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Planning

Procurement of the delivery of cash entitlements and administration of the National Concessionary Fuel Scheme

DESNZ Commercial

F01: Prior information notice

Prior information only

Notice identifier: 2025/S 000-001329

Procurement identifier (OCID): ocids-h6vhtk-04d02c

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Section I: Contracting authority

I.1) Name and addresses

DESNZ Commercial

Department for Energy Security and Net Zero (DESNZ), 3-8 Whitehall Place,

London

SW1A 2EG

Contact

Waseem Rana

Email

waseem.rana@energysecurity.gov.uk

Country

United Kingdom

Region code

UK - United Kingdom

Internet address(es)

Main address

<https://www.gov.uk/government/organisations/department-for-energy-security-and-net-zero>

I.2) Information about joint procurement

The contract is awarded by a central purchasing body

I.3) Communication

Additional information can be obtained from the above-mentioned address

I.4) Type of the contracting authority

Ministry or any other national or federal authority

I.5) Main activity

General public services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Procurement of the delivery of cash entitlements and administration of the National Concessionary Fuel Scheme

II.1.2) Main CPV code

- 75112000 - Administrative services for business operations

II.1.3) Type of contract

Services

II.1.4) Short description

In March 1995, following privatisation of the coal industry, HM Government inherited a legal obligation to certain former employees of the coal industry to fulfil a contractual legacy entitlement to an amount of solid fuel or cash-in-lieu of that fuel.

The rules governing the entitlements are contained in fuel agreements originally put in place in the 1980s between British Coal Corporation and the Mining Unions and amended from time to time until privatisation.

The vast majority of qualifying individuals now choose the cash-in-lieu option (c22,000) with around 2,700 (October 2024) still receiving solid fuel. This number is declining in line with mortality rates.

The supplier shall manage all aspects of the National Concessionary Fuel Scheme.

It is a demand led contract based on decreasing numbers with a number of variables and uncertainties. A flexible service which allows for a decrease of the business and unpredicted changes in requirements is required.

The full requirements will be set out in the specification but will include:

- Payment of cash benefits – quarterly totalling c£28,000,000 (declining year on year)
- Management of entitlements through annual certificates

- General administration of services to Beneficiaries including correspondence relevant to the services
- Effective liaison with the solid fuel contractor – providing instructions to increase, reduce or stop solid fuel deliveries.
- Participation in the National Fraud Initiative; management and pursuit of fraud and error and overpayments/irrecoverable losses
- Management of data protection; cyber security and equalities compliance

Concessionaires are based in coalfield communities in the UK with high concentrations of individuals in South Wales and Northern England.

II.1.5) Estimated total value

Value excluding VAT: £8,000,000

II.1.6) Information about lots

This contract is divided into lots: No

II.2) Description

II.2.2) Additional CPV code(s)

- 7512000 - Administrative services for business operations

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

II.2.4) Description of the procurement

Expected timelines for this procurement via an open procurement:

- Invitation to Tender - April 2025

- Tender Closes – May 2025
- Contract Award – August 2025
- Contract Transition/Mobilisation – September 2025 – March 2026

Please note these timelines are indicative and may be subject to change.

Price is not the only award criterion, and all criteria are stated only in the procurement documents. This will be confirmed in the procurement documents during tender competition.

Total Value (excluding VAT) including optional extension period estimated at £8 million.

This contract will be a 5 year contract, with an optional 3 year extension built into the contract. Duration in months: 60 months, plus an optional extension of 36 months.

II.2.14) Additional information

Supplier questionnaire available through the Jaggaer link provided. Please complete all the below questions and submit via the Jagger Procurement Portal by 17/02/25. 13:00 hrs.

<https://beisgroup.ukp.app.jaggaer.com/go/20494903019464E61D9D>

II.3) Estimated date of publication of contract notice

4 August 2025

Section IV. Procedure

IV.1) Description

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

The procurement is covered by the Government Procurement Agreement: Yes