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Tender

Supply of Steel Rail and Ancillary Services

Network Rail Infrastructure Ltd

F05: Contract notice – utilities

Notice identifier: 2023/S 000-018419

Procurement identifier (OCID): ocds-h6vhtk-02ff89

Published 28 June 2023, 2:51pm

Section I: Contracting entity

I.1) Name and addresses

Network Rail Infrastructure Ltd

Waterloo General Offices

London

SE1 8SW

Contact

Garry Pyne - Sourcing Manager

Email

garry.pyne@networkrail.co.uk

Telephone

+44 7720513389

Country

United Kingdom

Region code

UKI - London

National registration number

2904587

Internet address(es)

Main address

www.networkrail.co.uk

Buyer's address

www.networkrail.bravosolution.co.uk

I.3) Communication

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

www.networkrail.bravosolution.co.uk

Additional information can be obtained from another address:

Network Rail Infrastructure Ltd

Quadrant MK, Elder Gate

Milton Keynes

MK9 1EN

Contact

Garry Pyne

Email

garry.pyne@networkrail.co.uk

Telephone

+44 7720513389

Country

United Kingdom

Region code

UKJ12 - Milton Keynes

Internet address(es)

Main address

www.networkrail.co.uk

Buyer's address

www.networkrail.bravosolution.co.uk

Tenders or requests to participate must be submitted electronically via

www.networkrail.bravosolution.co.uk

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

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

www.networkrail.bravosolution.co.uk

I.6) Main activity

Railway services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Supply of Steel Rail and Ancillary Services

Reference number

28680

II.1.2) Main CPV code

- 34946000 - Railway-track construction materials and supplies

II.1.3) Type of contract

Supplies

II.1.4) Short description

The Supply of Steel Rail and ancillary services to Network Rail (NR) for a period of up to 8 years. The scope for supply of steel rail within this notice includes the potential to include all of Network Rail and its subsidiaries, including but not limited to Network Rail Infrastructure Ltd and Network Rail High Speed and also to those organisations covered by our external business framework including Transport for Wales and as an occasional joint procurement with HS2 Ltd.

II.1.5) Estimated total value

Value excluding VAT: £648,582,000

II.1.6) Information about lots

This contract is divided into lots: Yes

Tenders may be submitted for all lots

Maximum number of lots that may be awarded to one tenderer: 6

II.2) Description

II.2.1) Title

Long Rail, Short Rail and Ancillary Services - Volume

Lot No

2a

II.2.2) Additional CPV code(s)

- 34946110 - Rails
- 45262680 - Welding
- 76300000 - Drilling services

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

Main site or place of performance

UK

II.2.4) Description of the procurement

Network Rail will appoint 1 Supplier. Long Rail - The Supplier shall provide rail in 108m or 216m rail lengths in 56E1 and 60E2 profiles and in both R260 grade and Premium grades. The Supplier shall provide the above with corrosion resistant coating as requested by Network Rail. The Supplier submitting the most advantageous tender in Lot 2(a) shall receive a minimum volume commitment of 65000 tonnes of Long Rail over 5 years. The Supplier shall be responsible for hauling Goods to Eastleigh, with Network Rail to provide shunting within Eastleigh.

Short Rail - The Supplier shall provide rail in lengths up to 36m in both 56E1 and 60E2 profiles and in both R260 grade and Premium grades. By exception, Network Rail may mini-compete the supply of 44m rail. The Supplier submitting the most advantageous tender in Lot 2a shall receive a minimum volume commitment of 13,000 tonnes of Short Rail over 5 years. The Supplier shall provide the above with corrosion resistant coating as requested by Network Rail.

The minimum order quantity shall be 1 rail.

Up to a Supplier-defined maximum, the Supplier shall fulfil standard (ie non-coated R260 grade) requirements, including any cutting and/or drilling requirements, within a 48 hour lead time.

The Supplier shall fulfil coated rail and premium requirements, including any cutting and/or drilling requirements, within a 70-calendar day lead time.

Title shall transfer to Network Rail once rail is loaded onto Network Rail-commissioned and provided rail or road haulage assets in Great Britain.

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: £199,485,000

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

Duration in months

60

This contract is subject to renewal

Yes

Description of renewals

The agreement may be extended by mutual agreement for a period of 2 years and then for a final 1 year period up to 30 September 2032.

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

Maximum number: 5

Objective criteria for choosing the limited number of candidates:

Stated in the Procurement Documents

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: Yes

Description of options

Option 1: Green Steel

The Buyer elects that the Supplier shall meet the following targets (and for the avoidance of doubt, such targets shall be elected independently of each other):

(a) by 1 January 2031 a percentage of the Goods being Green Steel; and

(b) by 1 January 2031 100% of the committed volume of goods in Lot 2a being green steel

(b) An incremental increase in call-off against committed volumes with a target of 50% being Green Steel by the end of the agreement at 30 September 2032.

Option 2: Closed Circular Economy

The Buyer elects (in its sole discretion) that to support continuity of supply of Green Steel, the Buyer may decide to sell scrap rail to the Supplier. All scrap rail is to be re-processed and not re-sold.

Option 3: Lot 2a only - Potential future operation and maintenance of the welding plant at Eastleigh.

Options may be exercised by the Buyer upon it giving at least six months written notice in accordance with the terms of the contract.

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

Network Rail reserves the right to increase the value/volume advertised of this lot within the realms of permitted modification rules but also in the case of insolvency of the supplier

made by direct award under Lot 1.

II.2) Description

II.2.1) Title

Lot 3 - Short Running Rail Package

Lot No

3

II.2.2) Additional CPV code(s)

- 34946110 - Rails
- 76300000 - Drilling services

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

Main site or place of performance

UK

II.2.4) Description of the procurement

Network Rail will appoint up to 4 Suppliers to a framework. The Supplier shall provide rail in lengths up to 44m in both 56E1 and 60E2 profiles and in both R260 grade and Premium grades. The Supplier shall provide the above with corrosion resistant coating as requested by Network Rail. The minimum order quantity shall be 1 rail. Up to a Supplier-defined maximum, the Supplier shall fulfil standard (ie non-coated R260 grade) requirements, including any cutting and/or drilling requirements, within a 48 hour lead time.

The Supplier shall fulfil coated rail and premium requirements, including any cutting and/or drilling requirements, within a 70-calendar day lead time

Rail is delivered onto Network Rail-commissioned road haulage/train in Great Britain. The Supplier submitting the most economically advantageous tender in Lot 3 shall receive a minimum volume commitment of 37,000t over the 5 year initial term.

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: £151,404,000

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

Duration in months

60

This contract is subject to renewal

Yes

Description of renewals

The agreement may be extended by mutual agreement for a period of 2 years and then for a final 1 year period up to 30 September 2032.

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

Maximum number: 5

Objective criteria for choosing the limited number of candidates:

As stated in the procurement documents

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: Yes

Description of options

Option 1: Green Steel

The Buyer elects that the Supplier shall meet the following targets (and for the avoidance of doubt, such targets shall be elected independently of each other):

(a) by 1 January 2031 a percentage of the Goods being Green Steel; and

(b) An incremental increase in call-off against committed volumes with a target of 50% being Green Steel by the end of the agreement at 30 September 2032.

The Buyer elects (in its sole discretion) that to support continuity of supply of Green Steel, the Buyer may decide to sell scrap rail to the Supplier. All scrap rail is to be re-processed and not re-sold.

Options may be exercised by the Buyer upon it giving at least six months written notice in accordance with the terms of the contract.

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) Description

II.2.1) Title

Lot 4 - Conductor Rail Package

Lot No

4

II.2.2) Additional CPV code(s)

- 34946210 - Current-conducting rails

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

Main site or place of performance

UK

II.2.4) Description of the procurement

Network Rail will appoint up to 4 Suppliers to a framework. The Supplier shall provide Conductor Rail in lengths of either 18.288m or 91.44m.

The minimum manufacturing batch call-off is 1,000 tonnes. The Supplier shall manufacture the batch within 90 calendar days of Network Rail request.

The batch will be utilised solely to fulfil Network Rail's requirements.

Following manufacture, and until consumption of the batch, the minimum order quantity shall be 1 rail.

The Supplier shall deliver Network Rail's 18.288m requirements within a 7 calendar day lead time. The Supplier shall deliver Network Rail's 91.44m requirements within a 30 calendar day lead time.

The Supplier shall hold the batch at its own expense and risk, for a maximum of 12 months.

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: £61,380,000

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

Duration in months

60

This contract is subject to renewal

Yes

Description of renewals

The agreement may be extended by mutual agreement for a period of 2 years and then for a final 1 year period up to 30 September 2032.

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

Maximum number: 5

Objective criteria for choosing the limited number of candidates:

As stated in the procurement documents.

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: Yes

Description of options

Option 1: Green Steel

The Buyer elects that the Supplier shall meet the following targets (and for the avoidance of doubt, such targets shall be elected independently of each other):

(a) by 1 January 2031 a percentage of the Goods being Green Steel; and

(b) An incremental increase in call-off against committed volumes with a target of 50% being Green Steel by the end of the agreement at 30 September 2032.

Option 2: Closed Circular Economy

The Buyer elects (in its sole discretion) that to support continuity of supply of Green Steel, the Buyer may decide to sell scrap rail to the Supplier. All scrap rail is to be re-processed and not re-sold.

Options may be exercised by the Buyer upon it giving at least six months written notice in accordance with the terms of the contract.

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) Description

II.2.1) Title

Lot 5 - Switch Rail Package

Lot No

5

II.2.2) Additional CPV code(s)

- 34946110 - Rails
- 34946220 - Switch blades, crossing frogs, point rods and crossing pieces

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

Main site or place of performance

United Kingdom or Mainland Europe

II.2.4) Description of the procurement

(54E1A1, 60E1A1 and 33C1)

Network Rail will appoint up to 4 Suppliers to a framework. The Supplier shall provide rail in lengths up to 36m. All profiles shall be provided in both R260 grade and Premium grades. The Supplier shall hold stock in Great Britain and also supply volume directly to S&C Manufacturers Supply Bases in continental Europe. Up to a Supplier-defined maximum, if calling off volume from stock within Great Britain, the minimum order quantity shall be 1 rail and the Supplier shall be able to fulfil Network Rail's requirements within a 24-hour lead time.

Up to a Supplier-defined maximum, if requiring delivery to S&C Manufacturers Supply Bases in continental Europe, the minimum order quantity shall be 1 rail and the Supplier shall be able to fulfil Network Rail's requirements within a 7 calendar day lead time.

Title shall transfer to Network Rail once rail is delivered either:

onto Network Rail-commissioned road haulage in Great Britain or to S&C Manufacturers Supply Bases based in continental Europe. Following call-off, the Supplier shall hold

capability to cut rail into defined lengths below 36m at a location in central England. Network Rail shall commit a The Supplier submitting the most economically advantageous tender in Lot 5 shall receive a minimum volume commitment of 8,500t over the initial term of the Agreement.

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: £34,782,000

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

Duration in months

60

This contract is subject to renewal

Yes

Description of renewals

The agreement may be extended by mutual agreement for a period of 2 years and then for a final 1 year period up to 30 September 2032.

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

Maximum number: 5

Objective criteria for choosing the limited number of candidates:

As stated in the procurement documents

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: Yes

Description of options

Option 1: Green Steel

The Buyer elects that the Supplier shall meet the following targets (and for the avoidance of doubt, such targets shall be elected independently of each other):

(a) by 1 January 2031 a percentage of the Goods being Green Steel; and

(b) An incremental increase in call-off against committed volumes with a target of 50% being Green Steel by the end of the agreement at 30 September 2032.

Option 2: Closed Circular Economy

The Buyer elects (in its sole discretion) that to support continuity of supply of Green Steel, the Buyer may decide to sell scrap rail to the Supplier. All scrap rail is to be re-processed and not re-sold.

Options may be exercised by the Buyer upon it giving at least six months written notice in accordance with the terms of the contract.

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) Description

II.2.1) Title

Lot 6 - Bullhead Rail Package

Lot No

6

II.2.2) Additional CPV code(s)

- 34946110 - Rails
- 76300000 - Drilling services

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

Main site or place of performance

United Kingdom or Mainland Europe

II.2.4) Description of the procurement

Network Rail will appoint up to 4 Suppliers to a framework. The Supplier shall provide Bullhead Rail 95 RBH in lengths of 18.288m.

The minimum manufacturing batch call-off is 800 tonnes. The Supplier shall manufacture the batch within 90 calendar days of Network Rail request.

The batch will be utilised solely to fulfil Network Rail's requirements.

Following manufacture, and until consumption of the batch, the minimum order quantity shall be 1 rail. Up to a supplier-defined maximum, the Supplier shall fulfil Network Rail's requirements within a 7 calendar day lead time.

The Supplier shall hold the batch at its own expense and risk, for a maximum of 12 months. Title shall transfer to Network Rail once rail is loaded onto Network Rail-commissioned Road haulage assets in Great Britain.

Services

Following call-off, the Supplier shall hold capability to deliver the following Services at a location in central England

Drilled and Cold Bolt Hole Expansion, with drilling at either or both ends of the rail.

Ability to cut rail into defined lengths below 18.288m.

Network Rail also has a requirement for Bullhead Rail to be delivered to the S&C Manufacturers Supply Bases in continental Europe (approximately 20t per annum).

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: £81,840,000

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

Duration in months

60

This contract is subject to renewal

Yes

Description of renewals

The agreement may be extended by mutual agreement for a period of 2 years and then for a final 1 year period up to 30 September 2032.

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

Maximum number: 5

Objective criteria for choosing the limited number of candidates:

As stated in the procurement documents

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: Yes

Description of options

Option 1: Green Steel

The Buyer elects that the Supplier shall meet the following targets (and for the avoidance of doubt, such targets shall be elected independently of each other):

(a) by 1 January 2031 a percentage of the Goods being Green Steel; and

(b) An incremental increase in call-off against committed volumes with a target of 50% being Green Steel by the end of the agreement at 30 September 2032.

Option 2: Closed Circular Economy

The Buyer elects (in its sole discretion) that to support continuity of supply of Green Steel, the Buyer may decide to sell scrap rail to the Supplier. All scrap rail is to be re-processed and not re-sold.

Options may be exercised by the Buyer upon it giving at least six months written notice in accordance with the terms of the contract.

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) Description

II.2.1) Title

Long Rail, Short Rail and Ancillary Services

Lot No

2b

II.2.2) Additional CPV code(s)

- 34946110 - Rails
- 45262680 - Welding
- 76300000 - Drilling services

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

Main site or place of performance

UK

II.2.4) Description of the procurement

Network Rail will appoint up to 4 Suppliers to a framework.

Long Rail - The Supplier shall provide rail in 108m or 216m rail lengths in 56E1 and 60E2 profiles and in both R260 grade and Premium grades. The Supplier shall provide the above with corrosion resistant coating as requested by Network Rail. The Supplier shall be responsible for hauling Goods to Eastleigh, with Network Rail to provide shunting within Eastleigh.

Short Rail - The Supplier shall provide rail in lengths up to 36m in both 56E1 and 60E2 profiles and in both R260 grade and Premium grades. By exception, Network Rail

may mini compete the supply of 44m rail. The Supplier shall provide the above with corrosion resistant coating as requested by Network Rail. The minimum order quantity shall be 1 rail.

Up to a Supplier-defined maximum, the Supplier shall fulfil standard (ie non-coated R260 grade) requirements, including any cutting and/or drilling requirements, within a 48 hour lead

time. The Supplier shall fulfil coated rail and premium requirements, including any cutting and/or

drilling requirements, within a 70-calendar day lead time. Title shall transfer to Network Rail once rail is loaded onto Network Rail-commissioned and provided rail or road haulage assets in Great Britain.

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: £119,691,000

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

Duration in months

60

This contract is subject to renewal

Yes

Description of renewals

The agreement may be extended by mutual agreement for a period of 2 years and then for a final 1 year period up to 30 September 2032.

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

Maximum number: 5

Objective criteria for choosing the limited number of candidates:

Stated in the Procurement Documents

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: Yes

Description of options

Option 1: Green Steel

The Buyer elects that the Supplier shall meet the following targets (and for the avoidance of doubt, such targets shall be elected independently of each other):

(a) by 1 January 2031 a percentage of the Goods being Green Steel; and

(b) An incremental increase in call-off against committed volumes with a target of 50%

being

Green Steel by the end of the agreement at 30 September 2032.

Option 2: Closed Circular Economy

The Buyer elects (in its sole discretion) that to support continuity of supply of Green Steel, the Buyer may decide to sell scrap rail to the Supplier. All scrap rail is to be re-processed and not re-sold.

Options may be exercised by the Buyer upon it giving at least six months written notice in accordance with the terms of the contract.

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

Network Rail reserves the ability to increase the value/volume advertised of this lot but only in the case of insolvency of the direct award made under Lot 1.

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

Please refer to the procurement documentation for further information.

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

Please refer to the procurement documentation for further information.

III.1.6) Deposits and guarantees required

Please refer to the procurement documentation for further information.

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

Please refer to the procurement documentation for further information.

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

Please refer to the procurement documentation for further information.

III.2) Conditions related to the contract

III.2.2) Contract performance conditions

Please refer to the procurement documentation for further information.

III.2.3) Information about staff responsible for the performance of the contract

Obligation to indicate the names and professional qualifications of the staff assigned to performing the contract

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Negotiated procedure with prior call for competition

IV.1.3) Information about a framework agreement or a dynamic purchasing system

The procurement involves the establishment of a framework agreement

Framework agreement with several operators

Envisaged maximum number of participants to the framework agreement: 21

IV.1.6) Information about electronic auction

An electronic auction will be used

Additional information about electronic auction

Network Rail reserves the right to use electronic reverse auctions for the purposes of mini-competitions if necessary. Full details will be provided in advance of electronic reverse auctions being used.

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: [2021/S 000-030738](#)

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

Date

7 August 2023

Local time

12:00pm

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

6 November 2023

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 October 2024

Section VI. Complementary information

VI.1) Information about recurrence

This is a recurrent procurement: Yes

Estimated timing for further notices to be published: 60 months

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

The scope for supply of steel rail within this notice includes the potential to include all of Network Rail and its subsidiaries, including but not limited to Network Rail Infrastructure Ltd and Network Rail High Speed and also to those organisations covered by our external business framework including Transport for Wales and as an occasional joint procurement with HS2 Ltd.

Network Rail intends to make a direct award of Lot 1, economic operators are referred to the VEAT notice published.

Network Rail reserves the right to flex volume commitments and related advertised value ranges between lots covered by this notice and the Veat Notice for Lot 1 in the circumstance described in the documentation at Schedule 11 Financial Difficulties.

VI.4) Procedures for review

VI.4.1) Review body

High Court

7 Rolls Building, Fetter Lane

London

EC4A 1NL

Telephone

+44 2079477501

Country

United Kingdom

Internet address

<https://www.judiciary.uk/courts-and-tribunals/high-court/>

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

Network Rail Infrastructure Ltd

C&P, 1st Floor, Loughton Building, Quadrant MK, Elder Gate

Milton Keynes

MK9 1EN

Email

garry.pyne@networkrail.co.uk

Telephone

+44 7720513389

Country

United Kingdom

Internet address

www.networkrail.co.uk