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Tender

Tender Ref PLACE310. The Rectification and Operation of the Derby and Derbyshire Waste Treatment Centre for the treatment of waste

Derbyshire County Council
Derby City Council

F02: Contract notice

Notice identifier: 2025/S 000-000235

Procurement identifier (OCID): ocds-h6vhtk-03b4d4

Published 6 January 2025, 4:11pm

Section I: Contracting authority

I.1) Name and addresses

Derbyshire County Council

County Hall

Matlock

DE4 3AG

Contact

Mr Tim Dence

Email

tim.dence@derbyshire.gov.uk

Country

United Kingdom

Region code

UKF1 - Derbyshire and Nottinghamshire

Internet address(es)

Main address

<http://www.derbyshire.gov.uk/>

Buyer's address

<http://www.derbyshire.gov.uk/>

I.1) Name and addresses

Derby City Council

Council House Corporation Street Derby

Derby

DE1 2FS

Contact

Teresa Gerrard

Email

teresa.gerrard@derby.gov.uk

Country

United Kingdom

Region code

UKF1 - Derbyshire and Nottinghamshire

Internet address(es)

Main address

www.derby.gov.uk

I.2) Information about joint procurement

The contract involves joint procurement

I.3) Communication

The procurement documents are available for unrestricted and full direct access, free of charge, at

<https://www.eastmidstenders.org>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://www.eastmidstenders.org>

I.4) Type of the contracting authority

Regional or local authority

I.5) Main activity

General public services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Tender Ref PLACE310. The Rectification and Operation of the Derby and Derbyshire Waste Treatment Centre for the treatment of waste

Reference number

DN715998

II.1.2) Main CPV code

- 90500000 - Refuse and waste related services

II.1.3) Type of contract

Services

II.1.4) Short description

Derbyshire County Council and Derby City Council (“the Councils”) are seeking to appoint a contractor to provide services and works in respect of the Derby and Derbyshire Waste Treatment Centre at Sinfin Lane, Derby, DE24 9GF (“DDWTC”).

The DDWTC is a treatment facility for the disposal of residual municipal waste collected by the Councils.

The successful contractor will be required to: preserve the DDWTC whilst undertaking due diligence services; rectify, commission and optimise the DDWTC; and then continue to operate and maintain the DDWTC to provide waste management services from the facility.

The opportunity comprises of two contracts; (i) a Preservation and Due Diligence Contract (“PDD Contract”); and (ii) a DDWTC Contract, which will cover the phases of the works and services summarised below and in the draft ITPD document, Background Document; Commercial Principles Table and the Finance Principles Paper available at www.eastmidstenders.org

II.1.5) Estimated total value

Value excluding VAT: £1,280,000,000

II.1.6) Information about lots

This contract is divided into lots: No

II.2) Description

II.2.2) Additional CPV code(s)

- 45220000 - Engineering works and construction works
- 51131000 - Installation services of steam generators
- 51133000 - Installation services of turbines
- 71310000 - Consultative engineering and construction services
- 71323200 - Plant engineering design services
- 71333000 - Mechanical engineering services
- 71510000 - Site-investigation services
- 71620000 - Analysis services
- 71630000 - Technical inspection and testing services
- 77314000 - Grounds maintenance services
- 79400000 - Business and management consultancy and related services
- 79710000 - Security services
- 79993000 - Building and facilities management services
- 90510000 - Refuse disposal and treatment
- 90530000 - Operation of a refuse site
- 90715220 - Industrial site investigation

II.2.3) Place of performance

NUTS codes

- UKF1 - Derbyshire and Nottinghamshire

II.2.4) Description of the procurement

Continued from II.1.4)

The DDWTC comprises of a Mechanical Biological Treatment for the drying of waste; a Mechanical Recovery Facility for the separation of recyclable materials; and a thermal treatment facility using Advanced Conversion Technology (ACT) (gasification) for the end disposal of residual waste. Heat produced by the ACT is used to generate electricity.

The DDWTC is designed to treat 190,000 tonnes of residual waste a year. The Councils generate around 60,000 tonnes of additional residual waste per annum but this will be managed through a separate Contract and does not form part of this opportunity. The successful contractor will not be required to treat waste at the facility until steady operations have been achieved. Waste required for testing and commissioning (up to 190,000 tonnes per annum) will be provided by the Councils.

The DDWTC is not currently operational. It is being preserved by an on-site operations team with the intention that the facility can be brought back into operation as part of this opportunity. As part of this procurement process, interested organisations will be provided with various survey information relating to the DDWTC to provide further information on the extent and nature of the works required to bring the DDWTC back into operation. Shortlisted SQ applicants will also be able to attend site visits of the DDWTC as part of the dialogue stage of the process.

The PDD Contract will be a short term contract which will provide for the successful contractor to undertake due diligence services and preserve the current condition of the DDWTC, equipment and assets and provide security at the site. Access to the DDWTC will only be granted at this time and there are a number of activities that the successful contractor will need to complete under the PDD Contract.

The PDD Contract activities will enable the successful contractor to inspect and survey the condition of the DDWTC to enable it to develop and finalise its rectification plan and fix critical plan for the DDWTC. This will support a financial investment decision to be taken by the Councils to approve the works. It is not anticipated that waste will be treated or electricity generated under the PDD Contract.

The DDWTC Contract is the main long term contract for the project if the Councils approve the rectification plan solution. The DDWTC Contract will be a single contract based on a partnering approach and will deal with the rectification, optimisation, operation and maintenance of the DDWTC. The DDWTC Contract will only proceed through the various phases provided for in it if the successful contractor achieves certain pre-agreed levels of activity and where the Councils deem the project to remain commercially viable.

During the DDWTC Contract, the successful contractor is anticipated to accept, process and treat up to 190,000 tonnes per annum of residual waste at the DDWTC.

Further information can be found in the documents made available at www.eastmidstenders.org

II.2.5) Award criteria

Price is not the only award criterion and all criteria are stated only in the procurement documents

II.2.6) Estimated value

Value excluding VAT: £1,280,000,000

II.2.7) Duration of the contract, framework agreement or dynamic purchasing system

Duration in months

480

This contract is subject to renewal

Yes

Description of renewals

The PDD Contract is anticipated to be for a term of 18 months.

The duration of DDWTC Contract will be for an initial period of 20 years (starting from the commencement of the PPD Contract) with the Councils having the ability to extend the DDWTC Contract for further a period(s) of up to 20 years. The maximum duration of the DDWTC will therefore be for a term of 40 years and is expected to cover the remaining lifecycle of the rectified facility.

II.2.9) Information about the limits on the number of candidates to be invited

Maximum number: 3

Objective criteria for choosing the limited number of candidates:

In accordance with the criteria and methodology described within the tender documents

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: Yes

Description of options

The PDD Contract is anticipated to be for a term of 18 months.

The duration of DDWTC Contract will be for an initial period of 20 years (starting from the commencement of the PPD Contract) with the Councils having the ability to extend the DDWTC Contract for further a period(s) of up to 20 years. The maximum duration of the DDWTC will therefore be for a term of 40 years and is expected to cover the remaining lifecycle of the rectified facility.

II.2.13) Information about European Union Funds

The procurement is related to a project and/or programme financed by European Union funds: No

II.2.14) Additional information

The Councils reserve the right not to award the opportunity or to award only party (or a different arrangement) of the opportunity described in this contract notice.

Section III. Legal, economic, financial and technical information

III.1) Conditions for participation

III.1.2) Economic and financial standing

Selection criteria as stated in the procurement documents

III.1.3) Technical and professional ability

Selection criteria as stated in the procurement documents

III.2) Conditions related to the contract

III.2.2) Contract performance conditions

Continued from II.2.14.

Bidders should seek independent legal and commercial advice in relation to the potential value of the opportunity of the scheme as a whole.

The Councils entering into the DDWTC Contract is subject to a financial investment decision to be taken by the Councils at their absolute discretion following the completion of the PPD contract.

The estimated values in II.1.5 and II.2.6 represents the estimated value of the project to the successful contractor over the term of the contracts. The estimated range is between £1.1bn and £1.3bn.

It is anticipated that the successful contractor will secure in the region of £208m as third party revenue in the operation of the DDWTC but this will be passed through to the Councils. Consequently this value has not been included in the estimated values at II.1.5 and II.2.6.

The successful contractor may be required to help achieve social and/or environmental policy objectives relating to recruitment, training and supply-chain incentives. Contract conditions may relate to these considerations.

III.2.3) Information about staff responsible for the performance of the contract

Obligation to indicate the names and professional qualifications of the staff assigned to performing the contract

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Competitive dialogue

IV.1.4) Information about reduction of the number of solutions or tenders during negotiation or dialogue

Recourse to staged procedure to gradually reduce the number of solutions to be discussed or tenders to be negotiated

IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: No

IV.2) Administrative information

IV.2.1) Previous publication concerning this procedure

Notice number: [2023/S 000-008213](#)

IV.2.2) Time limit for receipt of tenders or requests to participate

Date

6 February 2025

Local time

12:00pm

IV.2.3) Estimated date of dispatch of invitations to tender or to participate to selected candidates

10 March 2025

IV.2.4) Languages in which tenders or requests to participate may be submitted

English

Section VI. Complementary information

VI.1) Information about recurrence

This is a recurrent procurement: No

VI.3) Additional information

Requests to participate must be by way of completion and return of the SQ pre-qualification questionnaire ("SQ") by the date and time specified in Section IV.2.2. The Councils reserve the right not to accept submission of applications that are received after the deadline. Interested organisations are encouraged to submit their submission well in advance of the stated date and time in order to avoid issues such as technical difficulties with the electronic system that may be due to high volumes of traffic attempting to submit applications on the same date at the same time.

Interested organisations should note that the procurement documents (including the Background Document, ITPD, Commercial Principles Table are draft documents at this stage, providing indicative information of the Councils' intended approach in the procurement process and are for general information only. The Councils reserve the right to vary, amend and update any aspects of the procurement documents and final details and versions of the procurement documents will be confirmed to applicants successful in being selected to participate in the tender stages of the procurement procedure.

Applicants should note that it is the Councils intent to shortlist a maximum of three applicants from the SQ stage to be invited to conduct dialogue. It is also the intent that the Councils receive final tenders from all three applicants with no de-selection of bidders/bids during the dialogue stage. Shortlisted SQ applicants will also be able to attend site visits of the DDWTC as part of the dialogue stage of the process.

VI.4) Procedures for review

VI.4.1) Review body

Royal Courts of Justice

The Strand

London

Country

United Kingdom

VI.4.3) Review procedure

Precise information on deadline(s) for review procedures

Deadline for Review Procedures:

In accordance with Regulation 86 (Notices of decisions to award a contract), Regulation 87 (Standstill Period) and Regulations 91 (Enforcement of duties through the Court) of the Public Contracts Regulations 2015 (as amended).