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Tender

## **Design & Build of New Passenger Vessel**

Shetland Islands Council

F02: Contract notice

Notice identifier: 2026/S 000-008213

Procurement identifier (OCID): ocds-h6vhtk-061266

Published 29 January 2026, 4:34pm

The closing date and time has been changed to:

**9 March 2026, 12:00pm**

See the [change notice](#).

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

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

Shetland Islands Council

8 North Ness Business Park

Lerwick, Shetland

ZE1 0LZ

#### **Contact**

Graeme MacDonald - Procurement Manager

#### **Email**

[contract.admin@shetland.gov.uk](mailto:contract.admin@shetland.gov.uk)

**Telephone**

+44 1595744595

**Country**

United Kingdom

**NUTS code**

UKM66 - Shetland Islands

**Internet address(es)**

Main address

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

Buyer's address

[https://www.publiccontractsscotland.gov.uk/search/Search\\_AuthProfile.aspx?ID=AA00402](https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA00402)

**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.publiccontractsscotland.gov.uk](http://www.publiccontractsscotland.gov.uk)

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

[www.publiccontractsscotland.gov.uk](http://www.publiccontractsscotland.gov.uk)

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

Regional or local authority

## **I.5) Main activity**

General public services

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## **Section II: Object**

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

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

Design & Build of New Passenger Vessel

Reference number

I/38/25

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

- 34512100 - Ferry boats

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

Supplies

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

The requirement is for a new 33m Class B Ro-Ro passenger vessel to operate on Shetland's routes as a relief vessel (the "Vessel"). The Vessel must be built and delivered to the Council in Shetland, Scotland by 31st March 2029. The Council has a strong preference for an earlier handover of 31st October 2028.

The contract awarded will be BIMCO NEWBUILDCON with amendments, as described in more detail in the draft Invitation to Negotiate ("ITN") included in the Procurement Documents (the "Contract").

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

Value excluding VAT: £35,100,000

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

This contract is divided into lots: No

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

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

- 34512000 - Ships and similar vessels for the transport of persons or goods

- 34512700 - Ro-Ro vessels

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

NUTS codes

- UKM66 - Shetland Islands

Main site or place of performance

Shetland Islands

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

The procurement procedure being followed for the Vessel? is the Competitive Procedure with Negotiation (CPN) in accordance with Regulation 30 of the Public Contracts (Scotland) Regulations 2015 (the "Regulations").

The structure of the procurement (the "Procurement") is as follows:

Stage 1: Shetland Islands Council (the "Council"), by publishing this Contract Notice, invites candidates to request to participate in the process by completion of an SPD response;

Stage 2: successful candidates from Stage 1 will be invited to submit Initial Tenders ("Initial Tenders") and to negotiate with the Council with a view to improving the content of their Initial Tenders (the "Negotiation Process");

Stage 3: Tenderers will then be invited to submit Final Tenders ("Final Tenders") which will be evaluated in order for the Council to identify the most economically advantageous tender ("MEAT"); and

Stage 4: subject to completion of the mandatory standstill period, and approval of a full business case by the Council's elected members, the Council will then enter into the Contract with the successful Tenderer.

The Council reserves the right to award the Contract on the basis of Initial Tenders without negotiation in accordance with Regulation 30(16) of the Regulations. In that scenario, the Council will not conduct the Negotiation Process or invite Final Tenders, and will move directly to Stage 4.

### **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: £35,100,000

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

Start date

31 October 2026

End date

31 March 2029

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: 3

Objective criteria for choosing the limited number of candidates:

The Council anticipates that three candidates will be shortlisted and invited to Stage 2, this being the three candidates that achieve the highest total weighted score for the scored requirements and pass all relevant sections of the SPD at Stage 1.

However, the Council reserves with right to invite fewer or more candidates to Stage 2 at its sole discretion. Without limitation to the foregoing generality, where less than three candidates qualify for the shortlist, the Council reserves the right to proceed with the Procurement.

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

Variants will be accepted: No

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

Options: Yes

Description of options

The Council reserves the option to procure up to two further similar vessels from the successful Tenderer. These options, if exercised, could be awarded pursuant to this Contract or as new contracts following the negotiated procedure without prior publication, including in accordance with Regulation 33(8) of the Regulations.

Exercise of any option to procure a further similar vessel would be conditional upon:

- successful delivery of the Vessel procured under the original contract;
- the Council receiving the necessary capital funding for the procurement of further similar vessels;
- agreement with the successful Tenderer on the terms of any further procurement; and
- alignment with the Council's strategic priorities when considering options for future procurements.

The reservation of this option shall not be regarded as a commitment or representation on the part of the Council (or any other person) to enter into any contractual agreement. The Council reserves the right to choose not to award any further contracts to the successful Tenderer.

Tenderers should note that the estimated value stated in this Contract Notice is the estimated value for three vessels, as required by Regulation 6 of the Regulations. The Council only intends to procure one vessel at this time, and there is no guarantee that any option to procure further similar vessels will be exercised. The Council anticipates that the value of the first Vessel, covered by this Procurement, will be around 11,700,000 GBP.

#### **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.2.14) Additional information**

The draft ITN being published with this contract notice is provided for information only. The final version of the ITN will be provided to those candidates who are shortlisted to Stage 2. The Council reserves the right to amend any part of the ITN, including the award criteria, in preparing the final version before Stage 2.

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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

Conditions for participation are set out in full in the SPD Guidance document included in the Procurement Documents and summarised below.

#### **III.1.2) Economic and financial standing**

List and brief description of selection criteria

The Tenderer must demonstrate one of the following requirements:

- Full financial statements for the last 3 financial years available; if no accounts are available (eg new company) then a bank reference is required. Where accounts are not in English, the Tenderer must provide certified extracts in the English language.

- A current bank reference which supports that the company could currently support an annual contract value of at least 6.143m GBP per annum. This is 70% of the estimated annual contract price over a 4 year period, which is based on the risk profile of the contract; or

- A credit rating check report to support a minimum annual value of 6.143m GBP; or

- An average minimum general turnover of 4.388m GBP for the last 3 financial years available and an average minimum specific turnover of 4.388m GBP for the last 3 financial years available; or

- A minimum general turnover of 4.388m GBP and minimum specific turnover of 4.388m GBP for the last financial year available; or

- A minimum general turnover of 4.388m GBP and minimum specific turnover of 4.388m GBP for the current financial year by supporting verifiable evidence such as an extract from the company's finance and accounting software.

The standard ratios and metrics which will be used as part of the assessment are detailed in SPD Guidance Document.

Tenderers must confirm that they have or will be able to obtain the following required



types and levels of insurance:

- Employers (Compulsory Liability Insurance - 10,000,000 GBP for each and every claim;
- Public and Products Liability Insurance - 5,000,000 GBP for each and every claim.

Please refer to the SPD Guidance document for further information on requirements.

### **III.1.3) Technical and professional ability**

List and brief description of selection criteria

Within Section 4C of the SPD, the Tenderer must respond to the following questions:

4C1.1 – Relevant examples - Design Development

4C1.2 – Relevant examples - Similar Vessels

4C2 - Technicians or Technical Bodies for Quality Control

4C7 - Environmental Management Measures

4C9 - Tools, Plant or Technical Equipment

Please refer to the SPD Guidance document for the detailed requirements for each question and information on how each question will be weighted and scored.

Within Section 4D of the SPD, the Tenderer must respond to the following questions:

4D.1 – Quality management, quality management procedures, and health and safety procedures

4D.2 - Environmental management systems or standards

Please refer to the SPD Guidance document for the detailed requirements for each question and information on how each question will be assessed.

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

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

Candidates at Stage 1 should have regard to the Contract Summary included within the Procurement Documents. In particular, please note terms regarding guarantees, including the requirement to provide a Refund Guarantee. The full Contract is to be provided to those candidates who are shortlisted to Stage 2.

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## **Section IV. Procedure**

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

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

Competitive procedure with negotiation

#### **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.1.5) Information about negotiation**

The contracting authority reserves the right to award the contract on the basis of the initial tenders without conducting negotiations

#### **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

2 March 2026

Local time

12:00pm

Changed to:

Date

9 March 2026

Local time

12:00pm

See the [change notice](#).

**IV.2.3) Estimated date of dispatch of invitations to tender or to participate to selected candidates**

11 March 2026

**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**

Tender must be valid until: 31 December 2026

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**Section VI. Complementary information**

**VI.1) Information about recurrence**

This is a recurrent procurement: No

**VI.2) Information about electronic workflows**

Electronic ordering will be used

Electronic invoicing will be accepted

Electronic payment will be used

**VI.3) Additional information**

Please note that it is an essential requirement of the procurement process that Tenderers fully complete and submit a satisfactory Single Procurement Document (SPD) (Scotland) and satisfy all requirements specified or referred to in the Contract Notice.

The Council is not and shall not be under any obligation to award a contract and shall be at liberty to abandon the procurement exercise at any time including any time after submission and evaluation of Tenders.

The Council intends to negotiate all Initial Tenders received with a view to improving their

content. The anticipated Negotiation Process is set out in the draft ITN included in the Procurement Documents.

However, the Council reserves the right to award the Contract on the basis of Initial Tenders without negotiation in accordance with Regulation 30(16) of the Regulations. In that scenario, the Council will not conduct the Negotiation Process or invite Final Tenders, and will move directly to Stage 4.

The Contract shall be subject to Scots Law and the jurisdiction of the Scottish Courts.

GBP means Great British Pounds.

The Council, having considered whether to impose community benefit requirements as part of the Procurement, has determined that these cannot be imposed in a manner which is proportionate and relevant to the subject matter of the Contract. The geographical location of the Council's area means that there are limitations to the local community benefits that shipbuilders can offer as part of this contract.

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

[https://www.publiccontractsscotland.gov.uk/Search/Search\\_Switch.aspx?ID=820272](https://www.publiccontractsscotland.gov.uk/Search/Search_Switch.aspx?ID=820272).

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.publiccontractsscotland.gov.uk/sitehelp/help\\_guides.aspx](https://www.publiccontractsscotland.gov.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.

The Contracting Authority does not intend to include a sub-contract clause as part of community benefits (as per Section 25 of the Procurement Reform (Scotland) Act 2014) in this contract for the following reason:

The Council, having considered whether to impose a sub-contract requirements as part of the Procurement, has determined that these cannot be imposed in a manner which is proportionate and relevant to the subject matter of the Contract.

The Contracting Authority does not intend to include any community benefit requirements in this contract for the following reason:

The Council, having considered whether to impose community benefit requirements as part of the Procurement, has determined that these cannot be imposed in a manner which is proportionate and relevant to the subject matter of the Contract. The geographical location of the Council's area means that there are limitations to the local community

benefits that shipbuilders can offer as part of this contract.

(SC Ref:820272)

Download the ESPD document here:

[https://www.publiccontractsscotland.gov.uk/ESPD/ESPD\\_Download.aspx?id=820272](https://www.publiccontractsscotland.gov.uk/ESPD/ESPD_Download.aspx?id=820272)

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

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

Lerwick Sheriff Court

King Erik Street

Lerwick

ZE1 0DH

Telephone

+44 1595693914

Country

United Kingdom

Internet address

<https://www.scotcourts.gov.uk/the-courts/court-locations/lerwick-sheriff-court>