

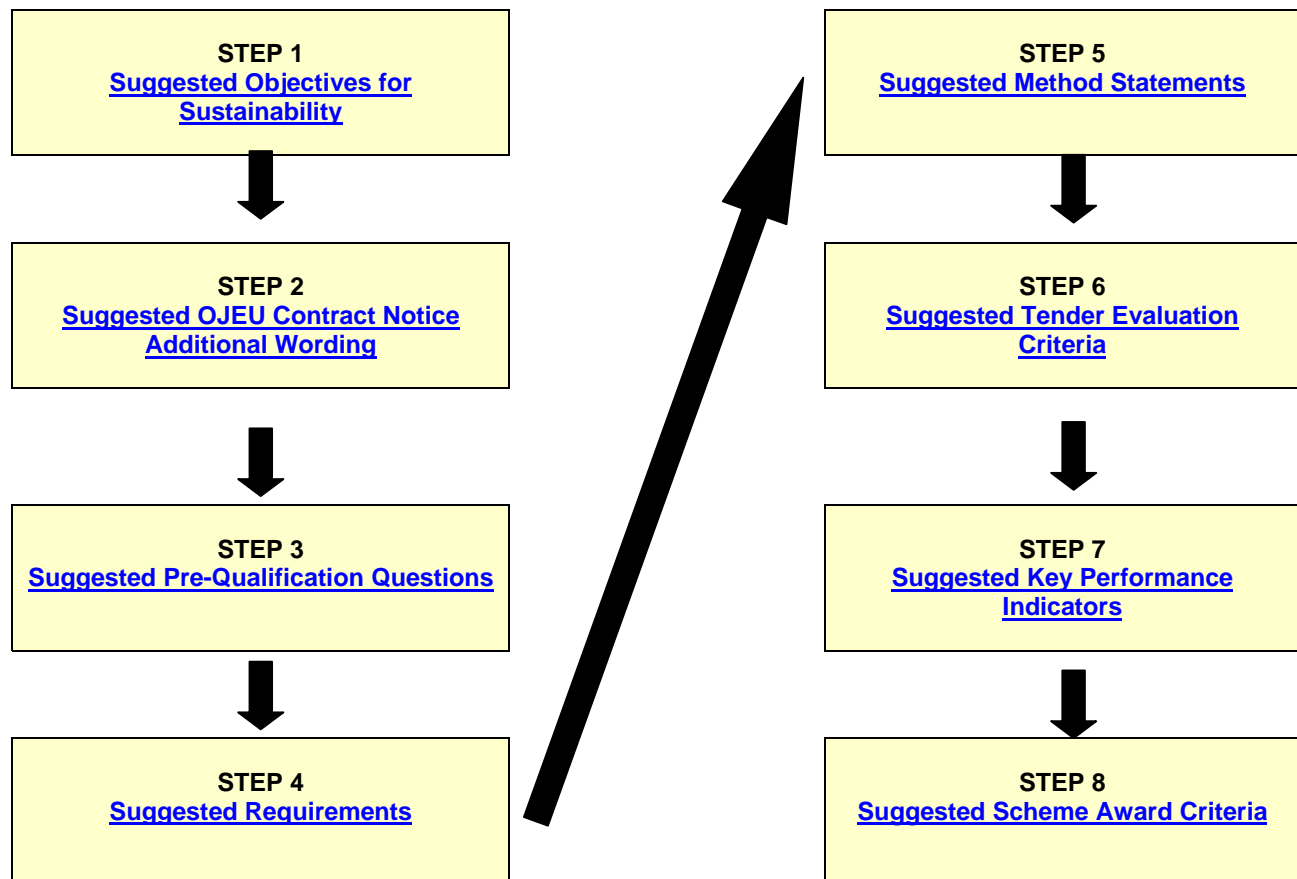


Toolkit for a more Sustainable “Highways Minor Works” Contract

This Toolkit was developed by a working group of London Boroughs including Merton, Bromley and Haringey and tested by Croydon Council. A case study detailing Croydon’s use of the toolkit will be added as an appendix on completion of their tender process. This toolkit has been reviewed by Camden’s legal team, you should also consult your own legal team on the use of this toolkit to ensure your compliance with the EU procurement regulations.

How to use this document

This Toolkit has been set up as a series of steps to follow to implement sustainability. You may choose to follow all or part of the suggested steps, however it is suggested that you follow each step in the order shown to ensure sustainability is built into your tendering process in a comprehensive manner. The Toolkit is designed to assist users in the procurement of more sustainable Highways Service, but will prove useful for any highways related contract. Certain sections of this toolkit will not be released until after completion of the tendering phase for Croydon’s contract and are highlighted as being unavailable.





Suggested Objectives for Sustainability

The working group developed a set of Sustainability Objectives as shown below that are relevant to the contract and focus on the implementation of sustainability within the contract. Climate Change has not been included as a specific objective as opportunities for mitigation and adaptation are included in several of the objectives detailed below.

STEP 1

Select the objectives from the list below that are relevant to your organisations sustainability policies. These will form the objectives for implementing sustainability within your organisations contract.

- [increased recycled content](#)
- [reduced transport distances](#)
- [whole life cost considerations](#)
- [reduced energy use and CO₂ emissions](#)
- [waste reduction](#)
- [reducing impact on the community i.e. noise & disruption](#)

Policies to consider commitments to sustainability include:

- Corporate sustainability/environment policy or strategy
- Climate Change action plans and strategies
- Department policies
- Strategic Procurement Strategy
- Corporate Plan
- Local Area Agreement
- Community Strategy

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OJEU Contract Notice

STEP 2

Suggested wording to add to the OJEU Contract Notice, under the sections as noted.

Details such as those below could be added to your OJEU Notice.

II.2.1) Total quantity or scope (including all lots and options, if applicable)

[Council] is seeking to improve the sustainability of the materials and work methods involved in carrying out works. This is in pursuit of [Council's Sustainability] Policy which states that [insert a relevant statement from your policy].

III.2.3) Technical capacity

Details of experience in delivering innovation and improving sustainability objectives e.g. waste reduction, CO₂ emission reduction etc. An environmental or sustainability policy or evidence of practices that will assist in the delivery of [Council's Sustainable Procurement] Policy.

VI.3) ADDITIONAL INFORMATION (if applicable)

The successful contractor will be required as a condition of a contract to observe as far as possible the Code of Practice for the Elimination of Racial Discrimination and the Promotion of Equality of Opportunity in Employment issued by the (UK) Commission for Racial Equality. The Authority has an [Environmental] Policy, which is available on request and is committed to using the most sustainable goods and services consistent with good performance and encourages all its contractors and suppliers and their supply chains to do the same. Further to item IV.2.1) [Contractor performance and improvement in relation to award criteria may be considered in the call-off of an individual contract from a framework agreement.]

(the last sentence should be included where the methodology outlined in this toolkit for linking performance measurement to the selection of framework contracts is followed)

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Suggested Pre-Qualification Questions

STEP 3

Include the questions relevant to your [Selected Objectives](#) in Step 1, in part or in full, or use them as the basis for developing your own pre-qualification questions.

1. Does your company have an environmental policy or operate an Environmental Management System?
2. Please outline what achievements you have made in regards to your policy or management system.
3. Does your company have the ability to measure and improve the recycled content in construction projects (see www.wrap.org.uk/construction)?
4. Does your company have a carbon management program and objectives and targets for reducing emissions of carbon dioxide or other greenhouse gases?

Go to [Appendix 2](#) for an example of how Croydon used the toolkit for their Pre Qualification Questionnaire.

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Suggested Requirements

STEP 4

Include the requirements relevant to your [Selected Objectives](#) in Step 1, in part or in full to form part of the Additional Clauses of the Contract; or use them as the basis for developing your own method of implementing sustainability within a Highways Minor Works contract.

Text in italics provides brief details/understanding of the significance of the sustainability objective, whilst actual specifications or requirements appear as boxed text.

The legal team at the London Borough of Camden has approved these Specifications and Method Statements for use as a guideline. Your own legal team should be consulted on the use of these specifications within your tender documents to ensure they fall within EU procurement regulations, particularly where any external documents such as Council policies are referred to.

General Sustainability Specifications

Contractual arrangements provide an opportunity to help deliver the Council's environmental and sustainability policies.

1. The Contractor shall [develop a Sustainability Action Plan] in its performance of the service ensure that it uses working methods, equipment and materials that will improve the sustainability of delivering the contract requirements, with particular emphasis on the following sustainability objectives:
 - a. increased recycled content
 - b. reduced transport distances
 - c. whole life cost considerations
 - d. reduced energy use and CO₂ emissions
 - e. waste reduction
 - f. reducing impact on the community i.e. noise & disruption
2. The Contractor shall work with [Council] to identify innovative methods and materials and actively encourage their use in schemes that will lead to improved delivery of the sustainability objectives of the contract.
3. The Contractor shall encourage their supply chain to help them meet the sustainability objectives of this contract.
4. The Contractor is encouraged to seek assistance from the [Local Sustainability Business Support team] for advice on continual improvement in the delivery of sustainability within the Service.
5. The Contractor shall produce a materials sourcing plan for the items covered under the Schedule of Rates.

Contract meetings

Early engagement with suppliers improves the opportunity to identify and implement changes that will bring about sustainability improvements successfully. Pre-contract meetings should take place prior to call-off of a contract from the framework agreement.

1. Where appropriate [Council] designers will be asked to participate in contract meetings with the aim of improving opportunities to deliver sustainability within the scheme.
2. Performance targets for use of recycled content materials shall be agreed on an individual scheme basis at contract meetings.

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Increased recycled content

Using recycled content material can provide savings, help to meet sustainability requirements, help to close the loop on recycling and reduce costs of recycling waste materials by increasing their value and demand.

1. The Contractor will be expected to focus on reducing the use of virgin aggregates primarily through increasing the use of secondary and recycled aggregates.
2. Wherever possible at least 10% of the total value of materials used should derive from recycled and reused content in the products and materials selected. Where 10% is not appropriate and alternate figure will be agreed at the pre-contract meeting and detailed on the Sustainability and Innovation Form. Preference is given to recycled materials that are collected through [Councils] domestic waste stream.

Waste reduction

Throwing away waste puts pressure on the environment by increasing the use of precious natural resources, and consumes additional resources during its collection and disposal. Disposal methods such as landfill and incineration are also associated with other environmental impacts including pollution and loss of amenity.

1. The Contractor shall endeavour to ensure that any waste materials arising from their works are wherever possible re-used or recycled, so that the minimum of waste materials are sent to landfill.

Whole life considerations

Whole life costs are considered part of delivery value for money in line with the HM Treasury definition of value for money.

1. The Council wishes to design schemes on the basis of whole life considerations and encourages the Contractor to bring to the attention of the Council any whole life cost measurements or comparisons of materials used in the contract. Whole life cost comparisons should include the cost of acquisition, operation and disposal.
2. Available alternatives to materials listed on the Bill of Quantities that will meet performance specifications and lower Whole Life Costs should be reported to the Council Engineer at the Pre-tender meeting and where alterations are agreed they should be detailed on the Sustainability and Innovation Form for the scheme.
3. The Contractor will discuss whole life cost savings, innovation and sustainability opportunities that will improve upon the contract sustainability objectives with the Engineer for the scheme at the pre-contract meeting. The Contractor and Engineer must complete and sign off the [Innovation and Sustainability Form](#), listing any variations that have been agreed by both parties to improve the sustainability objectives. The Form is given at Schedule [A].

Reduced transport distances

Reducing transport distances and frequency of journeys can reduce vehicle emissions and carbon footprint; reduce the impact of the service on the local community; and reduce maintenance and replacement costs of vehicles and thus the costs of providing the service.

1. The Council wants to reduce energy use and lorry journeys related to the provision of the Service. The Contractor is expected to work with the Council to find methods to reduce the volume of transport required in the provision of the Service.

Reduced energy use and CO₂ emissions

Using vehicles and plant, which are more energy efficient and powered by alternative fuels contributes to reducing the impacts of Climate Change and will assist in the implementation of any Climate Change action plans.

1. All plant used in the provision of the Service must as a minimum comply with European Emission standard Stage 2 for non-road mobile machinery as detailed in Directive [97/68/EC]. To comply with Stage 2 the engine must be registered no earlier than 1st January 2001 for non-road mobile machinery. To comply with Stage 3 as detailed in Directive [2004/26/EC] the machinery must be registered no earlier than 1st January. European Stage 3 has been harmonised with United States Tier 3 standard.
2. All plant used in the provision of the Service shall as a minimum meet the following minimum specification. The standards must be achieved by the end of March of each financial year and a monitoring report must be submitted to provide evidence of compliance in accordance with contract requirements.



2007/2008 100% Tier 2
 2008/2009 80% Tier 2, 20% Tier 3
 2009/2010 60% Tier 2, 40% Tier 3
 2010/2011 40% Tier 2, 60% Tier 3
 vehicles/conversions can be obtained at www.powershift.org.uk.

3. London will become a Low Emission Zone on 4th of February 2008 under the Mayor for London's Scheme Order. The vehicles affected are older diesel-engine lorries, buses, coaches, large vans (exceeding 1.205 tonnes unladen weight), minibuses and other heavy vehicles.
4. All vehicles used in the provision of the Service will be expected to comply with the Low Emission Zone emission standards for London. Where any uncertainty exists regarding a vehicle and its ability to meet the LEZ standards a vehicle compliance check should be undertaken through the Transport for London website at <http://www.tfl.gov.uk/roadusers/lez/default.aspx> . Any of the vehicle types mentioned at 16.1 that were first registered as new on or after 1 October 2001 are assumed to be Euro III and will therefore meet the LEZ emissions standards.
5. The information in the table below can be used as an approximate guideline to the Euro standards:

Standard	Vehicle type		
	Passenger (<2.5 t)	Light commercial (<3.5t)	Heavy goods (>3.5t)
Conventionally fuelled vehicle (date of first registration)			
Euro III	1/1/02	1/1/02	1/10/01
Euro IV	1/1/06	1/1/07	1/10/06
Alternatively fuelled vehicle			
Euro III	LPG, CNG or LNG band 2		
Euro IV	LPG, CNG or LNG band 3		
Euro IV	Electric vehicle, Hybrid, LPG, CNG or LNG band 4		
Retrofitting			
Euro III	Re-engine Euro II vehicle		
Euro IV	Fitting of exhaust after treatment technology to Euro II vehicle		

Reducing impact on the community i.e. noise & disruption

The World Health Organisation has highlighted the link between noise and poor physical health from stress. Disruption from highways works can reduce accessibility to homes, council facilities and local businesses; increase congestion and be a cause of stress and inconvenience. Vibration can lead to damage to property and ill health.

1. The London Borough of [Council] is a busy, urban area. Reducing the disruption to traffic using the highway network is a high priority. The Contractor shall take adequate steps to avoid unnecessary delays to buses, cyclists and pedestrians and also to ensure the Council meets the new duties imposed on it by the Traffic Management Act 2004.
2. The Contractor is encouraged to work with the Council to identify work methods and materials that will reduce impact on the community through disruption, noise and vibration.

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Suggested Method Statements

STEP 5

Include the method statements relevant to the [Suggested Requirements](#) you selected in Step 2, in part or in full or to form part of the Contract; or use them as the basis for developing your own method to understand how prospective contractors will implement sustainability within your Highways service contract.

Purpose of Method Statement

It is a contractual requirement that the Contractor provides sufficient input resources to achieve the output standards to the levels outlined in the Contractors method statement. It is therefore vital that the method statement is realistic and thorough but does not contain promises as to a level of service, which cannot be provided, achieved or maintained.

For the purposes of the Method Statement innovation is defined as:

The successful exploitation of new ideas, including the transfer of knowledge, support for small businesses, creation of new products, services or equipment that will make improvements in line with the sustainability objectives of this contract including non-technological ideas.

Content of Method Statement

1. Please outline your mechanisms for ensuring that the processes in place to provide the Service are sustainable and designed to reduce any environmental impact. As part of your response please provide your management plan for sourcing materials and disposing of waste arisings. Please concentrate your response on methods employed to:
 - a. increase recycled content, including a % target
 - b. reduce transport distances
 - c. consider whole life cost considerations
 - d. reduce energy use and CO₂ emissions
 - e. reduce waste, including a recycling % target
 - f. reduce impact on the community i.e. noise & disruption
 - g. encourage your supply chain to meet the Sustainability Objectives of the contract
2. Please outline your companies approach to innovation, including any examples of approaches taken for other related contracts. Please include details of the following:
 - a. Any individuals assigned to champion innovation, including position held
 - b. Proposed innovative techniques or activities to be employed should your organisation be awarded the contract.

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Tender Evaluation Criteria

STEP 6

Include the tender evaluation criteria relevant to the [Suggested Requirements](#) you selected in Step 2. Use the [Tender Evaluation Scoring Matrix](#) in part or in full to score tenders against the sustainability criteria; or use the matrix as the basis for developing your own scoring method. Your final tender evaluation scoring matrix should not be revealed to the contractor, and must relate to the subject matter of the contract. The [Suggested Method Statements](#) you selected in Step 3 should be used as the evidence base for your evaluation criteria.

Sustainability Tender Evaluation Criteria

1. Delivering Sustainability Objectives
 - o Supporting supply chain to adopt objectives
2. Details of Approach to Innovation

Scoring Criteria

The tender evaluation scoring matrix has been developed according to the methodology set out below, however you could revise this to suit your own scoring system:

0	UNSATISFACTORY	No information provided
1	POOR	Response suggests Tenderer would have difficulties meeting standards/requirements
2	SATISFACTORY	Meets standards/requirements
3	GOOD	Response that exceeds requirements in some areas
4	EXCELLENT	Response that significantly exceeds requirements in key areas

Weighting

It is recommended that the Sustainability criteria account for a minimum of 10% out of the total Tender Evaluation Criteria. Each Local Authority will need to make their own judgement as to what weighting for sustainability criteria will be proportional and relevant to the purpose of the contract.

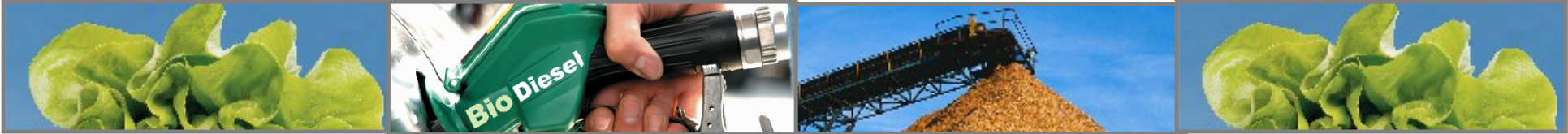
The suggested weighting for sustainability and each of the sub-criteria below is an example only of those used in the Croydon case study; this can be altered accordingly to your council's priorities. A quality threshold for sustainability criteria has not been applied. A sustainability weighting of 10% or higher is considered appropriate to influence the quality of prospective contractors response to sustainability. The use of quality thresholds should be considered where a weighting of less than 10% is used or your council has particular minimum commitments on sustainability relevant to the contract. Your own legal team should be consulted on the use of quality thresholds for sustainability on your contract to ensure they fall within EU procurement regulations.

	Selection criteria	Source of Evidence	Quality Threshold	QT reached?	Weighting	Score	Weighted score
Sustainability 20%	Delivering Sustainability Objectives	Method Statement 1	Nil	Y / N	10		
	Details of Approach to Innovation	Method Statement 2	Nil	Y / N	10		
	TOTAL				20		
	Comments:						

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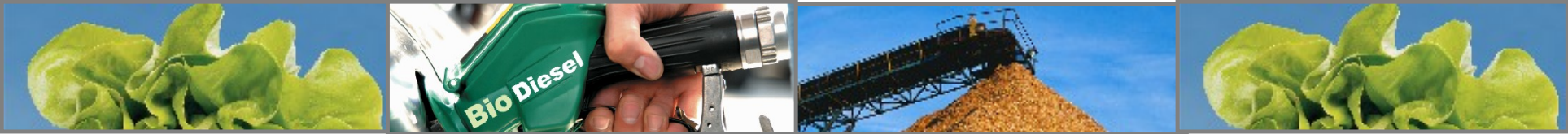
Tender Evaluation Scoring Matrix

Award Criteria	Scoring Criterion			
	0 Unsatisfactory	1 Poor	2 Satisfactory	3 Good
Delivering Sustainability Objectives No evidence	<p><i>Content Currently Unavailable Details will be released after the award of tender by Croydon Council, early 2008 London Borough staff should contact the Project Manager until before then for further details.</i></p>			
Approach to Innovation* No evidence.				

Where 'previous plus' is noted the scoring criterion is a combination of the information/evidence required for that score and the previous scoring levels on the same row.

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Key Performance Indicators

STEP 7

Include the Key Performance Indicators relevant to the [Suggested Requirements](#) you selected in Step 2. Use the Indicators given in part or in full, or use them as the basis for developing your own. Use the [KPI Scoring Matrix](#) in part or in full to score performance indicators against the sustainability indicators; or use the matrix as the basis for developing your own scoring method.

Highways Minor Works

Quarterly Monitoring Return [provide period]

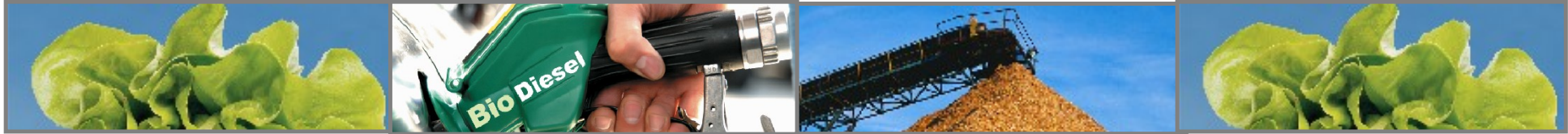
PROVIDERS NAME

1. Sustainability		Q1	Q2	Q3	Q4	Year to Date
1.1	Increased use of recycled content products					
1.2	Increased recycling or reuse of wastes					
1.3	Impact on the Community: improved time for completion of schemes					
2.1	Approach to Innovation in schemes					

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KPI Scoring Matrix

Scheme Criteria [#]	Scoring Criterion					
	Poor 1-2	Below Average 3-4	Average 5-6		Above Average 7-8	Excellent 9-10
Recycled content	Council Target – 8%	Council Target - 5%	10% recycled content by value of the materials used or as agreed for scheme		Council target + 5%	Council target + 10%
Waste reduction	Council target -20%	Council Target -10%	Agreed Council target for scheme (% tonnes recycled)		Council target + 10%	Council target + 20%
Community Impact	Contractor programme +20%	Contractor programme +10%	Scheme completion within Contractor Programme a. use of lower emission vehicles (Euro IV) or plant (Stage 3) or		Contractor programme -10% b. use of lower emission vehicles (Euro IV or V) or plant (Stage 3)	Contractor programme -20% c. use of lower emission vehicles (Euro IV or V) and plant
Approach to Innovation*	Not applicable	Not applicable	Meets standards required	Agreed alteration to innovation & sustainability provide limited improvement d. approx. 5% of materials by value altered* OR e. material supply transport efficiencies	Agreed alteration to innovation & sustainability provide considerable improvement f. approx. 10% of materials by value altered* g. material supply transport efficiencies	Agreed alteration to innovation & sustainability provide significant improvement h. approx. 15%+ of materials by value altered* i. material supply options monitored & transport efficiencies achieved

In the event that a key performance indicator of the sustainability objectives is not relevant to a scheme (i.e. no waste will be created), it will not be given a score and its weighting will be allocated against the remaining 2 indicators for delivering sustainability objectives.

* Material or product alterations identified on the [Innovation and Sustainability Sign Off](#) could include the use of:

- in-situ techniques;
- thinner or lighter materials;
- use of cold recycled bituminous material;
- Alternate source of materials identified to that in material sourcing management plan which reduces miles travelled to site.

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Scheme Award Criteria

STEP 8

Include the scheme award criteria relevant to the [Suggested Key Performance Indicators](#) you selected in Step 7. Use the aggregated KPI score for the previous 4 quarters as the sustainability score for Scheme Award Criteria or use the methodology as the basis for developing your own scoring method.

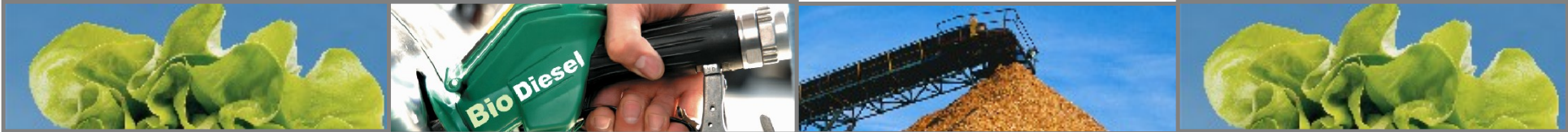
The key performance indicators in this toolkit relate back to the tender evaluation criteria. As a result they can be used as the basis of scores for scheme award criteria in line with EU regulations, which require the same criteria and weightings to be used at award of tender and award of scheme for Framework Agreements. Linking performance indicators to scheme award will have the added benefit of encouraging and rewarding continual improvement.

Use the average KPI scores for the previous 4 quarters to determine quality criteria scores when awarding individual schemes. Scores given at tender stage for the equivalent criteria should be used to form the average score until 4 quarters have been completed under the Agreement. The same method could be applied to other quality criteria.

Sustainability 20%	Selection criteria	Source of Evidence	Weighting	Score	Weighted score
	Increased recycled content	KPI 1.1	3.5%	10%	
	Waste reduction	KPI 1.2	3.5%		
	Reduced impact on the community	KPI 1.3	3%		
Innovation <i>Includes reduced transport; energy use; emissions</i>	KPI 2.1	10%			
TOTAL			20%		
Comments:					

1. Sustainability		Tender Score	Q1	Q2	Q3	Q4	Average 4 quarter score
1.1	Increased use of recycled content products						
1.2	Increased recycling or reuse of wastes						
1.3	Impact on the Community: improved time for completion of schemes						
2.1	Approach to Innovation in schemes						

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Appendix 1: Innovation & Sustainability Sign off

Scheme:				Bill of Quantities Total Estimated Civil Works Costs:	
Client:		Order No:		£	
Contractor:		Date:			

Agreed Variation to Design

The following items are to be varied to improve the innovation and sustainability of the Scheme. Significant compromise to quality of service, availability, cost, conformance with technical standards, or technical performance of the Scheme is not envisaged as a result of these variations. **Changes to quantities as a result of onsite re-measuring should not be detailed here.**

Items on Bill of Quantities to be removed or quantity altered.

Item	Description	Unit	Quantity	Rate	% Sunday	% Out of hour	Normal Amount	Sunday Amount	Out of hour Amount

Items to be added or revised quantities to be used.

Item	Description	Unit	Quantity	Rate	% Sunday	% Out of hour	Normal Amount	Sunday Amount	Out of hour Amount	Benefit of Variation

Agreed materials recycled content target	%	Agreed recycling/composting of waste arisings target	%
--	---	--	---

Total Estimate of Civil Works Costs with agreed variations:

Sign Off on Variation to design

Council Engineer	
Minor Works Contractor	

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Appendix 2: Use of the Toolkit by the London Borough of Croydon

Contract Notice

The contract notice issued by Croydon included details of Croydon specific policies as per the format detailed in Step 2.

Sustainability related elements of Croydon's PQQ

Section F: Environmental

Croydon Council is committed to maintaining and improving the economic and social wellbeing of everyone in Croydon within a sustainable, safe and high quality environment.

The Council seeks to ensure that all organisations it contracts with can demonstrate compliance with all relevant environmental legislation and satisfy the requirements of regulatory bodies such as the Environment Agency and the Health and Safety Executive.

F1

Does your company have an environmental policy?

Yes No

If you have answered 'yes', please state which areas the policy relates to:

Please enclose a copy of your policy

Not available Enclosed

F2

Does your company operate an Environmental Management System (EMS)?

Yes No

Please enclose a copy of your current EMS.

Not available Enclosed

F3

From the list below, please tick the areas of environmental management your policy addresses.

- | | |
|---------------------------------------|--------------------------|
| a) Energy use | <input type="checkbox"/> |
| b) Water use | <input type="checkbox"/> |
| c) Transport / vehicle use | <input type="checkbox"/> |
| d) Use of sustainable materials | <input type="checkbox"/> |
| e) Chemical / hazardous substance use | <input type="checkbox"/> |
| f) Solid / liquid waste | <input type="checkbox"/> |
| g) Emissions | <input type="checkbox"/> |
| h) Pollutions | <input type="checkbox"/> |
| i) Staff training | <input type="checkbox"/> |
| j) Other | <input type="checkbox"/> |



F4

Please outline what achievements you have made, in regards to questions F2 and F3 above, or provide your Public Environmental Statement if the information is contained here. Include quantitative achievements wherever possible and details of targets and objectives which have been met.

F5

Does your company have the ability to measure and improve the recycled content in construction projects (see www.wrap.org.uk/construction)?

Yes Planned No

Does your company have a waste management plan or waste minimisation program and procedures in place for waste disposal?

Yes No

If you have answered 'no', please give details

F6

What percentage of your vehicle fleet meets with EURO IV emissions limits?

How does your company reduce emissions from any vehicles it uses during business use? Please give details.

F7

What if any initiatives have your company implemented to improve its environmental performance?

F8

Has your company:

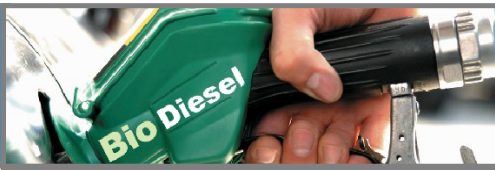
a) been prosecuted by any environmental regulator or authority (including local authority)? Please note checks will be made.

Yes No

b) had any notice served upon it by an environmental regulator or authority (including local authority)?

Yes No

If you have answered 'yes' to either or both of the above, what steps have been taken as a result of the finding? Please summarise the details below and provide full details as an attachment.



F9

Does your company have a carbon management program and objectives and targets for reducing emissions of carbon dioxide or other greenhouse gasses?

Yes No

Please give details

F10

Please name the main contact person in your company responsible for environmental management.

Name _____

Title _____

Telephone Number _____

Email address _____

This section will be updated further when Croydon's tendering procedure is complete.

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