

Report for **Cabinet**

Title: Contract Award for the provision of Water, Wastewater & Ancillary Services under the Council's Contract Standing Order(CSO) 9.07.1(d)

Report

authorised by : Helen Fisher, Director of Housing, Regeneration, and Planning

Lead Officer: Kamar Zaman, Energy Manager. x2178

Ward(s) affected: All

Report for Key/

Non Key Decision: Key decision

1. Describe the issue under consideration

- 1.1 This report sets out a proposal to enter into a contract for the provision of Water, Wastewater & Ancillary Services following a collaborative procurement exercise conducted on behalf of members of the London Energy Project (LEP) and NHS London Procurement Partnership and to award the contract to Anglian Water Business (National) Ltd trading as "Wave" for a period of two years with an option to extend for a further 2 years as permitted under CSO 7.01(b) (power to select a contractor from a Framework) in accordance with CSO 9.07.1(d) (Cabinet's power to award contract of £500,000 and above) for a total contract value over 4 years of £3.1m.
- 1.2 This contract has been awarded following a competition carried out using Lot 3 of the Crown Commercial Service Framework RM3790. With the winner chosen on the basis of quality, price, financial standing, and terms and conditions, which was conducted collaboratively by a panel of staff from 15 authorities.

2. Cabinet Member Introduction (Cabinet Member for Corporate Services and Insourcing)

- 2.1 It is clearly essential that the Council, and the services it provides, can depend on uninterrupted, high quality and value-for money water services. As set out in this report, changes in the water market have forced us to tender the contract for these services, and this is a timely prompt to make sure we getting both the right price and the right service for our Council services and schools. I'm particularly pleased that we have taken the opportunity to collaborate with other boroughs to get the best possible deal for Haringey, and am happy to endorse these recommendations to Cabinet.

3. Recommendations

- 3.1 For Cabinet to award the contract for the Provision of Water, Wastewater and Ancillary Services to Anglian Water Business (National) Ltd trading as "Wave" (on

the basis that it represents best overall value for money, following a thorough evaluation of quality and price) as permitted under CSO 7.01(b) in accordance with CSO 9.07.1(d) for a total sum of £3.1m. The contract is for two years with an option to extend for another two years if needed.

- 3.2 To delegate authority to the Director of Housing, Regeneration, and Planning to undertake all necessary actions to enable the contract to be awarded to Anglian Water Business (National) Ltd trading as “Wave” under Lot 3 of the Crown Commercial Service (CCS) Framework Agreement RM3790. These actions are detailed within Appendix 2.

4. Reasons for decision

- 4.1 Under the Water Act 2014, Haringey Council are required to appoint a contractor for a Water Retailer and to do so in accordance with the Public Contracts Regulations 2015 (PRC 2015). This contract is required to deliver Water Supply and management of Waste Water.
- 4.2 The successful tenderer (Anglian Water Business (National) Ltd trading as “Wave”) submitted a bid that offered the best value to the Council. Together the LEP with the Council, are confident that this retailer has the capability to deliver the services to the required standard.
- 4.3 The successful tenderer showed a good understanding of the services required by the Council. The contract value is £3.1m covering the supply of water and wastewater and an ancillary service to reduce water demand. It covers a maximum of four years. This will be delivered on an existing procurement framework managed by the Crown Commercial Services (CCS) (Lot 3 RMO3790)

5. Alternative options considered to secure best value

5.1 Do Nothing

Castle Water are the default water and waste water company (retailer) responsible for water billing and administration.

Even if the Council was minded to remain with Castle Water, the Public Contracts Regulations 2015 (PCR 2015) dictates that authorities are required to conduct a competitive process to select a retailer for water and waste water services.

5.2 For the Council to run its own full tender and appoint its own supplier

The option of an individual authority conducting its own tender or mini-competition was not recommended because the risks and costs of running this tender exercise, including the use of staff resources to write a service specification and conduct a tender exercise, are not commensurate with potential benefits of retailer service efficiencies and savings.

5.3 Pan LEP route (Preferred and actioned)

The recommended option was to join the LEP Team who would manage (at no additional cost) a pan-LEP mini competition for all LEP members to access a single retailer through a Central Purchasing Body (CPB) framework. This would be run on the basis that a CPB framework for water provides a reasonable route to market at

an affordable price for service. All LEP authorities' portfolios will be competed together via a CPB framework, with each authority having its own call-off contract.

The key reasons for this were:

- the pan-LEP aggregated customer base is both attractive and prestigious for suppliers, meaning retailers responded with high quality, well priced bids;
- the resource any CPB can afford to dedicate to a large aggregated tender is greater than Haringey Council could provide;
- a single retailer for water would not restrict market competition and will deliver greater benefits than multiple retailers, for example a dedicated customer service management function, technology deployment trials, flood and drought protection support services;
- retailers have vastly differing capabilities in core business functions, such as consolidated billing and online portfolio, account and query management platforms, therefore these aspects must be tested as part of the mini-competition process and the quality/price ratio must be appropriate for the competitive price differential vs potential for savings through efficiency gains; and,
- LEP team managed the full tender process (the service specification, mini-competition, evaluation process, oversee pre-contract set-up and manage the strategic retailer relationship).

6. Background information

Requirement to procure a new supplier

- 6.1 Haringey Council purchases approximately £350k of water and waste water ancillary services each year. In addition to this the Council buys the same service on behalf of the borough schools at a cost of £300k. The Council has always bought its water service through Thames Water, as they were the local water supplier and in effect were a monopoly for London.
- 6.2 From April 2017, pursuant to regulations made under the Water Act 2014, business customers in England are able to select who provides retail water and wastewater services to their organisation as a result of water market deregulation. To comply with the Public Contracts Regulations 2015 (PCR 2015), Haringey Council were required to appoint a contractor for a Water Retailer and to do so in accordance with PRC 2015.
- 6.3 As a consequence of the Water Act 2014, Thames Water took the business decision of selling its commercial retail operations to Castle Water while holding onto its residential operations. Thames Water retained the wholesale operations which still manages water infrastructure works. The water and waste water billing and administration activities were discharged to Castle Water.

The procurement process

- 6.4 To comply with the deregulation requirement (para 4.2) the Council had to run a procurement exercise for a new water and waste water ancillary service. To do this, the Council joined with the London Energy Project (LEP) which is a market intelligence unit, that can run procurement exercises on behalf of its members and worked with them to select and appoint a new water and waste water ancillary service.

- 6.5 The LEP membership includes public bodies in London with over 25 local authorities as well as the London Fire Authority, the Metropolitan Police and Transport for London. This membership of public organisations commands a sizeable aggregated volume of water to purchase. For this procurement, the membership was extended to NHS Trusts in the London area.
- 6.6 In 2017, the LEP Team conducted extensive market engagement to establish the most appropriate route to market to get overall best value, affordable prices, quality service, social value and innovation for London authorities in the newly deregulated water market.
- 6.7 The findings of this market research were that a single Retailer could provide the two key requirements which are:
- water and waste water retail services – primarily invoicing, payment, customer services; and,
 - ancillary services – tariff optimisation, leak detection, metering and water demand services, to ensure the best potential to deliver efficiency, financial and consumption savings, rather than solely for retail services.
- 6.8 The LEP Team also found that:
- Due to the size of the contracts and the public sector brand, a joint procurement exercise would be prestigious and offer optimum value attracting maximum competition and leverage.
 - A Central Purchasing Body could deliver the procurement exercise at better value than multiple independent bodies.
 - A Central Purchasing Body could procure this through Lot 3 RM3790 of the Crown Commercial Service Water Framework. This would still enable flexibility and quality for the LEP members.
- 6.9 Following discussions with some Haringey schools they agreed that they would like additional support from the new water supplier. Currently all Council and Schools water accounts are with Castle Water. It is noted that some schools and Council departments are concerned about the operational impact of migrating the accounts from Castle Water to a new supplier. Currently debt levels at certain schools (due to billing issues) are rising and it was recognised that there will be additional resources to support this transition to the new supplier. A proposed project plan and risk analysis was required from tenderers within the procurement process to mitigate risk and detailing how the supplier would support schools.
- 6.10 During the industry negotiations the optimal contract duration was determined as two years with the option to extend for a period of another two years. This is because a contract of less than two years will not represent value for money, as the retailer set-up costs and migration process will be priced into one year, rather than an up-to-four-year deal. Additionally, the impact of the water industry price review will take effect in 2020 and will need to be considered as part of any contract extension, as the retailer margin could be increased and we need to ensure additional service or a relative reduction in margin can be negotiated.

Evaluation of bids

6.11 Following the tendering process five compliant bids were received, demonstrating a good level of interest from the water market. A thorough evaluation was conducted across a wide range of mandatory and discretionary price and quality criteria. Quality was evaluated separately by an authorities' staff panel to ensure that price did not alter the perception of quality; moderation meetings to discuss the relative strengths and weaknesses of each tenderers' submission and to agree a score according to the tender criteria were facilitated by the LEP Team and held over a 5-day period.

6.12 All the bids were assessed on two sections:

- Section A - water and waste water retail services – primarily invoicing, payment, customer services; and,
- Section B - ancillary services – tariff optimisation, leak detection, metering and water demand services, to ensure the best potential to deliver efficiency, financial and consumption savings, rather than solely for retail services.

6.13 Both of these sections were then assessed on price and quality.

PRICE – Tenders were sought for retail margins based on wholesale Plus, the fairest and most transparent pricing approach for tendering and comparison purposes (applicable to all regions, site types) for different billed frequencies. Day rates, schedules for works and various pricing options sought for ancillary services.

QUALITY – was evaluated across a detailed service specification relating account management and customer service, with all necessary supplier activities 'hard-wired' into the statement of requirements.

6.14 The final scores following assessment of the winning bid is as follows:

Successful Tenderer - Anglian Water Business (National) Ltd trading as Wave		
Detailed Score		
Section A - Water Supply and Sewerage Services		
Section A Quality (20%)	16.0	Approach to account and contract management; customer relationship and portfolio management; management of invoices, payment and debt; data, management information and online functionality; metering accuracy and AMR
Section A Price (30%)	15.9	Retail Margin - Monthly and Quarterly billed frequency: Metered Water Supply & Wastewater, Unmetered Water Supply & Wastewater and Trade Effluent Services, management of schools/debt liability, addn. meter reads. Discount for prompt & electronic payment, provision of own meter readings
Total Section A	31.9	(50% of total marks available)
Section B - Water Ancillary Services		
Section B Quality (35%)	24.3	AMR roll-out; emergency planning; water audit, site surveys, leak detection and repair; delivering cashable savings; reducing London's water footprint; financing and funding options
Section B Price (15%)	7.5	AMR installation and provision of data, water footprint assessments, site surveys, leak detection and repair, contingency planning, tariff optimisation, plus a number of other price

		measures, maximum % for gainsharing over a maximum of 4 years
Total Section B	31.8	(50% of total marks available)
Grand Total	63.7%	

6.15 The final score of the winning bid, and comparisons against other bidders is as follows:

Tender Evaluation Summary			
Rank	Tenderers	Total Score (100%)	Average Quality Score Total 18 questions (Sections A & B)
1	Anglian Water Business (National) Ltd trading as "Wave"	63.7%	3.83 out of 5
2	Bidder B	59.6%	3.28 out of 5
3	Bidder C	51.8%	1.5 out of 5
4	Bidder D	49.3%	2.67 out of 5
5	Bidder E	45.6%	1.5 out of 5

6.16 The successful tenderer (Anglian Water Business (National) Ltd trading as "Wave") scored 63.7%, the highest overall score; achieving the highest weighted score for quality (40.3% out of a possible 55%) and also the highest average quality score of 3.8/5.

6.17 Whilst the successful tenderer's overall price was not the lowest, being ranked mid-range for both sections A & B (23.4% out of a possible 45%), it was determined that a competitive price was submitted. This was reinforced when in particular discounts for prompt and electronic payment and zero % uplifts for alternative invoice frequencies were taken into consideration.

6.18 The successful tenderer showed a good understanding of the services required by the Council. They provided a well laid out and comprehensive response, which was tailored to explain how services would be developed and delivered to meet the LEP Statement of Requirements, demonstrating a realistic understanding of the services expected and the specified standards. The response provided evidence of capable people, systems, processes and methodologies with relevant case studies and example materials. Their response provided clear explanations on how the successful tenderer intends to implement previous experience and lessons learned in their approach to managing this portfolio and the needs of the various customers within this group.

Features and implications of the proposed contract

6.19 The successful tenderer showed a good understanding of the services required by the Council. They provided a well laid out and comprehensive response, which was tailored to explain how services would be developed and delivered to meet the LEP Statement of Requirements, demonstrating a realistic understanding of the services expected and the specified standards. The response provided evidence of capable

people, systems, processes and methodologies with relevant case studies and example materials. Their response provided clear explanations on how the successful tenderer intends to implement previous experience and lessons learned in their approach to managing this portfolio and the needs of the various customers within this group.

6.20 Haringey Council is currently not in a contract and is on a deemed rate with Castle Water and does not have transparent pricing. It is assumed that the deemed rate is close to the Average National Retail Margin (7%) of the total water bill for the provision of retail services, which covers providing bills, reading meters, dealing with queries, taking payments, etc. It is NOT for the provision of water or wastewater, mandatory infrastructure or metering, which remains a Wholesaler responsibility. In this new pan-LEP contract this price will be a transparent pass through percentage. Because the retail margin is low, collectively authorities took the decision to focus on quality of service and opportunity to save water. It was recognised that to focus on margin only will not deliver overall value for money. A cost per litre or site would not be an appropriate measurement, as this a Wholesaler responsibility and set by the Regulator.

6.21 Comparing this to our current cost is not an option, as our Authority cannot stay with its incumbent Retailer(s) unless a procurement exercise is conducted; and the cost of doing so, could outweigh the potential of a bigger cashable saving through a further reduction to retail margin, e.g. a drop from 4.5 to 2.5% (see below).

Example Contract Value	Avg. National Retail Margin	Example Tendered Retail Margin	
£200,000	7.0%	4.5%	2.5%
	£14,000	£9,000	£5,000

All figures are nominal and for illustrative purpose only, and do not represent actual margins submitted during the tender. *LEP cannot disclose the tendered price for publication in reports, but a cashable saving of approx. 2.5% is possible, and authorities will get a better and more comprehensive service, with enhanced terms and conditions.*

To date, the aggregated tendered volume is showing a saving of around £270,000

6.22 All costs for services, including retail margin, were submitted as part of the tender, along with prices for meter reading, AMR, day rates for services. A full schedule of pricing/rates will be provided to our Authority as part of the Customer Order Form and as part of the data cleansing/Onboarding process, and as such we will not need to tender or obtain quotes for any additional services.

6.23 The water industry database (shared by all water retailer wholesalers and retailers) is not fully populated and information contained within it may not be comprehensive or detailed. As a consequence the suppliers did not base their quotation or savings statements solely on real world account data (consumption and tariffs). Therefore they presented an assessment model to calculate and demonstrate benefits.

6.24 As referenced in point 4.1, given the Council’s annual cost of water and wastewater of about £350k , savings in the first two years are likely to be in the range of £3.5k to £7k. Schools may join the contract and their total contract value will be no more than £300k per annum.

- 6.25 However, as a result of this tender process a saving of between 2.5 to 3.5% against the national average retail margin may be achieved across the portfolio and against the estimated Retail Default Price.
- 6.26 The Council provided the tenderers basic data based on water meter and historic bills, which were checked against our SAP account records of water payments over the past three years. The estimated default price was calculated using the source data and values as above against published Retail Default Tariff(s). It is worth noting that an additional 1% of the Retailer's costs are payable as commission to CCS/YPO for the procurement, i.e. if the retailer fee is £10,000, the fee payable is £100. LEP are paid directly by the London public sector organisations that they manage for the energy and water support services LEP manage. As such there is no LEP commission costs.
- 6.27 Alongside direct water payments, the supplier's ancillary services can be bought by the Council and bring cost savings. These will be discussed with the supplier within the first three to six months of the contract. Potential saving opportunities will be reviewed based on no, low, or medium cost option and the values of the savings.
- 6.28 The supplier has several financial options available to deliver the savings measures including a gains-share or invest to save routes. They also have opportunities to have no financial investment up front by adding as a surcharge on the bill. The supplier has experience in billing in this way for tariff optimisation or meter resizing projects. These projects are referenced in Appendix 1, Section B.

7. Contribution to Haringey's Strategic Outcomes

- 7.1 The recommendations set out in this report contribute to a number of objectives as set out in the Council's Corporate Plan 2015-18, *Building a Stronger Haringey Together*:
- **Low Carbon and Sustainability** (Priority 4, Objective 4). The successful retailer will support Haringey in achieving a low carbon future. Through its supply it will work to improve air quality, and address water scarcity and a stressed sewerage system, reducing environmental impact, water consumption alongside cost and to improve efficiency. (in the Council's Corporate Plan 2015-18)
 - **Local Economic Development** (Priority 4, Objective 3). The retailer has agreed to look to build in opportunities for local employment and small businesses, support the community, business, voluntary groups and schools to better manage water consumption and cost and to reduce their impacts on local pollution and stressed sewerage.
- 7.2 The approach proposed is also aligned with the relevant cross-cutting themes from the Corporate Plan:
- **Working in Partnership.** This procurement enables schools to join the arrangement as part of their local authority contract, and secure a cheaper contract price, ensuring the Council has no management or liability for these bodies. The LEP network is able to support public bodies and provide advice on utilities management to address issues including disputes.

• **Value for Money.** The contract is with a single provider that will also supply ancillary services when required. This offers the Council a quick route to undertake actions and works through a procured value for money exercise.

8. Statutory Officers comments (Chief Finance Officer, Head of Procurement), Assistant Director of Corporate Governance, Equalities)

8.1 Corporate Governance

8.1.1 The Assistant Director of Corporate Governance notes the contents of the report.

8.1.2 The contract which this report relates to was procured through the Crown Commercial Service Framework Agreement RM3790.

8.1.3 The Crown Commercial Service Framework Agreement RM3790 was established in accordance with EU procurement legislation.

8.1.4 Pursuant to CSO 7.01(b) and pursuant to the Public Contracts Regulations 2015, the Council may select one or more Contractors from a Framework established by a public body where the Council has been identified in the OJEU Contract Notice as an approved user.

8.1.5 It is confirmed that the Council is identified as an approved user of this framework Agreement in the OJEU Contract Notice.

8.1.6 Pursuant to CSO 9.07.1(d), Cabinet may approve a contract if the value of the contract is valued at £500,000 or more and as such the Cabinet has the power to approve the award of the contract in this Report.

8.1.7 The Assistant Director of Corporate Governance sees no legal reasons preventing the approval of the recommendations in the report.

8.2 Equalities

8.2.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share those protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not.

8.2.2 The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

8.2.3 The contract is for the supply of water and waste water services. Although the award of this contract has no direct impact on groups with protected characteristics,

the contract will enable the Council to ensure water supply to services and facilities disproportionately used by individuals and groups with protected characteristics. These include sheltered accommodation, day centres, care homes, and schools.

8.2.4 The tender evaluation process took equalities considerations into account by including the sites above as sensitive sites in the operation of the contract and by evaluating bidders on their capacity to make additional alternations and thereby eliminate any adverse impacts on groups with protected characteristics.

8.2.5 The award of this contract will support the Council to minimise its environmental impact. It can be reasonably expected that this will have a positive impact on local residents with protected characteristics. In particular, BAME residents, minority religious communities, and those with disabilities are overrepresented among those living in flood-risk areas. High quality water management will help to mitigate this risk.

8.2.6 The award of this contract will provide opportunities for local employment. Individuals with protected characteristics are overrepresented among those who are not in employment, and so there may be opportunities to advance equality of opportunity in terms of employment.

8.2.7 The award of this contract will enable support for small businesses, voluntary groups, and schools to better manage water consumption and cost. As many small businesses are owned and operated by members of BAME communities, many voluntary groups deliver services to individuals and groups with protected characteristics, and schools primarily benefit younger people, this element of the contract can be expected to help advance equality of opportunity.

8.3 Finance

8.3.1 This report seeks Cabinet approval for the award of contract for the Provision of Water, Wastewater and Ancillary Services to Anglian Water Business (National) Ltd.

8.3.2 Anglian Water Business (National) Ltd was chosen after receiving bids from five providers and were carefully evaluated in accordance with the council's procurement rules.

8.3.3 The table in paragraph 6.15 above shows that Anglian Water Business (National) Ltd had the highest score through the evaluation process centred on price and quality.

8.3.4 The proposed annual spend on this contract, as outlined in Appendix 2, is in line with expenditure incurred in previous years and budgets exist to cover the forecast spend.

8.4 Strategic Procurement

8.4.1 The contract was awarded on a Most Economically Advantageous Basis, through a Further Competition for Water, Wastewater & Ancillary Services, issued under Lot 3 of the Crown Commercial Service Framework Agreement RM3790 Water, Wastewater & Ancillary Services. The further competition for a single supplier was conducted by YPO (a Central Purchasing body) on behalf of The London Energy

Project, its Participating Authorities (present and future) and collaborative partners, (which were named in the further competition).

8.4.2 CSO 7.01 b) allows for the Council to procure using a Framework or similar arrangement.

8.4.3 The procurement process is compliant with both CSOs and Public Procurement Regulations.

8.4.4 To reduce the risk of challenge and to create a robust procedure, a decision was taken to invoke a voluntary ten day standstill period following notification of award to suppliers. No challenge was received during this period and the Contract can then be formally awarded with a commencement date of 1st October 2018.

8.4.6 The Supplier has now entered into a Call Off Contract with YPO (on behalf of the LEP Participating Authorities) to provide the Contract Services. By placing an order, Authorities can enter into a contract with the successful Retailer for a minimum of 2 years with the option to extend for a further period of up to 2 years, or for the full four year term (so long as the contract ends on or before 30th April 2022).

8.4.6 The Contract has already been awarded, therefore authorities will not be required to conduct their own procurement for the provision of any water, wastewater or any ancillary services, due to this being a single supplier, comprehensive service arrangement and there being no financial limit as to the amount of orders that can be placed during the term of the Contract.

9. Use of Appendices

Appendix 1 - The LEP Contract requirements, Framework references and Companies in the Framework that could bid for this tender

Appendix 2 – Authorisation route to procurement

Appendix 3 - Details on the bidders for the Water, Wastewater and Ancillary Services Contract

10. Local Government (Access to Information) Act 1985

Appendix 1 - The Crown Commercial Services (CCS) for Water, Wastewater and Ancillary Services Framework

Water, Wastewater and Ancillary Services (Contract ID: RM3790), let by: Crown Commercial Services in collaboration with YPO, TEC, ESPO, NEPO, West Mercia Energy & the MoD	
<u>Framework Start Date:</u> 15/03/2017	<u>Framework End Date:</u> 15/03/2020
<u>Contract Start Date:</u> 01/05/2018	<u>Contract End Date:</u> 30/04/2022
<u>Responsibilities:</u> LEP Team - procurement project YPO - managed the CCS - Contracting executive, manage the strategic procurement Authority, supplier relationship and process and operates contract performance contracting the activities framework k	
Lot 3 – One Stop Shop, combination of Lot 1 (Section A) and Lot 2 (Section B)	
<u>Section A - Water Supply and Sewerage Services</u>	
Associated services in connection with the supply of water and sewerage services, designed specifically to meet the business requirements of London authorities' complex multi-site portfolios and expectations for quality and value for money	
<ul style="list-style-type: none"> • Account Management including customer service; • Billing & Data Management; • Metering including, Meter Reading (Including acceptance of AMR reads), Management of sites and meters (including new connections and switching); • Meter installation/removal/resizing/accuracy tests; • Roads and Property Drainage; • Sewerage services including Trade Effluent; • Emergency Contingency Planning & 24/7 Emergency support; and • Guaranteed standards of Service (as defined in the RM3790 Framework, water Market Codes and to meet the detailed service description of the London Energy Project Statement of Requirements) 	
<u>Section B - Ancillary Services</u>	
To provide data, products and services for management, conservation, reduction of water consumption in order to deliver environmental improvement, efficiency, financial and consumption savings. Authorities can select all or none of the following ancillary services based on their individual business requirements and available budget(s), and the Retailer is able to offer their own or third party financing option	
<ul style="list-style-type: none"> • Automated Meter Reading; • Contingency planning; • Leak detection and repair; • Water audit site surveys; • Water Footprint assessment; • Tariff optimisation and benchmarking; • Legionella Risk Assessments; and • may include Bill Validation and Cost Recovery and other ancillary services at a later date 	
<u>Suppliers on CCS Lot 3</u>	
<ul style="list-style-type: none"> • Advanced Demand Side Management Ltd • Affinity for Business (Retail) Ltd • Anglian Water Business (National) Ltd t/a Wave • Castle Water Ltd • Northumbrian Water Group Business Ltd 	<ul style="list-style-type: none"> • Pennon Water Services Ltd • Scottish Water Business Stream Ltd • Three Sixty • Water Plus Ltd

Appendix 2 – Authorisation route to procurement

These are the formal activities that the Director of Housing, Regeneration and Planning will undertake on behalf of the Cabinet to deliver the Council's new Water Contract.

- a. To enter into an Access Agreement with Yorkshire Purchasing Organisation (YPO), to enter into a contract for Water, Wastewater & Ancillary Services, following a Further Competition, conducted on behalf of The London Energy Project, Issued under Lot 3 of the Crown Commercial Service (CCS) Framework Agreement RM3790.
- b. To approve the award of contract for the Provision of Water, Wastewater and Ancillary Services to Anglian Water Business (National) Ltd trading as Wave the value of £350k per annum for Council interests; £300k for Schools per annum, and for up to £500k being spent on ancillary services, total contract value of £3.1m.
- c. To approve the award of contract for the Provision of Water, Wastewater and Ancillary Services to Anglian Water Business (National) Ltd trading as Wave, for the period of 1st May 2018 to 30th April 2020 (minimum two years), with the option to extend for a further two years, but not beyond 30th April 2022.
- d. To finalise any specific terms of the contract and do all things necessary to facilitate the execution, implementation and operation of the contract, including the use of ancillary services available under the contract.
- e. To authorise in consultation with the Cabinet Member for Corporate Services and Insourcing to enter into any extension agreement for a period of up to a further two years, but not beyond 30th April 2022, in accordance with CSO 9.07.1c (the Authority's procurement extension CSO provision).