

Our customers demand MTS achieves the highest standards of quality, safety and environmental care in providing a comprehensive range of waste management services every minute every day.





MTS is a family run business and is the largest independently owned company in the South East for liquid waste management with around 372 employees currently. Customers of the company include many major civil engineering companies such as Tamesis, Laing O'Rourke, Skanska, Volker Fitzpatrick, Morrison Utilities and Barhale Trant Utilities, Black & Veatch, MGJV and Murphy's.

The main source of their revenue is sewer cleaning and network management, and all other activities are associated with that. These include tankering of materials removed from sewers and other sources as well as CCTV surveying and Confined Space activities. An MTS spokesman explains: "They all work in conjunction with each other as a combined package. We put the cameras down the sewers with our fully trained Confined Space Teams to assess them and carry out structural surveys, allowing the client to ascertain the network conditions and capabilities".

To handle everything, there's a specialised fleet of around 320 vehicles, with 60% of them operating out of the our new Rochester head office on Medway City Estate and the rest spread over five satellite depots across the South East.

The final activity is specialist works, which is essentially anything else to do with the treatment of liquids that may be hazardous. This enables MTS to cover anywhere from the Rochester area down as far as Southampton, along the coast and up around to the Oxford area, that's not to say they only stay to the South East of course, they have worked as far away as the Ascension islands!

Ringways (part of the Eurovia Vinci group) approached MTS to CCTV survey the fresh water mains supply lines on the British owned islands. Being one of the most remote locations on the planet, planning and shipping all the specialised camera equipment and, of course, our highly trained operatives were meticulously thought through. With only two flights a week, mistakes were not an option.

The fully equipped CCTV rigs are operated by fully trained WITA personnel to carry out CCTV drainage surveys of pipe lines, culverts, shafts and so on. This avoids the need for a confined space entry in some places and the availability of 4x4 off road vehicles means even the most remote locations can be accessed. All CCTV equipment is robust and flexible, while the rigs have on-board, drainage industry specific software to produce reports on site once images have been recorded.

For sewer cleaning, MTS Ltd has a number of high specification jetting units for different types of work. All have the capacity to carry clean water for jetting, plus liquid or semi-solid waste at the same time. A moveable centre plate allows the relative capacities to be changed so that more clean water can be carried at the start of a job and then more waste as cleaning is being carried out and waste is being produced. For tankering, MTS runs one of the biggest privately owned vacuum tanker fleets in the business, which has doubled in size over the last two years. New vehicles include seven 4000 ADR specification tipping tankers with jetting capabilities for forecourt, interceptor and manhole cleaning. All vacuum tankers can cope with any demand for all liquid, liquid sludges, industrial, water utilities and domestic requirements.





## AMP6

## Maximising performance to unlock efficiencies

Early last summer, water regulator Ofwat published details of the methodology it intends to use to assess water companies' business plans for the next AMP, which starts in 2015. The methodology relates to water supply and sewerage in England and Wales and makes it clear that the water industry's emphasis is shifting from the 'ticking regulatory boxes' approach of previous AMPs to focusing on value for money for customers. For the first four AMP periods, water companies' business plans were dominated by the need to meet tough European Union legislation covering issues like wastewater quality and wildlife habitats. This resulted in a focus on building new facilities, including treatment works, interceptor sewers and outfalls that would contribute to cleaning up wastewater discharge. Although there is still a handful of large capital projects to be completed, such as the Thames Tideway, the current regulatory period, AMP5, has seen the start of a shift that is set to continue

into AMP6 and beyond.

They will see water companies trying to get the most out of their existing assets and finding ways to minimise total costs of operation.

Ofwat's methodology document made it clear that water companies should be focusing on what it called 'long-term outcomes', which it hopes will encourage innovative ways of working that will deliver services for less money, and with less impact on the environment.

As a result, the regulator expects to see substantial efficiency savings being delivered during the five year AMP6 period. At the same time, Ofwat wants to encourage companies to manage water supplies more sustainably. It believes this will happen because the companies will no longer have a bias toward capital intensive and resource intensive solutions, and because it is introducing incentives to encourage the water companies to trade water and to source it from areas that do not damage the natural environment.

This shift in emphasis is leading to water companies looking for different skill sets from their supply chains – expertise that will help them make more of existing assets.

The focus on long-term thinking is also being reflected in the way some water companies are looking to procure the firms that will deliver work during AMP6, with many opting for alliances, or for frameworks that run beyond the traditional five-year AMP period. Although it doesn't start until next year, many have already started appointing delivery teams for AMP6 so they can hit the ground running when Ofwat signs off the funding.

Last October saw Southern Water submit its financial business plans to Ofwat, and the pre-qualification procedure to appoint delivery partners for the £1.1Bn AMP6 capital works programme is under way. The work is divided into two separate lots: non-infrastructure programme, and infrastructure.

The non-infrastructure programme will cover works to Southern Water's water and wastewater assets such as water extraction and treatment works, water storage facilities, wastewater and sludge storage tanks, transfer pumping stations, pumping stations, wastewater and sludge treatment works, small package plant, and planned replacement equipment programmes.

Infrastructure covers Southern Water's water assets, including:-

- Water supply and distribution pipework, service pipes, valves, meters, chambers.
- Wastewater sewer pipework, sewer rehabilitation, valves, penstocks, manholes.
- · Mechanical and electrical plant and equipment.
- Instrumentation, control and automation equipment.





Southern Water separately tendered the Lots but the utility reserved the right to combine the Lots if necessary and is also reserving the right to appoint one or more delivery partners under each Lot, which may include separation between geographical regions within the Southern Water operational area.

As part of the agreement, Southern Water may include an option to extend the agreement by up to a further five years beyond the AMP6 period.

Any company that was interested in the non-infrastructure had to demonstrate a minimum annual turnover of  $\mathfrak{L}165M$  from their financial accounts for the past three years, while those interested in infrastructure had to show a turnover of  $\mathfrak{L}120M$ .

The deadline for expressing interest was 14th October 2013. In the run-up to AMP6, Southern Water is also separately seeking to appoint Strategic Solutions Partners (SSPs) under one or more framework agreements.

Core capabilities to be provided under consultancy services will include engineering to support the development of build and non-build projects during the definition, feasibility, preferred option identification and outline design stages of the project lifecycle. The SSPs may support all programmes of work including water infrastructure, water non-infrastructure, wastewater infrastructure and wastewater non-infrastructure.

Key engineering disciplines required will include civil, network modelling, mechanical, electrical, CAD, ICA and process. To support the development of the projects from definition up to and including outline design, the SSP is likely to be required to demonstrate capabilities in a range of areas.

Southern Water has also issued a Prior Information Notice to appoint React and Maintain Service Delivery Partners to work on the installation, maintenance, repair, renewal and improvements for a number of assets including:-

- Water storage, supply and distribution networks and pumping stations.
- Wastewater storage, supply collection and transportation systems including networks and pumping stations.
- Civil, mechanical and electrical works to plant and equipment.

Again, the deadline for expressing interest for these three was 14th October.

Each day, Southern Water supplies 529 million litres of drinking

water from its 90 water treatment works along 13,735km of water mains to its customers' taps.

Almost 70% of the water is taken from underground sources in the form of aquifers, 23% from rivers and seven per cent from storage reservoirs.

In addition, Southern Water also treats and recycles 730 million litres of wastewater each day at 368 treatment works after it is pumped through a sewer network of 39,000km.

Thames Water is the most advanced of the water companies in its procurement for AMP6, having announced in May the list of firms in its 'super-alliance'.

Thames Water Asset Director Lawrence Gosden has described the decision to appoint an alliance for AMP6 as a 'complete transformation' of the way the Company delivers capital investment.

He said: "The tender process started with extensive consultation with our supply chain to form a delivery strategy with collaboration at its heart, and it ended with us joining forces with some of the leading names in the industry.

"We have a significant amount of work to do, upgrading our deteriorating infrastructure over the next 25 years and beyond, while keeping customers' bills affordable. If we were to achieve this, a different approach is required."

Thames Water's AMP6 alliance is made up of two design and build consortiums, a programme manager and a technology and innovation provider.

Costain Veolia Water Atkins (CVA) and Skanska MWH Balfour Beatty (SMB) won the design and build bid, MWH is the programme manager and IBM the technology and innovation provider.

SMB is a joint venture between Skanska, MWH Global and Balfour Beatty, selected to provide solutions for the development of the AMP6 scheme for Thames Water.

The contract is worth between £1Bn-£1.5Bn to the joint venture, shared equally between the three companies.

It began in May 2013 with the 23-month Early Contractor Involvement (ECI) phase, in preparation for the start of AMP6 delivery, running from April 2015 to March 2020.

The move reflects Thames Water's decision to confirm its partners two years before the next five-year regulatory period, transforming the way it delivers capital investment.

This will enable a sustained period of collaboration with early involvement of SMB helping define how works are delivered and drive best use of innovation to achieve efficiency gains and reduce costs. Peter Jones, Alliance Board representative for the joint venture and Skanska's Managing Director, Utilities, said: "All three of the joint venture partners bring industry-leading experience and best practice to the contract, offering balanced capabilities across the portfolio of work for Thames Water.

"In winning this contract, we have shown we not only meet all the technical requirements, but also have the collaborative team dynamic to deliver the best solutions, working alongside the rest of the alliance members and with a range of stakeholders. We have put forward a really strong team to deliver this important contract."

The SMB joint venture has significant experience and complementary skills, including design services and construction expertise.

Together, the joint venture has a track record of assured delivery across multiple sectors and world-class alliance experience. This includes delivery of complex projects in London where SMB is able to meet the unique challenges of working in the capital.

The end of last year saw Thames Water submit the AMP6 Business Plan proposal to Ofwat for a total spend of £8.5Bn between 2015-2020 – including £2.8Bn on the Thames Tideway Tunnel.

While a number of the other water companies are seeking below-inflation increases over the period, the utility has asked for an 11% increase in that five-year period.

Thames Water is also planning to move to a different organisational structure within AMP6. The business will be re-organised over time from its current centralised structure into four separate businesses, each with its own managing director and executive team, supported by a central support services unit responsible for shared services across the wider organisation such as financial control, human resources, external affairs and strategy & regulation. In addition to the Tideway Tunnel, the Business Plan includes proposals for the following:-

- Fit 900,000 household 'smart'meters by 2020 increasing the proportion of metered households from 31% to 56%.
- Improve sewage works to keep pace with population growth at 18 sites.
- Increase proportion of own power needs generated from sewage by 33%.
- Replace 881km of water mains.
- Improve pipes and pumps to keep pace with population growth at 11 locations.
- Upgrade of five large water treatment works in London.
- · Fit more monitors to trunk mains and lay 45km of new mains.
- Carry out 11 projects involving new mains and pump improvements.
- Make improvements at 27 of water treatment works, to protect hem from a one-in-100-year storm.

Thames Water will also carry out a major refit that will continue beyond 2020 on the two incinerators in east London where Thames burns sewage sludge to generate renewable energy. The alliance is now operating under its name eight2O, and the collaborative approach marks a complete transformation in the way Britain's biggest water and sewerage company delivers capital investment.

Graham Keegan, Chief Operating Officer of eight2O, said: "Creating a shared identity was a much needed step forward in terms of enabling our alliance people to feel like part of a strong delivery team.

"It's a fantastic milestone and we look forward to working together to achieve our goals."

As the largest water and wastewater provider in the UK, Thames Water's investment programme, although already submitted, will be finalised this year after Ofwat's water industry review of prices. There is potential to extend the work of this alliance, which is scheduled to carry out between £2Bn and £3Bn of work to 2025.







Like many companies in the South East, MTS has been heavily involved in work on the Crossrail projects. The Crossrail work was for Bam Vinci and was due to the Crossrail development encroaching on a lot of Thames Water's area and the Victoria Station Upgrades. Consequently, there was a requirement to clean many of the sewers prior to them taking it over and the ongoing removal of 90,000 tonnes of drilling waste. The project was the reason MTS joined FORS (Freight Operator Recognition Scheme) but its route into the scheme was different to most "Because we're very well recognised for what we do in this area and there aren't many companies that offer the same kind of service, they approached us. They explained the work they had coming up and said they'd really like us to go for it. But, to be able to take us on, they said we would need to undergo the FORS audit and become a member of the scheme."

Membership has proved beneficial in other ways, with drivers being rolled out on an extensive CPC program and the availability of advice and information. MTS is currently a recently renewed bronze member and there's a reasonable prospect of moving up to silver in the very near future.

To back up its competence in the work it undertakes, MTS has recently added to its list of accreditations. "We've got our BSI ISO 9001 as well as 14001 and we've recently just been awarded our 18001," the MTS spokesman commented. "It's quite a nice accreditation to have achieved, especially as we're not your average haulage carrier and we're much specialised in what we do."

MTS is very proud of its charity work, both locally and nationally, backing many charities. We currently support many organisations and are proud to continue supporting the Kent, Surrey and Sussex Air Ambulance, CPC Kent, Macmillan Cancer Relief Fund, Movember and The Poppy Appeal as well as many local community and school projects where our units can provide educational support on matters like child / traffic road safety and truck and cyclists sharing the road space for example.

Once again, MTS Cleansing Services have proved that time and time again, depth, height, difficult confined space entries and even extreme remote locations pose no problem for our skilled and focused divisions within the company.





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