

**Advancing SuDS capital and
maintenance works.**

**Within Cross Sector Multi-lot
Technical Service Procurement.**

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Background.

- **Company - Tingle Consulting Ltd.**
- **Field - Modular Surface Water Management.**
- **Approach – Technical/process audit, approx. £5,000 fee for scoping significant demand reduction.**
- **Experience - 10 years in private consultancy, and 20 years in Scottish Local Government.**
- **Key Sectors - a) Flood risk management. b) Contract design and management.**
- **Social Profile – Cynical Idealist.**
- **Current Project – Scrutiny reference text. “Accountable Surface Water Management.”**

PART 1 – THE CONTEXT.

Replacing a Post 1996 Public-Councillor-Department Managed Maintenance and Capital Works Model. (Enhanced District Council Model i.e. Unitary Authority).

With a Pre 1996 Public-Councillor-Project Management-Department Managed-Maintenance and Capital Works Model. (Regional Council Model)

Expensive Procurement.

- **Scottish Parliament at Holyrood - £0.5Bn.**
- **MOD Aircraft Carriers that cost more to cancel than build - £3.5Bn.**
- **The Edinburgh Airport tram link – £0.75Bn.**
- **PPP – An Unknown Quality/Cost trade-off.**
- **PFI - £60Bn? (Extra to PSBR).**
- **Central Procurement. Do we have £5+Bn a year of public costs currently out of sight?**

Historical Comments on Central Procurement.

- **Environmental Protection Officer**- “apologies for the delay, but we had to go through central procurement.”
- **Framework Engineer Statement** - “central procurement is only good for buying toilet rolls.”
LA Engineer Response - “Really?, we used to refer to its limits as buying pencils.”
- **Framework Engineer Clarification** - “Toilet rolls are more appropriate!”
- **LA Chief Executive** - “central procurement is not just about buying pencils.”

Public Focus

Multi-Sector for All Stages of Contract.

- Chief Engineer.
- Principle Engineer(s).
- Assistant Principle Engineer(s).
- Supervisory Engineer(s).
- Senior Engineer(s).
- Graduate Engineer(s).

Shareholder Focus

Single Sector for Tendering and Award Stage of Contract.

- Director of Finance.
 - Head of Finance.
 - Procurement Manager.
 - Procurement Officer(s).
- + limited knowns.

Contract Stages.

- **Scope.**
- **Outline Design.**
- **Final Design.**
- **Risk Assessment (Construction & Finance).**
- **Tender Design.**
- **Tender.**
- **Contract Award.**
- **Manage (Construction & Finance).**
- **Commission.**
- **Maintain.**

The Art of Contract Tendering.

- “There are known known’s ; there are things we know we know. We also know there are known unknowns; that is to say we know there are some things we do not know, but there are also unknown unknowns – **the ones we don't know we don't know.**”
- Risk Management of all stages of any contract is important, and sufficient experience and integrity at all stages from concept to maintenance, leads to the lowest overall cost to the Public.

The Truth,, and Nothing but the Truth.

- **Central Procurement services competitively commission the best service providers for the lowest rates.**
- **The best quality/cost assessed service providers should only require minimum oversight.**
- **The greater the capital cost the lower the service fee rates, and the easier it is to deliver.**
- **Central Procurement delivers on time and on budget.**

Changing Tendered Framework Rates into Higher Fees.

- **Ensure that the Contract rates are reassessed during the contract to reflect the actual work required.**

AND

- **Ensure that the Tender does not fully/adequately cover all aspects of work required.**

AND/OR

- **Ensure that higher cost capital works simply generate higher total design/construct fees.**

Virtual Reality. **In a Period of Austerity.**

**The Sound bite
Approach.**

“Do more for less.”

=

**Greater common inputs for
lesser common outcomes,
and**

**Multi single sector demand
retention.**

**The Integrated
Approach.**

**“Use more, to deliver the
same for less.”**

=

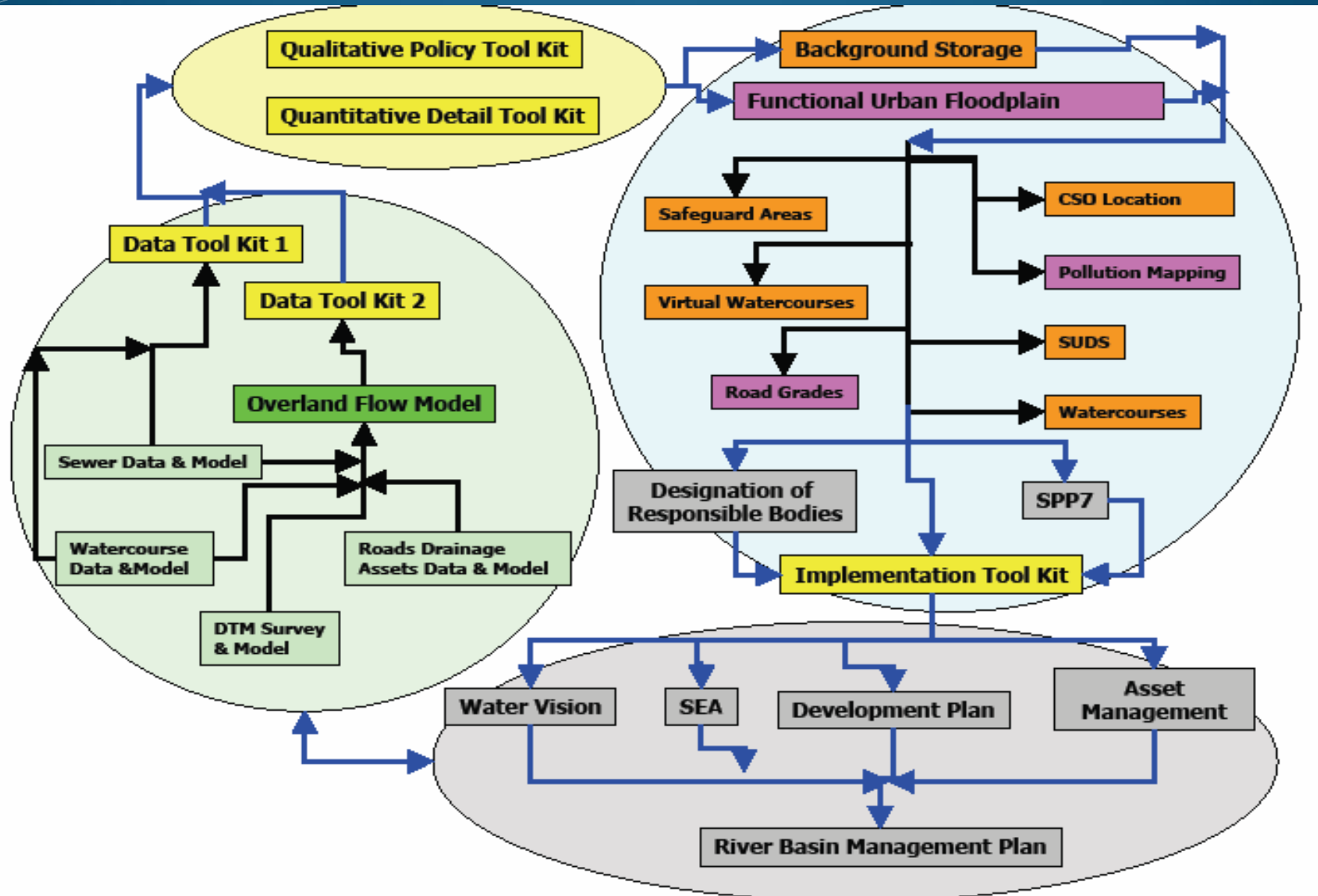
**Greater common outcomes
for lesser common inputs,
and**

**Multi sector demand
reduction.**

Why Central Procurement Must take Centre Stage.

- **Integrated working really requires integrated procurement, with ownership from multiple sectors.**
- **Public bodies have already financed the divesting of contractually experienced staff, and the increasing numbers of central procurement staff. The reinvention of fully qualified multi-tasking teams, although technically desirable, is only seen immediately likely in areas of water sector expansion such as micro-generation, etc.**
- **Integrated solutions must take into account the different demands of different sector clients, and the provision of multi-sector information for Tenderers.**

To Be Included in Tender Rates.



PART 2 – THE SCOPING.

- **What technical and organisational issues need to be addressed within the current context of cuts?**
- **Are these slowing down the implementation of real savings?**
- **Do we require a focus on surface water management and SuDS in particular?**

The Rule of 85.

- **Scoping data to be provided for framework tender, with an 85% accuracy is acceptable and affordable, for highlighting knowns' across multi-lot framework Tenders.**
- **Perfect data for any whole area will be out of date before a fraction of it is used in detail, and is therefore unaffordable.**
- **Perfect multi-lot data is affordable for small areas with overlapping multi sector demands.**

Lots Requiring to Know SuDS Demands in Austerity.

- **Sewerage.**
- **Roads.**
- **Estates & Asset Management.**
- **Planning.**
- **Economic Development.**
- **Environment.**
- **Transport.**
- **Finance & IT.**
- **+**

Integrated Working Implications.

Single sector

- Applied to Large Area
- Single sector requirements applied over whole area over 3 year rolling programme.

Multiple Sectors

- Applied to Smaller Area(s) and large Area(s)
- Single sector requirements scoped over whole area over 3 year rolling programme.
- Overlapping multi-sector requirements scoped over 6+ year programming period(s).

Little Used SuDS Knowns.

- **For urban catchment DTM's, ESRI ArcHydro software can effectively display all virtual Watercourses, and define individual and grouped mini-catchment boundaries.**
- **Studies undertaken by JBA for Renfrewshire Council in 2009, highlighted that overland surface water mapping overlaid more than 90% of the modelled sewer manhole surcharges.**
- **The above information should be issued at Tender stage via GIS data sets for all lots.**

HLD Standards and SuDS.

- **Desirable maximum cost of SuDS say £300/m³. Typically includes open green SuDS.**
- **Absolute maximum cost of SuDS say £600/m³. Typically includes buried storage.**
- **Departure from Standard cost exceeds say £600/m³. Typically includes large deep pumped storage.**
- **Tender rates and fees for dealing with SuDS aspect in any lot should refer to each of the above cost standards.**

Little Used SUDS Unknowns.

- Known SuDS features.
- Known area(s) serviced by SuDS

Highlights

- Known small area(s), within groupings of such areas, NOT serviced by SuDS capital works and/or NOT subject to an integrated maintenance regime.

PART 3 – INCEPTION & LEVERAGE.

- **Local Central Procurement that does not have constant local technical knowledge feed in to an integrated cross sector delivery regime, can be readily externalised, together with payroll and other repetitive financial process.**
- **SuDS offers some of the most readily available local technical knowledge feeds available to pilot the cross sector process changes required.**

“You Can Lead a Horse to Water, but a Pencil(s) Must be Lead.”

- What interest would a finance department have in promoting SuDS?
- Potential UK savings from efficient integrated working related to surface water, of the order of £5+Bn per annum?
- Simple SuDS related data and guidance for CP Tenderers essential to providing lowest overall cost to Public.
- Inclusion of SuDS guidance/knowledge enables continuing Council Tax freezes and general settlement reductions.

Divesting Responsibility.

- **Collateral Warranty shifts technical responsibility from Central Procurement to Service Providers.**
- **Encourages insured solutions for the Public.**
- **Encourages service providers to take a longer term view of their contractual obligations.**
- **Collateral Warranty requirements for SuDS need to be clearly defined by the SuDS community.**

Central Procurement Service Framework- Tender Requirements.

- **SuDS knowns need to be part of a knowledge transfer, Tender requirement, for any multi-lot service procurement, and such a requirement needs to be included within any agreed surface water management plan policy.**
- **SuDS requirements for Collateral Warranty need to be defined**
- **Desirable, minimum and departures from SuDS standards, and their relative costs should be in the tender rates for any multi-lot service provision.**

Conclusion.

- **SuDS demands need to be clearly but flexibly defined within multi-lot framework service contracts.**
- **SuDS demands need to be communicated via GIS between multi-lot Clients and Tenderers.**
- **A paradigm shift is required in the scrutiny of service delivery as a whole, focused upon operationally driven multi sector delivery, in smaller area(s), yet set within a larger policy driven delivery, in the whole area.**

Thankyou.

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**Development, Assessment, Management, Promotion and Planning
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