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Tender

## **The Provision of Operations and Maintenance Services for the London Borough of Haringey's Decentralised Energy Network (DEN) Programme**

LONDON BOROUGH OF HARINGEY

F05: Contract notice – utilities

Notice identifier: 2021/S 000-007462

Procurement identifier (OCID): ocds-h6vhtk-02a497

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### **Section I: Contracting entity**

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

LONDON BOROUGH OF HARINGEY

Civic Centre, High Road, Wood Green

LONDON

N228LE

#### **Contact**

Nicole Phillips

#### **Email**

[nicole.phillips@haringey.gov.uk](mailto:nicole.phillips@haringey.gov.uk)

#### **Telephone**

+44 7496788967

**Country**

United Kingdom

**NUTS code**

UKI43 - Haringey and Islington

**Internet address(es)**

Main address

<https://www.haringey.gov.uk/>

Buyer's address

<https://www.haringey.gov.uk/>

**I.3) Communication**

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

<https://s2c.waxdigital.co.uk/ProcurementLBHaringey>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://s2c.waxdigital.co.uk/ProcurementLBHaringey>

Electronic communication requires the use of tools and devices that are not generally available. Unrestricted and full direct access to these tools and devices is possible, free of charge, at

<https://s2c.waxdigital.co.uk/ProcurementLBHaringey>

**I.6) Main activity**

Production, transport and distribution of gas and heat

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## **Section II: Object**

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

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

The Provision of Operations and Maintenance Services for the London Borough of Haringey's Decentralised Energy Network (DEN) Programme

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

- 50700000 - Repair and maintenance services of building installations

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

Services

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

The Authority wishes to award one or more Contract(s) to appoint a single operations and maintenance ('O&M') provider (the 'Service Provider') across its portfolio of Decentralised Energy Networks ('DENs') for a period of 5 years with an option to extend the Contract(s) to up to a further 5 years (i.e. for a maximum period of 10 years).

Interested Applicants wishing to participate in this procurement must first prequalify by completing the Suitability Assessment and Selection Questionnaire (SASQ).

The Authority will assess submitted SASQs and shortlist no more than 5 Applicants to participate in the next stage of the procurement.

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

Value excluding VAT: £10,000,000

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

This contract is divided into lots: No

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

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

NUTS codes

- UKI43 - Haringey and Islington

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

The DEN portfolio is anticipated to grow substantially during the next decade and so key features of the Procurement are:

- the ability to add new networks and/or network extensions and interconnections into the Contract(s);
- the ability of the chosen Service Provider to undertake design reviews and adoptions.

There are 3 key areas where the Service Provider will be required to deliver operationally:

- Planned and Preventative Maintenance - this underpins the Contract and must be delivered in accordance with agreed frequencies.
- Optimising the level of energy performance required from the DEN as set out in the Output Specification and in terms of, for example:
  - (a) delivery temperatures;
  - (b) proportion of heat from low or zero carbon source;
  - (c) boiler efficiency.
  - (d) Seasonal Coefficient of Performance for heat pumps.

A comprehensive suite of Service Levels as defined in Schedule 9 of the draft Contract and which cover, for example:

- (a) responses to system failures;
- (b) restoration of heat supplies;
- (c) implementation of a disaster recovery plan

The network is composed of four Authority-led neighbourhood scale DEN Systems situated at:

- Broadwater Farm - an existing group heating scheme serving 1970s Council blocks. A major works project to expand and refurbish the system is completing in early 2021. The network now serves c850 occupied dwellings and 2 schools from a recently refurbished central boiler house and plans to grow to 1,200 dwellings;
- Tottenham Hale - this is a new build scheme with a back up and top up boiler house

connecting circa 12 development sites in the next decade which incorporate c.2,100 homes. These development sites will be supplied via either bulk supply or adoption of secondary networks to allow direct supply to final customers;

- Wood Green - this is a new build scheme with back up and top up boiler house connecting circa 6 development sites in the next decade with a mix of bulk supply and adoption of secondary networks. These development sites include around 2,200 homes and will be supplied via either bulk supply or adoption of secondary networks to allow direct supply to final customers;

- North Tottenham - the core scheme is a new build single site with 2,500 homes with full adoption of secondary networks and back up and top up boiler house. It is expected to grow to serve around 10 neighbouring sites with a mix of bulk supply and adoption of secondary networks;

Area Network - the DEN portfolio will progressively construct sections of an area wide heating network taking LZC heat from Energetik to the four energy centres above. The Authority also plans to extend the area wide network southwards to supply bulk heat to third party developments at St Ann's hospital and Woodberry Down (in Hackney). This would result in 13+km of network.

The wider portfolio including the energy centres, neighbourhood scale networks served from these hubs, private developments served and borough-wide network interconnecting to Energetik's Meridian Water network is also expected to be developed over the contract period and progressively added to the scope of the Contract.

The Service Provider shall be required to undertake and be responsible for all necessary operation, testing, maintenance, replacement and repair services for each System, including but not limited to, buildings (including cleaning and associated landscaping and grounds maintenance, fences, etc.), plant, equipment, services and all other associated systems and apparatus to ensure that the components of each System operate and are in good condition in accordance with this Agreement and each System is capable at all times of meeting the Output Specification, the requirements of this Schedule, the Consumer Agreements and this Agreement including (but not limited to):

- routine, periodic and visual inspection and testing (including any availability tests, system tests or annual insurance inspections) of each System including all safety systems, as required by this Agreement or as reasonably directed by the Client and including any works arising from or associated with such tests;

- undertaking inspection, maintenance and cleaning works of each System in accordance with this Agreement and the PPM System;

- routine, scheduled, non-scheduled and emergency maintenance and repair of any

component parts of each System;

- repair or replacement of component parts of each System as necessary and rectify any failure, damage, deterioration or malfunction to any building, landscaping, road, item of plant, equipment or services forming a part of each System;
- updating operating and maintenance manuals for each System and marking up changes to "as built" drawings, resulting from work carried out by the Service Provider;
- complying with the relevant manufacturer's recommendations at all times;
- if requested, supply to the Client on a timely basis or on reasonable demand such pertinent operating information and maintenance records relating to the components of each System as may be required under this Agreement or as may be reasonably requested by the Client from time to time;
- provide all requisite qualified and trained staff in accordance with this Agreement obtain any other such resources and sub-contractors as are necessary to provide the Services and operate and maintain the components of each System on a day-to-day basis and carry out all necessary administration in respect of such staff and sub-contractors (statutory and otherwise); and
- with respect to the Meters, following completion of the System D&B Contractor's works or System D&B Contractor's commissioning, in each case in respect of any System, the Service Provider shall verify that the Meters in respect of the relevant System provide data to the Service Provider to allow compliance with the requirements of this Agreement.

The Service Provider shall:

- be responsible for day to day operation, maintenance and repairs and replacements of each System whether undertaken by directly employed staff or sub-contractors;
- in the event that there is a failure in the supply of Electricity (whether planned or unplanned):
  - to the System;
  - to Consumers who are receiving Electricity supplies; and/or
  - the Energy Centre fails,
- arrange a rapid response electrical generator hire contract with a specialist that ensures that a generator is connected to the System and/or Energy Centre and supplying power within four (4) hours of such failure which is of adequate capacity to meet the

requirements of the System.

Subject to the circumstances referred to below, where the generator is required to be used, the Service Provider shall be paid an additional fee for the reasonable transport, connection and hire charges of the generator, including its re-fuelling, in accordance with the Tender documents, provided that the rapid response generator hire contract shall be included at the Service Provider's own cost;

- in the event that the supply of Heat to any part of any System fails due to an issue with the relevant System for a period of eight (8) hours implement the agreed contingency plan to deploy the Temporary Boiler Plant, connect such boiler plant to the relevant System and re-instate the supply of Heat to the relevant System until the issue with the relevant System is remedied. Subject to the circumstances referred to below, where the Temporary Boiler Plant is required to be used, the Service Provider shall be paid an additional fee for the reasonable transport, connection and hire charges of the Temporary Boiler Plant, including its re-fuelling, in accordance with the Tender documents, provided that the rapid response Temporary Boiler Plant hire contract shall be included at the Service Provider's own cost;

- in the circumstances referred to above, demonstrate to the reasonable satisfaction of the Client that:

- the loss of Heat or Electricity has not arisen as a consequence of an act or omission of the Service Provider or the Service Provider Operatives or any breach of any of the obligations under this Agreement;

- the Service Provider and the Service Provider Operatives have used their reasonable endeavours to mitigate the impact of such failure; and

- the costs incurred are demonstrated to the reasonable satisfaction of the Client.

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

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

#### **II.2.6) Estimated value**

Value excluding VAT: £10,000,000

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

Duration in months

120

This contract is subject to renewal

No

#### **II.2.9) Information about the limits on the number of candidates to be invited**

Envisaged number of candidates: 5

Objective criteria for choosing the limited number of candidates:

This Procurement is being conducted in accordance with the Utilities Contract Regulations (UCR) 2016 under the Negotiated Procedure (with prior notification) but in the style of the Competitive Dialogue Procedure laid down under the Public Contracts Regulations (PCR) 2015.

No limits have been applied to limit the number of Applicants wishing to participate in the initial stage of this Procurement. All Interested Applicants are required to complete the SASQ, accessible via the Authority's E-Tendering Portal (<https://s2c.waxdigital.co.uk/ProcurementLBHaringey>). All SASQ responses received before the stated Response deadline will be assessed in accordance with the assessment criteria set out in the Tender Documents. The 5 highest scoring Applicants from the SASQ assessment will be invited to the next stage of the process.

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

Variants will be accepted: No

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

Options: Yes

Description of options

The initial Contract term will be for a period of 5 years with an option to extend the Contract(s) to up to a further 5 years (i.e. for a maximum period of 10 years).

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## **Section III. Legal, economic, financial and technical information**

### **III.1) Conditions for participation**

#### **III.1.1) Suitability to pursue the professional activity, including requirements relating to enrolment on professional or trade registers**

List and brief description of conditions

As set out in the Procurement Documents

#### **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

#### **III.1.4) Objective rules and criteria for participation**

List and brief description of rules and criteria

As set out in the Procurement Documents

#### **III.1.6) Deposits and guarantees required**

As set out in the Procurement Documents

#### **III.1.7) Main financing conditions and payment arrangements and/or reference to the relevant provisions governing them**

As set out in the Procurement Documents

#### **III.1.8) Legal form to be taken by the group of economic operators to whom the contract is to be awarded**

As set out in the Procurement Documents

### **III.2) Conditions related to the contract**

#### **III.2.2) Contract performance conditions**

As set out in the Procurement Documents

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## **Section IV. Procedure**

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

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

Negotiated procedure with prior call for competition

#### **IV.1.4) Information about reduction of the number of solutions or tenders during negotiation or dialogue**

Recourse to staged procedure to gradually reduce the number of solutions to be discussed or tenders to be negotiated

#### **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: [2020/S 237-586906](#)

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

Date

10 May 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: 12 (from the date stated for receipt of tender)

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## **Section VI. Complementary information**

### **VI.1) Information about recurrence**

This is a recurrent procurement: No

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

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

LONDON BOROUGH OF HARINGEY

River Park House, 225 High Road, Wood Green

London

N22 8HQ

Country

United Kingdom

Internet address

<https://www.haringey.gov.uk/>

#### **VI.4.3) Review procedure**

Precise information on deadline(s) for review procedures

Complaints during the procurement process will be addressed in-line with the Authorities Contract Procedure Rules and Standard Financial Instructions and as prescribed within the Utilities Contracts Regulations (2016).

The Authority shall make every effort to ensure processes are conducted in a fair, open and transparent manner. We are committed to developing constructive relationships with suppliers and are keen to generate maximum competition in all of our procurements to deliver best value and sustainable cost savings for the taxpayer. The outcome of the evaluation process is totally dependent on the competitive strength of each individual Applicant's/Tenderer's submission.

The London Borough of Haringey are committed to treating all suppliers fairly and all feedback and complaints are given full and fair consideration. If at any stage we believe that a mistake has been made by us, please be assured that we will rectify it to the extent that we can legally do so. In order to lodge a complaint, you must 1st be registered on the

Authority's E-Tendering Portal (HCPS) for the relevant procurement event.

All complaints must be raised via the e-Tendering Portals messaging facility.

Applicants who are unsuccessful shall be informed by the Council as soon as possible after the decision has been made as to the reasons why the applicant was unsuccessful.

The Authority will incorporate a minimum 10-day standstill period at the end of the process in accordance with Regulations 102 of the Utilities Regulations 2016. The purpose of the standstill period is to allow the parties to apply to the Courts to set aside the award decision before the Contract is entered into.

If you are unsatisfied with the outcome of this procurement competition and wish to challenge it, then you should issue legal proceedings under chapter 2 (Applications to the Court) of the Utilities Contracts Regulations 2016 and serve them on the London Borough of Haringey in accordance with the Civil Procedure Rules Part 66 (Crown Proceedings) and its associated Practice Direction.

If an appeal regarding the award of the Contract has not been successfully resolved, Chapter 2 of the Utilities Contracts Regulations 2016 (as amended) provides for aggrieved parties who have been harmed or are at risk of harm by breach of the rules to pursue legal action.

Any such action must be brought within the applicable limitation period.

Where a Contract has not been entered into, the Court may order the setting aside of the award decision or order for any document to be amended and may award damages, make a declaration of ineffectiveness, order for a fine to be paid, and/or order the duration of the Contract be shortened.

Please note that service by email is subject to prior agreement with the Head of Litigation at the Authority Solicitor's Department and is not routinely given.