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Tender

Financing of new rolling stock and associated equipment (including simulators, spares and tooling).

NORTHERN TRAINS LIMITED

F05: Contract notice – utilities

Notice identifier: 2025/S 000-006601

Procurement identifier (OCID): ocds-h6vhtk-04e614

Published 21 February 2025, 11:08am

The closing date and time has been changed to:

11 April 2025 - no time specified

See the [change notice](#).

Section I: Contracting entity

I.1) Name and addresses

NORTHERN TRAINS LIMITED

George Stephenson House

YORK

YO16JT

Contact

John Wilson

Email

john.wilson@northernrailway.co.uk

Country

United Kingdom

Region code

UKE21 - York

Companies House

03076444

Internet address(es)

Main address

<https://www.northernrailway.co.uk>

I.3) Communication

Access to the procurement documents is restricted. Further information can be obtained at

<https://award.commercedecisions.com/dftr/web/project/aa0dd0ce-e8e9-44f9-a36b-a263c746698a/register>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://award.commercedecisions.com/dftr/web/project/aa0dd0ce-e8e9-44f9-a36b-a263c746698a/register>

I.6) Main activity

Railway services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Financing of new rolling stock and associated equipment (including simulators, spares and tooling).

II.1.2) Main CPV code

- 66114000 - Financial leasing services

II.1.3) Type of contract

Services

II.1.4) Short description

The objective of this procurement is for Northern Trains Limited (NTL) to enter into financing arrangements with one or more financiers in relation to new rolling stock and associated equipment (including simulators, spares and tooling) which is being procured under a parallel manufacture and supply of rolling stock procurement. The Contract Notice related to the parallel procurement is 2024/S 000-015055.

The parallel manufacture and supply of rolling stock procurement will establish a framework with three lots, one lot for each of: multi-mode multiple units (MMU); electric multiple units (EMU) and battery electric multiple units (BEMU). NTL anticipates calling off its Phase One and Phase Two rolling stock requirements from such lots. These framework agreements are for multi-mode multiple units (MMU); electric multiple units (EMU) and battery electric multiple units (BEMU).

This finance procurement is solely for the Phase One requirements which are expected to be:

- EMU: 12 units x 3 vehicles and expected to be in passenger service in 2029-30.
- MMU: 48 units x 3 vehicles and 63 units x 4 vehicles and expected to be in passenger service in 2030-31.
- BEMU: 8 units x 4 vehicles and expected to be in passenger service in 2032.

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

Electric Multiple Units

Lot No

1

II.2.2) Additional CPV code(s)

- 66114000 - Financial leasing services

II.2.3) Place of performance

NUTS codes

- UKC - North East (England)
- UKD - North West (England)
- UKE - Yorkshire and the Humber

II.2.4) Description of the procurement

Lot 1: Electric Multiple Units

This finance procurement solely relates to financing the Phase One rolling stock and associated equipment (including simulators, spares and tooling). Lot 1 is the financing of the estimated requirement of 12 x 3-vehicle Electric Multiple Units (EMUs).

During the procurement process, tenderers will be requested to provide Indicative Lease Rates for these EMUs. The purpose of these rates is to support the evaluation of the manufacturer tender on a Whole Life Cost basis. These Indicative Lease Rates can be submitted on the basis of either an 8 plus 8-year lease and/or a 10 plus 10-year lease for the various EMU Manufacturers. No other Lease terms or combination of Lease terms will be accepted at this or any following stage.

These Indicative Lease Rates for the EMUs will be evaluated based on the assumed useful life of the units (being 35 years). The Residual Lease Term will be calculated as an average of the Initial Term Lease Rate (first eight or ten years) and the Extended Term Lease Rate (years 9-16 or 11-20) and this will be used to determine the lease rate for the residual life of the asset (being years 17-35 or 20-35). It is reiterated that these Indicative Lease Rates are to support the evaluation of the manufacturer tender by enabling the lease cost associated with that manufacturer's solution to be included in the Whole Life Cost analysis.

Later in the procurement process NTL will issue an Invitation to Submit a Final Tender (ISFT) and all tenderers will have opportunity to provide a Combined Proposal (i.e. a potential 'winner takes all proposal' where a tenderer bids to finance all of the units under Lots 1, 2 and 3 for the relevant manufacturers). The Combined Proposal can be submitted on the basis of either an 8 plus 8-year lease and/or a 10 plus 10-year lease.

In addition, the three tenderers who provided the lowest Indicative Lease Rates for the preferred EMU Manufacturer will have the opportunity to submit a Final Tender Response in respect of the EMUs, on the basis of either an 8 plus 8-year lease and/or a 10 plus 10-year lease, in respect of that preferred Manufacturer.

As described above, these responses to the ISFT can be submitted on either the basis of an 8 plus 8-year lease and/or a 10 plus 10-year lease.

Following the submission of responses to the ISFT, NTL will evaluate the Combined Proposal responses and the responses to the various preferred Manufacturer / Lot combinations. These evaluations will be based on the total of the Initial lease Term Lease Rate (first eight or ten years), the Extended Term Lease Rate (years 9-16 or 11-20) and the average of these two rates will be used to determine the lease rate for the residual life of the asset.

NTL will then compare the best value Combined Proposal against the aggregated best value Manufacturer / Lot combinations to determine which solution has provided the best overall value for money to determine the successful tenderer(s).

NTL is procuring on its own behalf and will enter into the relevant contract documents where such contracts are awarded. However, the contract documents also permit the transfer of the contracts to Transferee Train Operating Companies who in future may either (i) operate over any part of the Northern network and/or (ii) lease or sub-lease the rolling stock. In the event that such provisions are utilised, this procurement is also to be for the benefit of the Transferee Train Operating Companies in accordance with regulation 55 of the Utilities Contracts Regulations 2016. However, NTL is responsible for the conduct of the procurement throughout and all correspondence and communication from financiers is to be solely with NTL.

The meaning of Transferee Train Operating Companies includes all those train operating companies who, currently or in the future, provide services for the carriage of passengers by

railway:

a) under a franchise agreement with the Secretary of State within the meaning of section 23(3) of the Railways Act 1993 or

b) under, or secured under, the Secretary of State's duty in section 30(1) of the Railways Act 1993; or

in accordance with legislation which supersedes or amends the powers referred to in a) and b), including where such powers are transferred from the Secretary of State to another body.

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

240

This contract is subject to renewal

No

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: No

II.2.14) Additional information

The maximum contract term is 240 months i.e. if the lease is let on a 10 plus 10 years basis and it runs for the full 20 year term. As described in this contract notice three other lease terms are possible: a/. 96 months, i.e. if the lease is let on a 8 plus 8 years basis, but is terminated after the initial 8-year term; b/. 120 months, i.e. if the lease is let on a 10 plus 10 years basis but is terminated after the initial 10-year term; and, c/ 192 months, i.e. if the lease is let on an 8 plus 8 years basis and runs for the full 16 year term.

II.2) Description

II.2.1) Title

Multi-mode Multiple Units (MMU)

Lot No

2

II.2.2) Additional CPV code(s)

- 66114000 - Financial leasing services

II.2.3) Place of performance

NUTS codes

- UKC - North East (England)
- UKD - North West (England)
- UKE - Yorkshire and the Humber

II.2.4) Description of the procurement

Lot 2: Multi-mode Multiple Units (MMU)

This finance procurement solely relates to financing the Phase One rolling stock and associated equipment (including simulators, spares and tooling). Lot 2 is the financing of the estimated requirement of 48 x 3-vehicle and 63 x 4-vehicle Multi-mode Multiple Units (MMUs).

During the procurement process, tenderers will be requested to provide Indicative Lease Rates for these MMUs. The purpose of these rates is to support the evaluation of the manufacturer tender on a Whole Life Cost basis. These Indicative Lease Rates can be submitted on the basis of either an 8 plus 8-year lease and/or a 10 plus 10-year lease for the various MMU Manufacturers. No other Lease terms or combination of Lease terms will be accepted at this or any following stage.

These Indicative Lease Rates for the MMUs will be evaluated based on the assumed useful life of the units (being 35 years). The Residual Lease Term will be calculated as an average of the Initial Term Lease Rate (first eight or ten years) and the Extended Term Lease Rate (years

9-16 or 11-20) and this will be used to determine the lease rate for the residual life of the asset (being years 17-35 or 20-35). It is reiterated that these Indicative Lease Rates are to support the evaluation of the manufacturer tender by enabling the lease cost associated with that manufacturer's solution to be included in the Whole Life Cost analysis.

Later in the procurement process NTL will issue an Invitation to Submit a Final Tender (ISFT) and all tenderers will have opportunity to provide a Combined Proposal (i.e. a potential 'winner takes all proposal' where a tenderer bids to finance all of the units under Lots 1, 2 and 3 for the relevant manufacturers). The Combined Proposal can be submitted on the basis of either an 8 plus 8-year lease and/or a 10 plus 10-year lease. In addition, the five tenderers who provided the lowest Indicative Lease Rates for the preferred MMU Manufacturer will have the opportunity to submit a Final Tender Response in respect of the MMUs, on the basis of either an 8 plus 8-year lease and/or a 10 plus 10-year lease, in respect of that preferred Manufacturer.

As described above, these responses to the ISFT can be submitted on either the basis of an 8 plus 8-year lease and/or a 10 plus 10year lease.

Following the submission of responses to the ISFT, NTL will evaluate the Combined Proposal responses and the responses to the various preferred Manufacturer / Lot combinations. These evaluations will be based on the total of the Initial lease Term Lease Rate (first eight or ten years), the Extended Term Lease Rate (years 9-16 or 11-20) and the average of these two rates will be used to determine the lease rate for the residual life of the asset.

NTL will then compare the best value Combined Proposal against the aggregated best value Manufacturer / Lot combinations to determine which solution has provided the best overall value for money to determine the successful tenderer(s).

NTL is procuring on its own behalf and will enter into the relevant contract documents where such contracts are awarded. However, the contract documents also permit the transfer of the contracts to Transferee Train Operating Companies who in future may either (i) operate over any part of the Northern network and/or (ii) lease or sub-lease the rolling stock. In the event that such provisions are utilised, this procurement is also to be for the benefit of the Transferee Train Operating Companies in accordance with regulation 55 of the Utilities Contracts Regulations 2016. However, NTL is responsible for the conduct of the procurement throughout and all correspondence and communication from financiers is to be solely with NTL.

The meaning of Transferee Train Operating Companies includes all those train operating companies who, currently or in the future, provide services for the carriage of passengers by railway:

c) under a franchise agreement with the Secretary of State within the meaning of section 23(3) of the Railways Act 1993 or

d) under, or secured under, the Secretary of State's duty in section 30(1) of the Railways Act 1993; or

in accordance with legislation which supersedes or amends the powers referred to in a) and b), including where such powers are transferred from the Secretary of State to another body.

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

240

This contract is subject to renewal

No

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: No

II.2.14) Additional information

The maximum contract term is 240 months i.e. if the lease is let on a 10 plus 10 years basis and it runs for the full 20 year term. As described in this contract notice three other lease terms are possible: a/. 96 months, i.e. if the lease is let on a 8 plus 8 years basis, but is terminated after the initial 8-year term; b/. 120 months, i.e. if the lease is let on a 10 plus 10 years basis but is terminated after the initial 10-year term; and, c/ 192 months, i.e. if the lease is let on an 8 plus 8 years basis and runs for the full 16 year term.

II.2) Description

II.2.1) Title

Battery Electric Multiple Units (BEMU)

Lot No

3

II.2.2) Additional CPV code(s)

- 66114000 - Financial leasing services

II.2.3) Place of performance

NUTS codes

- UKC - North East (England)
- UKD - North West (England)
- UKE - Yorkshire and the Humber

II.2.4) Description of the procurement

Lot 3: Battery Electric Multiple Units (BEMU)

This finance procurement solely relates to financing the Phase One rolling stock and associated equipment (including simulators, spares and tooling). Lot 3 is the financing of the estimated requirement of 8 x 4-vehicle Battery Electric Multiple Units (BEMUs).

During the procurement process, tenderers will be requested to provide Indicative Lease Rates for these BEMUs. The purpose of these rates is to support the evaluation of the manufacturer tender on a Whole Life Cost basis. These Indicative Lease Rates can be submitted on the basis of either an 8 plus 8-year lease and/or a 10 plus 10-year lease for the various BEMU Manufacturers. No other Lease terms or combination of Lease terms will be accepted at this or any following stage.

These Indicative Lease Rates for the BEMUs will be evaluated based on the assumed useful life of the units (being 35 years). The Residual Lease Term will be calculated as an average of the Initial Term Lease Rate (first eight or ten years) and the Extended Term Lease Rate (years 9-16 or 11-20) and this will be used to determine the lease rate for the residual life of the asset (being years 17-35 or 20-35). It is reiterated that these Indicative Lease Rates are to support the evaluation of the manufacturer tender by enabling the lease cost associated with that manufacturer's solution to be included in the Whole Life Cost analysis.

Later in the procurement process NTL will issue an Invitation to Submit a Final Tender (ISFT) and all tenderers will have opportunity to provide a Combined Proposal (i.e. a potential 'winner takes all proposal' where a tenderer bids to finance all of the units under Lots 1, 2 and 3 for the relevant manufacturers). The Combined Proposal can be submitted on the basis of either an 8 plus 8-year lease and/or a 10 plus 10-year lease. In addition, the three tenderers who provided the lowest Indicative Lease Rates for the preferred BEMU Manufacturer will have the opportunity to submit a Final Tender Response in respect of the BEMUs, on the basis of either an 8 plus 8-year lease and/or a 10 plus 10-year lease, in respect of that preferred Manufacturer.

As described above, these responses to the ISFT can be submitted on either the basis of an 8 plus 8-year lease and/or a 10 plus 10year lease.

Following the submission of responses to the ISFT, NTL will evaluate the Combined Proposal responses and the responses to the various preferred Manufacturer / Lot combinations. These evaluations will be based on the total of the Initial lease Term Lease Rate (first eight or ten years), the Extended Term Lease Rate (years 9-16 or 11-20) and the average of these two rates will be used to determine the lease rate for the residual life of the asset.

NTL will then compare the best value Combined Proposal against the aggregated best value Manufacturer / Lot combinations to determine which solution has provided the best overall value for money to determine the successful tenderer(s).

NTL is procuring on its own behalf and will enter into the relevant contract documents where such contracts are awarded. However, the contract documents also permit the transfer of the contracts to Transferee Train Operating Companies who in future may either (i) operate over any part of the Northern network and/or (ii) lease or sub-lease the rolling stock. In the event that such provisions are utilised, this procurement is also to be for the benefit of the Transferee Train Operating Companies in accordance with regulation 55 of the Utilities Contracts Regulations 2016. However, NTL is responsible for the conduct of the procurement throughout and all correspondence and communication from financiers is to be solely with NTL.

The meaning of Transferee Train Operating Companies includes all those train operating companies who, currently or in the future, provide services for the carriage of passengers by railway:

e) under a franchise agreement with the Secretary of State within the meaning of section 23(3) of the Railways Act 1993 or

f) under, or secured under, the Secretary of State's duty in section 30(1) of the Railways Act 1993; or

in accordance with legislation which supersedes or amends the powers referred to in a) and

b), including where such powers are transferred from the Secretary of State to another body.

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

240

This contract is subject to renewal

No

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: No

II.2.14) Additional information

The maximum contract term is 240 months i.e. if the lease is let on a 10 plus 10 years basis and it runs for the full 20 year term. As described in this contract notice three other lease terms are possible: a/. 96 months, i.e. if the lease is let on a 8 plus 8 years basis, but is terminated after the initial 8-year term; b/. 120 months, i.e. if the lease is let on a 10 plus 10 years basis but is terminated after the initial 10-year term; and, c/ 192 months, i.e. if the lease is let on an 8 plus 8 years basis and runs for the full 16 year term.

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

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Negotiated procedure with prior call for competition

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

Originally published as:

Date

28 March 2025

Changed to:

Date

11 April 2025

See the [change notice](#).

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

This procurement is being conducted under regulation 47 of the Utilities Contracts Regulations 2016, utilising the Negotiated Procedure with prior call for competition and will only be available through NTL's e-Tendering platform, AWARD.

If not already registered on AWARD, interested parties are encouraged to do register at <https://award.commercedecisions.com/dftr/web/project/aa0dd0ce-e8e9-44f9-a36b-a263c746698a/register> in order to participate in this opportunity. To access the procurement documents organisations will need to register on AWARD and submit a signed Non-Disclosure Agreement (NDA) which is available on AWARD. Additional information can be obtained from the above-mentioned address and, in addition, organisations can contact Dale Ward via Dale.Ward@dftr.gov.uk if they have any questions about and or require assistance accessing or using AWARD. Any submissions that are not submitted by 1700h on 28th March 2025 will be disqualified.

Interested parties should note that this procurement may not result in the award of any contract, and issue of this Contract Notice does not create any form of contract, implied or otherwise, between NTL and any other party, and that participation in procurement process is entirely at potential suppliers' own risk.

NTL may update their requirements at specified intervals during the tender process to take account of Clarification Questions (CQ) received and it expressly reserves the right:

- 1) not to award any contract as a result of the procurement process commenced by the publication of this notice;
- 2) to make whatever changes it may see fit to the content and structure of the tendering competition;
- 3) to amend (a) contract(s) in respect of any part(s) of the services covered by this notice;
- 4) to award contract(s) in stages and in no circumstances will NTL be liable for any costs incurred by candidates; and
- 5) to clarify, fine tune and optimise final solutions with the relevant suppliers following selection of preferred bidders on each Lot.

Contracts to be governed by English Law.

VI.4) Procedures for review

VI.4.1) Review body

High Court of England and Wales

London

EC4A 1NL

Country

United Kingdom