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Contract

Early Works for the Lower Thames Crossing - North Portal and Tunnelling Spoil Disposal

Highways England

F03: Contract award notice

Notice identifier: 2021/S 000-018829

Procurement identifier (OCID): ocds-h6vhtk-02d0fb

Published 4 August 2021, 10:45pm

Section I: Contracting authority

I.1) Name and addresses

Highways England

Woodlands

BEDFORD

MK41 7LW

Contact

LTCProcurement@highwaysengland.co.uk

Email

LTCProcurement@highwaysengland.co.uk

Country

United Kingdom

NUTS code

UKJ - South East (England)

National registration number

9346363

Internet address(es)

Main address

<https://highwaysengland.co.uk/>

I.4) Type of the contracting authority

National or federal Agency/Office

I.5) Main activity

General public services

Section II: Object**II.1) Scope of the procurement****II.1.1) Title**

Early Works for the Lower Thames Crossing - North Portal and Tunnelling Spoil Disposal

II.1.2) Main CPV code

- 45221247 - Tunnelling works

II.1.3) Type of contract

Works

II.1.4) Short description

The Lower Thames Crossing project comprises of two bored tunnels beneath the River

Thames with interconnecting link roads to the M25, A13 and A2. At 16 metres in diameter, the tunnels will be some of the largest bored tunnels in the world. The crossing will feature three lanes in both directions with a maximum speed limit of 70mph.

At circa 2.4 miles each the tunnels will be the longest in the country. The tunnel's north portal site (the "North Portal") will be located on the north shore of the Thames east of the old Tilbury B Power station site and south of the Tilbury loop railway line. The north Portal structure and its approach ramp is to be constructed within a sizeable excavation. Approach roads to the North Portal construction continue at ground level north towards the proposed viaduct over the Tilbury loop railway line.

Highways England tested the market for interest by way of a PIN (2020/S 027-063332) ("PIN") and there was limited market interest and limited response rates to the PIN. All interested parties were invited to discuss their capabilities to provide the services described within this opportunity in a manner that is likely to be compliant with the proposed constraints of the Development Consent Order ("DCO") under a non-disclosure agreement. This process identified only one interested supplier who was able to demonstrate their capabilities and relevant skill and experience in performing the required services in a manner that was compliant with the likely obligations of the DCO. Highways England has therefore concluded that Ingrebourne Valley Limited ("IVL") are the only suitable supplier for receiving spoil arising from the North Portal and tunnels excavation and its subsequent disposal, and Highways England intend to award a contract to IVL for these services under Regulation 32(2)(b)(ii) of the Public Contracts Regulations 2015. Subsequently, a VEAT notice was issued (23/04/2021) informing the market of the Authorities intention to award directly to IVL the spoil disposal services (including any necessary early works the prepare the site for receipt of spoil prior to the DCO being granted). There were no challenges raised during the standstill period.

This contract award notice is in relation to the first of two contracts which together will cover the scope of the PIN. This notice relates to an award of a contract relating to an enabling works contract to allow site preparation necessary to prepare the site and to carry out the spoil disposal services to take place prior to the DCO being granted (this contract award (initial contract value of £572k with re-measurable items giving an outturn forecast of circa £1m). The second agreement relating to spoil disposal services shall be subject to a separate notice.

II.1.6) Information about lots

This contract is divided into lots: No

II.1.7) Total value of the procurement (excluding VAT)

Lowest offer: £571,582.50 / Highest offer: £1,000,000 taken into consideration

II.2) Description

II.2.2) Additional CPV code(s)

- 45112500 - Earthmoving work
- 45222110 - Waste disposal site construction work
- 90531000 - Landfill management services

II.2.3) Place of performance

NUTS codes

- UKJ - South East (England)

Main site or place of performance

Thurrock, Essex, UK

II.2.4) Description of the procurement

The Lower Thames Crossing project comprises of two bored tunnels beneath the River Thames with interconnecting link roads to the M25, A13 and A2. At 16 metres in diameter, the tunnels will be some of the largest bored tunnels in the world. The crossing will feature three lanes in both directions with a maximum speed limit of 70mph.

At circa 2.4 miles each the tunnels will be the longest in the country. The tunnel's north portal site (the "North Portal") will be located on the north shore of the Thames east of the old Tilbury B Power station site and south of the Tilbury loop railway line. The north Portal structure and its approach ramp is to be constructed within a sizeable excavation. Approach roads to the North Portal construction continue at ground level north towards the proposed viaduct over the Tilbury loop railway line.

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Highways England intend to award a contract to IVL for these services under Regulation 32(2)(b)(ii) of the Public Contracts Regulations 2015. Subsequently, a VEAT notice was issued (23/04/2021) informing the market of the Authorities intention to award directly to IVL the spoil disposal services (including any necessary early works the prepare the site for receipt of spoil prior to the DCO being granted). There were no challenges raised during the standstill period.

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II.2.5) Award criteria

Price

II.2.11) Information about options

Options: No

II.2.13) Information about European Union Funds

The procurement is related to a project and/or programme financed by European Union funds: No

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Award of a contract without prior publication of a call for competition in the cases listed below

- No tenders or no suitable tenders/requests to participate in response to open procedure
- The services can be provided only by a particular economic operator for the following reason:
 - absence of competition for technical reasons

Explanation:

The Authority considers that there are grounds to award a contract directly to IVL under Regulation

32(2)(b)(ii) of the Public Contract Regulations 2015 (“PCR”) on the basis that only IVL would be able to provide

the spoil disposal services. This is because competition is absent for technical reasons and no reasonable

alternative or substitute exists. There are constraints on access to the North Portal (due to third party land

rights), transportation of spoil from the North Portal site and there are expected to be a number of

environmental and/or other constraints on the transportation of spoil due to the DCO. Following market

testing, the Authority considers that IVL are the only contractor able to provide a technical solution to handle

and dispose of spoil arisings from the North Portal site within the expected access and environmental

constraints. IVL has demonstrated that it has the required capabilities to undertake the scope of services by

describing how it operates a spoil disposal facility and by demonstrating that it provides similar spoil

disposal services to other major projects in the London area and possesses the required licenses and capacity

to receive the required quantities of spoil arising from the Lower Thames Crossing tunnelling contract. Given

their operation at the North Portal site falls within the DCO planning area and is adjacent to the main works

area, IVL was also able to demonstrate how it would comply with the expected DCO constraints.

The Authority tested the market by publishing a PIN on 5 February 2020. The PIN advised the market that

there would be a call for competition in relation to this procurement and that all interested parties should

register their interest through the Authority's e-tendering portal by 13 March 2020. The PIN was also

advertised in the trade press, including the New Civil Engineer and GE Plus.

A total of eight (8) companies expressed an interest in the PIN, and all parties were invited to participate in a

one to one meeting with the Authority to identify whether the contractor could offer a credible technical

solution(s) to satisfy the scope requirements and associated constraints of the procurement under a signed

non-disclosure agreement. Only IVL accepted an offer of a one to one follow up meeting with the Authority

arranged through Bravo. No other supplier responded to Highways England or engaged in detailed dialogue

with the Authority, despite the Authority offering an extension to the deadline to express an interest in

participating in a one to one meeting. The fact that no other contractor engaged in dialogue with Highways

England indicates that no reasonable alternative or substitute contractor with appetite exists and that IVL is

the only contractor which has the technical capability and appetite to deliver the scope of services in

accordance with the Authority's access and environmental requirements. Furthermore, IVL highlighted they

were the only supplier with the required licenses at the site location which are needed for undertaking some

of the services required under this procurement.

The issue of the VEAT notice notified the market of the proposed direct award to IVL via a negotiated

procedure and no challenges were received.

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: [2020/S 027-063332](#)

Section V. Award of contract

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

14 July 2021

V.2.2) Information about tenders

Number of tenders received: 1

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

V.2.3) Name and address of the contractor

Ingrebourne Valley Limited

Cecil House

Harlow, Essex

CM17 9HY

Country

United Kingdom

NUTS code

- UKJ - South East (England)

The contractor is an SME

Yes

V.2.4) Information on value of contract/lot (excluding VAT)

Lowest offer: £571,582.50 / Highest offer: £1,000,000 taken into consideration

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

Highways England

Woodlands, Manton Lane

Bedford

MK41 7LW

Email

LTCprocurement@highwaysengland.co.uk

Country

United Kingdom