



**Provision of certification services under
Compost Certification Scheme**

Tender Invitation Document

January 2016

EXECUTIVE SUMMARY

This Tender Invitation Document sets out the scope of work that Renewable Energy Assurance Ltd (REAL) wishes to commission. REAL is inviting a number of tenderers to compete for the work. This document describes the competitive tendering process and explains how you may tender for the work described.

NATURE & SCOPE OF THE WORK

The work requires a number of certifying bodies (number not specified) to run REAL's Compost Certification Scheme on its behalf. Applicants must be accredited to BS EN 17065 and maintain that accreditation on an annual basis. REAL aims to provide the industry's leading independent compost certification scheme ensuring it is robust, efficient and effective and meets the internationally recognized quality standard. This is in order to provide reassurance that certified compost is safe for end users and the environment.

The selected certification bodies will provide certification services on behalf of REAL, in compliance with the most recent issued version of the REAL Compost Certification Scheme Rules.

TENDER TIMETABLE

Deadline for receipt of tender submissions: **19th February 2016**

REAL may invite the tenderer to present their proposal during w/c 14th March 2016 at REAL offices.

Tenderers receive written notification of REAL's decision: 31st March 2016

REAL reserve the right to change the timetable.

WORK PROGRAMME

Contracted certification body, preparation and training: July 2016

Contract terminates: 31st March 2019

CONFIDENTIALITY

The information supplied in this Tender Invitation Document has been supplied in good faith and in confidence. It should not be used for any purpose other than for competing in this tender and should not be disclosed to any other third party unless prior approval has been granted by REAL.

| | | |
|----------|---|-----------|
| 1 | INTRODUCTION & BACKGROUND..... | 4 |
| 2 | SCOPE OF WORK..... | 6 |
| 3 | THE TENDER SUBMISSION - INFORMATION REQUIRED | 9 |
| 4 | EVALUATION CRITERIA..... | 11 |
| 5 | APPLICATION PROCEDURE | 11 |
| 6 | TENDER PROCESS & TIMETABLE | 12 |

1 INTRODUCTION & BACKGROUND

REAL is a wholly-owned subsidiary of Renewable Energy Association (REA). It was incorporated in 2002. REAL carries out a range of certification and consumer protection activities most of which promote sustainable energy. REAL activities fall under two headings: consumer codes and certification schemes. REAL runs the industry's leading independent Compost Certification Scheme (CCS) and in order to maintain confidence in compost certified by the scheme needs to ensure that the certification process is robust.

This document sets out the scope and parameters of the work comprised in this tender and describe how tenderers may bid to undertake this work for REAL.

1.1 British Standards Institution's Publicly Available Specification for Composted Materials PAS 100

The Publicly Available Specifications for composted materials (BSI PAS 100:2011) is a crucial component in achieving market confidence in compost quality, consistency and safety. REAL owns and administers the CCS aligned to PAS 100:2011.

BSI PAS 100 is available to download from the Waste and Resources Action Programme (WRAP) web site at <http://www.wrap.org.uk/content/bsi-pas-100-producing-quality-compost>

The use and production of compost are controlled by regulations governing the management of waste and the protection of the environment. However, if the composted biodegradable waste supplied, stored and used is of sufficiently high quality, the waste regulatory controls will not apply. In those cases the compost is no longer categorised as "waste" but as a 'product' and therefore classed as fully recovered under the waste regulations.

In the United Kingdom, PAS 100 sets the minimum quality criteria for compost. REAL has worked with WRAP to develop this PAS and also to provide complementary specifications covering additional quality criteria for composts used in soft landscape operations, growing media manufacture, edible and non-food crop production, turf maintenance and other applications. These additional specifications along-side other market-specific specifications supplementary to PAS 100 now also exist in the UK.

1.2 Compost Quality Protocol

Compost certified to 'PAS 100 only' which is placed on the market for use or used in England, Wales, or Northern Ireland is regarded as 'waste' by the regulator (Environment Agency for England and Wales (EA) for England and Wales, Northern Ireland Environment Agency (NIEA) for Northern Ireland). In such cases, waste regulatory controls apply to its supply, storage and use.

The Business Resource Efficiency and Waste (BREW) Programme, WRAP and the EA in consultation with industry and other regulatory stakeholders have developed a Quality Protocol for the Production and Use of Quality Compost from Source-Segregated Biowaste

(the Compost Quality Protocol (CQP or the Protocol) to clarify the circumstances in which composts derived from high quality waste may be supplied, stored and used as 'products'.

A copy of the CQP from is available here: <http://www.qualitycompost.org.uk/standards/cqp>

The three main purposes of the Protocol are to:

1. clarify the point at which waste regulatory controls on composted source-segregated biodegradable waste no longer apply;
2. provide users with confidence that the compost they purchase conforms with an approved standard (such as PAS 100); and
3. protect the environment (including soil) and human health by setting good practice criteria for use of quality compost on land used for agriculture and soil-grown horticulture.

Fundamental requirements of the Protocol are that:

1. Compost is produced in compliance with an approved standard or specification. At present, only the PAS 100 specification is recognised as an approved standard.
2. Compost is produced using only those source-segregated input materials listed in Appendix B of the Protocol and must be destined for appropriate use in one of the market sectors designated by the Protocol.
3. An independent certification body assesses conformance with the Protocol.
4. Finally, the relevant regulator must approve the certification scheme rules.

On 1st July 2010 the NIEA also adopted the CQP.

To date, the Scottish Environment Protection Agency (SEPA) has not adopted the Protocol. In this country compost derived from composting processes and composts that are able to meet PAS 100 requirements may, in some circumstances, be considered fully recovered and categorised as a product by the regulator. Such circumstances are clarified in SEPA's composting position statement available at:

https://www.sepa.org.uk/media/153947/composting_position_statement.pdf).

1.3 List of certified compost producers

REAL's CCS provides a framework for independent assessment and certification of compost to PAS 100, 'PAS 100 and the SEPA's Composting position – September 2004' and to 'PAS 100 and CQP. The Scheme is robust, efficient and effective and meets the internationally recognised quality standard. This is in order to provide the public and key stakeholders (such as compost users and farm assurance schemes) with the reassurance that certified compost is safe for end users and the environment.

An up to date list of composting processes registered on REAL's CCS can be found here: <http://www.qualitycompost.org.uk/producers>.

However, European developments and national policies on recycling may mean that in the near future Local Authorities will be able to count towards their recycling rates only input materials sent to composting processes certified under REAL's CCS. This may mean a growth in applications to join the Scheme over the coming years.

1.4 Certification cost

REAL considers it crucial that its CCS is affordable to the small scale composting sector as well as medium and large scale operators.

2 SCOPE OF WORK

The aim of this work is for a number of independent certifying bodies to manage and administer the CCS on behalf of REAL for a fixed period of three years (the Contract). Subject to any earlier termination under the terms of the Contract, before the end of the three year period REAL will consider whether to renew or extend the Contract to the certifying body or whether to allow the Contract to terminate and re-tender.

Requirements of service

Any independent certifying body appointed pursuant to this tender (hereafter referred to as the “Contracted Certification Body”) will be required to manage and administer the CCS on the following basis:

2.1 To provide certification services in accordance with REAL’s CCS Scheme Rules, which are available here: <http://www.qualitycompost.org.uk/certification/scheme-rules>

REAL will update or review the Scheme Rules on a regular basis and in a transparent manner. The Scheme Rules’ review procedures explain the stages of the review process, from drafting the new version, through gathering consultation responses and finally implementation of the new scheme rules. More information is available here: <http://www.qualitycompost.org.uk/information/governance/scheme-rules-review-process>

2.2 The Contracted Certification Body shall implement their own Quality Management System (QMS). In addition, to be compliant with REAL Scheme Rules and BS EN 17065, the Certification Body’s QMS shall include crisis management i.e. a protocol for managing systems failure or organisational crisis.

2.3 The Contracted Certification Body shall establish a system that provides for the documentation and recording of all appeals received from producers during the certification process. This system shall incorporate information on receiving, processing, handling and recording of appeals received.

2.4 Laboratories: Each Contracted Certification Body will be required to make compost producers aware of the approved list of laboratories maintained by REAL so that the producer can use one or more of the laboratories from this list to carry out the compost testing required.

2.5 Reporting to REAL: The Contracted Certification Body shall ensure that the composters’ information is inputted into the online database provided by REAL on a daily basis or as soon as possible. All fields shall be fully completed by the Contracted Certification Body . REAL’s on-line database shall be used as the main reporting system in respect of the Contracted Certification Body’s management and administration of REAL’s CCS. The data reported by the Contracted Certification Body will be audited and cross

checked by REAL. Full supporting information, as requested, is to be supplied with monthly payment of capitation fees (as described in clause 2.10 below). REAL reserves the right to examine the original documentation under an 'open book' arrangement.

2.6 Data Management: The Contracted Certification Body shall keep all relevant records and paperwork associated with certification. This data will remain the property of REAL and must be supplied to REAL upon request following 5 days' notice. Adequate provision for regular data back up and archiving must be made and robust procedures will need to be developed to facilitate movement of composters' information between certification bodies as required. Tenderers should outline their approach to how this will be done in their submissions and for successful tenderers this approach shall be iteratively developed and finalised with REAL.

2.7 Handover at the end of the Contract or earlier termination: at the end of the Contract or earlier termination there must be a transparent and robust procedure in place to ensure that the ongoing liabilities associated with the handover phase to either another Certification Body or REAL are dealt with appropriately. If producer assessment fees (as described in clause 2.9 below) have been received by the Contracted Certification Body from the applicant producer prior to the end of the Contract or earlier termination and none or only part of the certification process has been completed the application will need to be handed over in such a way as to limit liability to REAL and any other Contracted Certification Body that may take over the Contract at its end or earlier termination. This will include details of the work that has been completed, the work that needs to be completed and the reconciliation of the producer assessment fees against the work undertaken.

2.8 Producer Assessment Fee Income: Each Contracted Certification Body shall not be paid a fee by REAL in respect of an awarded Contract. Instead each Contracted Certification Body shall receive and manage fee income arising from the certification fees paid by the compost producer directly to their chosen Contracted Certification Body. It will be the responsibility of each Contracted Certification Body to market their services to compost producers, such that the decision regarding which Contracted Certification Body to choose rests with the compost producer.

2.9 REAL cannot dictate what the certification fees should be. For each composting process registered on the CCS, REAL shall receive a capitation fee based on the annual throughput of each composting process as presented in the table below:

Table 1 REAL CCS capitation fee structure

| Annual throughput (tonnes per annum) | Capitation fees |
|--------------------------------------|-----------------|
| ≤ 3,000 tpa | £78.75 |
| 3,001 - 6,000 tpa | £157.50 |
| 6,001 - 12,000 tpa | £315.00 |
| 12,001 - 20,000 tpa | £525.00 |
| 20,001 - 50,000 tpa | £840.00 |
| ≥ 50,001 tpa | £945.00 |

2.10 The capitation fee will cover the cost associated with (but not limited to) the following management and administration services to be provided by REAL to the Contracted Certification Body under the Contract:

- providing training and technical support to the Contracted Certification Body;
- managing the Contract;
- scheme promotion;
- website updates;
- production of communications to certified producers;
- checking the certification body's performance;
- selection and monitoring of laboratories approved by REAL to test composts on this scheme;
- managing REAL's independent sampling services;
- developing REAL Compost Certification Scheme Rules;
- developing REAL Compost Certification Scheme templates;
- updating contracted CB managers on any changes to standards, scheme rules and associated documentation;
- updating compost producers on changes to CCS standards, rules and associated documentation,
- co-ordination of this scheme's Technical Advisory Committee meetings; and
- Liaising with the accreditation body on the accreditation procedures.

2.11 REAL is entitled to increase the capitation fees in line with inflation.

2.12 REAL considers it crucial that its CCS is made more affordable for the small scale composting sector.

2.13 Complaint procedures: Each Contracted Certification Body is expected to deal with complaints as required in REAL's CCS Rules. Complaints shall be dealt with promptly and may require swift liaison with the regulators or other relevant stakeholders. This is considered an essential criterion against which the Contracted Certification Body's performance will be evaluated.

2.14 Meeting Requirements: Each Contracted Certification Body is required to have regular meetings with REAL and attend meetings of the Technical Advisory Committee, in line with REAL CCS Rules.

2.15 Proof of accreditation to BS EN 17065 and any other standard specified by REAL, within the time specified by REAL.

2.16 Development and adoption of a Quality Management System (QMS) to implement REAL's certification system according to paragraph 2.2.

2.17 Administration of a certification scheme that complies with REAL's contractual arrangements with the certification bodies.

2.18 Reporting to REAL on a continuous basis, via the REAL's on-line database.

2.19 Capitation payment to REAL as set out in paragraph 2.9.

3 THE TENDER SUBMISSION - INFORMATION REQUIRED

3.1 Your tender should be submitted by email and should be limited to no more than 20 x A4 sides at minimum 10pt font (excluding appendices).

3.2 Your tender must include the following information in the order indicated:

(1) An executive summary of no more than one side of A4 in length, outlining your strategy for providing the certification services, your experience and cost of the proposed work (including our proposals in relation to affordability for small scale producers) **inclusive** of Value Added Tax ("VAT"),

(2) Company/Organisation details. REAL will need the following information:

- The name of the Company submitting the tender;
- The registered office name, address, VAT number (if applicable) and company or charity registration number;
- The name of the nominated contact person within the tenderer's organisation;
- Contact details including: address, telephone number, and e-mail address.

REAL will accept tenders both from individual companies and from consortia. Should you decide to tender as part of a consortium you will need to identify one member of the consortium (the "Lead Contractor") to act as the contracting party. All other consortium members will be sub-contractors to the Lead Contractor.

(3) A description of your working methods

You will need to make clear how you intend to deliver the work and provide estimated timescales for delivery.

(4) A description of the project team who will manage and deliver the work

This should include a list of individuals, their respective roles within the organisation and, for the purposes of this work their relevant skills and experience including any relevant professional qualifications.

(5) An identification of any sub-contractors to be used

You should include a list of any sub-contractors you intend to use to fulfil the requirements of the work and detail the work that they will be undertaking. This may include site inspectors, for example, and should detail how sub-contractors will be appointed, trained and managed.

(6) Evidence of a track record in undertaking work similar to that described in this document.

- (7) **Identification of any conflicts of interest** which might arise if you were selected to undertake the work and if such a conflict were to arise, an indication of how this conflict would be addressed. Where you tender as part of a consortium, all members of the consortium should be considered.
- (8) **A copy of your Environmental Policy** and evidence of any accredited Environmental Management System.
- (9) **As appendices**, tenders should include:
- Audited or management accounts for the last 2 financial years;
REAL reserves the right to reject bids from Contractors where the accounts show that the Contractor might be at risk of insolvency.
 - Evidence of Health & Safety Performance This shall include the systems for providing appropriate risk assessments and PPE for work on site.
 - A statement of any material litigation, pending or threatened, or other legal proceedings;
REAL reserves the right to reject bids from Contractors subject to legal proceedings where in REAL's reasonable opinion such proceedings could impact upon the Contractor's ability to deliver the services required.
 - Evidence of the level of professional indemnity, public liability and property damage insurance cover held.
REAL will require minimum cover levels of:
 - £1 million professional indemnity;
 - £2 million public liability;
 - £2 million property damage.
- To be considered for evaluation, Contractors must have this cover in place at the time of bidding or must include (as part of the tender submission) a commitment to take out such cover in the event of being appointed.

3.3 Should you have any questions in relation to the type of information required by REAL please contact the person identified in Section 5 of this Tender Invitation Document to discuss.

3.4 All tender submissions will be treated on a confidential basis by REAL and its advisers, subject to the provisions of the Freedom of Information Act 2000.

4 EVALUATION CRITERIA

4.1 REAL must be satisfied that each potential contractor has the appropriate capabilities and resources available to undertake the work to REAL's requirements and provide the necessary services.

4.2 The process REAL will use to select its contractors is a competitive one. Your tender submission should be written to address the key requirements and scope of the work and demonstrate how it meets the evaluation criteria below:

| Evaluation criteria | Weighting |
|--|------------------|
| Quality and robustness of the method statement submission and ability to add value | 30% |
| Affordability of certification services for small scale composting operators | 20% |
| Consistency of proposal with services or requirements and deliverables | 20% |
| Technical and operational track record in projects of a similar nature | 10% |
| Experience of allocated personnel including their skills and technical capability in handling complaints, monitoring compliance programmes and training others | 15% |
| Corporate commitment to health and safety | 5% |

4.3 Your attention is drawn to the fact that REAL reserves the right to exclude from the tender process any tenderer who:

- fails to meet minimum requirements relating to financial standing; and/or
- fails to meet the required standard of technical competence; and/or
- is reasonably thought by REAL to have misrepresented information within the tender submission.

5 APPLICATION PROCEDURE

You should send one electronic copy (via email) of your tender submission to:

Justyna Franuszkiewicz, Renewable Energy Assurance Limited

Telephone: 07557 784 686

Email: justyna@qualitycompost.org.uk

Emails containing Tender submissions should clearly state the following in the subject field: 'Provision of certification services under Compost Certification Scheme'

If you wish to ask any questions relating to this tender please contact Justyna in writing only.

6 TENDER PROCESS & TIMETABLE

6.1 All tender submissions must remain valid for a minimum period of 90 days following the deadline for receipt of tender submissions.

6.2 All tender submissions will be competitively assessed against the evaluation criteria, (stated in Section 4 of this document).

6.3 The target timetable for this process is as follows:

Deadline for receipt of tender submissions: 19th February 2016

REAL may invite the tenderer to present their proposal during w/c 14th March 2016 at REAL offices.

Tenderers receive written notification of REAL's decision: 31st March 2016

REAL reserve the right to change the timetable.

6.4 All tenderers will receive written notification of REAL's decision and tenderers will be given the opportunity to discuss feedback on their tender submission.

6.5 This information is offered in good faith for the guidance of interested parties, but no warranty or representation is given as to the accuracy or completeness of any of it. REAL and its advisers shall not be liable for any error, misstatement or omission. No aspect of this procedure shall constitute a contract or part of a contract. Tenderers participate in the process on the strict understanding that the procedure may be altered or that REAL may not proceed for any reason. REAL reserves the right not to follow up this Tender Invitation Document in any way and in particular not to enter into any contractual arrangement with any of the tenderers. REAL does not bind itself to enter into negotiations or proceed with or accept any tender. Any decision to tender is at the sole discretion of the tenderer and REAL excludes all liability in respect of any tendering costs incurred.

6.6 Any contract entered into as a result of this tender process shall be in accordance with REAL's terms and conditions of contract.

6.7 Tenderers taking part in this process acknowledge and accept that REAL may publish details about the winning bid (such as the contract value and the name of the winning bidder) on the CCS website.