

INDEPENDENT REVIEW OF WASTE COLLECTION AND DISPOSAL SERVICES

PROJECT SPECIFICATION

BACKGROUND AND SUMMARY INFORMATION

Birmingham City Council is commissioning an independent review of its waste collection and disposal service. In order to ensure that the most effective and sustainable solution(s) for the reduction, reuse and recycling of waste is achieved this review needs to undertake an indepth analysis of the current service, a best practice review of current market providers with an options appraisal to ensure that a future service delivery model is efficient, cost effective, best in class service to the citizens of Birmingham.

Birmingham is one of the largest local authorities in Europe. The population is just over 1 million and the City Council has responsibility for removing waste from almost 420,000 households across the city. This amounts to just under 250,000 tonnes of collected domestic waste per year. With commercial waste included, the total municipal arisings in 2018/19 were approaching 494,000 tonnes. Birmingham is due to grow by 50,000 properties by 2031. But we are also a city with considerable ambitions for sustainability (overseen by Birmingham's Green Commission); our approach to waste will be important in taking this forward.

The ambition for the management of waste is:

- Birmingham will have a sustainable, localised and integrated city waste solution managing its own energy and resources.
- Birmingham is an aspirational city that avoids the creation of waste and maximizes utilisation.
- Birmingham has clean streets free from litter and fly tipped waste.
- All stakeholders and citizens are involved in maximising shared social, environmental and economic value and minimising waste.

SERVICE REVIEW REQUIREMENTS

The project will consist of 2 Phases; Phase 1 will consist of the service review and options appraisal with Phase 2 being implementation. This mini-competition will result in a contract award for both Phases of the project. Although this specification focuses on the requirements for Phase 1 of the project, it should be recognised that the requirements and support needed for Phase 2 will need to be scoped out as part of Phase 1.

It is anticipated that bidders day rates and prices are mindful of the Council's requirements for both Phases of the project rather than merely Phase 1. Prices and day rates should therefore be representative over the total value of potential business to the successful provider.

1. Indicative Timetable

Mini-competition launched	1 st May 2019
Closing date for bidder submissions	10 th May 2019
Evaluations including any bidder presentations if required	13 th -17 th May 2019
Contract commencement	27 th May 2019
Phase 1 delivery period	27 th May – 30 th August 2019
Public reporting of Phase 1 deliverables Cabinet Approval 'gateway' to commence Phase 2	September 2019
Commencement of Phase 2 – Implementation Support	October 2019 +

2. Key Requirements - Phase 1

The independent review of the waste services will include the following key stages and requirements

Data discovery & current state assessment

The provider will be required to gain a detailed understanding of the existing end to end operation which will include;

- Primary data collection around the organisation, structure, assets, volumes, collection routes (rounds, number of properties and type and route optimisation), root and branch review of the current and alternative methods of waste collection, time and motion studies, to produce performance and productivity profiles.
- Analysis of the external influencing factors including future projections around waste volumes and legislative changes that may impact the service including the potential implications of the government's 25 year consultation plan on the Environment;
- Review and evaluate the existing City Council Policies connected to the collection service
- Identifying existing issues and problems with the current method of service provision;
- Discussions interviews and engagement with all stakeholders including senior management, cabinet members and councillors, officers and refuse collection operatives and trade unions via the Joint Service Improvement Board.

- Analysis of customer enquiries and how this relates to service delivery,
- Identify and evaluate the interdependencies with the existing and proposed waste disposal contract.

Having gained this comprehensive understanding, the provider will be required to map this operational landscape in order to provide total visibility of the existing service provision and performance. This baseline will be used as a basis for the subsequent phases of the project.

Best Practice Review and benchmarking comparison

Having completed the data discovery and current state assessment, the provider will utilise their expert knowledge, expertise and information from within its own organisation and data gathered from external sources, professional bodies and associations including other public sector bodies to benchmark the Council's existing service provision. This will be based on current best practice approaches to waste collection and disposal (including reduce, reuse, recycle) that is being applied or rolled out in other cities (in the UK, Europe and globally) in addition to any local innovation and efficiencies employed.

The benchmarking should be cognisant of the Council's size and complexity to ensure effective and appropriate comparables are considered.

Identification of immediate improvements and efficiencies

Following benchmarking the provider will be required to;

- Undertake a gap analysis between current council systems and processes and best practice solutions and;
- Identify a series of immediate recommendations for implementation based around efficiencies, cost savings, process and qualitative measures in order to deliver in year benefits for the Council.

Future Operating Model Options Appraisal

The provider will be required to lead on, facilitate and complete an options appraisal in order to determine a future optimum operating model for the Council's service moving forward. It is important to recognise that the Council requires a 'blue sky' approach to this activity and bidders are expected to take an unconstrained view of the possible options rather than solely consider remodel options regarding the existing in-house service provision. The options appraisal will consider the following;

- A variety of options for the future operating model, including alternative delivery models
- The outcomes required as part of a future performance management framework for a future operating model;
- An evaluation of each option in its ability to achieve the required outcomes including risk and benefit analysis;

- Financial modelling and future proofing of each option and;
- Cost of change.

The options appraisal should include appropriate methods of engagement with key stakeholder groups and may include but not be limited to; meetings, workshops, discussion forums, briefings and reports and attendance at Council Committee meetings as required.

It should be noted that the options appraisal must be cognisant of and be fully integrated with the Council's Procurement strategy for waste disposal that is being implemented in parallel with this project.

Scoping and development of Phase 2 of the Project

Throughout Phase 1 the provider will be required to work with the Council to develop the scope and deliverables for Phase 2 in order to implement the optimum operating model. This should include but not be limited to;

- Development of a detailed project plan;
- Identification and agreement of the required outcomes and;
- Identifying the cost of change and resources required to deliver Phase 2 from inception to steady state business as usual.
- Development and delivery of a communications plan for key stakeholders and the citizens of Birmingham.

3. Stakeholder Engagement

Throughout the process the provider will be required to develop and maintain a stakeholder engagement plan to solicit a wide range of feedback and views ensuring all parties are involved in the project. Stakeholders will include but not be limited to;

- Cabinet Members and Councillors;
- Council Management Team and Senior Management;
- Officers and representation from the recognised Trade Unions;
- The perspective of businesses, partners and citizens;

The provider will need to ensure sufficient capacity to engage proactively with all such stakeholders throughout the life of the project, in addition to formally presenting and reporting to the Council's Cabinet and Senior Management as a 'client'.

4. Outputs Required

The anticipated outcomes from each stage of the project are set out below;

Activity	Outputs Required
Discovery & Current State Assessment	<ul style="list-style-type: none"> ▪ Report – landscape of existing service provision and performance. ▪ Infographics – landscape of existing service provision ▪ Data room \ Sharepoint site created – supporting information.
Best Practice Review and benchmarking comparison	<ul style="list-style-type: none"> ▪ Report – outcome of review. ▪ Presentation \ infographic to key stakeholders – outcome of the review. ▪ Data room updated with supporting information.
Identification of immediate improvements and efficiencies	<ul style="list-style-type: none"> ▪ Report - Gap Analysis. ▪ Report – recommendations for immediate improvements including cost, and timescales to deliver. ▪ Full risk analysis including HR, Industrial Relations, Legal and Financial
Future Operating Model Options Appraisal	<ul style="list-style-type: none"> ▪ Fully evaluated and substantiated options appraisal; ▪ Detailed business case supporting the optimum operating model; ▪ Development of a technical quantifiable decision-factoring model to inform advice on the 'optimum' model at this time. This model and associated intellectual property will transfer to the Council, enabling it to explore and test different scenarios and factors to inform future decision making beyond life of this contract. This toolkit will allow the Council to adjust a number of variables as it requires in order to align or adapt the model to reflect any business or budgetary changes ▪ Report & Recommendations - Future operating model; ▪ Data room updated with supporting information. ▪ Full risk analysis
Phase 2 scoping and	<ul style="list-style-type: none"> ▪ Detailed project plan;

planning	<ul style="list-style-type: none">▪ Identification of project resource requirements to deliver Phase 2;▪ Cost of change (to be included within the full business case).
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SERVICE PROVIDER REQUIREMENTS & EXPERIENCE

The successful provider will be required to demonstrate their experience and track record in the following areas;

Established Waste Management Consultancy

Ideally a waste management consultant, the provider must have experience of the waste management sector at a UK and European level with a sophisticated understanding of waste management processes and systems throughout the UK.

The provider will have well established networks and relationships across the waste environmental and recycling industry at large and be able to call upon established industry bodies to support the delivery of this project.

Proven Public Sector Experience

The successful provider will be experienced in undertaking and delivering strategic reviews of waste services within other Public Sector organisations in addition to demonstrate evidence of working with large and complex organisations such as Birmingham City Council.

Providers will have the necessary tools, capabilities and experience to be able to develop detailed business cases including all the necessary technical and financial analysis to evidence and underpin their recommendations and the optimum operating model.

Proven Track Record

The provider will be capable of evidencing their previous track record in delivering projects of this nature with an established and proven reputation within the waste and environmental industry as a whole.

Technical Qualifications and membership of professional bodies

The provider will ensure that all staff engaged on this project hold appropriate and relevant industry qualifications supported by any necessary technical or academic qualifications.