Format

The Tender is to be written in English, using Arial font, no smaller than 11 point in size. Diagrams may be used and are to be labelled. All attachments submitted by the Tenderer are to be provided in either MS Word or PDF format (unless otherwise stated).

General

The SWS business plan details our vision, values and promises, for more information please refer to our website:

https://www.southernwater.co.uk/media/8235/6579_ofwat_company_turnaround_plan.pdf

The SWS response to Ofwat's Determination can be reviewed on the below link. Please ensure you have read this and fully understand prior to responding to the PQQ and if successful, ITT questions.

https://www.ofwat.gov.uk/wp-content/uploads/2019/12/PR19-final-determinations-Southern-Water-final-determination.pdf

Lot 1 Water works and services: £294m; comprising (a) £210m + (b) (£84m x across 3 additional years)

Lot 2 Wastewater works and services: £406m; comprising (a) £290m + (b) (£116m x across 3 additional years)

The scope of the framework is anticipated to be as follows:

- Services across Southern Water's geographical region including Isle Of Wight (IOW).
- This is intended to be used for routine asset replacement works which require limited design, and can be readily packaged and allocated by the Client. The Client has a new framework for providers for Non-Infrastructure works, starting in Q1 2023, but within this Framework procurement is the provision for further providers of for Infrastructure works the 'Infrastructure Framework'.
- Identify and develop options in accordance with the Client's technical and engineering standards for all aspects of Water and Wastewater systems.
- Achieve the required asset performance or customer outcomes by identifying:
- low build or no-build solutions.
- sustainable including low carbon, catchment, and nature-based solutions.
- lowest Totex or Best Value solutions across an agreed Tranche or Programme of works.
- how the solution(s) deliver benefit as measured the Client's Balanced Scorecard, and at an aggregate catchment or system level.

The Contractor shall provide construction management services and expertise including:

- Create, manage and optimise its allocated programmes, including developing programme, tranche and project execution plans as required by the Client.
- Supporting the Client with Pre-construction Enabling Activities.
- Undertaking Construction Enabling Activities (e.g. site surveys, site preparation, streetworks management, including communicating with the customer).
- Preparing all aspects of work delivery planning, including identification of the most cost-efficient civils, mechanical and electrical, and environmental construction resource to deliver the works, for review and acceptance by the Client.
- Work with the client to regularly optimise the specification and procurement of the Client's Standard Asset List, including use of centralised or buying club solutions
- Managing and undertaking construction delivery to the time, cost, quality and risk parameters agreed with the Client,
- Managing and undertaking commissioning and handover according to Client Engineering Standards.

Delivering what we promise

Question

SWS is seeking supply chain partners with demonstrated capability and capacity to undertake the work that is being procured. Please provide a statement (no more than 4 x A4 sides - in Arial 11 point font and including any pictures or diagrams) of the capability and capacity of the bidding organisation to undertake the work that is being procured that details the following, with respect to each of the lots, or group of lots, that you wish to bid for (a separate response for each lot is required) – please state clearly on each submission to which lot or lots it applies:

- Experience and track record relevant to the lot(s);
- Value of work of a similar type undertaken within the last 3 years; and within this, the value of work undertaken within the Water, Utilities or Infrastructure sectors;
- Numbers, and relevant professional qualification levels of staff who undertake work relevant to the lot;
- A summary of the management and control arrangements that are applied within your organisation to ensure that contracts are delivered to each client's expectations, and that portfolios of projects are achieved successfully;
- Experience and evidence of collaborative working, delivering sustainability improvements and social value;
- Areas of innovation delivered over the last 3 years to achieve added value within contracts of a similar scope to those anticipated under this framework;
- How the bidding organisation mobilised itself to be able to deliver successfully from day one, including training and retaining appropriately skilled staff, sourcing any equipment that was needed, and any arrangements in regard to alliancing within the team and mobilisation with sub-contractors.

Lot 2 – Wastewater works and services

Our experience and track record

At Morrison Water Services (MWS), we have extensive experience of managing multiple large programmes of low complexity design and build capital works. Our track record of successfully delivering waste water infrastructure schemes as part of our ongoing frameworks across the UK includes the following:

Thames Water Delivery Frameworks

April 2020, 5-year initial agreement to March 2025, plus option to extend for a further 5 years. Over £50 million of water and wastewater works per annum consisting of relining, rising mains, pumping stations, combined sewer overflows, storage shafts and culverts, package pumping stations (FLIPs), inverted syphons, and upsizing. Techniques include, open cut, tunnelling (micro, auger), headings and HDD.

The wastewater infrastructure programme includes quality, enhancement, base and growth schemes including:

- New and replacement rising mains.
- Rehabilitation and replacement of gravity sewers.
- Pipe bridge inspections and refurbishment.
- Sewers crossing railways.
- Growth schemes to support local development.
- Planned emergency works – mostly pipeline related.
- Sustainable urban drainage schemes.
- Storm water storage and combined sewer overflows.
- Construction/ refurbishment/upgrade of sewage pumping stations.

We are awarded projects in varying stages of design and development and on certain projects, we are involved at ECI stage to help develop the solutions before delivering them.

Yorkshire Water P4Y: Infrastructure Framework

April 2010 to March 2025. 5-year agreement with the potential to extend by 3 years to April 2028. Value of £25 million per annum.

Delivery of capital and civil engineering works across water and waste networks including:

- Agile delivery of low complex solutions including site management, direct labour, in-house plant and fleet.
- Collaborating with Yorkshire Water to manage, support and deliver pre-construction enabling activities, including site surveys, site preparation, streetworks management, and customer communications.
- Preparing all aspects of work delivery planning, selecting most cost-efficient civils, mechanical and electrical requirements, with least environmental impact.
- Collaborating with Yorkshire Water to optimise the specification and procurement of their Standard Asset List.

Value of similar type works undertaken within the last three years

We have completed many wastewater infrastructure projects during the last three years, including the following, which are similar to those we expect to deliver as part of the scope for Lot 1 of the Capital Infrastructure (LCDR) Framework.

- Dukes Ride Rising Main – This £830k project for Thames Water involved multiple stakeholders during the replacement of an ageing 300-mm diameter rising main utilising a new route across privately owned land. Works included, works management, sewer CCTV survey of receiving sewer between new upstream discharge manhole and downstream manhole, and grout filling existing redundant rising main and abandoning gravity sewer no longer used to meet Thames Water specifications. Delivered on time and to budget, the project started within six weeks from identifying the need – getting into contract, engaging with stakeholders and customers and mobilising the solution.

- London Road, Newbury – This £3.6 million for Thames Water was to replace 410 metres of DI pipe with PE and reline 675 metres with GRP liner. Work included temporary PE rider pipes. Installation of 11 concrete thrust blocks for temporary and permanent works; then decommissioning and removal of pre-installed rider pipe. Work was carried out through a major highway route, private housing, and a woodland area close to a SSSI and next to fishing lakes.
- Hoyle Mill Road, West Yorkshire – Installation of over 415 metres of new rising main following extensive investigations to assess the location and condition of the main including: topographical / cross-section surveys, Sahara acoustic surveys and trial hole excavations to confirm the location, depth and position of the rising main and the ground conditions.

Numbers of staff and their professional qualifications

Our resource pool provides us with access to 4,500+ directly employed MWS staff (2,000 employed on water contracts) and 10,000+ employees across M Group Services. We can also draw on the global resources of our supply chain and international design partners to ensure we have the resources available for this framework – despite the labour shortages currently experienced by many companies across the UK.

Our impressive number of directly-employed skilled and experienced individuals immediately available for Lot 1 – water works and services include the following role groups.

Role group	No.		Role group	No.		Role group	No.
Contracts/Framework Leadership	15		Design/Engineering	79		Operatives	783
Ops/Contract Managers	42		Supervisors	120		Support services	961

To ensure our selected team members hold the necessary skills and competencies required for each contract, we maintain a contract-specific skills development matrix within our Competency Cloud – a cloud-based system we use to manage all our training and competency records.

All staff working on water contracts are trained in EUSR Water Hygiene and Hygienic Practises and our-in-house testers and chlorinators are additionally trained in Chlorination and Main Testing.

All delivery managers are required to have IOSH and SMSTS safety qualifications as a minimum. Our supervisors and managers are also required to hold the following qualifications/ training relevant to their roles: NEBOSH Construction Certificate, NRSWA Supervisors Course, SHE Management Systems Training, CDM Awareness, Environmental Duty of Care, Confined Space Training, HAVS and Noise Exposure Levels, Service Avoidance, Construction Management.

Management and control arrangements to ensure contracts are delivered to clients' expectations

Our processes and systems support the delivery of high-quality, improvement focussed services. They are complimentary to quick delivery and decision making – designed to support and not block, but ensure projects are delivered to the required asset standards and within project constraints. We also focus on 'people factors' – motivating our teams to engage and collaborate, ensuring our people understand why a process is important, and creating efficient and easy-to-use systems. Our control processes operate over three levels: governance, contract and operational.

All our operations are governed by our integrated Business Management System (BMS), which incorporates health and safety, environmental and quality assurance and project execution management systems. BMS is implemented in line with guidance given in HSG65 – "Successful Health and Safety Management" and certified to the three main management

system standards, ISO 45001: 2018 (Health & Safety), ISO 9001:2015 (Quality) and ISO 14001:2015 (Environment) by LRQA, a UKAS accredited certifying body.

Our BMS is adapted to the needs of our clients to ensure a quick and easy project lifecycle process with governance held at local level. At contract level, we develop specific activity procedures defined within our framework management plans, where we set out how we will manage health and safety, the environment and ecology, archaeology, project delivery, client interfaces, customer and stakeholder management, commercial management and project delivery, including audit/inspection, planning and scheduling processes, and contract review and performance management processes.

At operational level, we develop project execution plans that detail project specific requirements, constraints and outcomes including delivery team, ITPs and quality assurance requirements, health and safety plans, site locations, emergency procedures, project-specific contact details, customer plans and all project specific information required to deliver a quality project. The plan is owned by the delivery team and signed off by the Contract Manager.

Collaborative working, delivering sustainability improvements and social value

Our culture of collaborative behaviour runs through MWS and is led from the top.

We work in many collaborative arrangements with existing clients where the success of the model and delivering their plans rely on it. For example, in Thames Water we actively collaborate with the delivery teams, stakeholder management, asset planning, design and engineering and key statutory stakeholders. We also carry out ECI work with Thames Water to develop affordable solutions that meet the key constraints e.g., on Bexley Trunk Main, we have identified alternative pipeline routes that have saved 700 metres of 630-mm pipe; and on Surbiton reline, we identified a reduction in pipe diameter and SDR rating which saved money and reduced carbon on the scheme.

Collaboration and sustainability lie at the heart of our contract delivery and client relationships. The majority of our contracts are long-term, strategic service delivery arrangements that require extensive collaboration to achieve our clients' objectives. On these contracts, we develop a shared operational vision and culture with streamlined, integrated operational processes, common data environments and systems which aim to 'design out' the possibility of partners / teams working in their own operational silos.

Social value

As part of our commitment to assisting our local communities, on our Dukes Ride Rising Main project for Thames Water, we contributed to the local community volunteer day alongside AECOM, Thames Water and Wellington College by helping to clear overgrown shrubs that had been having an adverse effect on the local heather and restrict its growth.

MWS is committed to supporting the circular economy; one example being our support for a local business services group "Commercial". Choosing to purchasing office supplies from this company has resulted in us generating an astonishing £806,973 in social value between January and October 2022, which means every £1 we spend generates £1.85 in social value.

Sustainability improvements

We are proud to deliver nature-based solutions to improve sustainability wherever possible as part of our project work, two recent examples of which are:

Nidd Valley Greenway tree planting – As part of our works on our Yorkshire Water P4Y contract, we engaged with tree specialists HUW Forestry to plant a number of trees in the reinstated banking along the Nidd Valley Greenway public footpath. The trees planted will help to improve water quality in the Nidd Valley, as well as to reduce the risk of flooding and enhance biodiversity in the area.

Mugdock Park reinstatement – During our work as part of the Caledonia Water Alliance, we engaged a specialist horse logging contractor with heavy horses to go 'bracken bashing' in an

area of the country park adjacent to our project. Bracken clearing is helping the heather re-establish itself, encouraging biodiversity in the area and reducing the risk of flooding.

Areas of innovation delivered over the last 3 years to achieve added value

Continuous improvement is at the heart of our business culture and synonymous with innovation – the continual pursuit to making processes, customer service and operational functions safer, better, and faster.

Examples of innovative solutions we have recently implemented are described below.

Spray lining for pipelines

MWS has achieved WRc accreditation for the in-situ lining of sewer pipelines using Axalta, in accordance with the Water Industry Standards. The spray liner material is designed to be at least equal to the design life of cure-in-place pipe (CIPP) liners, typically at least 50 years.

In 2021, MWS successfully applied the material following the failure of a 12m deep x 600mm cast iron surface water rising main in Doncaster. The spray lining protected the asset from future failures in a complex environment and significantly increased the asset life, saving over £1 million for Yorkshire Water on this single project.

FYLD – AI risk and productivity solution

This AI app provides managers and H&S staff overseeing multiple work sites/gangs with targeted risk intervention via push notifications that create greater awareness of high-risk sites identified through the AI platform.

Not only does the app provide improved risk perceptions and hazard identification, it also saves cost, time and carbon. Since implementation on our Yorkshire Water WSP contract in July 2022, FYLD has saved half a day per job (approx.), 19,049 kilograms of CO2, fuel worth £9,409, and 1030 million litres of water leakage.

Mobilisation to ensure successful delivery from Day 1

Our objective is to make the mobilisation process and transition period seamless; with no impact to normal operations or customers, and provide a smooth, painless and well-supported experience for staff involved. Our Mobilisation Blueprint clearly defines the structure, roles and responsibilities of the mobilisation team, the governance model, communication plan, checkpoints and documentation we will use for successful mobilisation.

Between contract award and Go Live day, we analyse and breakdown the works to identify each delivery-critical action, such as obtaining highways permits and liaising with local authorities, which we then begin to process. We also use this time to investigate and plan procurement of specialist equipment or resources and plant/equipment with long-lead times.

Further critical path measures we adopt to ensure efficient mobilisation from Day 1 include:

- Conducting a gap analysis to ensure the availability of resources and skills required to meet the programme; and to evaluate any TUPE transfers necessary for the contract and understand and mitigate any associated risks.
- Reviewing the operating and technological systems to be used for the contract and either testing access to the client's systems, if they are to be used, or implementing established MWS systems that have been proven to be both efficient and reliable.

Our proven approach to mobilisation ensures we are 'up and running' on Day 1 and has set the foundation for successful delivery of our other long-standing contracts including Yorkshire Water P4Y and Thames Water DSIP.

Our great understanding of Southern Water's systems and processes and the strong relationships our people have already built with you provide further assurance of a seamless mobilisation for this framework. Our people know who to speak to within Southern Water to 'get things done'.