

Appendix A - Summary of the Slough Soft Market Testing Exercise

To help inform the commissioning process a soft market testing exercise was conducted to gauge market interest and provide feedback on draft proposals for the procurement. A PIN notice was issued on the 17th December 2016. Potential bidders were advised of the breadth of services that may be included within the contract (s) and were invited to a soft market testing event, which was held on the 14th January 2016. This appendix provides the key themes expressed by attendees to the event and also within a questionnaire provided to all contractors that responded to the PIN.

1.1 Themes

1.1.1 Interest in the contract

High levels of interest from all potential bidders in the proposed contract (s). In general Public Realm contractors with a focus on waste management services were more interested in the Environmental services and Highways contractors were more interested in the proposed Highways services.

A small number of contractors indicated that they were experienced in working within strategic partnerships and comfortable with subcontracting services where required. These contractors indicated that they would be comfortable in bidding for all services (strategic partner approach).

Many contractors stated that 2017 would be a busy period for other Local Authorities coming to market and that the early warning that the Council has provided was beneficial.

In terms of bidding for the contract (s) key factors affecting the decision were contract packaging, internal resource to bid, competition from other similar contracts being let at the same time, contract type (highlighted mainly by Highways contractors and suggesting HMEP NEC3 Term Service Contract) and indexation model.

1.1.2 Financial savings required

All contractors indicated that financial savings would be possible and a range of different opportunities were presented, including:

- Revenue transformation
- Choice of procurement route
- Digital transformation
- Service changes
- Bulk purchase of goods
- Control of overtime amongst staff base
- Shared risk in terms of commodities and waste composition for materials
- Resource allocations – the ability to use staff on priority areas across the contract
- Revenue generation – cleansing works for private organisations and undertaking other private services
- Pain/gain mechanism for capital works
- Self reporting functions within the contract, reducing the need for supervision
- Improvements in asset management process/systems

1.1.3 Contract Management Systems and IT interfaces

All contractors have integrated with different Local Authority IT systems and expressed no concerns in this regard. Some interesting examples of the use of mobile technology were cited including using hand held devices to conduct standard audits and routing works (e.g. monitoring load offtake at HWRC sites or assessing play equipment). Contractors expressed limited experience of interfacing with another contractors IT system directly and that this would be better conducted via the Council's system.

1.1.4 Depot site and additional land

Sharing the depot site was not identified as being a problem if adequately specified by the Council. It was suggested that if one contractor was nominated as the overall site manager it may be more beneficial.

Interest was expressed in the opportunity to utilise additional land and design and build options were looked on favourably. One contractor suggested that the planning and permitting should be conducted in conjunction with the preferred bidder to limit variations.

For fleet workshops potential interface was raised as a point where clarity was required within the specification.

1.1.5 Commercial Waste

Comments received were positive, with some potential bidders commenting that it could help to contribute to the savings required.

1.1.6 Social Value

The opportunity to work with SMEs and to encourage social value through use of apprenticeships and re-use facilities was welcomed by all potential bidders.