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Contract

SOL - Provision of Mechanical & Electrical Services - Modification

Solihull Metropolitan Borough Council

F20: Modification notice

Notice identifier: 2022/S 000-015399

Procurement identifier (OCID): ocids-h6vhtk-0342cd

Published 1 June 2022, 4:04pm

Section I: Contracting authority/entity

I.1) Name and addresses

Solihull Metropolitan Borough Council

Council House, Manor Square

Solihull

B913QB

Contact

Procurement Department

Email

procurementteam@solihull.gov.uk

Country

United Kingdom

NUTS code

UK - United Kingdom

Internet address(es)

Main address

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

Buyer's address

<http://www.csw-jets.co.uk>

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

SOL - Provision of Mechanical & Electrical Services - Modification

Reference number

Contract - 00011698

II.1.2) Main CPV code

- 50710000 - Repair and maintenance services of electrical and mechanical building installations

II.1.3) Type of contract

Services

II.2) Description

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

II.2.4) Description of the procurement at the time of conclusion of the contract:

Contract for all planned mechanical and electrical (M&E) work in line with asset management plans and other capital work subsequently introduced.

All M&E cyclical service, testing and maintenance works including day to day reactive works.

M&E engineering design, commissioning and sign off

M&E feasibility and energy studies.

Types of disciplines includes but not limited to mechanical installations (heat generating and distribution equipment), air conditioning installations, air handling installations, refrigeration plant and equipment, educational / commercial / catering extraction equipment and installations, gas installations, catering equipment, pressure / expansion vessels, fire fighting and sprinkler equipment and installations, electrical installations, portable appliance testing, fire alarm installations, emergency lighting installations, data and communication installations, automatic door / shutter / access barrier installations, access control installations, heating control / building management system / building energy management system installations, sustainable / renewable / energy advise and installations, air and ground source heat pump installations, lightning protection system installations. Sewage plant installations.

The above works are carried out on domestic, corporate, educational, commercial and light industrial portfolio of properties.

The supplier currently provides these services to the Authority under a contract due to expire on 31 October 2022.

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

Duration in months

120

In the case of framework agreements, provide justification for any duration exceeding 4 years

The duration of this framework agreement is 7 years as indicated plus an option for a 3 year extension. A single operator, acting in a partnering arrangement, will be expected to support all participating contracting authorities within the UK in developing collaborative initiatives through this framework.

Further justification can be found in original OJEU Contract Notice 2012/S 021-034391.

Section IV. Procedure

IV.2) Administrative information

IV.2.1) Contract award notice concerning this contract

Notice number: [2012/S 021-034391](#)

Section V. Award of contract/concession

Contract No

00011698

Title

SOL - Provision of Mechanical & Electrical Services

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract/concession award decision:

13 July 2012

V.2.2) Information about tenders

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

V.2.3) Name and address of the contractor/concessionaire

Dodd Group (Midlands) Limited

Unit 1 Rabone Park, Rabone Lane

Smethwick

B66 2NN

Country

United Kingdom

NUTS code

- UKG3 - West Midlands

The contractor/concessionaire is an SME

No

V.2.4) Information on value of the contract/lot/concession (at the time of conclusion of the contract;excluding VAT)

Total value of the procurement: £400,000,000

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

High Court, Royal Court

Strand

London

WC2A 2LL

Country

United Kingdom

Section VII: Modifications to the contract/concession

VII.1) Description of the procurement after the modifications

VII.1.1) Main CPV code

- 50710000 - Repair and maintenance services of electrical and mechanical building installations

VII.1.3) Place of performance

NUTS code

- UK - United Kingdom

VII.1.4) Description of the procurement:

The contract is for the extension of an existing Mechanical and Electrical Services arrangement. The contract to fulfil the requirement commenced on 1 November 2012. The contract provided for an initial 7-year term with an option to extend for a further 3 years as contained in OJEU Contract Notice 2012/S 021-034391 of 1 February 2012. The options to extend have been utilised and the contract is currently due to expire on 31 October 2022.

This notice confirms that an extension of 24 months until 31 October 2024 has become necessary and our intention to apply Regulation 72 (Modification of contracts during their term) of the Public Contracts Regulations 2015. We can confirm that the specification, pricing and terms and conditions of the original agreement will not materially change.

VII.1.5) Duration of the contract, framework agreement, dynamic purchasing system or concession

Start date

1 November 2022

End date

31 October 2024

VII.1.6) Information on value of the contract/lot/concession (excluding VAT)

Total value of the contract/lot/concession:

£400,000,000

VII.1.7) Name and address of the contractor/concessionaire

Dodd Group (Midlands) Limited

Unit 1 Rabone Park, Rabone Lane

Smethwick

B66 2NN

Country

United Kingdom

NUTS code

- UKG3 - West Midlands

The contractor/concessionaire is an SME

No

VII.2) Information about modifications

VII.2.1) Description of the modifications

Nature and extent of the modifications (with indication of possible earlier changes to the contract):

The modification is limited to extending the contract duration for a further 24 months, and in accordance with Regulation 72.1 (c) shall not exceed 50% of the value of the original contract.

VII.2.2) Reasons for modification

Need for modification brought about by circumstances which a diligent contracting authority/entity could not foresee.

Description of the circumstances which rendered the modification necessary and explanation of the unforeseen nature of these circumstances:

A Restricted Procedure procurement process was commenced on 14 January 2022 (Contract Notice reference: 2022/S 000-001112), however, due to an insufficient number of compliant responses at Selection Questionnaire stage we are unable to proceed with this. Consultation with a broad range of the supplier market was undertaken who expressed that the upturn in market conditions brought about due to recovery from

COVID-19 has led a more selective and risk adverse approach to tender opportunities. In addition, despite the model of contract being similar to the current contract which when tendered had generated considerable interest, in the recent tender the contract was deemed to be unusual and unappealing by the companies consulted.

The Authority intends to conduct a thorough market engagement during the period of this contract extension in order to prepare and present an opportunity that will be of interest to the wider industry to establish a long-term partnering agreement, and at a time when the market conditions have stabilised.

Regulation 72.-(1) (c)

The need for this modification has been brought about by circumstances which a diligent contracting authority could not have foreseen. The Authority could not have reasonably foreseen the occurrence of the COVID-19 Pandemic and its resulting impacts upon the industry.

The proposed modification does not alter the overall nature of the contract and we can confirm that the specification, pricing and terms and conditions of the original agreement will not materially change.

The increase in duration would not cause the overall price to exceed 50% of the value of the original contract. The realised value of the framework to date is lower than advertised, and the cumulative value including the modification will not result in the advertised value being met or exceeded.

Regulation 72.-(1) (e) with reference to;

Regulation 72.-(8)

a) The modification does not render the contract materially different in character from the one initially concluded, as the specification, terms and conditions of contract, and pricing will not materially change and where change is required it will only be minor.

b) The Authority considers that the modification does not introduce conditions which, had they been part of the initial procurement procedure, would have allowed for the admission of other candidates than those initially selected. This is because the specification, terms and conditions of contract, and pricing will not materially change and where change is required it will only be minor.

i. The Authority considers that the modification would not have allowed for the acceptance of a tender other than that originally accepted, because the specification, terms and conditions of contract, and pricing will not materially change and where change is required it will only be minor.

ii. The authority considers that the modification would not have attracted additional participants in the procurement procedure, as the specification, terms and conditions of contract, and pricing will not materially change and where change is required it will only be minor. We do not consider that the additional 2-year contract duration would have attracted additional participants.

iii. The modification does not change the economic balance of the contract in favour of the contractor.

c) The authority does not consider that the modification extends the scope of the contract considerably, as the specification will not materially change and where change is required it will only be minor.

d) The contract will continue to be performed by the supplier originally awarded the contract.

VII.2.3) Increase in price

Updated total contract value before the modifications (taking into account possible earlier contract modifications, price adaptations and average inflation)

Value excluding VAT: £400,000,000

Total contract value after the modifications

Value excluding VAT: £400,000,000