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Contract

## **Professional Advisory Services to Support OFGEM's OFTO Team**

Ofgem

F03: Contract award notice

Notice identifier: 2022/S 000-001122

Procurement identifier (OCID): ocids-h6vhtk-02d9f8

Published 14 January 2022, 9:54am

### **Section I: Contracting authority**

#### **I.1) Name and addresses**

Ofgem

10 South Colonnade, Canary Wharf

London

E14 4PU

#### **Email**

[procurement2@ofgem.gov.uk](mailto:procurement2@ofgem.gov.uk)

#### **Telephone**

+44 2079017000

#### **Country**

United Kingdom

#### **NUTS code**

UKI - London

**Internet address(es)**

Main address

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

Buyer's address

[https://www.mytenders.co.uk/search/Search\\_AuthProfile.aspx?ID=AA10021](https://www.mytenders.co.uk/search/Search_AuthProfile.aspx?ID=AA10021)

**I.2) Information about joint procurement**

The contract is awarded by a central purchasing body

**I.4) Type of the contracting authority**

Body governed by public law

**I.5) Main activity**

General public services

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## **Section II: Object**

### **II.1) Scope of the procurement**

#### **II.1.1) Title**

Professional Advisory Services to Support OFGEM's OFTO Team

Reference number

2021-071

#### **II.1.2) Main CPV code**

- 79410000 - Business and management consultancy services

#### **II.1.3) Type of contract**

Services

#### **II.1.4) Short description**

OFTO licences, granted through the competitive process, confer certain rights and responsibilities on OFTOs, including the right to a regulated revenue stream for a defined period in return for provision of transmission services.

Through the tender process, interested parties have the opportunity to bid to become an OFTO. The offshore transmission assets that the OFTO takes ownership of are acquired at a transfer value determined by the Authority. Following transfer of ownership, the OFTO owns and manages the transmission assets (including the cables and associated connection equipment) between the offshore point of connection with the generator and the point of connection with the onshore network.

Following the transfer of ownership, the OFTO is required to comply with the licence conditions. The revenue stream also includes mechanisms which adjust the OFTO's regulated revenue stream for certain 'pass-through' items. The Income Adjusting Event (IAE) is one such 'pass-through' revenue adjustment mechanism for costs and expenses that have arisen during the revenue term, for example, due to fault or failure of the system (subject to defined pre-requisites), or at the Authority's discretion. The Authority is responsible for the decision-making when such claims are made. Other policy development and enforcement actions may also be required during the revenue stream.

This procurement is seeking expert consultancy services to support decision-making and policy development for all such requirements in the regime.

### **II.1.6) Information about lots**

This contract is divided into lots: Yes

### **II.1.7) Total value of the procurement (excluding VAT)**

Value excluding VAT: £9,000,000

## **II.2) Description**

### **II.2.1) Title**

Financial Advisors

Lot No

1

### **II.2.2) Additional CPV code(s)**

- 66171000 - Financial consultancy services
- 66170000 - Financial consultancy, financial transaction processing and clearing-house services
- 72224000 - Project management consultancy services
- 72221000 - Business analysis consultancy services
- 79400000 - Business and management consultancy and related services
- 79411000 - General management consultancy services
- 79412000 - Financial management consultancy services
- 79419000 - Evaluation consultancy services

### **II.2.3) Place of performance**

NUTS codes

- UK - United Kingdom

### **II.2.4) Description of the procurement**

The primary responsibility of the financial advisors, is to assist Ofgem in running an efficient tender and transaction process. This will include preparatory work in advance of the Tender Rounds and evaluating bid submissions in coordination with other appointed technical and insurance advisors. This is to ensure that the most economically

advantageous tender is selected. The Preferred Bidder (PB) will then proceed to the transaction stage where Ofgem will require further support to aid the process to Licence Grant (LG) and Financial Close (FC). Effective transfer of knowledge on each stage of the process along with general advice on lessons learned is also required.

All advisors will work collaboratively in the EPQ (Enhanced Pre-Qualification) and ITT (Invitation to Tender) stages. The financial advisor will be fulfilling the role of Lead Evaluator for both the stages, acting as a single point of contact for the Authority, bringing together all of the evaluation sections/reports into final integrated reports.

Further information can be found in the ITT document

### **II.2.5) Award criteria**

Quality criterion - Name: Technical / Weighting: 55

Price - Weighting: 45

### **II.2.11) Information about options**

Options: No

### **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) Description**

### **II.2.1) Title**

Technical Advisors

Lot No

2

### **II.2.2) Additional CPV code(s)**

- 71621000 - Technical analysis or consultancy services
- 71600000 - Technical testing, analysis and consultancy services
- 72221000 - Business analysis consultancy services

- 72224000 - Project management consultancy services
- 79400000 - Business and management consultancy and related services
- 79411000 - General management consultancy services
- 79411100 - Business development consultancy services
- 79419000 - Evaluation consultancy services

### **II.2.3) Place of performance**

NUTS codes

- UK - United Kingdom

### **II.2.4) Description of the procurement**

The primary responsibility of the technical advisors, is to assist Ofgem in running an efficient tender and transaction process. This will include preparatory work in advance of the Tender Rounds and evaluating bid submissions in coordination with other appointed financial and insurance advisors. This is to ensure that the most economically advantageous tender is selected and the Preferred Bidder (PB) will then proceed to the transaction stage where Ofgem may require further support to aid the process to Licence Grant (LG) and Financial Close (FC). Effective transfer of knowledge on each stage of the process along with general advice on lessons learned is also required.

All advisors will work collaboratively in the EPQ (Enhanced Pre-Qualification) and ITT (Invitation to Tender) stages. The financial advisor will be fulfilling the role of Lead Evaluator for both the stages, acting as a single point of contact for the Authority, bringing together all of the evaluation sections/reports into final integrated reports. It is expected that all Advisors supporting specific tender processes will coordinate the production within the timescales communicated by Ofgem. In order to achieve this, the lead evaluator will likely set earlier deadlines by which they require all outputs for them to present integrated reports.

### **II.2.5) Award criteria**

Quality criterion - Name: Technical / Weighting: 55

Price - Weighting: 45

### **II.2.11) Information about options**

Options: No

### **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) Description**

### **II.2.1) Title**

Insurance Advisors

Lot No

3

### **II.2.2) Additional CPV code(s)**

- 66000000 - Financial and insurance services
- 66510000 - Insurance services
- 66518000 - Insurance brokerage and agency services
- 66518100 - Insurance brokerage services
- 66518200 - Insurance agency services
- 66519310 - Insurance consultancy services

### **II.2.3) Place of performance**

NUTS codes

- UK - United Kingdom

### **II.2.4) Description of the procurement**

The primary responsibility of the Insurance advisors, is to assist Ofgem in running an efficient tender and transaction process. This will include preparatory work in advance of the Tender Rounds and evaluating bid submissions in coordination with other appointed technical and financial advisors. This is to ensure that the most economically advantageous tender is selected and the Preferred Bidder (PB) will then proceed to the transaction stage where Ofgem may require further support to aid the process to Licence Grant (LG) and Financial Close (FC).

Effective transfer of knowledge on each stage of the process along with general advice on lessons learned is also required

All advisors will work collaboratively in the Enhanced Pre-Qualification (EPQ) and Invitation to Tender (ITT) stages. The financial advisor will be fulfilling the role of Lead Evaluator for both the stages, acting as a single point of contact for the Authority, bringing together all of the evaluation sections/reports into final integrated reports. It is expected that all Advisors supporting specific tender processes will coordinate the production within the timescales communicated by Ofgem. In order to achieve this, the lead evaluator will likely set earlier deadlines by which they require all outputs for them to present integrated reports.

#### **II.2.5) Award criteria**

Quality criterion - Name: Technical / Weighting: 55

Price - Weighting: 45

#### **II.2.11) Information about options**

Options: No

#### **II.2.13) Information about European Union Funds**

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



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## **Section IV. Procedure**

### **IV.1) Description**

#### **IV.1.1) Type of procedure**

Open procedure

#### **IV.1.3) Information about a framework agreement or a dynamic purchasing system**

The procurement involves the establishment of a framework agreement

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

The procurement is covered by the Government Procurement Agreement: Yes

### **IV.2) Administrative information**

#### **IV.2.1) Previous publication concerning this procedure**

Notice number: [2021/S 000-021128](#)

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## **Section V. Award of contract**

### **Lot No**

3

### **Title**

Insurance Advisors

A contract/lot is awarded: No

### **V.1) Information on non-award**

The contract/lot is not awarded

No tenders or requests to participate were received or all were rejected

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## **Section V. Award of contract**

### **Lot No**

2

### **Title**

Technical Advisors

A contract/lot is awarded: Yes

### **V.2) Award of contract**

#### **V.2.1) Date of conclusion of the contract**

11 January 2022

#### **V.2.2) Information about tenders**

Number of tenders received: 2

Number of tenders received from SMEs: 1

Number of tenders received from tenderers from other EU Member States: 0

Number of tenders received from tenderers from non-EU Member States: 2

Number of tenders received by electronic means: 2

The contract has been awarded to a group of economic operators: No

#### **V.2.3) Name and address of the contractor**

Vinci Energies

Leycroft Rd,

Leicester

LE4 1ET

Country

United Kingdom

NUTS code

- UK - United Kingdom

The contractor is an SME

Yes

#### **V.2.4) Information on value of contract/lot (excluding VAT)**

Initial estimated total value of the contract/lot: £1,800,000

Total value of the contract/lot: £1,800,000

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## **Section V. Award of contract**

### **Lot No**

1

### **Title**

Financial Advisors

A contract/lot is awarded: Yes

### **V.2) Award of contract**

#### **V.2.1) Date of conclusion of the contract**

10 January 2022

#### **V.2.2) Information about tenders**

Number of tenders received: 3

Number of tenders received from SMEs: 1

Number of tenders received from tenderers from other EU Member States: 0

Number of tenders received from tenderers from non-EU Member States: 3

Number of tenders received by electronic means: 3

The contract has been awarded to a group of economic operators: Yes

**V.2.3) Name and address of the contractor**

Smith Square Partners

Westminster Tower, 3 Albert Embankment

London

SE1 7SP

Country

United Kingdom

NUTS code

- UKI32 - Westminster

The contractor is an SME

Yes

**V.2.3) Name and address of the contractor**

Grant Thornton UK LLP

30 Finsbury Square

London

EC2A 1AG

Country

United Kingdom

NUTS code

- UK - United Kingdom

The contractor is an SME

Yes

**V.2.3) Name and address of the contractor**

BDO LLP

55 Baker Street

London

W1U 7EU

Country

United Kingdom

NUTS code

- UKI32 - Westminster

The contractor is an SME

Yes

**V.2.4) Information on value of contract/lot (excluding VAT)**

Initial estimated total value of the contract/lot: £6,520,000

Total value of the contract/lot: £6,520,000

**V.2.5) Information about subcontracting**

The contract is likely to be subcontracted

Value or proportion likely to be subcontracted to third parties

Value excluding VAT: £6,520,000

Proportion: 100 %

Short description of the part of the contract to be subcontracted

Key Subcontractor 1

Name: Centrus Financial Advisors Limited

Registration number (if registered) 10203539

Role of Subcontractor: (corporate finance, debt, and capital markets advice)

Key Subcontractor 2

Name: CEPA LLP

Registration number (if registered) OC326074

Role of Subcontractor economic and policy advice

Key Subcontractor 3

Name: BDO LLP

Registration number: (if registered) OC305127

Role of Subcontractor: tax advice)

Key Subcontractor 4

Name: Grant Thornton UK LLP

Registration number: (if registered) OC307742

Role of Subcontractor: forensic accounting services

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## **Section VI. Complementary information**

### **VI.3) Additional information**

(MT Ref:225020)

### **VI.4) Procedures for review**

#### **VI.4.1) Review body**

Public Procurement Review Service

Cabinet Office

London

Email

[publicprocurementreview@cabinetoffice.gov.uk](mailto:publicprocurementreview@cabinetoffice.gov.uk)

Telephone

+44 3450103503

Country

United Kingdom

Internet address

<https://www.gov.uk/government/publications/public-procurement-review-service-scope-and-remit>