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# CIWEM Presentation Kit Procurement

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CIWEM  
The Chartered Institution of Water  
and Environmental Management

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## Process Kit Procurement

### Agenda

- Categories
- Identifying the Need
- Influencing Factors
- Procurement Strategy
- Framework Agreements
- Continuous Improvement

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# Categories

## Stock Kit

- The majority of stock items are generic to the Water Industry and will be required in any AMP – valves, pumps, instruments etc.

## Fabricated Kit

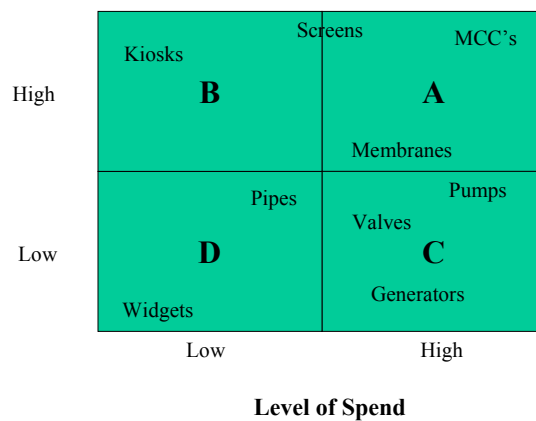
- Fabricated Kit may generally be manufactured specific to the client’s requirements
- May have a common requirement across AMP’s, e.g. MCC’s, Generators.
- May be driven by specific outputs, e.g. UID Programme and a need for powered screens

## Process Kit

- Process Kit Frameworks are generally specific to the AMP – Q Driven
- Clean Water Projects Front End
- The issue for the client is to effectively interrogate the FD to establish specific process requirements – FORECASTING!!
- Establish level of spend justifies Framework and procure accordingly

# The Kit and the Grid!

**ASSET  
PERFORMANCE  
RISK OR  
SECURITY OF  
SUPPLY RISK  
(to Client)**



## Procurement Strategy

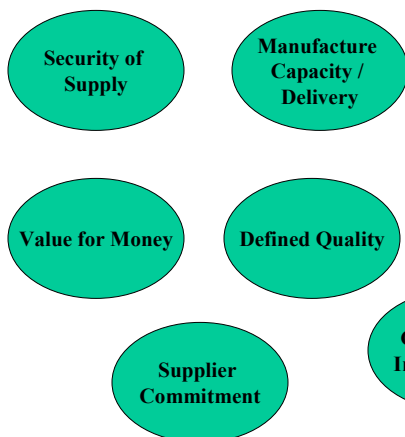
- Non process critical, low spend value
  - Open Market
- Process critical, high level of spend
  - Dedicated suppliers
  - Trading Agreements
  - Framework Agreements

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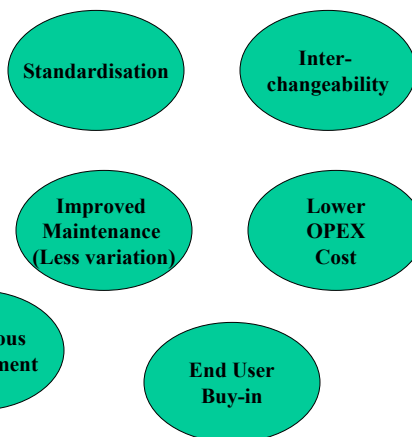
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## Benefits of Kit Frameworks

### CAPEX Benefits



### OPEX Benefits



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## Roles and Responsibilities

A forum should be established to incorporate ALL parties requirements into all future Kit Frameworks

Minimum requirements for each Kit Framework need to be set:

- Engineering
  - Capital Maintenance
  - Process Operations
  - Commissioning
  - Field Services Engineers
  - Contractors
- The forum should be ongoing to receive 360° feedback

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## Tender Milestones

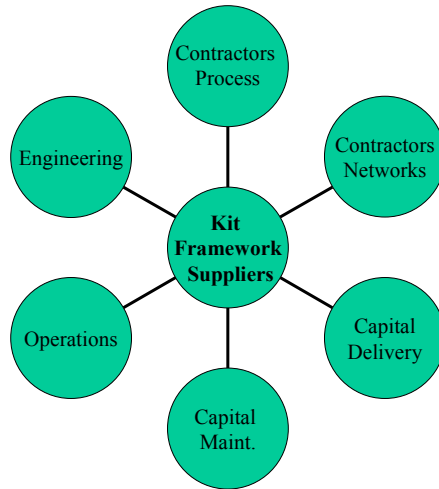
<b>Milestone</b>	<b>Description</b>
Forum 1	All Forum members meet to discuss needs requirements, prequalification criteria and prepare OJEU Notice
OJEU	Issue OJEU on 37 day call for competition
Forum 2	Review Prequalification results, agree proposed Tender list, Review Tender Documents
Tender Period	Suppliers preparing submission with mid bid reviews where required
Tender Clarification	Meetings with all the tenderers to remove negotiate qualifications
Forum 3	Forum review all compliant and alternative bids to ensure they are all technically and commercially acceptable
Tender Evaluation & Award	Prepare award recommendation based on the findings of the tender process
Induction	Briefing Suppliers on Framework culture, contractor interface issues, points of contract etc.

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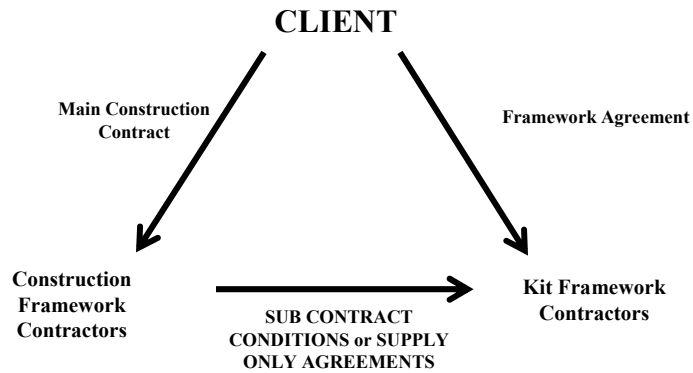
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# Kit Framework Customers

## UU Example



# Contract Relationship



## Framework Agreement Structure

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Title
<b>Contract Terms and Conditions</b>
<b>Pricing Document</b>
<b>Bonds / Guarantees</b>
<b>Specifications</b>
<b>Call Off Facility</b>
<b>Framework Services</b>

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## Continuous Improvement

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- Dedicated resource required to manage, support and mitigate supply chain issues.
- Kit Suppliers to provide “Framework Services”
  - Dedicated client team – CAL/CAM
  - Monthly reports – cost and time
  - Undertake commercial and technical reviews
  - Attend workshops – generic and / or cluster types
  - Strive for continuous improvement
  - Subject to performance measurement – KPI’s, League tables

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## Kit Framework Management

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- KPI's based around:-
  - Health, safety and environment – annual improvement
  - Customer interface – speed of response
  - Quality – number of defects
  - Delivery – to programme
  - Close out – provision of as-builts / O&M's
  - Collaboration – at Framework Level

NOTE – WHERE A CLIENT HAS A WORKING RELATIONSHIP WITH A CONTRACTOR, CLIENT SATISFACTION RISES TO 87%

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Questions...?

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