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Tender

## **London Borough of Havering - Strategic Heating Partner**

London Borough of Havering

F02: Contract notice

Notice identifier: 2023/S 000-012064

Procurement identifier (OCID): ocds-h6vhtk-03c48a

Published 26 April 2023, 6:24pm

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

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

London Borough of Havering

Town Hall, Main Road

Romford

RM1 3BB

#### **Contact**

Shelley Wood

#### **Email**

[Shelley.wood@lumensol.co.uk](mailto:Shelley.wood@lumensol.co.uk)

#### **Telephone**

+44 7342933523

**Country**

United Kingdom

**Region code**

UKI - London

**Internet address(es)**

Main address

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

Buyer's address

<https://uk.eu-supply.com/ctm/Company/CompanyInformation/Index/131121>

**I.3) Communication**

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

[https://uk.eu-supply.com/app/rfq/rwlenrance\\_s.asp?PID=67265&B=LUMENSOL](https://uk.eu-supply.com/app/rfq/rwlenrance_s.asp?PID=67265&B=LUMENSOL)

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

[https://uk.eu-supply.com/app/rfq/rwlenrance\\_s.asp?PID=67265&B=LUMENSOL](https://uk.eu-supply.com/app/rfq/rwlenrance_s.asp?PID=67265&B=LUMENSOL)

Tenders or requests to participate must be submitted to the above-mentioned address

**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**

London Borough of Havering - Strategic Heating Partner

Reference number

L103

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

- 45300000 - Building installation work

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

Works

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

LB of Havering are seeking to procure a suitable provider to be their strategic heating partner to:

- a) Deliver servicing, maintenance and ad-hoc replacements of domestic and commercial wet heating systems
- b) Work jointly with Havering to deliver a heating strategy and future Tasks and services to incorporate electric, alternative fuel and renewable systems

The contract will be for an initial term of 9 years 10 months with a optional 6 year extension to 2040, the estimated value for the initial term is £60,000,000. The full estimated value of £140,000,000 is including the extension taking the contract to 2040.

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

Value excluding VAT: £140,000,000

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

This contract is divided into lots: No

## **II.2) Description**

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

- 45000000 - Construction work
- 45300000 - Building installation work
- 45310000 - Electrical installation work
- 45321000 - Thermal insulation work
- 45330000 - Plumbing and sanitary works
- 45331100 - Central-heating installation work
- 50500000 - Repair and maintenance services for pumps, valves, taps and metal containers and machinery
- 50510000 - Repair and maintenance services of pumps, valves, taps and metal containers
- 50700000 - Repair and maintenance services of building installations
- 50710000 - Repair and maintenance services of electrical and mechanical building installations
- 50721000 - Commissioning of heating installations

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

NUTS codes

- UKI - London

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

London Borough of Havering are seeking expressions of interest from suitably skilled and experienced suppliers to be their strategic heating partner to:

- a) Deliver servicing, maintenance and ad-hoc replacements of domestic and commercial wet heating systems
- b) Work jointly with Havering to deliver a heating strategy and future Tasks and services to incorporate electric, alternative fuel and renewable systems

The core services comprise the following:

- a) Servicing, maintenance and ad-hoc replacements to 8,239 domestic heating systems
- b) Servicing, maintenance and ad-hoc replacements to 77 commercial heating systems
- c) Installation and ongoing servicing and maintenance of alternative heating systems.

Due to the volume of developing technologies in the area of heating systems, and the speed at which these technologies are becoming feasible, there is a requirement for the Service Provider to work with Havering and the other parties within the Strategic Partnering Alliance to deliver the best solutions for Havering and its residents.

As Havering's decarbonisation strategy evolves and alternative heating technologies evolve in parallel with it, it is anticipated that a product of a successful partnership will be year on year increases in the rate of replacement of current gas heating systems with alternative systems. It is also anticipated that this will be through a combination of direct delivery, by newly skilled operatives trained within the partnership, and specialist subcontractors.

As technologies, products, legislation and funding opportunities evolve, the service provider will be required to evolve the skills of its workforce, supply chain and installation methods in order to continuously provide and demonstrate best value. To enable this, the pricing mechanisms under the contract are designed to provide a method for the derivation of new prices and continuous demonstration of best value as a result of any changes to the specification. The contract will also include a mechanism for the parties to agree variations to the specification to reflect new and emerging technology, products, legislation and funding opportunities. The long term continuation of the contract, for example through contract extension, is intended to be predicated on the service provider's success in meeting all of these requirements

The successful Provider will enter into a TAC-1 Terms Alliance Contract (with break clauses) for an initial term of 9 years and 10 months, with a possible extension until 31st March 2040.

Havering are following the competitive dialogue procurement procedure in accordance with the Public Contracts Regulations 2015.

Following completion of the Selection Questionnaire and associated appendices prospective bidders will be shortlisted with six bidders anticipated being invited to submit Core Proposals.

Following evaluation of the quality proposals only, prospective bidders will again be shortlisted and invited to participate in dialogue with Havering. It is anticipated that three bidders will be invited.

On completion of dialogue sessions the bidders will be invited to submit Tenders for the full solution for evaluation.

Full information can be found in attached tender documentation

### **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: £140,000,000

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

Duration in months

192

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: Yes

Description of options

Potential for 6 year contract extension term.

### **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**

Havering are also procuring a series of contracts which will work under a collaborative Strategic Alliance to deliver reactive, cyclical and programmed work to Havering properties to support them in delivering their ambition of carbon neutrality by 2040. There will be a need for the Provider to work both with and in a sub-contract arrangement for some of these other Providers.

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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

The Service Provider is to be registered on the Gas Safe register and all Workforce are to be appropriately qualified and/or experienced to deliver the works required under this Contract, including but not limited to:

ACS

APICS

OFTEC

HETAS

MCS

Unvented cylinders

Asbestos

The Service Provider may be required to provide evidence of registrations and qualifications to Havering and this shall not be unreasonably refused

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

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

As detailed in accompanying tender documents



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## **Section IV. Procedure**

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

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

Competitive dialogue

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

Date

30 May 2023

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: 9 (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.3) Additional information**

Havering reserves the right not to award any contract pursuant to this procurement exercise and/or to abandon this procurement exercise at any time and/or to award a contract for part of the services at its sole discretion. Havering shall have no liability whatsoever to any applicant or tenderer as a result of its exercise of that discretion. For the avoidance of doubt, all costs incurred by any applicant and/or tenderer before signature of any contract with Havering shall be incurred entirely at that applicant's/tenderer's risk.

Havering anticipates that the Transfer of Undertakings (Protection of Employment) Regulations 2006 may apply to the transfer of personnel from the incumbent contractor under this procurement. Havering's detailed requirements will be set out in the Contract Documents

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

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

High Court of England and Wales

The Strand

London

WC2A 2LL

Country

United Kingdom

#### **VI.4.2) Body responsible for mediation procedures**

High Court of England and Wales

The Strand

London

WC2A 2LL

Country

United Kingdom

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

Precise information on deadline(s) for review procedures

The Contracting Authority will observe a 10-day stand still period following the award of the contract and conduct itself in respect of any appeals in accordance with the Public Contracts Regulations 2015 (as amended)

#### **VI.4.4) Service from which information about the review procedure may be obtained**

Cabinet Office

70 Whitehall

London

SW1A 2AS

Country

United Kingdom