It is recommended that the Committee approves:

- 1.) the Council's participation in the national framework contract for the Supply of Water and Waste Water Billing Services for its entire term as guided by Scottish Procurement
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The Plan for North Lanarkshire

Priority Enhance participation, capacity, and empowerment across our communities

Ambition statement (17) Ensure we keep our environment clean, safe, and attractive

1. Background

The Council (and its ALEO's) have a requirement to secure a regulated water supplier to provide its operational properties with the supply of water and disposal of waste water including any associated billing costs etc. for the services provided.

- 1.1 Scottish Procurement (a division of the Scottish Government) has the remit to develop and implement procurement strategies for the national major commodities / contracts on behalf of the entire public sector in Scotland.
 - 1.2 The current national framework contract for the Supply of Water and Waste Water Billing Services that the Council is participating in was procured by Scottish Procurement in 2015. This contract was awarded to Anglian Water Business (National) Limited and is due to expire on 31 March 2020.
 - 1.3 Following a rigorous EU procurement process, Scottish Procurement have confirmed the next generation of the WWWS Contract has been awarded to Scottish Water Business Stream Limited with the Contract anticipated to commence on 01 April 2020.
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2. Report

- 2.1 The Council (and its ALEO's) have a requirement to secure a regulated water supplier to provide its operational properties with the supply of water and disposal of waste water including any associated billing costs etc. for the services provided.

Through the existing contract, the current supplier has assisted in identifying Council properties with high levels of consumptions, assisted in surveying these properties and installed remedial measures to reduce consumption and cost.
 - 2.2 The Council has participated in historic generations of WWWS collaborative contracts. Collaborative procurement by the public sector is considered to be the most efficient means of dealing with major procurements and Scottish Procurement implement various contracts on behalf of the public sector in Scotland.
 - 2.3 The Contract is anticipated to commence on 01 April 2020 and will cover an initial supply period of three years to 31 March 2023 with the option to extend for a further one year until 31 March 2024.
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3. Equality and Diversity

3.1 Fairer Scotland Duty

The report is not about a key strategic decision and not subject to the Fairer Scotland Duty.

3.2 Equality Impact Assessment

An Equality Impact Assessment is not required.

4. Implications

4.1 Financial Impact

Based on historic spend patterns and ongoing remedial action to improve consumption within the Councils operational properties, it is anticipated the Council will spend £6,000,000 (£1,500,000 per annum) throughout the full term of the Contract.

The cost of the Contract shall be met from existing revenue budgets and it is anticipated that the collaborative approach adopted by Scottish Procurement for WWWS will ensure the Council secures the best value outcome for requirements.

4.2 HR/Policy/Legislative Impact

Community Benefits

Scottish Procurement and the Council is committed to maximising the delivery of community benefits. The Contract includes a community benefit requirement which is designed to deliver community benefits where possible and is shared across all participating bodies.

Within the Contract, Scottish Water Business Stream Limited have committed to provide the following community benefits as a minimum:

Community Benefit	Offering
Work experience 16+ years	Four (4) per year
Apprentices (working exclusively or mainly on the Contract)	Four throughout the term of the Contract
Schools outreach programme	Two (2)
Mentoring and work placement programme	Four (4) students per year
Book fund / course materials for students	£4,000 per year
Annual Innovation Day	One (1) per year
Grants for the annual water efficiency fund	£50,000 per year

Fair Work Practices

Scottish Water Business Stream Limited demonstrated commitment to Fair Work practices including commitment to support new and novel small firms in their supply chain

Equalities

The procurement procedure excludes any Tenderer where a complaint had been upheld after investigation by the Equality and Human Rights commission or its predecessors and a failure to take remedial action.

4.3 **Environmental Impact**

There are no significant environmental impacts arising from this report.

4.4 **Risk Impact**

There are no significant risk implications arising from this report.

5. Measures of success

5.1 The Contracts will deliver the following outcomes;

- a. the appointment of a service provider who has the experience and capability to deliver an innovative, high quality and responsive service;
 - b. the Contract award procedure is compliant with the procurement legislation and internal procedures;
 - c. that best value is both demonstrable and achieved;
 - d. that the Contract performance is proactively managed against a number of Key Performance Indicators both nationally and locally; and
 - e. a collaborative approach to the procurement of the requirement, minimising the burden on internal resource and leveraging the economies of scale.
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6. Supporting documents

**The plan for North
Lanarkshire**

Enhance participation, capacity, and empowerment
across our communities



James McKinstry
Head of Asset & Procurement Solutions