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Planning

Oldham Green New Deal Partnership (GNDP)

Oldham Metropolitan Borough Council

UK2: Preliminary market engagement notice - Procurement Act 2023 - <u>view information</u> <u>about notice types</u>

Notice identifier: 2025/S 000-017011

Procurement identifier (OCID): ocds-h6vhtk-05078f

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Scope

Reference

DN748209

Description

Oldham Council ("the Council") is conducting preliminary market engagement in respect of the Oldham Green New Deal Partnership ("the Project"): The Council is seeking to develop a long-term energy / decarbonisation partnership for the local authority area with a Strategic Delivery Partner. The Strategic Delivery Partner will work in collaboration with the Council, key stakeholders and organisations across the borough to bring about the transformation and decarbonisation of Oldham's energy infrastructure. The Strategic Partnership will facilitate Oldham's transformation to net zero whilst improving the wellbeing of Oldham's local communities.

The Council and Strategic Delivery Partner shall work together to originate, define,

develop, finance, deliver and operate a broad range of decarbonisation projects and initiatives across Oldham. The Strategic Delivery Partner is expected to leverage its expertise, experience, capacity and capabilities to innovate and generate holistic and deliverable energy solutions.

The Strategic Partnership's key anchor project will be the Town Centre Heat Network including the existing St Mary's scheme, which will serve as the foundation for a regional Heat Network. The Project is supported by, and is a key element of, the DESNZ / GMCA Local Net Zero Accelerator programme and the Council has additionally secured an £8.87 million grant from the Green Heat Network Fund to support the Oldham Town Centre heat network project, with plans for future expansion under the Advanced Zoning Programme.

This is an exciting opportunity to develop a long-term partnership to take forward a range of schemes over the years to come, joining a unique eco-system of public, private and community organisations for positive environmental, social and economic change and to make a significant impact on a key borough in Greater Manchester.

The Market Engagement Pack (available free of charge through The Chest/Proactis) contains a number of attachments including the Project's 'Project Information Document' which provides a thorough overview of the Joint Venture Partnership and the opportunities it presents.

The Partnership is expected to be for an initial term of 15 years with options to extend in 5 year increments up to 25 years.

The value of the contract has been estimated according to the potential total future revenues from opportunities arising from the contract. Although the contract has a maximum term of 25 years, it is expected that projects arising from the contract may have lifetimes of up to 40 years (for example in the case of heat networks) and so the contract value has been calculated on this basis. Factors considered include the ratio of required capital investment to revenue for different energy technology types, proportion of domestic v commercial customers, and deliverability factors in terms of the expected proportion of projects currently identified at a high level which are deliverable in reality.

Taking into account all of the above factors, the estimated contract value is estimated at between £2.2bn (excl VAT) / £2.62bn (incl VAT) and £3.2bn (excl VAT) / £3.8bn (incl VAT). As set out above, this is over a period of up to 40 years which is the expected maximum lifetime of projects arising from the contract. The estimated value cannot be guaranteed, and so should not be relied upon by interested parties which might subsequently choose to pursue this procurement opportunity in making their bid/no-bid decision. Any interested party should make their own independent commercial enquires, estimates, judgements and decisions associated with this Project.

The planned procurement will be a 'mixed procurement', and the Council envisages the

lead CPV code being 71314000 Energy and Related Services. The set-up options for this UK2 Preliminary Market Engagement Notice have not enabled the distinct selection of a 'lead' CPV code, and therefore the Energy and Related Services code is captured under the hierarchy of the higher level Engineering Services code.

Conflicts of interest: The Council will take all reasonable steps to identify and mitigate any conflicts of interest or potential conflicts of interest. Details are contained in the market engagement pack and a conflicts assessment in relation to the procurement is underway.

Previous market engagement: The Council has previously conducted market engagement (dating back to 2022) in respect of its ambitions for the heat network and to form a Green New Deal Partnership, seeking feedback for the high-level concept of a partnership. The Council intends for this round of market engagement to be its last before proceeding to a substantive procurement process to select its Strategic Delivery Partner. The Council's requirements have been developed considerably since its previous market engagement consultations. The Council has also appointed Ernst and Young as its Independent Assurance Provider. This (Chest project reference DN748209) is a brand-new market engagement exercise, fully independent of and separate to any previous market engagement exercise conducted by the Council. Responses to this market engagement exercise are most welcome and encouraged from both newly interested suppliers and any supplier which has previously engaged with the Council in its previous market engagement exercises.

The Council reserves the right not to commence any formal procurement process, discontinue any procurement it commences and not to award any contract(s). It also reserves the right at its absolute discretion to amend the information stated in this notice at any time.

Total value (estimated)

- £3,200,000,000 excluding VAT
- £3,800,000,000 including VAT

Above the relevant threshold

Contract dates (estimated)

25 January 2027 to 24 January 2042

- Possible extension to 24 January 2052
- 25 years

Main procurement category

Services

CPV classifications

- 09000000 Petroleum products, fuel, electricity and other sources of energy
- 31000000 Electrical machinery, apparatus, equipment and consumables; lighting
- 39715000 Water heaters and heating for buildings; plumbing equipment
- 42000000 Industrial machinery
- 44000000 Construction structures and materials; auxiliary products to construction (except electric apparatus)
- 45000000 Construction work
- 50700000 Repair and maintenance services of building installations
- 65000000 Public utilities
- 66114000 Financial leasing services
- 66122000 Corporate finance and venture capital services
- 71300000 Engineering services
- 71500000 Construction-related services
- 79100000 Legal services
- 79400000 Business and management consultancy and related services
- 79900000 Miscellaneous business and business-related services

90700000 - Environmental services

Contract locations

UKD - North West (England)

Engagement

Engagement deadline

23 May 2025

Engagement process description

The primary objectives of this market engagement exercise are; to share information in relation to the Project and the planned tender opportunity; to obtain feedback from potential suppliers/the market, and to enable potential suppliers to network with other organisations who may be interested in forming a consortium or otherwise.

The planned stages for the Council's market engagement are:

Stage 1 - An online Supplier Engagement Session will be held on Zoom Thursday 8th May 2025 at 09.00 and will last up to 3 hours. The session will allow for questions and answers.

THE MARKET ENGAGEMENT PACK CONTAINS FULL DETAILS. Attendance is recommended but not mandatory. The session slides and any recording will be published after the session via The Chest. Registration is required to facilitate admission. There is no registration deadline.

The link to register is:

https://ey.zoom.us/webinar/register/WN_Mxsy54waRO-gKU-5QT75aw#/registration

Once registration is complete, an automatic email will be triggered providing suppliers with

all the necessary information to join the session on the day.

Building local community wealth, delivering social value, and fostering local economic growth is one of the Strategic Partnership aims, and the Council aims to support and, as best possible, facilitate timely business-to-business networking opportunities and market-capacity building opportunities linked to this Project opportunity. This is one of the Council's primary objectives for its market engagement (referred to in Section 3.2 Objectives of the Council's Market Engagement Document). In furtherance of this aim, the Council hopes suppliers are open to sharing their contact information: As part of the registration process you will be asked if you are willing to allow the Council to share your company contact details with other organisations which access the Project opportunity through The Chest and Green Economy (https://www.greeneconomy.co.uk). You will be asked to proactively opt-in to authorise the sharing of your data. If you do not opt-in your data will not be shared.

Stage 2 - Written responses to the market engagement pack are invited: Suppliers are asked to submit through The Chest; written responses to a number of questions detailed in the Market Engagement Pack (Appendix 2) by the deadline stated within this notice (Friday 23rd May 2025 @ 13.00). Written responses are not mandatory nor are they a prerequisite for accessing future procurement documents.

Stage 3 - Follow Up Discussions: Following the receipt and consideration of all written responses to the market engagement exercise, the Council may issue a written request for clarification to a respondent or invite a respondent to take part in a one-to-one discussion around their Appendix 2 responses via MS Teams. The Council intends that only those organisations which submit a substantial written response to Appendix 2 will be considered for one-to-one discussions.

For the avoidance of doubt, organisations which do not participate in the market engagement stages will not be excluded from or disadvantaged in any future procurement process.

How to obtain and submit documents:

The Council's uses The Chest e-tendering system https://www.the-chest.org.uk/

The market engagement pack is available free of charge via The Chest. Responses to the market engagement must be returned, and any clarifications/questions raised, through this same system.

The market engagement pack contains full instructions for participation, details of the Project opportunity, indicative procurement timeline and process, and a set of questions to respond to. Please allow sufficient time before the submission deadline to upload and submit your response through The Chest.

Help and Support - Proactis/The Chest: In the event that suppliers require assistance with the use of or access to the Council's e-tendering portal, please go to https://www.the-chest.org.uk/SupplierSupport.html. Here there will be a hyperlink to log issues or 'submit a ticket' for ProContract V3.

Alternatively, calls can be logged by emailing ProContractSuppliers@proactis.com and a representative will contact you as soon as possible.

For critical and time-sensitive issues (normally requiring resolution within 60 minutes) then please call 0330 005 0352. This telephone number is attended 09.00 - 17.30 Monday to Friday.

Submission

Publication date of tender notice (estimated)

2 September 2025

Contracting authority

Oldham Metropolitan Borough Council

Public Procurement Organisation Number: PMRJ-8362-DVNT

Spindles Shopping Centre, West Street

Oldham

OL1 1HD

United Kingdom

Email: commercial.procurementunit@oldham.gov.uk

Region: UKD37 - Greater Manchester North East

Organisation type: Public authority - sub-central government

Other organisations

These organisations are carrying out the procurement, or part of it, on behalf of the contracting authorities.

ERNST & YOUNG LLP

Summary of their role in this procurement: Independent Assurance Provider

• Companies House: OC300001

• Public Procurement Organisation Number: PMLW-7292-ZXTL

1 More London Place

London

SE1 2AF

United Kingdom

Email: eytenders@uk.ey.com

Website: https://www.ey.com/en_uk

Region: UKI44 - Lewisham and Southwark

WOMBLE BOND DICKINSON (UK) LLP

Summary of their role in this procurement: Legal Advisors

• Companies House: OC317661

Public Procurement Organisation Number: PYBM-6288-WNYY

4 More London Riverside

London

SE1 1AU

United Kingdom

Email: bids@wbd-uk.com

Website: http://www.womblebonddickinson.com

Region: UKI44 - Lewisham and Southwark

BURO HAPPOLD LIMITED

Summary of their role in this procurement: Heat Network Consultants

• Companies House: 02049511

Public Procurement Organisation Number: PMYR-5199-WHTD

Camden Mill, 230 Lower Bristol Road

Bath

BA2 3DQ

United Kingdom

Email: projectleads@burohappold.com

Website: https://www.burohappold.com

Region: UKK12 - Bath and North East Somerset, North Somerset and South

Gloucestershire

Contact organisation

Contact Oldham Metropolitan Borough Council for any enquiries.