
Prosiect Gwyrdd

Procurement of:
A Waste Treatment Solution for Municipal Waste

Invitation to Participate in Dialogue

Final v1.8

July 2010

DOCUMENT HISTORY

Document Control

Title	Prosiect Gwyrdd - Procurement of Waste Treatment Services for Residual Municipal Waste - Invitation to Participate in Dialogue
PG Author	Tara King (WAG/ WIDP Templates utilised and acknowledged)
Owner	Tara King

Version History

Version	Date	Summary	Changes Marked	Initials
Final v1.6	18.06.10	Revised 1.4.1, Table 1.3, 4.5.4 and Section 5.4. Minor format changes.		VT
Final v1.7	30.06.10	Table 1.3 updated.		VT
Final v1.8	15.07.10	Table 1.3 updated.		JAC

Distribution

This document has been distributed to:

Name	Title/Area of work	Date of Issue	Version
Project Team	Review final draft	30.06.10	1.7
Project Board	Review final draft	30.06.10	1.7
Participants		30.06.10	1.7
Participants		15.07.10	1.8

Prosiect Gwyrdd's

Contract for:

A Waste Treatment Solution
for Municipal Waste

Invitation to Participate in Dialogue

Contract Notice Reference 2009/S 227-326432

[25 May 2010]

CONTENTS

DOCUMENT HISTORY	2
DEFINITIONS	8
1. INTRODUCTION	13
1.1 Introduction	13
1.2 The Structure of this ITPD	14
1.3 The Partnership's Project Team	15
1.4 Contact Details for Queries	16
1.5 Indicative Procurement Timetable	16
1.6 Meetings at the ISOS stage of the Competitive Dialogue Procedure	17
2. IMPORTANT NOTICES	19
2.1 Introduction	19
2.2 Participant's Warranties	19
2.3 Confidentiality	19
2.4 Accuracy of the ITPD and the Associated Documents and Liability of the Partnership and their Advisors	21
2.5 Conflicts of Interest	21
2.6 Canvassing	21
2.7 Non-Collusion	22
2.8 Intellectual Property	23
2.9 Publicity	23
2.10 The Partnership's Right to Reject Solutions	23
2.11 Provision of Further Information by Participants after Submitting a Solution	24
2.12 Freedom of Information	24
2.13 The Participant's Team	25
2.14 Bidding Process and Costs	25
2.15 Governing Law	26

3.	SUBMISSION OF SOLUTIONS - GENERAL REQUIREMENTS	27
3.1	Introduction	27
3.2	Vires and the Capital Finance Regulations	27
3.3	The Participant's Team	27
3.4	Content of Solutions	27
3.5	Data Room/Portal	28
3.6	Signature of Documents	29
3.7	Delivery of Solutions	30
3.8	References	30
3.9	Communication by the Participants	31
3.10	Surveys, Inspections and Investigations	32
3.11	Dialogue Meetings	32
3.12	Debriefing Process	32
3.13	Withdrawing from the Competitive Dialogue Procedure	32
4.	SUBMISSION OF OUTLINE SOLUTIONS	33
4.1	Introduction	33
4.2	Compliance	33
4.3	Assumptions to be Made	33
4.4	Content of the Outline Solutions	34
4.5	Response Document	34
4.6	Completed and signed Certificate as to Collusion and Canvassing (Appendix 2)	36
4.7	Submission of the Outline Solutions	36
5.	EVALUATION METHODOLOGY	37
5.1	Introduction	37
5.2	Initial Assessment – Each Stage Of The Competitive Dialogue Procedure	37
5.3	Detailed Assessment – Each Stage Of The Competitive Dialogue Procedure	38

5.4	Detailed Assessment – ISOS Stage	43
5.5	Detailed Assessment – ISOS Stage - Further Information - Technical And Service Delivery	46
5.6	Detailed Assessment – ISOS Stage - Further Information - Deliverability And Integrity Of The Solution	50
5.7	Detailed Assessment – ISOS Stage - Further Information - Financial And Commercial	51
5.8	Affordability (Cost)	51
5.9	Price and Affordability	51
5.10	Payment Profile	52
5.11	Sensitivity Testing	53
5.12	Financial Robustness	54
5.13	Deliverability of Funding Package	55
5.14	Acceptance of Payment Mechanism	56
5.15	Detailed Assessment – ISOS Stage - Further Information - Legal	59

APPENDICES

Appendix 1 – Checklist

Appendix 2 – Anti-Collusion Certificate To County Council Of The City And County Of Cardiff

Appendix 3 – Descriptive Document

Appendix 4 – Response Document & ISOS Questions

Appendix 5 – Financial Bid Forms

Appendix 6 – The Authority’s Requirements

Part 1 – Output Specification

Part 2 – Performance Management Framework

Appendix 7 – Draft Risk Matrix

Appendix 8 – Draft Payment Mechanism Principles

Appendix 9 – ISOS Financial Assumptions

Appendix 10 – ISOS Technical Assumptions

Appendix 11 – ISOS Forms

Form 1 Register of Clarifications

Form 2 Cross Reference to Supporting Information

Form 3 ISOS Covering Letter

Form 4 Conflict of Interest

Appendix 12 – Instructions to Participants: WRATE Model

LIST OF TABLES

TABLE	NAME	PAGE
1.1	Partnership's Project Team	15
1.2	The External Advisors	16
1.3	Indicative Procurement Timetable	16
5.0	Level 1 Evaluation Criteria and Weightings at each stage of Dialogue	38
5.1	ISDS Weightings for the Level 1, Level 2 and Level 3 Criteria	39
5.2	CFT Weightings for the Level 1, Level 2 and Level 3 Criteria	40
5.3	ISOS Stage Weightings for the Level 1 Level 2 and Level 3 Criteria	43
5.4	Scoring of Technical and Service Delivery	46
5.5	Scoring of Technical and Service Delivery – Q B2 Will the Proposed Solution Achieve the Contract Waste Diversion Target	47
5.6	Scoring of Technical and Service Delivery – Q B6 Will The Proposed Solution Achieve the BMW Diversion Target	47
5.7	Scoring of Technical and Service Delivery – Q B7 Will the proposed Solution achieve the Recycling/Composting Levels	47
5.8a	Scoring of the Environmental Impacts In relation to resource depletion, air acidification, eutrophication, freshwater aquatic toxicity, human toxicity and localised vehicle movements	48
5.8b	Scoring of the Impact and the Management of Carbon for the proposed Solution	49
5.9	Scoring Framework - Deliverability and Integrity of the Solution	50
5.10	Scoring Framework for Price and Affordability	52
5.11	Scoring Framework for Payment Profile	53
5.12	Scoring Framework Whole System Cost Risk	54
5.13	Scoring Framework for Financial Robustness	54
5.14	Scoring Framework for Deliverability of Funding Package	56
5.15	Scoring Framework for Deliverability of Acceptance of Payment Mechanism	57
5.16	Scoring of Legal Evaluation Criteria	59

DEFINITIONS

Term or Abbreviation	Definition
Anti-Collusion Certificate	the anti-collusion certificate to be completed and submitted by Participants when submitting a Solution
Associated Documents	all associated tender documentation, guidance, clarifications and project documentation issued by the Partnership and its advisors and any further information received via communication with the Partnership and its advisors and/or all information available on the Data Room during the Competitive Dialogue Procedure
ATT	Advanced Thermal Treatment
Authority	the Lead Contracting Authority acting on behalf of itself and all the Partners
Authority's Requirements	The Authority's (acting on behalf of itself and all the Partnership) description of the Partnership's minimum requirements for the Project, also means Output Specification.
AWC	Alternate Weekly Collection
Base Payment	the base payment is a payment calculated on a rate per tonne which is applied to the total tonnage of waste accepted by the Contractor in a contract year as more particularly defined in the Payment Mechanism
BMW	Biodegradable Municipal Waste
Bottom Ash	The residual material in the combustion chamber and consists of the non-combustible constituents of the waste.
BPEO	Best Practicable Environmental Option
BRE	Building Research Establishment
BREEAM	Building Research Establishment Environmental Assessment Method
Business Day	means a day (other than a Saturday or Sunday) on which banks are open for domestic business in the City of London
BVPI	Best Value Performance Indicator
CABE	Commission for Architecture and the Built Environment
CapEx	Capital Expenditure
CEEQUAL	Civil Engineering Environmental Quality
CFT	the Call for Final Tenders to be issued by the Partnership to the Participants in accordance with the Competitive Dialogue Procedure
Checklist	the checklist to be completed and submitted by Participants when submitting a Solution
CHP	Combined Heat and Power
CIRIA	Construction Industry Research and Information Association.
Competitive Dialogue	the dialogue phase of the Competitive Dialogue Procedure from distribution of the ITPD documentation until the Partnership closes the dialogue on or before submission of the Final Tenders
Competitive Dialogue Procedure	the procedure to be used by the Partnership to procure this Project as set out in Regulation 18 of the Public Contract Regulations 2006
Consortium Member	where the Participant is a consortium, any individual economic operator forming part of that consortium
Contract Close	the anticipated date of the Project Agreement
Contract Notice	the contract notice published in the Official Journal of the European Union (reference number 2009/S 227-326432)
Contract Waste	all municipal waste arising from time to time in the Partnership's Administrative Area and delivered by or on behalf of the Authority. Contract Waste does not include for the avoidance of doubt Third Party Waste and source segregated recyclable or compostable waste.
Contractor	the contractor who enters into the Project Agreement with the Lead

	Contracting Authority pursuant to this Project
CIWM	the Chartered Institution of Wastes Management
Data Room	the data room managed by the Partnership by which the Participants may access documents relevant to this Project
DCfW	Design Commission for Wales
Defra	Department for Environment, Food and Rural Affairs
Descriptive Document	an updated copy of the IDD attached to the ITPD
DESH	Department for the Environment, Sustainability and Housing
Detailed Solutions	the Solutions to be submitted in response to the ISDS
DE&T	Department of Economy and Transport
EA	Environment Agency
EfW	Energy from Waste
EIA	Environmental Impact Assessment
EIB	European Investment Bank
EIR	Environmental Information Regulations
EMS	Environmental Management System
EPA	Environmental Protection Act 1990
EU	European Union
Evaluation Methodology	the methodology to be followed by the Partnership when evaluating the Solutions as set out in the tender documents distributed at each stage of the Competitive Dialogue Procedure
EAW	Environment Agency Wales
Executive Summary	the executive summary to be submitted by Participants when submitting a Solution (further details of which are found in Section A of the ISOS Questions (Appendix 4))
Facility	the facility(ies) to be procured pursuant to the Project
FBC	Final Business Case
Final Tenders	the Solutions to be submitted in response to the CFT
Financial Bid Forms	the forms required to be completed by the Participants and submitted as part of their Solutions
FOIA	Freedom of Information Act 2000
FRS5	Financial Reporting Standard 5
Gateway Review Team	Assigned group of sufficiently experienced personnel to conduct Gateway reviews as per the OGC guidance and best practice.
HM Guidance	HM Treasury Value for Money Assessment Guidance
HMSO Publication Centre	please see details as set out in section 3.1.3 of this ITPD
HM Treasury	Her Majesty's Treasury
HWRC	Household Waste Recycling Centre
IDD	Initial Descriptive Document
IFRS	International Financing Reporting Standards
IRR	Internal Rate of Return
ISDS	Invitation to Submit Detailed Solutions
ISOS	Invitation to Submit Outline Solutions (which forms part of the ITPD)
ISRS	Invitation to Submit Revised Solutions
ITPD	Invitation to Participate in the Dialogue
JWA1	the joint working agreement that the Partnership has entered into to formalise their respective roles and responsibilities in relation to the joint working arrangements for the procurement of the Project
JWA2	a second joint working agreement (to be negotiated in parallel with the Project Agreement) that will regulate the relationship between the Partners during the operational period (the works and the services period) of the Project.
IVC	In-vessel Composting
Landfill Directive	European Union Landfill Directive 1999

LAS	Landfill Allowance Scheme (LAS) Regulations (Wales) 2004
Lead Contracting Authority	the Partner who will enter into the Project Agreement with the Contractor on behalf of the Partnership (to be confirmed later in the Competitive Dialogue Procedure)
Lead Procurement Authority	Cardiff Council will act as the lead authority for the procurement process and shall be responsible for the negotiation of the Project Agreement with the Participants
Lead Participant	the lead organisation co-ordinating a Participant's Solution
Level 1, 2 and 3 Criteria	The Primary, Sub and Sub-Sub Evaluation Criteria set out in the Evaluation Methodology
LFT	Landfill Tax
Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003.	The Local Government Act 2003 sets out the framework for the current regime for local authority capital finance. The Act is underpinned by the Local Authority (Capital Finance and Accounting) (Wales) Regulations 2003 which provide more detail and specific requirements
Local Partnerships	The joint venture between the Local Government Association and PUK (incorporating 4Ps)
M-BEAM	a modelling instrument developed by Defra for use to calculate mass balance waste flow
MBT	Mechanical Biological Treatment
MEAT	Most Economically Advantageous Tender
MRF	Materials Recovery/Recycling facility
MSW	Municipal Solid Waste
NPV	Net Present Value
OBC	Final form of the Outline Business Case prepared by the Partnership in October 2008 and updated by the 'Outline Business Case Health-Check Addendum' in May 2009
OGC	Office of Government Commerce
OpEx	operating expenditure
Optional Site	the site (Tatton Road, Newport) within the Partnership's control offered to Participants for consideration for use within their proposed Solutions
Outline Solutions	the Solutions submitted in response to the ISOS
Output Specification	the draft output specification setting out the Partnership's minimum requirements for the Project also forms part of the Authorities Requirements
Participant/ Participants	the organisations that were selected at the PQQ stage and invited to participate in the Competitive Dialogue Procedure
Participant's Team	the team bidding for the Project, including but not limited to, where the Participant is:- <ul style="list-style-type: none"> (i) a sole organisation (or a sole organisation supported by subcontractors that are not Significant Subcontractors) (ii) that sole organisation (iii) a consortium, each Consortium Member (iv) a prime contractor, the prime contractor and each Significant Subcontractor (v) a partnership, each member of the partnership (vi) an incorporated company, the incorporated company (vii) a co-operative, the co-operative

Partnership	Caerphilly County Borough Council ("Caerphilly CBC"), the County Council of the City and County of Cardiff ("Cardiff Council"), Monmouthshire County Council ("Monmouthshire CC"), Newport City Council ("Newport CC") and the Vale of Glamorgan Council (the "Vale of Glamorgan") (and each individually a "Partner")
Payment Mechanism	the draft payment mechanism, sets out the basis for calculating payments from the Partnership to the Contractor for delivering the Services in accordance with its obligations under the Project Agreement
PB	Prudential Borrowing
Performance Standards	the standards set out in the Output Specification for the delivery of the Service
PFI	Private Finance Initiative
Planned Services Commencement Date	1st April 2016
Portal	the portal at www.etenderwales.bravosolution.co.uk which Participants must use to upload their Solutions and access the Data Room
PPP	Public Private Partnerships
PQQ	Pre-Qualification Questionnaire
PQQ Methodology	Pre-Qualification Methodology as set out within the PQQ
Preferred Bidder	the Participant whose Solution is chosen as the MEAT following submission of Final Tenders
Project	the procurement of the Facility pursuant to the terms of the Project Agreement
Project Agreement	the project agreement for the residual treatment of MSW to be awarded by the Partnership pursuant to the Project, a draft copy of which will be provided later in the Competitive Dialogue Procedure
Project Board	the organisation within the Partnership established to oversee the procurement process, more specifically described in the tender documentation
Project Manager	Tara King who is employed by Cardiff Council to act on behalf of the Partnership or such other person notified by the Partnership to Participants from time to time
Project Team	the Partnership's team which is responsible for the day-to-day management of this Project on behalf of the Partnership including the Project Manager
PUK	Partnerships UK
Reference Project	the Partnership's reference project as set out in the OBC
Refined Solutions	the Solutions to be submitted in response to the ISRS
Residual Waste	the elements of the waste stream that remains after recycling or compostable materials have been separated or removed
Response Document	the form of response document completed by Participants when submitting their Outline Solutions
Risk Allocation Matrix	the Partnership's allocation of risk as set out in the ITPD
ROC	Renewables Obligation Certificate
RPI	Retail Price Index
SDLT	Stamp Duty Land Tax
SDP	Service Delivery Plans
Services	the services to be provided in accordance with the Project Agreement
Significant Subcontractor	the proposed subcontractors which will be contributing significantly (either in terms of value or importance) to the Project as defined in the PQQ (only relevant where a subcontracting arrangement has been proposed by a Participant)
Site	the site(s) to be used by the Participant to undertake the Works and/or the Services as detailed in their Solution for the Project
Site Report	establishing the baseline condition of the Site(s) before commencement

	of construction for the purposes of permit application(s)
Solution	the solution(s) submitted by Participants throughout the Competitive Dialogue Procedure in response to the procurement documentation
SoPC4	Standardisation of PFI Contracts Version 4 as updated or amended by HM Treasury
SPV	Special Purpose Vehicle
SRF	Solid Recovered Fuel
TAN 12	Technical Advice Note (Wales) 12 Design
TAN 21	(Planning Policy Wales) Technical Advice Note (Wales) 21
TIFU	Treasury Infrastructure Fund Unit
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
UC	Unitary Charge
VAT	Value Added Tax
VfM	Value for Money
WAG	Welsh Assembly Government
WAG Funding Criteria	the WAG Funding Criteria which prescribes certain conditions that the Partnership must comply with during the procurement of the Project (Please see Appendix E of the Descriptive Document for an extract of the criteria)
WCA	Waste Collection Authority
WDA	Waste Disposal Authority
WEEE	Waste Electrical and Electronic Equipment
WET Act 2003	Waste Emissions and Trading Act 2003
WID	Waste Incineration Directive (2000/76/EC)
WIDP	Waste Infrastructure Delivery Programme
WPA	Waste Planning Authority
WPPO	Waste Procurement Programme Office
WRATE	Waste and Resources Assessment Tool for the Environment
4Ps	Public Private Partnerships Programme

Note: Any references to any legislation include reference to any updates or amendments to the legislation.

1. INTRODUCTION

1.1 Introduction

- 1.1.1 A Contract Notice (reference 2009/S 227-326432) has been published in the Official Journal of the European Union on 23 November 2009, inviting expressions of interest from organisations wishing to enter into a contract with the Lead Contracting Authority (acting on behalf of itself and the Partnership) for the joint provision of a residual waste treatment and disposal solution in furtherance of the project known as Prosiect Gwyrdd (the "**Project**").
- 1.1.2 The Partnership comprises of Cardiff Council, Caerphilly County Borough Council, Monmouthshire County Council, Newport City Council and The Vale of Glamorgan Council and is one of a number of procurement partnerships that are participating in a programme of projects for the treatment of residual and food waste supported by the Welsh Assembly Government.
- 1.1.3 The Partnership is carrying out this procurement under the Competitive Dialogue Procedure pursuant to the EU Directive 2004/18/EC which was implemented into UK Law via the Public Contract Regulations (SI 2006/5) with effect from 31st January 2006.
- 1.1.4 The Partnership has pre-qualified a list of Participants who submitted a PQQ response and those Participants are now invited to participate in the Competitive Dialogue Procedure with the Partnership. The Partnership participated in a pre-qualification exercise carried out by Cardiff Council (acting as Lead Procurement Authority on behalf of the Partners named in the Contract Notice) following which (in accordance with the provisions of the PQQ) a shortlist of [eight (8)] pre-qualified Participants was produced and those Participants are now invited to participate in the Competitive Dialogue Procedure with the Partnership.
- 1.1.5 This formal Invitation to Participate in Dialogue ("**ITPD**") is being issued to Participants and represents the first stage of the Competitive Dialogue Procedure namely the Invitation to Submit Outline Solutions ("**ISOS**") stage.
- 1.1.6 The Participants who are being invited to participate in the Competitive Dialogue Procedure are listed below in alphabetical order:-
- Covanta Energy Ltd
 - MVV Umwelt GmbH
 - Shanks Group PLC
 - SITA UK Ltd
 - Urbaser Ltd
 - Veolia ES Aurora Ltd
 - Viridor Waste Management Limited
 - Waste Recycling Group Ltd
- 1.1.7 The purpose of this ITPD is to initiate and develop dialogue with the Participants with a view to identifying the Most Economically Advantageous Tender which best meets the Partnership's requirements for the Project.

1.1.8 Outline Solutions must be received via the [etenderwales portal at www.etenderwales.bravosolutions.co.uk](http://www.etenderwales.bravosolutions.co.uk) by **no later than 12:00:00 hours on Monday 2nd August 2010.**

1.2 The Structure of this ITPD

1.2.1 The ITPD is structured as follows:-

- (a) **Section 1** provides an **introduction to the ITPD, the Project Team structure and the indicative timetable;**
- (b) **Sections 2 and 3** contain the **important notices and general requirements** to be followed by Participants throughout the Competitive Dialogue Procedure;
- (c) **Section 4** contains **additional requirements relating to the preparation and submission of the Outline Solutions;** and
- (d) **Section 5** contains the **Evaluation Methodology** to be followed by the Partnership when evaluating the Solutions.

1.2.2 Appended to this ITPD are the following documents:-

- (a) Appendix 1 contains the Checklist to be completed by the Participants;
- (b) Appendix 2 contains the Anti-Collusion Certificate to be completed by the Participants;
- (c) Appendix 3 contains the Descriptive Document. Please note that the Descriptive Document is an updated version of the Initial Descriptive Document which was distributed to Participants with the PQQ documents. The Descriptive Document provides Participants with background to the Project, describes how the Partnership proposes to conduct the Competitive Dialogue Procedure and sets out an indicative timetable for the Project;
- (d) Appendix 4 contains the Response Document which sets out the ISOS Questions to be answered by the Participants;
- (e) Appendix 5 contains the Partnership's Financial Bid Forms to be completed by the Participants to assist with the evaluation of cost;
- (f) Appendix 6 contains the Authority's Requirements;
- (g) Appendix 7 contains the Partnership's Risk Allocation Matrix to be completed by the Participants;
- (h) Appendix 8 contains the Draft Payment Mechanism Principles;
- (i) Appendix 9 contains the ISOS Financial Assumptions;
- (j) Appendix 10 contains the ISOS Technical Assumptions;
- (k) Appendix 11 contains the ISOS Forms;
- (l) Appendix 12 sets out the data requirements and assumptions to be used by Participants for the WRATE model.

1.2.3 For the purposes of this ITPD the abbreviations, capitalised words and expressions have the meaning set out in the Definitions (unless expressly provided otherwise).

1.3 The Partnership's Project Team

1.3.1 The Project Team is made up of the Partnership's internal project team and its external advisors. The Partnership reserves the right to change any of the members of the Project Team at any time during the Competitive Dialogue Procedure:-

Table 1.1 the Partnership's Project Team

Project Team Name	Position Title	Role
Anthony O’Sullivan	Project Champion	Strategic Support
Stephen Davison	Project Director (& Senior Responsible Officer)	Project Board Chair
Tara King	Project Manager	Team Leader Dialogue Lead
Hrjinder Singh	Finance Manager	Finance Manager & Dialogue
Andrew Williamson	Technical Manager	Technical, Planning & Dialogue
Ian Evans	Procurement Manager	Procurement Management & Dialogue
Elizabeth Weale	Lead Legal Officer	Legal Advice
Ian Lloyd Davies	Communications Officer	Stakeholder and Media Engagement
Victoria Thorne	Project Control Officer	Process Controller & Dialogue Support
Jenna Pritchard	Legal Officer	Legal & Dialogue Support
Elizabeth Lucas	Lead Procurement Officer	Procurement advice & Project Assurance
Jason Conibeer	Project Administrator	Team Support & Communications
Stuart Williams	Strategic Planning Manager	Local Planning Advice

1.3.2 The External Project Team - the External Advisors

Table 1.2 The External Advisors

Advisors	Details
Legal	Pinsent Masons LLP
Financial	Grant Thornton
Technical	TBC
Planning	Parsons Brinckerhoff
WPPO Transactor	Partnership's UK
Insurance	TBC

1.4 Contact Details for Queries

1.4.1 Save as expressly provided otherwise in this ITPD, all queries in respect of this process and the Project must be made via the www.etenderwales.bravosolution.co.uk web portal addressed to the Project Manager, enquiries may be made until 12:00:00 on Wednesday 28th July 2010.

1.4.2 All stages of the Competitive Dialogue Procedure will be conducted via the etenderwales portal: www.etenderwales.bravosolutions.co.uk

1.5 Indicative Procurement Timetable

Table 1.3 Indicative Procurement Timetable

Activity	Indicative Timetable
OJEU Contract Notice published	23 November 2009
ITPD (containing the ISOS) issued	Tuesday 25 May 2010
Initial ISOS dialogue meeting (D1)	w/c 21 June 2010
Interviews / presentations (ISOS) (D2)	w/c 19 July 2010
Deadline for Participants to submit any requests for clarification ¹	12:00:00 on Wednesday 01 September 2010
Deadline for submission of Outline Solutions	12:00:00 Monday 06 September 2010
Clarification and evaluation (ISOS)	07 September to 10 November 2010
Shortlist identified for ISDS stage	24 November 2010
ISDS issued	29 November 2010
ISDS dialogue meetings	w/c 13 December 2010 w/c 01 February 2011 w/c 28 February 2011 w/c TBC
Deadline for Participants to submit any requests for clarification ²	12:00:00 on Tuesday 26 April 2011

¹ See paragraph 3.9.3 and note If a question or request is made less than two (2) weeks prior to the submission date for a Solution, the Partnership may, in its absolute discretion, determine whether the circumstances are such that a final response is warranted or not

Deadline for submission of Detailed Solutions	12:00:00 on Monday 02 May 2011
Clarification and evaluation (ISDS)	w/c 05 May 2011 to 15 September 2011
Shortlist identified for ISRS stage (if required) or CFT stage (if ISRS not required)	16 Sept 2011 to 21 October 2012
ISRS issued (if required)	To be confirmed. The Partnership reserves the right to introduce this additional stage if required. If such a stage is introduced the Partnership anticipates adjusting the remaining timetable to preserve the Planned Services Commencement Date
ISRS dialogue meetings (if required)	To be confirmed
Deadline for Participants to submit any requests for clarification (if required)	To be confirmed
CFT issued (if not ISRS required)	22 October 2011
Competitive Dialogue closed	To be confirmed
Deadline for submission of Final Tenders	12:00:00 on 24 February 2012
Evaluation of Final Tenders	27 February 2012 to 30 March 2012
Preferred Bidder appointed	04 June 2012
Submit Planning Application	03 July 2012
Fine Tuning of documentation	05 June 2012 to 06 September 2012
Financial Close	01 September 2012
Planned Works Commencement Date	02 April 2013
Planned Services Commencement Date	01 April 2016

1.5.1 The Partnership reserves the right to amend the timetable or extend any time period as it sees fit (including, but not limited to, any details relating to meetings set out in this ITPD).

1.5.2 Please note, that the Partnership require all information (including but not limited to questions and/or papers) to be discussed at a dialogue meeting to be submitted to the Partnership at least three (3) Business Days before the date of the dialogue meeting.

1.6 Meetings at the ISOS stage of the Competitive Dialogue Procedure

1.6.1 As part of this Competitive Dialogue stage, the Partnership anticipates holding a number of dialogue meetings with Participants including an initial dialogue meeting to facilitate the preparation and submission of Solutions by Participants that meet the Partnership's requirements.

1.6.2 It is anticipated that a preliminary meeting with each Participant following initial distribution of the ITPD will be held.

1.6.3 Details of specific dates, times, venues and agendas for each round of meetings will be communicated to Participants in due course via the Portal. For the avoidance of doubt, the Partnership reserves the right to amend the schedule and content of the meetings at any time.

² See paragraph 3.9.3 and note: If a question or request is made less than two (2) weeks prior to the submission date for a Solution, the Partnership may, in its absolute discretion, determine whether the circumstances are such that a final response is warranted or not

- 1.6.4 Each Participant may be asked to provide a 40 minute presentation and question and answer session for each Outline Solution to the Project Team. For the avoidance of doubt, the Partnership reserves the right to amend the schedule and content of the presentation at any time.

2. IMPORTANT NOTICES

2.1 Introduction

The Important Notices section shall be deemed to be repeated at each and every stage of the Competitive Dialogue Procedure and shall, for the avoidance of doubt, apply to all further information and documentation provided or made available as part of this Competitive Dialogue Procedure. Participants shall be responsible for ensuring that their Solutions comply with the requirements set out in this ITPD and the Associated Documents.

2.2 Participant’s Warranties

2.2.1 In submitting its Solutions, the Participant warrants, represents and undertakes to the Partnership that:-

- (a) all information, representations and other matters of fact communicated (whether in writing or otherwise) to the Partnership by the Participant, its staff, agents or advisors in connection with or arising out of the ITPD and/or the Associated Documents are true, complete and accurate in all respects, both as at the date communicated and as at the date of submission of the Solution(s);
- (b) it has made its own investigations and undertaken its own research and due diligence and has satisfied itself in respect of all matters (whether actual or contingent) relating to the ITPD and the Associated Documents and that it has not submitted its Solution(s) in reliance upon any information, representation or assumption which may have been made by or on behalf of the Partnership (save in respect of any information which is expressly warranted by the Partnership under the terms of the Project Agreement); and
- (c) it has full power and authority to respond to this ITPD and the Associated Documents and to perform the obligations in relation to this Project and will, if requested, produce evidence of such to the Partnership's reasonable satisfaction.

2.2.2 Participant's acknowledge that the confirmation provided in response to Section A of the ISOS Questions for each Solution that any statement made in the PQQ submission remains true and accurate in all material respect save to the extent specifically disclosed in the Solution and highlighted in response to Section A of the ISOS Questions shall continue to have effect throughout the Competitive Dialogue Procedure. Please see section A of the ISOS Questions (Appendix 4) of the ITPD and section 2.10.2(f) of this ITPD for further information.

2.2.3 Where there is a change to the information provided to the Partnership at any time the Participant must advise the Partnership as soon as practicable, even if this is after the date of submitting the Solutions, and disclose such changes in full. Please see sections 2.10 and 2.13 for further information.

2.3 Confidentiality

2.3.1 Subject to the exceptions referred to in section 2.3.3 below, the ITPD and the Associated Documents are being made available by the Partnership on condition that:-

- (a) Participants shall at all times treat the ITPD and the Associated Documents as confidential;

- (b) Participants shall not disclose, copy, reproduce, distribute or pass the ITPD and the Associated Documents to any other person at any time or permit the occurrence any of the forgoing;
 - (c) Participants shall not use the ITPD and the Associated Documents for any purpose other than for the purposes of preparing (or deciding whether to prepare) a Solution for participating in the Competitive Dialogue Procedure; and
 - (d) Participants shall comply with the provisions of section 2.9 (which contains restrictions on publicity activity within any section of the media or similar).
- 2.3.2 Participants shall ensure that each member of the Participant's Team who receives any of the ITPD information and the Associated Documents is made aware of, and complies with, the provisions of section 2.3 as if they were a Participant.
- 2.3.3 Participants may disclose, distribute or pass the ITPD and the Associated Documents to another person (including, but not limited to, for example, employees, consultants, subcontractors or advisors to the Participant, the Participant's insurers or the Participant's funders) if either:-
- (a) this is done for the sole purpose of enabling a Solution to be prepared and the person receiving the ITPD and the Associated Documents undertakes in writing to keep the ITPD and the Associated Documents confidential on the same terms as set out in this ITPD and the Associated Documents; or
 - (b) the Participant obtains the prior written consent of the Partnership in relation to such disclosure, distribution or passing of the ITPD and the Associated Documents.
- 2.3.4 The Partnership may disclose detailed information relating to the Solutions to the Partnership's Councillors, directors, officers, employees, agents or advisors (which shall include, for the avoidance of doubt, WAG, DESH, PUK, or any Gateway Review Team) and they may make the key documents relating to the Solutions available for private inspection by the Partnership's Councillors, directors, officers, employees, agents or advisors (which shall include, for the avoidance of doubt, WAG, DESH, PUK or any Gateway Review Team).
- 2.3.5 The Partnership also reserve the right to disseminate information that is materially relevant to all Participants, even if the information has only been requested by one Participant, subject to the duty to protect any Participant's commercial confidence in its Solutions. Should Participants wish to avoid such disclosure (for example, on the basis that the request contains, or the likely response will contain, commercially confidential information or may give another Participant a commercial advantage) the request must be clearly marked "In confidence - not to be circulated to other Participants" (on the front page of the document) (and by also marking each relevant page of the document "commercially confidential"). The Participant must set out the reason or reasons for the request for non-disclosure to other Participants.
- 2.3.6 The Partnership will act reasonably as regards the protection of commercially sensitive information relating to the Participant, subject to the Partnership's duties under the Freedom of Information Act 2000 and Environmental Information Regulations.

2.4 Accuracy of the ITPD and the Associated Documents and Liability of the Partnership and their Advisors

- 2.4.1 The ITPD and the Associated Documents have been prepared by the Partnership in good faith but do not purport to be comprehensive or to have been independently verified. Participants should not rely on the detailed information contained in the ITPD and the Associated Documents and should carry out their own due diligence checks and verify the accuracy of the detailed information contained in the ITPD and the Associated Documents. Nothing in this ITPD and the Associated Documents is, or should be construed as, a promise or representation as to the future.
- 2.4.2 Participants considering entering into a contractual relationship with the Partnership should make their own enquiries and investigations of the Partnership’s requirements beforehand. The subject matter of this ITPD and the Associated Documents shall only have contractual effect when it is contained in the express terms of the executed Project Agreement.
- 2.4.3 None of the Partners, the Partner's Councillors, directors, officers, employees, agents or advisors (which shall include, for the avoidance of doubt, WAG, DESH and PUK or any Gateway Review Team) make any representation or warranty as to, or (save in the case of fraudulent misrepresentation) accept any liability or responsibility in relation to, the adequacy, accuracy, reasonableness or completeness of the ITPD and the Associated Documents or any part of it (including but not limited to loss or damage arising as a result of reliance by the Participant on the ITPD and the Associated Documents or any part of it).
- 2.4.4 This invitation to participate in dialogue by the Partnership does not imply that the Participant has satisfied the Partnership regarding any matter raised during any previous stages, and the Partnership makes no representations or warranties regarding the Participant’s financial status, technical competence or ability in any way to carry out the contract.
- 2.4.5 No offer or Final Tender is deemed accepted until the relevant contractual documents have been duly signed on behalf of the Partnership, the Preferred Bidder and all other relevant parties and declared unconditional. No dialogue or communication with the Partnership whether prior to, during or subsequent to the Competitive Dialogue Procedure (including any notification of Preferred Bidder status) will imply acceptance of any offer or constitute an indication that the Participant will be awarded the contract. Only the express terms of the Project Agreement which is finally agreed and signed for and on behalf of the relevant parties and which is duly declared unconditional shall have any contractual effect.

2.5 Conflicts of Interest

- 2.5.1 The Partnership requires all actual or potential conflicts of interest to be resolved to the Partnership’s satisfaction prior to the submission of a Solution in response to this ITPD and the Associated Documents. Failure to declare such conflicts and/or failure to address such conflicts to the reasonable satisfaction of the Partnership may result in a Participant being disqualified. Please complete Form 4 in Appendix 11

2.6 Canvassing

- 2.6.1 The Partnership reserves the right to disqualify (without prejudice to any other civil remedies available to the Partnership and without prejudice to any

criminal liability which such conduct by a Participant or a member of the Participant's Team may attract) any Participant or member of the Participant's Team who, in connection with this ITPD or any Associated Documents:-

- 2.6.2 offers any inducement, fee or reward to any Councillor, officer or other employee of the Partnership or any person acting as an advisor for the Partnership in connection with this ITPD or any Associated Documents;
- 2.6.3 does anything which would constitute a breach of the Prevention of Corruption Acts 1889 to 1916 or Section 117 of the Local Government Act 1972 (as amended);
- 2.6.4 canvasses any Councillor, officer or other employee of the Partnership or any person acting as an advisor for the Partnership in connection with this ITPD or any Associated Documents; or
- 2.6.5 contacts any Councillor, officer or other employee of the Partnership prior to financial close about any aspect of the ITPD or any Associated Documents in a manner not permitted by this ITPD (including without limitation contact for the purposes of discussing the possible transfer to the employment of the Participant of such Councillor, officer or other employee) or any Associated Documents.

2.7 Non-Collusion

- 2.7.1 The Partnership reserves the right to disqualify (without prejudice to any other civil remedies available to the Partnership and without prejudice to any criminal liability which such conduct by a Participant may attract) any Participant who, in connection with this ITPD or any Associated Documents:-
 - (a) fixes or adjusts the amount of its Solution by or in accordance with any agreement or arrangement with any other Participant or member of the Participant's Team (other than a member of its own consortium or supply chain);
 - (b) enters into any agreement or arrangement with any other Participant or member of the Participant's Team to the effect that he shall refrain from submitting a Solution or as to the amount of any Solution to be submitted;
 - (c) causes or induces any person to enter such agreement as is mentioned in either section 2.7.1(a) or 2.7.1(b) or to inform the Participant or member of the Participant's Team of the amount or approximate amount of any rival Solution;
 - (d) offers or agrees to pay or give or does pay or give any sum of money, inducement or valuable consideration directly or indirectly to any person for doing or having done or causing or having caused to be done in relation to any other Solution or proposed Solution for the works and/or services or any act or omission; or
 - (e) communicates to any person other than the Partnership the amount or approximate amount of their proposed Solution (except where such disclosure is made in confidence in order to obtain quotations necessary for the preparation of a Solution).

2.7.2 Participants and each member of the Participant's Team are required to return the Anti-Collusion Certificates set out in Appendix 2 of this ITPD when submitting their Solutions.

2.8 Intellectual Property

2.8.1 The copyright in this ITPD and the Associated Documents is vested in the Partnership. This ITPD and the Associated Documents may not be reproduced, copied or stored in any medium without the prior written consent of the Partnership except in relation to the preparation of a Solution. All documentation supplied by the Partnership in relation to this ITPD and the Associated Documents is and shall remain the property of the Partnership and must be returned on demand, without any copies being retained.

2.8.2 The Partnership reserves the right to require the assignment or grant of a royalty free non-exclusive licence of all intellectual property relating to or in connection with any Solution resulting in the award of contracts.

2.9 Publicity

2.9.1 Participants shall not undertake (or permit to be undertaken) at any time, whether at this stage or after financial close, any publicity activity with any section of the media in relation to the Project other than with the prior written agreement of Partnership. Such agreement shall extend to the content of any publicity. In this section the word "media" includes (but without limitation) radio, television, newspapers, trade and specialist press, the internet and email accessible by the public at large and the representatives of such media.

2.10 The Partnership's Right to Reject Solutions

2.10.1 The Partnership reserve the right to require a Participant and/or the members of the Participant's Team to clarify their submission in writing and/or provide additional information (failure to respond adequately may result in a Participant being rejected); and/or

2.10.2 The Partnership reserve the right to reject or disqualify a Participant and/or the members of the Participant's Team where:-

- (a) a Solution is submitted late, is completed incorrectly, is materially incomplete, is submitted in any other format other than via the Portal or fails to meet the Partnership's submission requirements which have been notified to Participants;
- (b) the Participant and/or the members of the Participant's Team are unable to satisfy the terms of Article 45 of Directive 2004/18/EC and/or Regulation 23 of the Public Contracts Regulations 2006 at any stage during the Competitive Dialogue Procedure;
- (c) the Participant and/or the members of the Participant's Team are guilty of material misrepresentation or false statement in relation to its application and/or the process;
- (d) the Participant and/or the members of the Participant's Team contravene any of the terms and conditions of this ITPD and/or any Associated Documents;

- (e) there is a change in identity, control, financial standing, structure or other factor impacting on the selection and/or evaluation process affecting the Participant and/or the members of the Participant's Team (including but not limited to a change in the Participants' Team from the members who completed the PQQ);
- (f) the Participant introduced a material change to any commitment or statement contained in any previous submission at any stage of the Competitive Dialogue Procedure (including but not limited to the PQQ submission); or
- (g) the Participant breaches the terms and conditions of use for the Data Room.

2.10.3 The disqualification of a Participant will not prejudice any other civil remedy available to the Partnership and will not prejudice any criminal liability that such conduct by a Participant may attract.

2.11 Provision of Further Information by Participants after Submitting a Solution

2.11.1 The Partnership is relying on the information provided by Participants during the PQQ stage (including but not limited to information concerning the Participant's Team and consortium structure). If, at any time during the Competitive Dialogue Procedure there are any material changes to the same, the Participant must advise the Partnership as soon as practicable (even if this is after the submission of a Solution). Upon receipt of such information, the Partnership shall be entitled to revisit the selection and/or evaluation of the Participant and exclude the Participant, if necessary, as a result of that process.

2.12 Freedom of Information

2.12.1 The Partnership is subject to the provisions of the Freedom of Information Act 2000 (FOIA). FOIA provides a general right of access to information held by public authorities and the Partnership may be required to disclose any or all information submitted to the Partnership in response to a request made pursuant to FOIA.

2.12.2 FOIA provides for information to be exempt from the general right of access in certain circumstances, for example where the information has been provided in confidence, is a trade secret, or where release would or would be likely to prejudice commercial interests. Because the Partnership has to comply with its statutory duties, if information is requested the Partnership may be forced to disclose such documentation, irrespective of a Participant's wishes, if it is not covered by an exemption under FOIA. Please also note that the availability of some exemptions is subject to a test of whether the public interest lies in disclosing the information or keeping it confidential.

2.12.3 Participants are required to identify any information contained in your Solution(s) which you would prefer not to be released if a request under FOIA is received. Requests for information to be treated as commercially confidential should accompany your response and must include a clear and substantive justification (which the Partnership is able to disclose) together with a time limit after which any such information may be disclosed. You should make sure any information that you consider commercially confidential is clearly marked as such. Please clearly mark the front page of the document with "In confidence – not to be circulated" (and by also marking each relevant page of the document "commercially confidential").

You should be aware that a Solution that indicates that all of the information you provide in a Solution is confidential, without a clear and substantive justification, is unlikely to be acceptable to the Partnership. You should also be aware that even where information is identified as confidential and/or commercially sensitive the Partnership may be required to disclose such information in accordance with FOIA.

2.12.4 If the Partnership receives a request under FOIA for the release of information which has been provided by a Participant, the Partnership will use reasonable endeavours to consult with the relevant Participant as soon as practicable where it considers that the requested information may include exempt information relating to that Participant. Where the Partnership consults with the Participant, the Participant must respond to the Partnership's requests within 48 hours (unless otherwise agreed by the Partnership), so that the Partnership can comply with its obligation to answer a FOIA request within the relevant time limit.

2.12.5 The decision on what is, or is not, exempt information shall be determined by the Partnership having considered the representations of Participants. The Partnership shall not be liable for any loss, damage, harm or other detriment however caused arising from any disclosure of information under FOIA, Environmental Information Regulations 2004 or other legislation governing access to information including but not limited to Guidance Notes and Codes of Practice issued by the Information Commissioner.

2.13 The Participant's Team

2.13.1 The members of the Participant's Team, and the principal relationships between the team members, may be changed in relation to this procurement process only with the prior consent of the Partnership, and subject to any replacement team member being satisfactorily pre-qualified by the Partnership (in accordance with the requirements of the PQQ). The Partnership reserves the right to take this into account when determining whether or not to continue with the evaluation of a Solution, and whether or not to enter into a contract with a Participant, where there has been a change in the ownership of the Participant or any members of the Participant's Team (direct or indirect) or a change in the principal relationships between the team members.

2.13.2 All other Participants shall be deemed to have consented to any changes in other Participant's Teams.

2.14 Bidding Process and Costs

2.14.1 The Partnership reserves the right at any time:-

- (a) not to consider Solutions other than those submitted in accordance with the terms of this ITPD and/or the Associated Documents;
- (b) to negotiate with one or more of the Participants during the Competitive Dialogue Procedure to obtain arrangements which best meet its requirements to the extent permitted pursuant to the procurement regulations;
- (c) to issue amendments or modifications to the ITPD and/or the Associated Documents during the Competitive Dialogue Procedure;

- (d) to require a Participant and/or the members of the Participant's Team to clarify their submission in writing and/or provide additional information (failure to respond adequately may result in a Participant being rejected);
- (e) to alter the timetable of any aspect of the procurement including (but not limited to) the anticipated date of financial close;
- (f) not to award a contract; and/or
- (g) to cancel or withdraw from the Competitive Dialogue Procedure at any stage.

2.14.2 Any costs or expenses incurred by any Participant or the Participant's Team or any other person will not be reimbursed by the Partnership and neither the Partnership nor any of their representatives or advisers (which shall include for the avoidance of doubt WAG, DESH, PUK or any Gateway Review Team) will be liable in any way to any Participant or the Participant's Team or any other person for any costs, expenses or losses incurred by any Participant or the Participant's Team or any other person in connection with this Competitive Dialogue Procedure.

2.15 **Governing Law**

2.15.1 All negotiations will be conducted, and all documents and Solutions will be prepared, in the English language. The negotiations and all subsequent contracts negotiated and any non-contractual obligations arising out of or in connection with such contracts will be subject to the laws of England and Wales and the exclusive jurisdiction of the English and Welsh courts.

3. SUBMISSION OF SOLUTIONS - GENERAL REQUIREMENTS

3.1 Introduction

- 3.1.1 The provisions of this Section 3 shall be deemed to be repeated at each and every stage of the Competitive Dialogue Procedure and shall, for the avoidance of doubt, apply to all further information and documentation provided or made available as part of this Competitive Dialogue Procedure. Participants shall be responsible for ensuring that their Solutions comply with the requirements set out in this ITPD and the Associated Documents.
- 3.1.2 The Partnership is following the Competitive Dialogue Procedure in accordance with the requirements of the Public Contracts Regulations 2006. Participants are deemed to understand the processes that the Partnership is required to follow under the Public Contract Regulations 2006 and all applicable European and domestic legislation and shall cooperate with the Partnership in those processes. Participants are reminded that they will not have the opportunity to revise their Solutions following submission of their Final Tender(s) as the Partnership can, pursuant to the Public Contract Regulations 2006, only clarify, specify or fine-tune a tender after formal submission at this stage.
- 3.1.3 Copies of any relevant UK legislation may be obtained from HMSO Publication Centre, PO Box 276, London SW8 5DT. (Telephone) +44(0)207 873 0011. Public Services Procurement regulations can be viewed at www.opsi.gov.uk/si/si2006/uksi_20060005_en.pdf.

3.2 Vires and the Capital Finance Regulations

- 3.2.1 Participants should be aware that the Project Agreement and the Funder's Direct Agreement are anticipated to be certified in accordance with the Local Government (Contracts) Act 1997.
- 3.2.2 Participants are reminded that all Solutions must enable proper compliance with the Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003. Participants will be deemed to understand the requirements of those Regulations and to take them into account within their Solution(s).

3.3 The Participant's Team

- 3.3.1 The Participant's Team shall be clearly identified at each stage of the Competitive Dialogue Procedure.
- 3.3.2 Where the Participant is bidding as a consortium, the consortium should identify one team member as the "**Lead Participant**" to submit the consortium's Solutions. It will be the Lead Participant's role to co-ordinate all correspondence with the consortium.

3.4 Content of Solutions

- 3.4.1 Solutions must be provided using the etenderwales portal in accordance with the instructions provided in this document (see sections 1.1.8 and 1.4.2) and the instructions available through the Portal. Where an attachment is required please observe the page limitations set out in Appendix 4 and respond using font size 12 and the type to be Arial. Any drawings submitted must be no larger than A1.

- 3.4.2 If a Participant has prepared two Solutions, **each Solution shall be prepared and submitted as a stand alone submission**, be clearly labelled and numbered and shall not cross refer to a separate Solution or previous submission or PQQ submission.
- 3.4.3 Save as expressly provided otherwise in this ITPD, all electronic copies of the Solutions must be provided in a pdf format accessible by version 6 of Adobe Reader or later.
- 3.4.4 Do not refer the Partnership to company literature, brochures or any marketing or promotional material as answers to any of the questions. Such responses will be deemed inadequate and regarded as non compliant.
- 3.4.5 Each Solution shall be as concise as possible, whilst providing sufficient information to enable the Partnership to evaluate the Solution in accordance with this ITPD and the Associated Documents.
- 3.4.6 All answers and documents are to be in English. Documents which are not in the English language must be accompanied by an English translation and a certificate by a bona fide independent translator attesting the authenticity of the translation.
- 3.4.7 Do not provide any information other than that requested, as the Partnership will not consider it as part of the assessment process.

3.5 **Data Room/Portal**

- 3.5.1 Throughout the Competitive Dialogue Procedure, Participants will be able to upload documentation (including their Solutions for the Project) and access a data base (the "**Data Room**") via www.etenderwales.bravosolution.co.uk (the "**Portal**").
- 3.5.2 Documentation will be held and maintained on the secure centrally managed Data Room that is restricted to registered users. Participants will be required to download this ITPD and the Associated Documents from the Data Room/Portal including but not limited to the ITPD/ISOS, ISDS, ISRS and CFT documentation at the relevant stages of the Competitive Dialogue Procedure. Certain hard copy documents can be made available from the Data Room upon request and with the appropriate notice. However, the Partnership does not anticipate distributing hard copies of the main tender documentation (which shall include the ITPD/ISOS, ISOS, ISRS and CFT documentation) from the Portal.
- 3.5.3 The use of the Portal/Data Room allows a full and complete audit trail of the evaluation that will satisfy all audit requirements and maintain probity during the evaluation of the Participant's submissions. The system is also sustainable and provides excellent communications tools for the Partnership and Participants. All documents, quality assurance and quality review shall be managed by the Project Team. All products are version controlled, decisions are recorded on the Partnership's Decisions Log and all actions are recorded and held centrally to ensure that a full audit trail of all documentation is kept.
- 3.5.4 In the event of any inconsistency or conflict between the contents of any hard copy provided upon request and the copy on the Portal/Data Room Participants shall promptly, and in any event within two days of becoming aware, notify the Partnership in writing. The Partnership shall, as soon as

reasonably practicable, issue a clarification to confirm how such conflict has been resolved.

- 3.5.5 The information contained within the Portal/Data Room has been prepared by the Partnership in good faith but does not purport to be comprehensive or to have been independently verified. Participants should not rely on the information contained with the Portal/Data Room and should carry out their own diligence checks and verify the accuracy of such information. No liability whatsoever shall be incurred by the Partnership and its advisors regarding the use of the information on the Portal/Data Room by Participants. Nothing in the Portal/Data Room is or shall be a promise or representation as to existing circumstances or the future.
- 3.5.6 It is the responsibility of each Participant to ensure that they have all of the information they need to prepare their Solution(s) for the relevant stage of the Competitive Dialogue Procedure.
- 3.5.7 Each Participant shall not interfere or attempt under any circumstances whatsoever to gain access to the folders or any information of any other Participant. Any concerns as to the security of your or any other Participants folder and/or other information shall be reported to the Partnership immediately upon becoming aware.
- 3.5.8 You shall not grant access to the Portal/Data Room to any third party or to any other user who already has access to the Portal/Data Room or otherwise by providing or sharing usernames and/or passwords provided by the Partnership for your sole use.
- 3.5.9 You agree to fully indemnify, defend and hold the Partnership, our Councillors, employees, agents and advisers harmless immediately on demand against all claims, damages, losses, costs and expenses (including legal fees) arising out of your breach of the terms of use of the Portal/Data Room or any other liabilities arising out of your use of the Portal/Data Room contrary to such term or of any materials accessible via the Portal/Data Room or the use by any other person accessing the Portal/Data Room using your username and password.

3.6 **Signature of Documents**

- 3.6.1 Any documents requiring signature shall be returned with your Solution(s) and signed:-
 - (a) by the Participant as follows:-
 - (i) where the Participant is bidding as a consortium, by each Consortium Member;
 - (ii) where the Participant is a prime contractor supported by Significant Sub-contractors, by the prime contractors and each Significant Sub-contractor;
 - (iii) where the Participant is a single organisation (or a single organisation supported by sub-contractors that are not Significant Sub-contractors) by that single organisation;
 - (iv) where the Participant is a company, by the company;

- (v) where the Participant is an unincorporated association, by the person duly authorised for that purpose to sign on its behalf, stating their position; and
 - (vi) where the Participant is a partnership, by two duly authorised partners.
- (b) by the intended shareholders of the special purpose vehicle;
- (c) by the guarantor of the Participant, each Consortium Member, the Significant Sub-Contractor (as applicable); and
- (d) in accordance with the execution requirements set out in the Companies Act 2006 (for instance a company shall execute any document by:
- (i) affixing its common seal; or
 - (ii) the document being signed on behalf of the company by either:-
 - (1) two authorities signatories; or
 - (2) a director of the company in the presence of a witness who attests the signature.)

3.7 Delivery of Solutions

3.7.1 The Partnership will be conducting this procurement exercise through the Value Wales e-Tendering Portal at:

www.etenderwales.bravosolution.co.uk.

3.7.2 To submit a Solution, Participants are required to upload their Outline Solutions to the Portal by the closing date and time fixed for the receipt of the Solution. The Partnership reserves the right to reject Solutions where the entire Solution has not been uploaded by the closing date and time.

3.7.3 If a Participant has any queries in relation to the use of the Portal please contact the BravoSolution help desk Mon – Fri (8am – 6pm) on:

(a) Email: help@bravosolution.co.uk; or

(b) Phone: 0800 368 4850 / Fax: 020 7080 0480

3.8 References

3.8.1 The Partnership reserves the right to contact the Participant's financial and/or technical referees at any stage of the Competitive Dialogue Procedure. Referees should be alerted in advance so as not to cause delays. In addition, to satisfy itself that the specific proposal is deliverable and to fully understand the nature of the technical solution proposed, the Partnership reserves the right to inspect applications/reference sites of the proposed Solution. For the avoidance of doubt, whilst assisting the Partnership to understand a Participant's Solution, visits to Participants' reference sites will not be scored.

3.9 Communication by the Participants

- 3.9.1 Save as expressly provided otherwise in this ITPD, all contact with the Partnership shall be made through the Project Manager in writing and **must be made via the www.etenderwales.bravosolutions.co.uk web portal.**
- 3.9.2 Participants are welcome to contact the Project Manager via the Portal with reasonable frequency to discuss any aspect of the Project. Participants should not make any contact with any employee, officer, Councillor or advisors to the Partnership, without the Partnership's prior invitation or agreement.
- 3.9.3 All questions and requests for clarification or further information may only be made, and will only be considered, if made at least two (2) weeks prior to the submission date for a Solution. If a question or request for clarification or further information is made by the Participant at least two (2) weeks prior to the submission date for a Solution, the Partnership may, in its absolute discretion, endeavour to respond to the Participant and provide any additional information to which the Partnership has access. The Partnership shall not be obliged to comply with any such request and the Partnership does not accept any liability or responsibility for failure to provide any such information. If a question or request is made less than two (2) weeks prior to the submission date for a Solution, the Partnership may, in its absolute discretion, determine whether the circumstances are such that a final response is warranted or not.
- 3.9.4 The Partnership also reserves the right to disseminate information that is materially relevant to all Participants even if the information has only been requested by one Participant, subject to the duty to protect any Participant's commercial confidence in its Solutions. Should Participants wish to avoid such disclosure (for example on the basis that the request contains, or the likely response will contain, commercially confidential information or may give another Participant a commercial advantage), the request must be clearly marked "in confidence – not to be circulated to other Participants" (on the front page of the document) (and by also marking each relevant page of the document "commercially confidential"). The Participant must set out the reason or reasons for the request for non-disclosure to other Participants.
- 3.9.5 If the Partnership considers that (in its absolute discretion), in the interests of open and fair competition, it is unable to respond to the question or request for clarification or further information on a confidential basis, it will inform the Participant who has submitted it. The Participant must as soon as practicable thereafter respond in writing requesting that either the query be withdrawn or treated as not confidential. The Partnership will deem that the question or request for clarification or further information has been withdrawn if the Partnership is not contacted in writing within five (5) Business Days following informing the Participant as referred to above.
- 3.9.6 It is imperative that Participants are clear in every request for information/question submitted to the Partnership the extent to which that request/question is commercially sensitive and/or confidential. Any statement requesting that the response to the request/question is to be kept confidential should be well constructed, thought out and meaningful and not simply a broad statement that covers matters clearly in the public domain or not commercially sensitive.

3.10 Surveys, Inspections and Investigations

3.10.1 All contact must be made through the Project Manager via the Portal regarding liaison with any interested parties in connection with the procurement of site surveys, inspections and investigations during the Competitive Dialogue Procedure.

3.11 Dialogue Meetings

3.11.1 The Partnership will provide further details of the dialogue meetings to be held at each stage of the Competitive Dialogue Procedure as the process develops.

3.11.2 The Partnership reserves the right to extend any time period and reduce or increase the amount of dialogue meetings if considered necessary during the Competitive Dialogue Procedure.

3.11.3 The Partnership will endeavour, as far as possible, to agree agenda items and confirm attendees before each dialogue meeting. In order for the discussions to be productive, it is assumed that each Participant will be empowered to make decisions at the relevant dialogue meeting.

3.11.4 Points of clarification provided by the Partnership during the meetings will be shared with Participants unless a Participant demonstrates to the Partnership's reasonable satisfaction that the information should be treated as confidential, in which case the provisions of section 2.3 and 2.12 shall apply.

3.11.5 Whilst Participants will be invited to discuss their Solutions, nothing said or intimated by the Project Team at these meetings will constitute an approval of their proposals or an acceptance of their adequacy in meeting the Project requirements. However, the Partnership will endeavour to indicate to Participants whether it believes the proposed Solutions are unlikely to meet its objectives. These meetings will be treated as confidential between the Partnership and each Participant.

3.12 Debriefing Process

3.12.1 Participants who are de-selected at any stage of the Competitive Dialogue Procedure will be entitled to receive feedback on their Solution(s) on request in accordance with relevant procurement legislation.

3.13 Withdrawing from the Competitive Dialogue Procedure

3.13.1 Participants may decline to take part in the Competitive Dialogue Procedure, but should they choose not to participate, they should alert the Partnership promptly, giving reasons, and return to the Partnership (marked for the attention of the Project Manager) all copies of the documentation issued to them by the Partnership or downloaded from the Portal/Data Room. Please contact the Project Manager via the Portal to obtain the relevant postal address to be used to return all documentation.

4. SUBMISSION OF OUTLINE SOLUTIONS

4.1 Introduction

- 4.1.1 Participants may submit up to two (2) Outline Solutions.
- 4.1.2 A Reference Project has been developed by the Partnership assessing a number of key parameters including (but not limited to) waste arisings, site availability, location, technology options, compliance with local and national targets/strategy and cost. However, the Reference Project has been proposed for the purposes of the Partnership's Outline Business Case ("OBC") only and the Partnership is not requesting Participants to submit a mandatory solution based on the Reference Project.
- 4.1.3 The Partnership reserves the right to reject any Participant who does not comply with this ITPD and all Associated Documents. It is the responsibility of the Participants to ensure that they have all of the information they need to prepare and submit their Outline Solutions pursuant to this ITPD and all Associated Documents.

4.2 Compliance

- 4.2.1 As stated above, no mandatory solution is being requested by the Partnership. The Partnership will therefore consider any Solution (including but not limited to any technology solution and any site) that:-
- (a) complies with the requirements of this ITPD;
 - (b) complies with the Authority's Requirements;
 - (c) demonstrates that it will meet the Partnership's project objectives as set out in the Descriptive Document attached to this ITPD;
 - (d) provides a long term Solution (by which the Partnership means a contract period of approximately 25 years with an option to extend by a further 5 years) to manage the Partnership's forecast tonnages of residual MSW as more particularly set out in the Authority's Requirements as Contract Waste from the anticipated Planned Services Commencement Date of 1st April 2016 (as the same may be adjusted in accordance with WIDP's Residual Waste Treatment Contract); and
 - (e) is consistent with the terms of the WAG Funding Criteria.
- 4.2.2 The Partnership also reserves the right to require Participants to explore key sensitivities such as (but not limited to) different funding structures and the impact of capital contributions by the Partnership during the later stages of the Competitive Dialogue Procedure.

4.3 Assumptions to be Made

- 4.3.1 Following appointment of the Preferred Bidder, the Preferred Bidder shall procure full planning permission for its Solution on either the Optional Site and/or any Contractor site (if not already obtained). The Preferred Bidder's responsibility shall include (but is not limited to) the cost and time of preparing an EIA and complying with any planning conditions/environmental permits.

4.3.2 Please see Appendices **9** and **10** which set out the financial and technical assumptions to be taken into account when preparing the Outline Solutions.

4.4 **Content of the Outline Solutions**

4.4.1 These instructions are designed to ensure that all Participants are given equal and fair consideration. It is important therefore that you provide all the information asked for in the format and order specified in this ITPD.

4.4.2 Participants are required to submit as a minimum the following documentation for **each Outline Solution**:-

- (a) Completed Checklist (Appendix 1);
- (b) Completed and signed Certificate as to Collusion and Canvassing (Section 4.6 and Appendix 2).
- (c) Copy of all clarifications with an index detailing each clarification. The clarifications shall include clarifications requested by the Participant, responses received from the Partnership and any further clarifications distributed by the Partnership. Please note that all clarifications must be submitted on the form provided in the Portal/Data Room.
- (d) Completed ISOS Response (Section 4.5 and Appendix 4);
- (e) Financial Bid Forms (Appendix 5);
- (f) Risk Allocation Matrix (Appendix 7);
- (g) Completed WRATE Model and completed WRATE Forms (Appendix 12); and
- (h) Completed and signed ISOS Covering Letter attached as form 3 of Appendix 11 to this ITPD.

4.5 **Response Document**

4.5.1 Participants are expected to prepare a suitable form of Response Document which clearly sets out their response to each ISOS Question in the order set out in Appendix 4.

4.5.2 A Response Document shall be completed by each Participant for each Outline Solution proposed. **A minimum of 1 and a maximum of 2** Response Documents may be submitted by each Participant.

4.5.3 Each Response Document shall be a stand alone document, be clearly labelled and numbered and shall not, subject to section **Error! Reference source not found.**, cross refer to a separate document.

4.5.4 If two Outline Solutions are submitted, a complete separate response to the ISOS questions for each Solution is required. Given this, if any of the answers to the second Outline Solution are identical to the first, it is essential that your Company replicates the answers in both sets of questions and to clearly mark that the text is identical in both Solutions. The partnership reserves the right to give a score of 0 (zero) if this requirement isn't met.

- 4.5.5 The Response Document requires Participants to respond to specific questions which are divided into the following sections:-
- (a) Section A - Executive Summary;
 - (b) Sections B to E - Technical & Service Delivery;
 - (c) Sections F - Deliverability and Integrity of the Solution;
 - (d) Sections G to L - Financial & Commercial; and
 - (e) Section K - Legal & Contractual.
- 4.5.6 The answers to Section B to K will be evaluated and scored in accordance with the Evaluation Methodology as set out in section 5 of this ITPD. All information contained therein should be separately provided in answers to other relevant ISOS Questions in order to be evaluated and scored.
- 4.5.7 The answers to Section A will not be evaluated and scored by the Partnership. The information in Section A is requested in order to provide an Executive Summary of the Outline Solution.
- 4.5.8 In answering the ISOS questions Participants are required to:-
- (a) give clear, concise answers to the questions raised;
 - (b) provide a full answer to each question and provide all supporting information in the format requested and on the forms provided;
 - (c) provide stand-alone answers to each question (answers should not be cross referenced (except where expressly requested));
 - (d) ensure that each answer is clearly numbered and page numbered where applicable and refers to the relevant question and that each page contains the name of the Participant and the number of the ISOS question to which the response refers;
 - (e) Indicate "not applicable" where questions do not apply; and
 - (f) Comply with the page limitations that are clearly set out with each relevant ISOS Question contained in Appendix 4 of this ITPD.
- 4.5.9 Unless otherwise indicated each question should be answered with reference to the member of the Participant's Team that will perform the particular service.
- 4.5.10 Diagrams may be included. Supporting documentation, subject to appropriate cross-referencing, may also be submitted in support of the answers provided in the Outline Solutions. Generic and promotional material should not be included. Participants should not provide any information other than that requested since the Partnership will not consider it as part of the assessment or evaluation process.
- 4.5.11 The Partnership will be following the standard form approach for insurance as set out in the WIDP Standard Project Agreement and Schedule 10 (Required Insurances). Further details will be provided at the ISDS stage. However, the Partnership does not anticipate any material movement from

the insurance requirements set out in the PQQ. Participants are also referred to 'General Risks' described in the draft Risk Allocation Matrix (Appendix 7) that you are required to respond to for each Solution submitted. Participants will not be required to provide any detailed insurance proposals or detailed pricing information as part of their ISOS submission. The detailed insurance requirements in relation to the ISDS submission will be set out in the ISDS document.

4.6 Completed and signed Certificate as to Collusion and Canvassing (Appendix 2)

4.6.1 Please refer to section 2.6 and 2.7 for further information on the Partnership's position in relation to Collusion and Canvassing. The Partnership requires each member of a Participant's Team to complete and sign the Anti-Collusion Certificate for each Outline Solution submitted. Please see section 3.6 for further information on documents requiring signature.

4.7 Submission of the Outline Solutions

4.7.1 Please refer to the Checklist at Appendix 1. To ensure that all questions have been answered and additional information included, please return a copy of the completed Checklist with all required documentation for each Outline Solution submitted.

4.7.2 Please provide the correct number of copies of the documentation in each Outline Solution as set out in the Checklist.

4.7.3 Outline Solutions must be received via the Portal (etenderwales) and received by **no later than 12:00:00 on Monday 02 August 2010**.

5. EVALUATION METHODOLOGY

5.1 INTRODUCTION

- 5.1.1 The underlying principle of the Evaluation Methodology is to select the Most Economically Advantageous Tender that meets the Partnership's requirements for the Project. The Evaluation Methodology is designed to provide a structured and auditable approach to evaluating the Solutions submitted by the Participants.
- 5.1.2 The Evaluation Methodology set out in this section 5 will be used to evaluate the Solutions throughout the Competitive Dialogue Procedure including the ISOS, ISDS, ISRS (if required by the Partnership (in its absolute discretion)) and CFT stages. In addition to this, further detailed guidance will be provided at the start of each stage of the Competitive Dialogue Procedure with the relevant invitation and tender documentation.
- 5.1.3 The Partnership shall conduct dialogue meetings with the Participants in accordance with the process set out in the ITPD documentation and as otherwise required by the Partnership. For the avoidance of doubt, whilst assisting the Partnership to understand a Participant's Solution, information submitted by the Participants in response to requests by the Partnership during the dialogue meetings will not be scored.

5.2 INITIAL ASSESSMENT – EACH STAGE OF THE COMPETITIVE DIALOGUE PROCEDURE

- 5.2.1 At each stage of the Competitive Dialogue Procedure, the Solutions will first be reviewed to ensure that:-
 - (a) the Solution has been submitted on time and meets the Partnership's submission requirements/instructions which have been notified to the Participants;
 - (b) the submission is sufficiently complete to enable the Solution to be evaluated in accordance with the Evaluation Methodology (the Partnership, may at its discretion, request additional information in relation to a Solution where this requirement has not been substantially met); and
 - (c) the Participant has not through any act or omission, placed the Partnership in contravention of the terms and conditions of the Competitive Dialogue Procedure.
- 5.2.2 Solutions that do not satisfy the initial assessment in accordance with paragraph 5.2.1 above may be rejected at this stage.
- 5.2.3 The Partnership reserves the right to amend and/or introduce additional requirements to be met in relation to the initial assessment at any stage of the Competitive Dialogue Procedure. Further details will be provided in the invitation to tender documentation at the start of each stage.

5.3 DETAILED ASSESSMENT – EACH STAGE OF THE COMPETITIVE DIALOGUE PROCEDURE

5.3.1 Summary

5.3.2 Following the initial assessment in accordance with paragraph 5.2 above, a detailed evaluation exercise will be conducted by the Partnership. The Solutions will be scored against Level 1, Level 2 and Level 3 Criteria. The Partnership has weighted the Criteria to demonstrate the relative importance of each Criterion to the Partnership.

5.3.3 Table 5.0 below provides a summary of the Level 1 Criteria and the respective weightings at each stage of the Competitive Dialogue Procedure. Further details of the Level 1, Level 2 and 3 Criteria and their respective weightings at each stage of the Competitive Dialogue Procedure are shown below in sections 5.3.8 to 5.4 below.

Table 5.0 Level 1 Criteria and Weightings at Each Stage

Level 1 Criteria	Range of weightings	ISOS stage	ISDS stage	CFT stage
Technical & Service Delivery	30-65	65	50	30
Deliverability and Integrity of the Solution	0-5	5	5	0
Finance & Commercial	20-55	20	30	55
Legal & Contractual	10-15	10	15	15
Total		100	100	100

5.3.4 The Level 1, Level 2 and Level 3 Criteria will remain fixed throughout the Competitive Dialogue Procedure.

5.3.5 However, the Partnership reserves the right to:-

- (a) introduce a further more detailed level of Criteria at any stage of the Competitive Dialogue Procedure; and
- (b) refine and/or adjust the detailed methodology to be applied to the evaluation of the Criteria at any subsequent stage provided such refinement and/or adjustment is within the parameters of the Level 1, Level 2 and Level 3 Criteria set out in this section 5.

5.3.6 Where weightings are expressed with 0% as being the lowest weighting to be taken into account for a Criterion during the Competitive Dialogue Procedure that means that at some stage of the procedure that Criterion may not be taken into account in the evaluation. The effect of not scoring such Criteria will not have the effect of advantaging or disadvantaging a particular Participant. All Participants will receive a score of zero against those Criteria.

5.3.7 The Partnership will inform the Participants still participating in the process of any changes under section 5 above at the start of the relevant stage of the Competitive Dialogue Procedure.

5.3.8 Criteria and Weightings for the Level 1, 2 and 3 Criteria at the ISOS stage

Please see section 5.4 which sets out the Criteria and weightings to be used to evaluate the Outline Solutions at the ISOS stage of the Competitive Dialogue Procedure.

5.3.9 Criteria and Weightings for the Level 1, 2 and 3 Criteria at the ISDS stage

Table 5.1 below sets out the Criteria and weightings to be used to evaluate the Detailed Solutions at the ISDS stage of the Competitive Dialogue Procedure.

Table 5.1 Criteria and weightings to be used to evaluate the Detailed Solutions

Level 1 Criteria	Weighting	Level 2 Criteria	Weighting	Level 3 Criteria	Weighting	
L1.1 Technical & Service Delivery	50	L2.1 Technical Solution	30	L3.1 Solution Summary	5	
				L3.2 Diversion of total waste from landfill	10	
				L3.3 Diversion of BMW from landfill	10	
				L3.4 The percentage Contract Waste that is Recycled or Composted	15	
				L3.5 Energy Profile	20	
				L3.6 Provision of Contingency Arrangements	20	
				L3.7 Flexibility to adapt to changes in Waste Composition and Tonnages	20	
		L2.2 Works Phase	20		L3.8 Quality and robustness of Construction/ EPC contract specification	30
					L3.9 Quality of Works Phase programme	20
					L3.10 Sustainable Construction	20
					L3.11 Testing and Commissioning	10
					L3.12 Maintenance Arrangements	20
		L2.3 Environment & Planning	30		L3.13 Key planning issues identified	15
					L3.14 Approach to securing consents and authorisations	15
					L3.15 Robustness of permitting timetable	10
					L3.16 Quality of design and compatibility with local planning requirements	15
					L3.17 Environmental Impact Analysis	35
					L3.18 Stakeholder Communications Plan	10
		L2.4 Service Delivery	20		L3.19 Operational phase management arrangements	10
					L3.20 Quality of Transport plan	10
L3.21 Collection Authority Interfaces	10					
L3.22 Health and safety arrangements	5					
L3.23 EMS and QA systems	5					
L3.24 Arrangements for continuous improvements	15					
L3.25 Quality of data acquisition and reporting arrangements	15					
L3.26 Technical and environmental benefits of Third party Waste	20					
L3.27 Managing complaints	5					
L3.28 Provisions for Aftercare & Hand-back	5					
L1.2 Deliverability and Integrity of the Solution	5	L2.5 Deliverability of Site(s)	35	N/A	N/A	
		L2.6 Corporate and Social Responsibility	35	N/A	N/A	
		L2.7 Integrity of the Development and Delivery of the Solution	30	N/A	N/A	
L1.3 Financial & Commercial	30	L2.8 Affordability (COST)	50	L3.29 Price and Affordability	84	
				L3.30 Payment Profile	6	

Level 1 Criteria	Weighting	Level 2 Criteria	Weighting	Level 3 Criteria	Weighting
				L.3.31 Sensitivity Testing	10
		L2.9 Financial Robustness	16.7	N/A	N/A
		L2.10 Deliverability of Funding Package	16.7	N/A	N/A
		L2.11 Acceptance of Payment Mechanism	16.6	N/A	N/A
L1.4 Legal & Contractual	15	L2.12 Risk Allocation & Commercial Terms	70	N/A	N/A
		L2.13 Contractual Structure	15	N/A	N/A
		L2.14 Approach Towards Key Project Risks	15	N/A	N/A

5.3.10 Criteria and Weightings for the Level 1, 2 and 3 Criteria at the ISRS stage

As set out in section 5.1.2 above, the Partnership reserves the right to issue ISRS documentation. In the event that the Partnership holds the ISRS stage, the weightings in section 5.3.11 for the CFT stage will be used when evaluating the Refined Solutions.

5.3.11 Criteria and Weightings for the Level 1, 2 and 3 Criteria at the CFT stage

Table 5.2 below sets out the Criteria and weightings to be used to evaluate the Final Tenders at the CFT stage of the Competitive Dialogue Procedure.

Table 5.2 Criteria and Weightings to be used to evaluate the Final Tenders

Level 1 Criteria	Weighting	Level 2 Criteria	Weighting	Level 3 Criteria	Weighting
L1 .1 Technical & Service Delivery	30	L2.1 Technical Solution	20	L3.1 Solution Summary	10
				L3.2 Diversion of total waste from landfill	15
				L3.3 Diversion of BMW from landfill	15
				L3.4 The percentage Contract Waste that is Recycled or Composted	15
				L3.5 Energy Profile	15
				L3.6 Provision of Contingency Arrangements	15
				L3.7 Flexibility to adapt to changes in Waste Composition and Tonnages	15
		L2.2 Works Phase	30	L3.8 Quality and robustness of Construction/ EPC contract specification	20
				L3.9 Quality of Works Phase programme	20
				L3.10 Sustainable Construction	20
				L3.11 Testing and Commissioning	20
				L3.12 Maintenance Arrangements	20
		L2.3 Environment & Planning	20	L3.13 Key planning issues identified	15
				L3.14 Approach to securing consents and authorisations	15
				L3.15 Robustness of permitting timetable	20
				L3.16 Quality of design and compatibility with local planning requirements	20
				L3.17 Environmental Impact Assessment	20
L2.4 Service Delivery	30	L3.18 Stakeholder Communications Plan	10		
		L3.19 Operational phase management	15		

Level 1 Criteria	Weighting	Level 2 Criteria	Weighting	Level 3 Criteria	Weighting
				arrangements	
				L3.20 Quality of Transport plan	25
				L3.21 Collection Authority Interfaces	15
				L3.22 Health and safety arrangements	5
				L3.23 EMS and QA systems	5
				L3.24 Arrangements for continuous improvements	5
				L3.25 Quality of data acquisition and reporting arrangements	10
				L3.26 Technical and environmental benefits of Third party Waste	10
				L3.27 Managing complaints	5
				L3.28 Provisions for Aftercare & Hand-back	5
L1.2 Deliverability and Integrity of the Solution	0	L2.5 Deliverability of Site(s)	35	N/A	N/A
		L2.6 Corporate and Social Responsibility	35	N/A	N/A
		L2.7 Integrity of the Development and Delivery of the Solution	30	N/A	N/A
L1.3 Financial & Commercial	55	L2.8 Affordability (COST)	67	L.3.29 Price and Affordability	84
				L.3.30 Payment Profile	6
				L.3.31 Sensitivity Testing	10
		L2.9 Financial Robustness	11	N/A	N/A
		L2.10 Deliverability of Funding Package	11	N/A	N/A
		L2.11 Acceptance of Payment Mechanism	11	N/A	N/A
L1.4 Legal & Contractual	15	L2.12 Risk Allocation & Commercial Terms	70	N/A	N/A
		L2.13 Contractual Structure	15	N/A	N/A
		L2.14 Approach Towards Key Project Risks	15	N/A	N/A

5.3.12 Following Submission of the Solutions

5.3.13 Participants may be asked to present their Solution(s) to the Partnership to illustrate and clarify the scope of their Solution(s). For the avoidance of doubt, whilst assisting the Partnership to understand a Participant's Solution, the presentation(s) will not be scored.

5.3.14 The Partnership also reserves the right to issue clarification questions to clarify and develop the Participant's Solution(s) or to hold further meetings to clarify a Participant's submission following submission of the Solutions. Information submitted by the Participants via the Portal in response to clarifications will be taken into account when evaluating the Solution(s).

5.3.15 The Partnership reserves the right to visit Participants' reference sites in order to fully understand the Participants' Solution(s) as part of the Partnership's due diligence process. For the avoidance of doubt, whilst assisting the Partnership to understand a Participant's Solution, the reference site visits will not be scored.

5.3.16 Scoring the Solution

- 5.3.17 The lowest level criterion will be scored by the Partnership using scoring frameworks for each Criterion to be confirmed by the Partnership at the start of each stage of the Competitive Dialogue Procedure.
- 5.3.18 For instance, the score for the Level 2 Legal and Contractual Criteria will be multiplied by their respective weightings and added together to give the score for the evaluation of the relevant Level 1 Criterion. The scores for each Level 1 Criterion will then be multiplied by their respective weightings and added together to arrive at a total score for that Solution.
- 5.3.19 The Partnership will confirm at the start of each stage how many Solutions will be invited to proceed to the next stage of the Competitive Dialogue Procedure.
- 5.3.20 Please note that consideration of the Solutions and the short listing of successful Participants to be issued with the tender documentation does not amount to any representation by the Partnership as to the acceptability of the Participants' proposals. The Partnership will fully evaluate the acceptability of proposals as part of the ISOS, ISDS, ISRS (if required by the Partnership (in its absolute discretion)) and CFT evaluation stages.

5.4 DETAILED ASSESSMENT – ISOS STAGE

5.4.1 Criteria and Weightings for the Level 1, 2 and 3 Criteria at the ISOS stage

5.4.2 Table 5.3 below sets out the Criteria and weightings to be used to evaluate the Solutions at the ISOS stage of the Competitive Dialogue Procedure. The table also sets out the ISOS questions applicable to each Criterion.

Table 5.3 Criteria and Weightings to be used to evaluate the Outline Solutions

Level 1 Criteria	Weighting	Level 2 Criteria	Weighting	Level 3 Criteria	Weighting	Cross-reference to questions
L1 .1 Technical & Service Delivery	65	L2.1 Technical Solution	40	L3.1 Solution Summary	5	B1
				L3.2 Diversion of total waste from landfill	30	B2-B3
				L3.3 Diversion of BMW from landfill	20	B4-B5
				L3.4 The percentage Contract Waste that is Recycled or Composted	15	B6-B7
				L3.5 Energy Profile	10	B8-B9
				L3.6 Provision of Contingency Arrangements	10	B10
				L3.7 Flexibility to adapt to changes in Waste Composition and Tonnages	10	B11
		L2.2 Works Phase	20	L3.8 Quality and robustness of Construction/ EPC contract specification	15	C1
				L3.9 Quality of Works Phase programme	45	C2-C3
				L3.10 Sustainable Construction	10	C4
				L3.11 Testing and Commissioning	10	C5
				L3.12 Maintenance Arrangements	20	C6-C7
		L2.3 Environment & Planning	30	L3.13 Key planning issues identified	15	D1-D2
				L3.14 Approach to securing consents and authorisations	10	D3-D4
				L3.15 Robustness of permitting timetable	20	D5
				L3.16 Quality of design and compatibility with local planning requirements	20	D6-D7
				L3.17 Environmental Impact Analysis	25	D8-D9
				L3.18 Stakeholder Communications Plan	10	D10
		L2.4 Service Delivery	10	L3.19 Operational phase management arrangements	15	E1
				L3.20 Quality of Transport plan	20	E2
				L3.21 Collection Authority Interfaces	10	E3-E4
				L3.22 Health and safety arrangements	5	E5-E6
				L3.23 EMS and QA systems	10	E7-E8

Level 1 Criteria	Weighting	Level 2 Criteria	Weighting	Level 3 Criteria	Weighting	Cross-reference to questions
				L3.24 Arrangements for continuous improvements	5	E9
				L3.25 Quality of data acquisition and reporting arrangements	10	E10
				L3.26 Technical and environmental benefits of Third party Waste	15	E11
				L3.27 Managing complaints	5	E12
				L3.28 Provisions for Aftercare & Hand-back	5	E13
L1.2 Deliverability and Integrity of the Solution	5	L2.5 Deliverability of Site(s)	35	N/A	N/A	F1
		L2.6 Corporate and Social Responsibility	35	N/A	N/A	F2
		L2.7 Integrity of the Development and Delivery of the Solution	30	N/A	N/A	F3-F4
L1.3 Financial & Commercial	20	L2.8 Affordability (COST)	33	L.3.29 Price and Affordability	76	G1,G2 & G3
				L.3.30 Payment Profile	12	G1
				L.3.31 Sensitivity Testing	12	G1,G2,G3 & J2
		L2.9 Financial Robustness	23	N/A	N/A	G1,G2,G3, H1,H2,H3,H4, B1-B6 and B9-B11
		L2.10 Deliverability of Funding Package	22	N/A	N/A	I1, I2, I3, I4 or I4a, I5 and I6
L2.11 Acceptance of Payment Mechanism	22	N/A	N/A	J1 & J2		
L1.4 Legal & Contractual	10	L2.12 Risk Allocation & Commercial Terms	70	N/A	N/A	K1 and K2
		L2.13 Contractual Structure	15	N/A	N/A	K2
		L2.14 Approach Towards Key Project Risks	15	N/A	N/A	K1 and K2

5.4.3 Following Issuing of the ISOS

5.4.4 Participants are required to present their Outline Solution(s) to the Project Team in the week commencing 19 July 2010.

Ref: ITPD	Issue: Final v1.8	15.07.10	Process Owner: T. King	Authorisation: Board	Project	Page 44 of 61
-----------	-------------------	----------	------------------------	----------------------	---------	---------------

- 5.4.5 The Partnership shall conduct dialogue meetings with the Participants on the dates set out in **section 1.5 and table 1.3**. Please note that these dates are indicative only and the Partnership reserves the right to change any or all of them.
- 5.4.6 **Scoring the Solution**
- 5.4.7 The lowest level Criterion will be scored by the Partnerships using the scoring frameworks set out in sections 5.5 to 5.15.
- 5.4.8 For sections Technical and Service Delivery and Deliverability and Integrity of Solution, where there is more than one question to be evaluated to reach the score for the lowest level Criterion, the questions will carry an equal weighting of that available score,
- 5.4.9 For sections Financial and Commercial and Legal, the responses to the questions will be evaluated as a whole.
- 5.4.10 Participants will be requested to submit up to two (2) Solutions at the ISOS stage and the four (4) highest scoring Solutions will be invited to proceed to the ISDS stage of the Competitive Dialogue Procedure. However, in order to preserve a competitive environment, the Partnership reserves the right to invite the next highest scoring Solution(s) if the four (4) highest scoring Solutions have been submitted by 2 (two) Participants provided that the total number of Solutions invited to proceed to the next stage of the Competitive Dialogue Procedure will not exceed five (5) and the total number of Participants will not exceed three (3).

5.5 DETAILED ASSESSMENT – ISOS STAGE - FURTHER INFORMATION - TECHNICAL AND SERVICE DELIVERY

5.5.1 The following scoring frameworks will be applied to determine the score for the Technical and Service Delivery elements of the Outline Solution. The evaluation will be undertaken against the Technical and Service Delivery Criteria and respective weightings set out in section 5.4. For the avoidance of doubt where the scoring is 0-10, a score of 10 is equal to 100% of the marks available.

5.5.2 Technical and Service Delivery Specific Question Scoring

All technical and service delivery questions will be evaluated using Table 5.4 (Scoring of Technical and Service Delivery), except for questions B2, B6 and B7, D8 and D9 for which the scoring frameworks detailed in Tables 5.5, 5.6, 5.7 5.8a and 5.8b will apply.

Table 5.4 Scoring of Technical and Service Delivery

Score	Term	Explanation
0	Unacceptable	The information is either omitted or fundamentally unacceptable to the Authority.
2	Poor	The information submitted has insufficient evidence that the specified requirements can be met and/or does not demonstrate an acceptable level of quality of the proposed solution. This may include significant omissions of relevant details.
4	Fair	The information shows limited evidence that the specified requirements can be met and/or demonstrates only limited level of quality of the proposed solution.
7	Satisfactory	The information submitted provides good evidence that the specified requirements can be met and/or demonstrates a satisfactory level of quality of the proposed solution.
9	Very good	The information submitted provides strong evidence that the specified requirements can be met and/or demonstrates a very good level of quality of the proposed solution.
10	Outstanding	The information submitted provides compelling and coherent evidence of best of sector capability to deliver the specified requirements and which will provide additional benefits and/or exceed the performance requirements of the contract with a high degree of dependability and best of sector methodology.

Table 5.5 Scoring of Technical and Service Delivery – Q B2 Will the Proposed Solution Achieve the Contract Waste Diversion Target

Score	Term	Participant response descriptor
0	Unacceptable	The information submitted demonstrates that the proposed solution will achieve less than 85% Contract Waste Diversion from Landfill.
7	Satisfactory	The information submitted demonstrates that the proposed solution will achieve 85% Contract Waste Diversion from Landfill.
9	Very good	The information submitted demonstrates that the proposed solution will achieve 85.1 - 90% Contract Waste Diversion from Landfill.
10	Outstanding	The information submitted demonstrates that the proposed solution will achieve 90.1 - 100% Contract Waste Diversion from Landfill.

5.6 Scoring of Technical and Service Delivery – Q B6 Will the Proposed Solution Achieve the BMW Diversion Target

Score	Term	Participant response descriptor
0	Unacceptable	The information submitted demonstrates that the proposed solution will achieve less than 90% BMW Diversion from Landfill.
7	Satisfactory	The information submitted demonstrates that the proposed solution will achieve 90% BMW Diversion from Landfill.
9	Very good	The information submitted demonstrates that the proposed solution will achieve 90.1 - 95% BMW Diversion from Landfill.
10	Outstanding	The information submitted demonstrates that the proposed solution will achieve 95.1 - 100% BMW Diversion from Landfill.

Table 5.7 Scoring of Technical and Service Delivery – Q B7 Will the proposed Solution achieve the Recycling/Composting Levels

Score	Term	Participant response descriptor
0	Unacceptable	The information submitted demonstrates that the proposed solution will achieve less than 16% Recycling/Composting Levels of Contract Waste.
7	Satisfactory	The information submitted demonstrates that the proposed solution will achieve 16% Recycling/Composting Levels of Contract Waste.
9	Very good	The information submitted demonstrates that the proposed solution will achieve 16.1 - 20% Recycling/Composting Levels of Contract Waste.

10	Outstanding	The information submitted demonstrates that the proposed solution will achieve 20.1% or more Recycling/Composting Levels of Contract Waste.
-----------	-------------	---

5.5.3 Environmental Impact Analysis Evaluation Methodology

5.5.4 Evaluation of Question D8 will be based on the evidence provided in the answer to Question D8 to demonstrate that the Participants' Solution can deliver with respect to minimisation of the Partnership's environmental impact, by application of a WRATE Model as per instructions in Appendix 12. Participants WRATE models will be checked to ensure that they have complied with the instructions in Appendix 12 and provided all required information.

5.5.5 Evaluators will identify the Solution that demonstrates the best case improvement (the 'Best Case') over and above the Partnership's Outline Business Case option of 'Do Nothing - Landfill with High Recycling' (i.e. the 'Worst Case'). The Best Case performing Solution(s) after the WRATE modelling has been applied will then equal 100% and score 10 and sets the benchmark applied in Table 5.8a. The remaining Solutions are then scored against that benchmark by applying the bands contained in Table 5.8a.

Table 5.8a Scoring of Technical and Service Delivery – [D8] What are the Environmental Impacts in relation to resource depletion, air acidification, eutrophication, freshwater aquatic toxicity, human toxicity and localised vehicle movements:

Score	Term	Participant response descriptor
0	Unacceptable	The information submitted demonstrates that the proposed solution will achieve no improvement of the Partnership's "Worst Case" or 0% improvement of the Environmental Impact achieved by the Best Case improvement submitted. Or has omissions in the data supplied.
2	Poor	The information submitted demonstrates that the proposed solution will achieve 0.1 - 40% improvement of the Environmental Impact achieved by the Best Case improvement submitted.
4	Fair	The information submitted demonstrates that the proposed solution will achieve 40.1 - 75% improvement of the Environmental Impact achieved by the Best Case improvement submitted.
7	Satisfactory	The information submitted demonstrates that the proposed solution will achieve 75.1 - 85% improvement of the Environmental Impact achieved by the Best Case improvement submitted.
9	Very good	The information submitted demonstrates that the proposed solution will achieve 85.1 - 95% improvement of the Environmental Impact achieved by the Best Case improvement submitted
10	Outstanding	The information submitted demonstrates that the proposed solution will achieve 95.1 - 100% improvement of the Environmental Impact achieved by the Best Case improvement submitted.

5.5.6 Evaluation of Question [D9] What will be the impact and the management of Carbon for the proposed Solution

5.5.7 Evaluation of Question [D9] will be based on the evidence provided in the answer to Question [D9] to demonstrate that the Participants' Solution can deliver with respect to reducing the Partnership's Carbon Impact, by application of a WRATE Model as per instructions in Appendix 12. Participants WRATE models will be checked to ensure that they have complied with the instructions in appendix 12 and provided all required information.

Carbon Impact will be measured in relation to the contribution to global warming potential over 100 years (GWP 100) in terms of kilograms of Carbon Dioxide (CO₂) equivalent per tonne of Contract Waste as calculated by WRATE and the principles described in the submitted draft Carbon Management Plan.

- 5.5.8 Evaluators will identify the Solution that demonstrates the best case improvement (the 'Best Case') over and above the Partnership's Outline Business Case option of 'Do Nothing - Landfill with High Recycling' (i.e. the 'Worst Case'). The Best Case performing Solution(s) after the WRATE modelling has been applied will then equal 100% and score 10 and sets the benchmark applied in Table 5.8b. The remaining Solutions are then scored against that benchmark by applying the bands contained in Table 5.8b.

Table 5.8b Scoring of the Impact and the Management of Carbon for the proposed Solution

Score	Term	Participant response descriptor
0	Unacceptable	The information submitted demonstrates that the proposed solution will achieve no improvement of the Partnership's "Worst Case" or 0% improvement of the Carbon Impact achieved by the Best Case Improvement submitted. Or has omissions in the data supplied or fails to provide sufficient explanation of Carbon Impact and/or how it will be reduced over the life of the contract.
2	Poor	The information submitted demonstrates that the proposed solution will achieve 0.1 - 40% improvement of the Carbon Impact achieved by the Best Case Improvement submitted and provides sufficient explanation of Carbon Impact and how it will be reduced over the life of the contract and how it will be reduced over the life of the contract.
4	Fair	The information submitted demonstrates that the proposed solution will achieve 40.1 - 75% improvement of the Carbon Impact achieved by the Best Case Improvement submitted and provides sufficient explanation of Carbon Impact and how it will be reduced over the life of the contract.
7	Satisfactory	The information submitted demonstrates that the proposed solution will achieve 75.1 - 85% improvement of the Carbon Impact achieved by the Best Case Improvement submitted and provides sufficient explanation of Carbon Impact and how it will be reduced over the life of the contract.
9	Very good	The information submitted demonstrates that the proposed solution will achieve 85.1 - 95% improvement of the Carbon Impact achieved by the Best Case Improvement submitted and provides sufficient explanation of Carbon Impact and how it will be reduced over the life of the contract.
10	Outstanding	The information submitted demonstrates that the proposed solution will achieve 95.1 - 100% improvement of the Carbon Impact achieved by the Best Case Improvement submitted and provides sufficient explanation of Carbon Impact and how it will be reduced over the life of the contract.

5.6 DETAILED ASSESSMENT – ISOS STAGE - FURTHER INFORMATION - DELIVERABILITY AND INTEGRITY OF THE SOLUTION

5.6.1 The following scoring framework will be applied to determine the score for the Deliverability and Integrity elements of the Outline Solutions. The evaluation will be undertaken against the Deliverability and Integrity Criteria and respective weightings set out in section 5.4. For the avoidance of doubt, where the scoring is 0-10, a score of 10 is equal to 100% of the marks available.

Table 5.9 Scoring Framework - Deliverability and Integrity of the Solution

Score	Term	Participant response descriptor
0	Unacceptable	The information is either omitted or fundamentally unacceptable to the Authority.
2	Poor	The information submitted has insufficient evidence that the specified requirements can be met and/or does not demonstrate an acceptable level of quality of the proposed solution. This may include significant omissions of relevant details, or an unrealistic method statement.
4	Fair	The information submitted shows limited evidence that the specified requirements can be met and/or demonstrates only limited level of quality of the proposed solution. This will include method statements that are judged barely credible or viable in meeting the contract requirements.
7	Satisfactory	The information submitted provides good evidence that the specified requirements can be met and/or demonstrates a satisfactory level of quality of the proposed solution.
9	Very good	The information submitted provides strong evidence that the specified requirements can be met and/or demonstrates a good level of quality of the proposed solution.
10	Outstanding	The information submitted provides compelling and coherent evidence of best of sector capability to deliver the specified requirements and/or exhaustive and which will provide additional benefits or exceed the performance requirements of the contract with a high degree of dependability and best of sector methodology.

5.7 DETAILED ASSESSMENT – ISOS STAGE - FURTHER INFORMATION - FINANCIAL AND COMMERCIAL

5.7.1 The following section provides details of how the Financial and Commercial elements of the Outline Solution will be evaluated (including further information on the scoring frameworks to be used). The evaluation will be undertaken against the Financial and Commercial Criteria and respective weightings set out in section 5.4, for the avoidance of doubt where the scoring is 0-5, a score of 5 is equal to 100% of the marks available.

5.7.2 At the ISOS Stage, the Partnership recognises that Participants will be submitting cost information that is less detailed and/or robust than will be required at the ISDS and CFT stages. Accordingly, the methodology for evaluating the Affordability (Cost) Criterion will be slightly different at each stage of the Competitive Dialogue Procedure, albeit the evaluation will be against the same Criteria at each stage.

5.7.3 The Partnership reserves the right to review and adjust the financial Assumptions set in Appendix 9 provided that any adjustment will be confirmed at the start of each stage. In respect of the Whole System Cost assumptions in Appendix 9 the Partnership anticipates these will apply throughout the Competitive Dialogue Procedure, but again any adjustment will be confirmed at the start of each relevant stage.

5.8 Affordability (Cost)

5.8.1 The Level 2 "Affordability (Cost)" criterion is sub-divided into three Level 3 Criteria, being:

- (a) Price and Affordability (L3.29);
- (b) Payment Profile (L3. 30); and
- (c) Sensitivity Testing (L3.31).

5.9 Price and Affordability

5.9.1 The Price and Affordability Criteria will be assessed on the basis of the net present value ("NPV") of the whole system cost of the Solution ("Whole System Cost").

5.9.2 The Whole System Cost will comprise the sum of:

5.9.2.1 the NPV of the Price bid back in the Price Pro-forma (Financial Bid Form Appendix 5);

- (a) an adjustment made by the Partnership to represent the expected NPV of risks not accepted by the Participant where these are appropriate, material and quantifiable such that they can be priced by the Partnership; and
- (b) the NPV of any additional costs, lost income or benefits to the Partnership as a whole as a consequence of the Solution, such as the impact of the Solution on the Partnership's transportation costs, the provision of transfer station(s) and electricity cost savings.

5.9.3 Solutions will score full marks if the Solution contains an adjusted NPV of the Whole System Cost at or below the target Net Present Value project value of £374.7 million, otherwise they will score Nil (0), see Table 5.10. For the avoidance of doubt, the adjusted NPV value of Participants Whole System Costs will be rounded up or down to the nearest £100,000 in line with the normal rounding protocol i.e. £1 – 49,999 rounded down, £50,000 – £99,999 rounded up.

Table 5.10 Scoring Framework for Price and Affordability

Score	Term	Explanation
0	No Marks	Solutions that contain an adjusted NPV of the Whole System Cost above the target Net Present Value of £374.7 million . For the avoidance of doubt, the adjusted NPV value of Participants Whole System Costs will be rounded up or down to the nearest £100,000 in line with the normal rounding protocol i.e. £1 - 49,999 rounded down, £50,000 - £99,999 rounded up.
5	Full Marks	Solutions that contain an adjusted NPV of the Whole System Cost at or below the target Net Present Value of £374.7 million . For the avoidance of doubt, the adjusted NPV value of Participants Whole System Costs will be rounded up or down to the nearest £100,000 in line with the normal rounding protocol i.e. £1 - 49,999 rounded down, £50,000 - £99,999 rounded up.

5.9.4 Participants should note that from the ISDS stage onwards, the Partnership will be expecting Participants to submit robust and detailed pricing and cost information. Accordingly, it envisages using a different methodology for scoring of Price and Affordability, whereby the Whole System Cost of each Solution will be assessed and scored using a linear scoring mechanism. It is anticipated that the financial assessment will take into account a comparison of the Partnership's Whole System Cost to the Partnership's affordability position ("Linear Scoring System") and will also assess the affordability of each Solution at individual Partner level. The Partnership will provide a detailed methodology for the evaluation of the Detailed Solutions in the ISDS document issued at the ISDS stage of the Competitive Dialogue Procedure.

5.10 Payment Profile

- 5.10.1 This Criterion will assess the extent to which the Participant is able to deliver a profile of payments over the life of the contract which will not cause significant stepped increases in the Unitary Charge year on year following the Service Commencement Date in real terms, and thus not potentially negatively impacting on the Partnership's budgetary position.
- 5.10.2 Whilst the Partnership recognises that there may be value for money benefits in the Participant proposing price indexation that more closely reflects their cost base, this evaluation Criteria will also assess the extent to which indices proposed by the Participant are likely to increase the payments year on year above RPIx (and hence above likely Partnership funding increases), and thus increase any budget gap.
- 5.10.3 The assessment is particularly focussed on the period from the Service Commencement Date but Participants are encouraged to consider options for smoothing during the Commissioning Period.
- 5.10.4 This criterion will be evaluated on the extent to which the Outline Solution demonstrates relevant evidence as set out in Table 5.11 below:

Table 5.11 Scoring Framework for Payment Profile

Score	Term	Explanation
0	Unacceptable	Insufficient information to ascertain the payment profile.
1	Poor	A payment profile which is heavily spiked, has no rationale basis in relation to service delivery or cost, and is likely to increase the budget gap year on year.
2	Fair	A payment profile which is heavily spiked and is likely to increase the budget gap year on year, but for which a clear rationale is set out.
3	Satisfactory	A payment profile which does vary but reflects service delivery proposals, and where the indexation proposals will have at worst a moderate effect on widening any budget gap.
4	Very Good	A payment profile which reflects the service delivery and cost profile but has been effectively smoothed including smoothing in the period from financial close to full service commencement but without impacting either on the overall cost or affecting the principle that payment should relate to service, and the indexation proposals will have at worst a moderate effect on widening any budget gap.
5	Outstanding	A payment profile which reflects the service delivery and cost profile but has been effectively smoothed including smoothing in the period from financial close to full service commencement but without impacting on either the overall cost or affecting the principle that payment should relate to service, and indexation proposals are not likely to materially widen any budget gap.

5.11 Sensitivity Testing

5.11.1 This Criterion will assess through sensitivity analysis the extent of the potential of the Solution to cause significant Whole System Cost risk to the Partnership in respect of costs which the Partnership has little control over and which it is likely to bear the risk of.

5.11.2 Such sensitivity analysis is likely to include (but not be limited to):

- (a) Impact on LAS targets;
- (b) Landfill Tax;
- (c) Landfill Gate Fees;
- (d) Assumptions around Ad-Hoc Waste;
- (e) Waste growth and composition;
- (f) Delay in service commencement;
- (g) Interest Rates;
- (h) Exchange Rates;
- (i) Indexation assumptions; and

(j) Site related costs subject to market adjustments.

5.11.3 This criterion will be evaluated on the extent to which the Outline Solution demonstrates relevant evidence as set out in Table 5.12 below:

Table 5.12 Scoring Framework for Whole System Cost Risk

Score	Term	Explanation
0	Unacceptable	Insufficient information to ascertain the impact of sensitivities.
1	Poor	The Partnership retain cost risks up to and/ or post financial close which are both likely to occur and cause significant increase to the Whole System Cost of the Partnership.
2	Fair	The Partnership retain cost risks up to and/ or post financial close which are likely to occur and cause moderate increase to the Whole System Cost of the Partnership.
3	Satisfactory	The Partnership retain cost risks up to and/ or post financial close which either may occur and/ or cause moderate increase to the Whole System Cost of the Partnership.
4	Very Good	The Partnership retain cost risks up to and/ or post financial close which either have a low likelihood of occurring and/ or cause a low increase to the Whole System Cost of the Partnership.
5	Outstanding	The Partnership retain cost risks up to and/ or post financial close which are both unlikely to occur and will only cause immaterial increase to the Whole System Cost of the Partnership.

5.12 Financial Robustness

5.12.1 This Criterion assesses the robustness of the financial modelling, pricing approach, and reasonableness of the Participant's underlying costs and technical assumptions..

5.12.2 This will be a qualitative assessment of:

- (a) The extent to which the financial submission complies with the relevant financial submission instructions;
- (b) The completeness, quality and integrity of financial information;
- (c) The credibility / robustness of the financial inputs and outputs and the extent to which these are reflective of waste PPP/PFI projects in general, and also reflective of the Participants technical/commercial submission.

5.12.3 This Criterion will be evaluated using the scoring framework set out in Table 5.13 below:

Table 5.13 Scoring Framework for Financial Robustness

Score	Term	Explanation
0	Unacceptable	Insufficient information to ascertain the robustness of the financial modelling, pricing structure, and reasonableness of underlying costs and income assumptions.

1	Poor	The financial modelling gives very minimal comfort on the robustness of the financial offering, the evidence indicates that the Participant's cost, income and other assumptions are not reliable/credible or incomplete, and the pricing approach is neither credible or reflects the service being provided.
2	Fair	The financial modelling gives some concern over the robustness of the financial offering, the evidence indicates that some of the Participant's cost, income and other assumptions are not reliable/credible, and there are concerns over some areas of the pricing approach.
3	Satisfactory	The financial modeling gives minor concern over the robustness of the financial offering, the evidence indicates that on the whole the Participant's cost, income and other assumptions are reasonable and should not materially change, and/or there are minor concerns over some areas of the pricing approach.
4	Very Good	The financial modeling appears materially robust, the evidence indicates that the Participant's cost, income and other assumptions are on the whole reasonable, bespoke to this project and should not materially change, and the pricing structure on the whole appropriately reflects the service to be provided.
5	Outstanding	The financial modeling appears robust, the evidence indicates that there is strong evidence of firm costs, income and other assumptions, and the pricing structure fully reflects the service to be provided.

5.13 Deliverability of Funding Package

5.13.1 Account will be taken of the level of commitment of funders to the funding package proposed. Any pre-conditions in the funding arrangements will be assessed, as will any proposals for refinancing during the Contract Period. In particular, financing structures will be evaluated by assessing:

- (a) Proposed contract delivery vehicle and funding package;
- (b) The extent to which funders are in place and/or a demonstration of a robust process to source funders and experience of doing this;
- (c) The impact of the funding proposals/proposals for sourcing funding arising from credit crunch;
- (d) Debt/equity split;
- (e) Extent of parent company/other guarantees proposed;
- (f) Strength of commitments offered by equity/debt finance providers;

- (g) The extent to which financial and technical assumptions applied by the Participant such as the approach to pricing, payment mechanism terms, levels of third party income are bankable will be considered as part of the assessment of this.

5.13.2 Overall, the Partnership will be looking for a process to source funders that is deliverable under current market conditions and which is based on funding the Solution which will follow current HM Treasury guidance for PFI, including SOPC4 drafting and the Defra derogations for Waste PFI.

5.13.3 This Criterion will be evaluated on the extent to which the submission demonstrates relevant evidence as set out in Table 5.14 below:

Table 5.14 Scoring Framework for Deliverability of Funding Package

Score	Term	Explanation
0	Unacceptable	Insufficient information provided and/or undeliverable funding package.
1	Poor	Generic/unclear statements regarding funding with no certainty regarding the deliverability of the funding. Overall a proposal which is likely to jeopardize the delivery of the Project and/or place significant risk on the Partnership.
2	Fair	Evidence regarding deliverability of funding gives concern. Overall a position which has moderate potential to jeopardise the delivery of the Project and/or place risk on the Partnership.
3	Satisfactory	Sufficient evidence has been provided regarding deliverability of the proposed funding package Overall a position which provides reasonable comfort and certainty to the Partnership and reduces risk to the Partnership.
4	Very Good	Strong evidence provided of a deliverable funding package with evidence of commitment from specific funders. Overall a position which provides a good degree of comfort and certainty to the Partnership and largely minimizes any undue exposure to the Partnership.
5	Outstanding	A comprehensive and detailed funding package identified and strong evidence of commitment from the funders. Overall a position which provides a very high degree of comfort and certainty to the Partnership and minimizes any undue exposure to the Partnership.

5.14 Acceptance of Payment Mechanism

5.14.1 The evaluation will consider the Participants' responses, including mark-up of the Payment Mechanism (Draft Payment Mechanism Principles paper provided by the Partnership) and the Participants conformity with its key principles.

5.14.2 The Payment Mechanism for this Project is based upon the Waste Infrastructure Delivery Programme ("WIDP") Procurement Pack Module 4 Part II Payment Mechanism, which has been amended to suit the specific requirements of the Partnership. It is anticipated

that amendments to this document will be minimal reflecting drafting issues only, which do not significantly change the substance of risk transfer.

5.14.3 A qualitative assessment of the extent to which the Partnership's Payment Mechanism is accepted will be evaluated by assessing:-

- (a) the approach to structuring the Base and Marginal Elements of the Unitary Charge and the approach to taking the risk on equity investment through the approach to pricing;
- (b) the approach to indexation in terms of levels proposed and movement away from general inflation (RPI);
- (c) assumptions around third party income both in terms of third party waste and recyclates and process product income, including the approach to setting the level of guaranteed income and gain share mechanisms for any non-guaranteed income;
- (d) Diversion (BMW and Landfill) performance guarantee (the Partnership is looking to minimize the differential between the capability of the technology and guaranteed performance);
- (e) the approach to capping of deductions, particularly around standard performance failures;
- (f) the approach to and acceptance of the Partnership's principles for Commissioning Period Payments.

5.14.4 This criterion will be evaluated on the extent to which the submission demonstrates relevant evidence as set out in Table 5.15 below:

Table 5.15 Scoring Framework for Acceptance of Payment Mechanism

Score	Term	Explanation
0	Unacceptable	Insufficient information to score the Participant's response.
1	Poor	The Participant does not accept or does not clearly accept the Payment Mechanism (Draft Payment Mechanism Principles paper if provided by the Partnership) and/or proposes a number of significant amendments, which are unacceptable to the Partnership (e.g. on Value for Money or Risk grounds).
2	Fair	The Participant accepts the overarching principles of the Payment Mechanism (Draft Payment Mechanism Principles paper if provided by the Partnership) but proposes a number of amendments, which either are unacceptable to the Partnership (e.g. against the core principles) or do not demonstrate Value for Money and may expose the Partnership to greater risk.
3	Satisfactory	The Participant clearly accepts the Payment Mechanism (Draft Payment Mechanism Principles paper if provided by the Partnership) but proposes a number of amendments, the majority of which are considered acceptable to the Partnership (e.g. on Value for Money grounds) and the remainder are considered surmountable and therefore exposes the Partnership to some (but not significant) risk.

Score	Term	Explanation
		The Participant has provided some commentary on the Payment Mechanism (Draft Payment Mechanism Principles paper if provided by the Partnership) and evidence of a thorough review of the Payment Mechanism.
4	Very Good	<p>The Participant either fully accepts the Payment Mechanism (Draft Payment Mechanism Principles paper if provided by the Partnership) or, where amendments are proposed those amendments are considered acceptable to the Partnership on Value for Money grounds.</p> <p>The Payment Mechanism (Draft Payment Mechanism Principles paper if provided by the Partnership) response demonstrates evidence of a thorough review, and provides positive commentary that might allow early resolution of issues associated with the mechanism.</p> <p>The Participant has provided some positive commentary around calibration of the Payment Mechanism.</p>
5	Outstanding	<p>The Participant fully accepts the Payment Mechanism (Draft Payment Mechanism Principles paper if provided by the Partnership) and only proposes amendments that are considered to be significantly beneficial to the Partnership on Value for Money grounds.</p> <p>The Payment Mechanism (Draft Payment Mechanism Principles paper if provided by the Partnership) response demonstrates evidence of a thorough review, and provides positive commentary that might allow early resolution of issues associated with the mechanism.</p> <p>The Participant has provided some positive commentary around calibration of the Payment Mechanism.</p>

5.15 DETAILED ASSESSMENT – ISOS STAGE - FURTHER INFORMATION - LEGAL

- 5.15.1 The Partnership will be reviewing Participants' responses to the ISOS questions to consider the impact of the proposed amendments upon the Partnership's position on risk allocation and, more particularly, the extent to which such amendments provide a value for money benefit to the Partnership. For the avoidance of doubt where the scoring is 0-10, a score of 10 is equal to 100% of the marks available
- 5.15.2 Each Legal Level 2 Criteria set out in table 5.3 will be scored out of 10 in accordance with the scoring framework set out below.
- 5.15.3 For the avoidance of doubt, a score out of 10 will be awarded for each of the following Sub-Criteria:-
 - (a) Risk Allocation & Commercial Terms;
 - (b) Contractual Structure; and
 - (c) Approach towards Key Project Risks.

Table 5.16 Scoring of Legal Evaluation Criteria

Score	Term	Explanation
0	Unacceptable	Insufficient or no response received. Overall contractual position of the Participant is entirely unacceptable to the Partnership due to the number and seriousness of deviations from the Partnership's position on risk allocation. The Partnership would not be willing to contract on this basis.
2	Poor	The information submitted does not demonstrate: (i) an acceptance of the Partnership's proposed risk allocation and commercial terms; or (ii) a deliverable contractual structure; or (iii) any evidence of the identification of key project risks and/or value for money proposals (or, in each case, equivalent). The Partnership has serious concerns about contracting with the Participant on this basis.
4	Fair	The information submitted contains assumptions or deviations that demonstrate only limited: (i) acceptance of the Partnership's proposed risk allocation and commercial terms and limited or no reasoning/identification of benefits to support derogations; or (ii) evidence of a deliverable contractual structure (supported by a market standard security package); or (iii) evidence of the identification of key project risks and/or value for money proposals (or, in each case, equivalent).
7	Satisfactory	The submission confirms: (i) an acceptance of the Partnership's proposed risk allocation and commercial terms and reasoning/identification of benefits provided to support derogations; or (ii) a deliverable contractual structure (supported by a market standard security package); or (iii) satisfactory evidence of the identification of key project risks and/or value for money proposals (or, in each case, equivalent).
9	Very Good	The submission confirms (i) an acceptance of the Partnership's proposed risk allocation and commercial terms and persuasive reasoning/identification of benefits provided to support derogations backed up with market precedent; or (ii) a deliverable contractual structure (supported by a robust security package); or (iii) a good appreciation of key project risks and means by which such risks may be mitigated for the benefit of the Project (or, in each case, equivalent).

Score	Term	Explanation
10	Outstanding	The submission provides (i) an enhanced risk allocation and commercial terms in favour of the Partnership and persuasive reasoning/identification of benefits provided to support derogations backed up with market precedent; or (ii) a deliverable contractual structure (supported by a comprehensive security package without any limitation); or (iii) an excellent appreciation of key project risks and means by which such risks may be mitigated for the benefit of the Project (or, in each case, equivalent).

APPENDICES

CONTENTS

Appendix 1 – Checklist

Appendix 2 – Anti-Collusion Certificate To County Council Of The City And County Of Cardiff

Appendix 3 – Descriptive Document

Appendix 4 – Response Document & ISOS Questions

Appendix 5 – Financial Bid Forms

Appendix 6 – The Authority’s Requirements

Part 1 – Output Specification

Part 2 – Performance Management Framework

Appendix 7 – Draft Risk Matrix

Appendix 8 – Draft Payment Mechanism Principles

Appendix 9 – ISOS Financial Assumptions

Appendix 10 – ISOS Technical Assumptions

Appendix 11 – ISOS Forms

Form 1 Register of Clarifications

Form 2 Cross Reference to Supporting Information

Form 3 ISOS Covering Letter

Form 4 Conflict of Interest

Appendix 12 – Instructions to Participants: WRATE Model