

# Water Procurement Proposal

## The London Borough of Hammersmith and Fulham

Mandie Macdonald

Framework Manager

Email: [mandie.macdonald@laserenergy.org.uk](mailto:mandie.macdonald@laserenergy.org.uk)

Tel: 01622 237017

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## 1.0 Water Procurement Proposal Outline

This is a proposal for LASER to carry out a direct award procurement under our procurement compliant water framework Y22013 for the procurement of Water and Wastewater retailer services

The opening of the water market to full competition in April 2017 allows non-domestic customers to change their water and wastewater supplier. LASER's focus is to help customers benefit both financially and logistically from competition. This is being achieved through our procurement compliant water supply procurement framework consisting of multiple suppliers, accessed via a mini tender, who compete to supply your portfolio of properties.

### 1.1 Procurement procedure

LASER will provide you a water data template and support you in completing the template.

We will discuss your specification requirements and present your requirements and portfolio to Water Plus for pricing under the category of business continuity.

LASER will analyse the response and calculate the financial impact on your portfolio for your consideration.

We will produce a Direct Award Report (DAR) which will summarise the submission and pricing received.

Although contracts will be signed directly between the customer and retailer, LASER will provide supplier management as part of the Framework. Management information will be shared with us by the supplier so we can monitor supplier performance against KPIs in the framework. As a last resort, we can apply poor performance remedies to penalise suppliers who do not perform to KPIs.

As part of normal property portfolio, it is anticipated that there will be some level of turnover in the supplies on contract. Sites can be added to your contract as required.

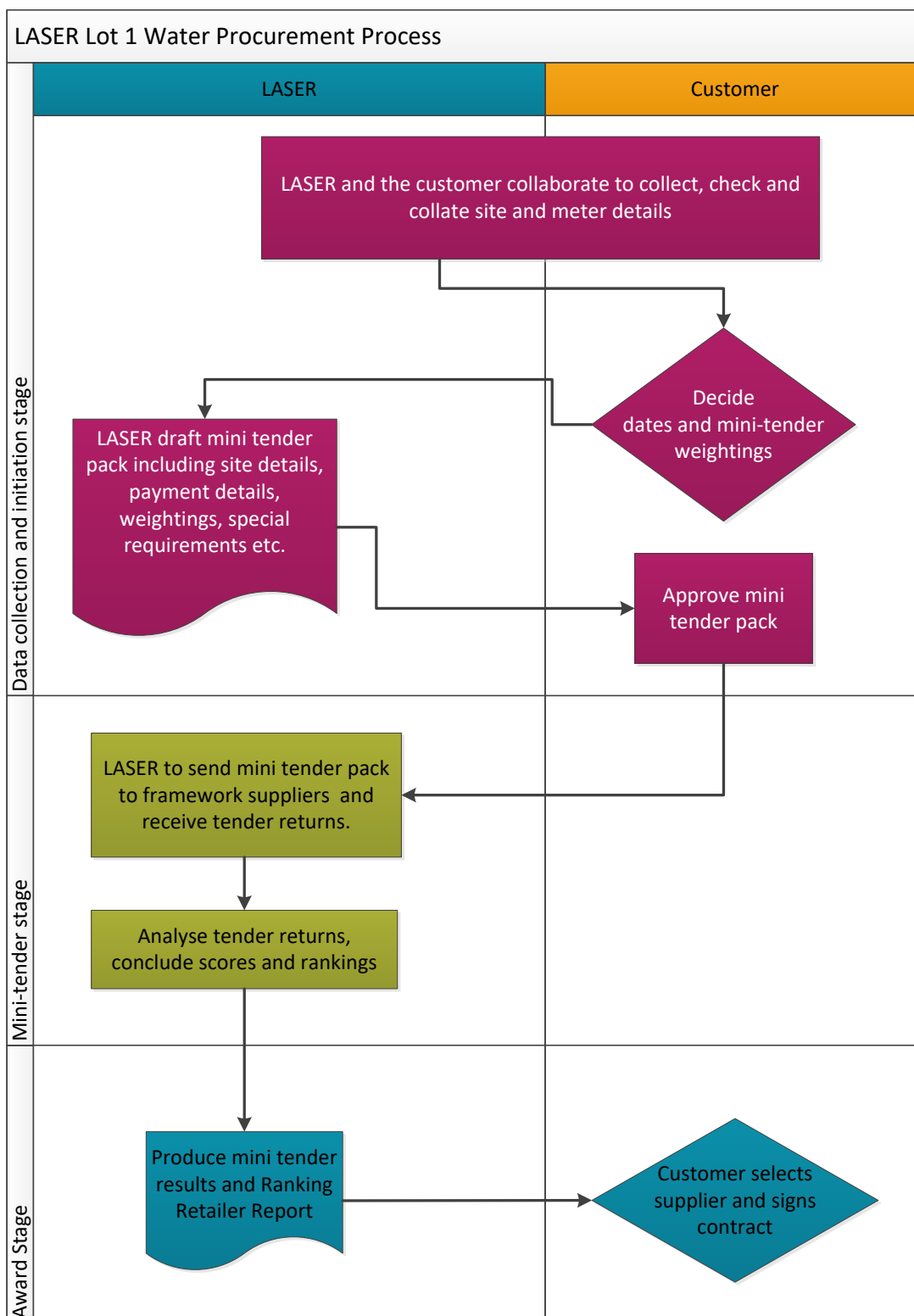


Image 1: LASER's Lot 1 Procurement Process

## 1.2 Benefits

We simplify the water procurement process through operating procurement on your behalf. This procurement compliant process will relieve you of the complex tendering process, whilst also giving opportunities to tailor contract award around your unique requirements. LASER's contract management processes will also help ensure that you do not fall onto out of contract rates at contract expiration.

This framework will allow you to take full advantage of the opportunity to Direct Award to your preferred supplier under the category of continuity of service, in addition to the improved standardised terms and conditions signed up to by your preferred retailer under this framework.

Water competition can already be seen to be encouraging suppliers to increase the quality of their customer services. A level of protection for framework users has also been built into the framework; as a last resort, if a supplier consistently fails to meet Key Performance Indicators (KPIs), Poor Performance Remedies (PPRs) can be enforced on retailers.

## 1.3 Timescales

Once your specification and portfolio data are complete, it is anticipated that a Call-Off contract will be a signature in approximately four weeks.

Please note that these timescales are approximate at this stage and dependant on response times of both suppliers and customers.

## 1.4 LASER's Experience

We have over 25 years' experience developing tailored packages and services to complement and support the requirements of local authorities, NHS trusts, housing associations and other public-funded bodies.

LASER worked closely with major water retailers running up to the formation of the market, this has given us a strong understanding of this newly formed market's intricacies. Our water framework is actively working to improve the customer service public sector organisations receive; this includes specifying high customer expectations in key performance indicators and our participation in the Consumer Council of Water.

## 2.0 Costing

Payment for the service will be charged to your chosen water retailer as a recovery within your delivered water charge (including both retail and wholesale elements). Charges are calculated across your entire portfolio, as detailed below. This equates to **0.75%** of your total water charge, which will be applied to all supplies.

Authority Name:	LB of Hammersmith and Fulham
Total Number of Supplies:	401
Total Estimated Consumption:	104,300 M³
Estimated Total Water Expenditure	£220,300
Water Procurement charge as a percentage of total spend	0.75%

### 3.0 The Next Steps

If you would like us to proceed with this proposal please sign below and return to [mandie.macdonald@laserenergy.org.uk](mailto:mandie.macdonald@laserenergy.org.uk). Please be aware that by proceeding with the proposal you are accepting the obligations noted in the example Access Agreement at Appendix 1, and confirm that you are in a position to authorise this.

Upon return of this signed document, LASER will return a countersigned version of the document, with the Access Agreement Number in Appendix 1 completed.

### Participating Authority:

Signed: .....

Date: .....

Name: .....

Designation: .....

### LASER:

Signed: .....

Date: .....

Name: .....

Designation: .....

## Appendix 1: Access Agreement

**Water Framework Access Agreement Reference Number – (W\_\_\_\_\_)**

This Access Agreement confirms that LASER, a business unit of Kent County Council (The Contracting Authority), hereby gives The London Borough of Hammersmith and Fulham (The Participating Authority) permission to access Framework Agreement for the supply of Water and Sewerage, Agreement reference number Y22013 for the purpose of procuring the goods and or services as stated within the Framework Agreement.

### Participating Authority Details

Name:

Primary Address:

Primary Contact Name:

Primary Contact Position:

Primary Contact email address:

Primary Contact telephone number:

In receiving access the Participating Authority accepts and agrees that:

1. The Participating Authority has read and understood the Framework User Guide.
2. The Participating Authority will take ultimate responsibility for supplier selection.
3. The Participating Authority is creating individual Contracts between themselves and the Framework Agreement Supplier(s), of which the Contracting Authority is not in anyway a party to, and as a result the Participating Authority is entirely responsible for all activities and occurrences in the delivery of such Contracts.
4. The Participating Authority takes full responsibility for the payment of invoices related to all individual orders/Contracts placed by the Participating Authority on the Supplier(s) and the Contracting Authority accepts no liability for late or non-payment of invoices by the Participating Authority in anyway whatsoever.
5. The Participating Authority accepts that the Contracting Authority will be collecting a recovery from the Supplier of 0.75% for providing and operating Framework Agreement Y22013
6. The Participating Authority will supply the Contracting Authority upon request with information relating to Contract usage for the purposes of Contract management that will include, but not be limited to:
  - a. Contract spend by Supplier
  - b. Supplier performance

During the life of the Agreement the Contracting Authority shall keep the Participating Authority informed of any changes to the Agreement that might have a fundamental and or material affect on the operation of the Agreement.

The Contracting Authority requires that the Participating Authority uses the Agreement responsibly, proficiently and in line with the requirements stated within the Agreement.

Should the actions of the Participating Authority bring the Agreement into disrepute or fail to provide information as requested, the Contracting Authority reserves the right to restrict future access to this and any other contracts let by the Contracting Authority.