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Tender

## **Ofwat Consultancy Framework**

Water Services Regulation Authority (Ofwat)

F02: Contract notice

Notice identifier: 2021/S 000-005308

Procurement identifier (OCID): ocds-h6vhtk-029c2d

Published 16 March 2021, 2:08pm

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

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

Water Services Regulation Authority (Ofwat)

Centre City Tower, 7 Hill Street

Birmingham

B5 4UA

#### **Email**

[procurement@ofwat.gov.uk](mailto:procurement@ofwat.gov.uk)

#### **Telephone**

+44 1216447534

#### **Country**

United Kingdom

#### **NUTS code**

UKG31 - Birmingham

**Internet address(es)**

Main address

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

Buyer's address

[https://www.mytenders.co.uk/search/Search\\_AuthProfile.aspx?ID=AA24607](https://www.mytenders.co.uk/search/Search_AuthProfile.aspx?ID=AA24607)

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

The contract is awarded by a central purchasing body

**I.3) Communication**

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

[www.mytenders.co.uk](http://www.mytenders.co.uk)

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

[www.mytenders.co.uk](http://www.mytenders.co.uk)

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

Body governed by public law

**I.5) Main activity**

Other activity

Economic Regulator for the Water Industry in England and Wales

## **Section II: Object**

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

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

Ofwat Consultancy Framework

Reference number

PROC.01.0667

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

- 71800000 - Consulting services for water-supply and waste consultancy

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

Services

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

Ofwat will be creating a Consultancy Framework, designed to allow access to expertise relating to the industry that we regulate. The Ofwat Consultancy Framework will be valid for 3 years plus one year extension option taking it to a maximum of 4 years and will start in June 2021.

#### **II.1.5) Estimated total value**

Value excluding VAT: £9,500,000

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

This contract is divided into lots: Yes

Tenders may be submitted for all lots

### **II.2) Description**

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

Environment

Lot No

2

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

- 71800000 - Consulting services for water-supply and waste consultancy

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

NUTS codes

- UK - UNITED KINGDOM

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

Services in respect to the environment.

During the term of the framework agreement, Ofwat will have a requirement for services relating to the environment. This may involve advice and assessment of specific aspects of company annual performance against their environmental commitments.

Such requirements include the following:

- Environmental assessment and economics
- Water and wastewater management
- Climate change mitigation and adaptation

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

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

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

Duration in months

36

This contract is subject to renewal

Yes

Description of renewals

12 months

### **II.2.10) Information about variants**

Variants will be accepted: No

### **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**

Water Engineering, Science and Technology

Lot No

4

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

- 71800000 - Consulting services for water-supply and waste consultancy

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

NUTS codes

- UK - UNITED KINGDOM

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

This Lot relates to Water Engineering, Science and Technology technical services.

During the term of the framework agreement Ofwat will have requirements for services relating to water engineering, science and technology and it may also include support related to the following:

- Technical and cost assessment of company business plan proposals
- Technical engineering assessments of company and other stakeholder proposals
- Thames Tideway Tunnel (TTT)

- New Innovation Schemes
- The Water Regulators' Alliance for Progressing

Infrastructure Development (RAPID)

- Industry insights analysis
- Risk assessment
- Optimisation

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

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

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

Duration in months

36

This contract is subject to renewal

Yes

Description of renewals

12 months

#### **II.2.10) Information about variants**

Variants will be accepted: No

#### **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**

Project and Programme Management

Lot No

6

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

- 71800000 - Consulting services for water-supply and waste consultancy

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

NUTS codes

- UK - UNITED KINGDOM

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

Project and Programme Management services.

During the term of the framework agreement Ofwat will have requirements for services relating to project and programme management, which may include support related to the following:

- Strategic project and programme management support in a policy and regulatory environment
- Programme and project initiation
- Risk and opportunities management analysis
- Project and programme governance and assurance
- Programme health checks and efficiency reviews
- Knowledge transfer
- Project evaluation, reviews and Post-Implementation Reviews
- Change Management tools, techniques, training and strategy
- Business Integration and Separation

- Business analysis

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

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

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

Duration in months

36

This contract is subject to renewal

Yes

Description of renewals

12 months

### **II.2.10) Information about variants**

Variants will be accepted: No

### **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**

Policy and Regulatory Development and Implementation

Lot No

5

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

- 71800000 - Consulting services for water-supply and waste consultancy

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

NUTS codes

- UK - UNITED KINGDOM

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

This lot covers services relating to Policy and Regulatory Development and Implementation as they pertain to us.

During the term of the framework agreement Ofwat will have a requirement for services relating to policy and regulatory development and implementation. Such requirements could cover any of our regulatory and policy needs which include support related to:

- Policy and Problem Analysis
- Policy Development
- Policy Implementation

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

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

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

Duration in months

36

This contract is subject to renewal

Yes

Description of renewals

12 months

### **II.2.10) Information about variants**

Variants will be accepted: No

### **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**

Financial

Lot No

3

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

- 71800000 - Consulting services for water-supply and waste consultancy

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

NUTS codes

- UK - UNITED KINGDOM

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

Consultancy services relating to all aspects of corporate finance and accounting within an organisation as they pertain to us. Services may relate to establishment of suitable strategies, policies, asset management, processes and the arrangement of financial responsibilities within an organisation. Services may also be provided in support of specific projects, including complex procurements and shared services.

Such requirements include the following sub-lots:

- Sub-Lot 3A. General Corporate Finance Issues

Services related to the provision of finance (equity and debt, including structured debt, and bank facilities) for companies. It is a specific area of finance dealing with the financial decisions corporations make and the tools as well as analysis used to make these decisions

- Sub-Lot 3B. Cost of Capital & Financeability

Services relating to the calculation of the efficient cost of finance incurred by a company under the assumed regulatory (notional) financing structure. It also encompasses analysis and modelling of credit metrics resulting under different scenarios for a given regulatory financial model

- Sub-Lot 3C. General and Regulatory Accounting (UK & International)

Services relating to the interpretation and application of Accounting Standards, changes in Accounting Standards, statutory accounting and regulatory accounting including accounting for separated businesses or separate divisions

- Sub-Lot 3D. Taxation

Services related to the company's tax obligations in the past, present and future.

- Sub-Lot 3E. Forensic Accounting

Services related to historic accounting transactions and policy which integrates accounting, auditing and investigative skills and presents the evidence in a report suitable for presentation in a court. This may also include general services on adjustments to financial or management accounts data for the purpose of analysing company performance.

- Sub-Lot 3F. Pensions and Actuarial

Services related to insurances and pensions and compliance, including using mathematical modelling techniques and statistical concepts to determine probability and assess risks. This sub-lot also includes services relating to the accounting for pension and insurance costs and liabilities and reflection within regulatory frameworks including price controls.

- Sub-Lot 3G. Audit

Work and services related to ensure compliance with the requirements of regulatory bodies and is an evaluation of an organisation, system, process, project or product.

This Lot also includes audit and review of companies' systems and controls and may include audit of customer service data. Scrutiny and challenge of reported data. Auditing standards. Approach adopted by companies' statutory auditors.

- Sub-Lot 3H. Cost Analysis

Services on a range of methods (also called economic evaluation, cost allocation, efficiency assessment, cost-benefit analysis, or cost-effectiveness analysis) used to evaluate expenditure.

- Sub-Lot 3I. Financial Modelling

The development of a spreadsheet or other software tool to evaluate the impact of decisions (such as a price control), on a company's revenue, financial position and its ability to raise the necessary finance to carry on its business. Also covers services relating to the quality assurance review of such financial models that have been prepared in-house.

- Sub-Lot 3J. Financial Distress

Provision of services on the early warning signals of a water company that is at risk of experiencing financial distress. It also includes services and support on possible simulation exercises to test policies and approach should a financial distress/special administration circumstance occur.

**II.2.5) Award criteria**

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

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

Duration in months

36

This contract is subject to renewal

Yes

Description of renewals

12

**II.2.10) Information about variants**

Variants will be accepted: No

**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**

Economics

Lot No

1

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

- 71800000 - Consulting services for water-supply and waste consultancy

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

NUTS codes

- UK - UNITED KINGDOM

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

Relating to all aspects of specialised economic services.

During the term of the framework agreement, Ofwat will have requirements for services relating to regulatory, competition, public policy and environmental economics.

Such requirements include the following sub-lots:

- Sub-Lot 1A – Regulatory Economics

This sub-lot category covers the following:

- o Cost Assessment - Economic services on a range of methods (also called economic evaluation, cost allocation, efficiency assessment, cost-benefit analysis, or cost-effectiveness analysis)

- o Economic Appraisal and Evaluation - Economic services on the range of mathematical techniques appropriate for the analysis of costs and other financial information appropriate in setting price controls and other types of regulation and/or analysing competition

- o Market Design (UK & International) – covers the history of market reform in water regulated sector and the current market arrangements in the UK. Understanding the processes that support competition at the retail level and the key challenges facing UK markets and other markets in the EU and worldwide
  - o Behavioural Economics – understanding of the way in which businesses and individuals make decisions, the types of information used in decision making and framing of decisions and the implications of behavioural economics insights for policy development
  - o Distributional Analysis – covers understanding measures of inequality and impacts of changes in prices or income; to analyse and understand the impact of policy on different customer groups
- Sub-Lot 1B – Competition Economics for Enforcement
  - Sub-Lot 1C – Public Policy and Environmental Economic

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

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

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

Duration in months

36

This contract is subject to renewal

Yes

Description of renewals

12 months

#### **II.2.10) Information about variants**

Variants will be accepted: No

#### **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 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

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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

Framework agreement with several operators

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

Date

16 April 2021

Local time

12:00pm

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

English

**IV.2.6) Minimum time frame during which the tenderer must maintain the tender**

Duration in months: 3 (from the date stated for receipt of tender)

**IV.2.7) Conditions for opening of tenders**

Date

16 April 2021

Local time

12:00pm

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**Section VI. Complementary information**

**VI.1) Information about recurrence**

This is a recurrent procurement: No

**VI.3) Additional information**

NOTE: To register your interest in this notice and obtain any additional information please visit the myTenders Web Site at

[https://www.mytenders.co.uk/Search/Search\\_Switch.aspx?ID=222238](https://www.mytenders.co.uk/Search/Search_Switch.aspx?ID=222238).

The buyer has indicated that it will accept electronic responses to this notice via the Postbox facility. A user guide is available at

[https://www.mytenders.co.uk/sitehelp/help\\_guides.aspx](https://www.mytenders.co.uk/sitehelp/help_guides.aspx).

Suppliers are advised to allow adequate time for uploading documents and to dispatch the electronic response well in advance of the closing time to avoid any last minute problems.

(MT Ref:222238)

**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>