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Awarded contract

Tees Pipeline

NORTHUMBRIAN WATER GROUP LIMITED

F06: Contract award notice – utilities

Notice reference: 2023/S 000-006924

Published: 9 March 2023, 2:24pm

Section I: Contracting entity

I.1) Name and addresses

NORTHUMBRIAN WATER GROUP LIMITED

Via : Group Financial Controller Northumbria House, Abbey Road, Pity Me

DURHAM

DH15FJ

Contact

Lily Crow

Email

lily.craw@nwl.co.uk

Country

United Kingdom

NUTS code

UKC14 - Durham CC

Companies House

02366703

Internet address(es)

Main address

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

I.6) Main activity

Water

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Tees Pipeline

Reference number

FA07-06

II.1.2) Main CPV code

- 45231300 - Construction work for water and sewage pipelines

II.1.3) Type of contract

Works

II.1.4) Short description

Northumbrian Water Limited are looking to appoint a contractor to design and construct a new water pipeline. The existing water pipelines between Lartington Water Treatment Works (WTW) and Long Newton Service Reservoir (SR) require replacing due to them approaching the end of their operational life.

The Treated water conveyance system is approximately 54km long and is proposed to be built in two phases.

Phase 1 (to be built under this contract) shall transfer up to 84MLD water from the existing water treatment plant at Lartington to Whorley Service Reservoir and up to 55MLD from the Inlet of Whorley Service Reservoir to Shildon Service Reservoir. Part of the route from Whorley to Shildon is dualled with two 800mm diameter pipes to be laid in the same trench.

There is also the option to include the pumping station (circa £3m) at Shildon Service Reservoir in the scope of this Phase 1 contract and this will be subject to agreement on requirement, cost and programme being acceptable to the Employer. Phase 1 is to be in service by 31st March 2025.

Estimated Value of Phase 1 (not including Shildon Pumping Station) - £62m

In addition Subject to clause 50(1)(f) of the Utilities Contract Regulations it is the intention that NWG will direct award Phase 2 of this project to the successful tenderer for Phase 1, due to it being an extension of the original work and consist of similar work activity. Phase 2 is of similar size and is planned to start in April 2025 and is required to convey up to 84MLD from Gainford to Long Newton Service Reservoir. Phase 2 requires completion by December 2028.

The estimated value of Phase 2 is £40m.

Any award of phase 2 would be subject to the satisfactory performance of the successful tenderer for Phase 1 and the ability to agree the price and programme for Phase 2. NWL would retain sole discretion on whether Phase 2 would be directly awarded to the successful tenderer or an alternative procurement was carried out.

The Phase 1 and 2 works will require a number of strategic river, rail and road crossings, strategic connections and a number of abandonments.

NWL reserve the right to award either all or part of each phase of the proposed contracts subject to budget constraints. NWL expects any shortlisted contractors to engage in value engineering with NWL to ensure maximum value can be delivered for the available budget.

NWL are looking to appoint a contractor to work collaboratively in line with NWG's vision and values while driving innovation and efficiency throughout the lifecycle of this project.

II.1.6) Information about lots

This contract is divided into lots: No

II.2) Description

II.2.2) Additional CPV code(s)

- 45232100 - Ancillary works for water pipelines

II.2.3) Place of performance

NUTS codes

- UKC1 - Tees Valley and Durham

II.2.4) Description of the procurement

- NWL are seeking to appoint a contractor to carry out the design and construction of a cross country water pipeline as detailed in the brief description.

- The procurement process will consist of a pre-qualification process to shortlist a maximum of five applicants to receive the tender documents (fifth placed tenderer to be shortlisted subject to being within five percentage points of the fourth place applicant). The tender phase will consist of a one stage tender period consisting of a four month tender period. The award will be based on the most economically advantageous offer consisting of both quality and cost elements.

- Subject to clause 50(1)(f) of the Utilities Contract Regulations it is the intention that NWG will direct award Phase 2 of this project to the successful tenderer for Phase 1 due to it being an extension of the original work and consist of similar work activity. Any award of phase 2 would be subject to the satisfactory performance of the successful tenderer for Phase 1 and the ability to agree the price and programme for Phase 2. NWL would retain sole discretion on whether Phase 2 would be directly awarded to the successful tenderer or an alternative procurement was carried out.

II.2.11) Information about options

Options: Yes

Description of options

The duration of any contract will be subject to the contractor's programme, taking into account any constraints provided by the employer.

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: No

IV.2) Administrative information

IV.2.1) Previous publication concerning this procedure

Notice number: [2021/S 000-017527](#)

Section V. Award of contract

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

2 October 2022

V.2.2) Information about tenders

Number of tenders received: 2

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

V.2.3) Name and address of the contractor

NORTHSTONE (NI) LIMITED

Belfast

Country

United Kingdom

NUTS code

- UKN06 - Belfast

Companies House

NI004078

The contractor is an SME

No

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

TBC

TBC

Country

United Kingdom