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Future opportunity

Birmingham Highways Maintenance and Management Sub-contract

BIRMINGHAM HIGHWAYS LIMITED

F01: Prior information notice

Prior information only

Notice reference: 2021/S 000-025433

Published: 12 October 2021, 10:28am

Section I: Contracting authority

I.1) Name and addresses

BIRMINGHAM HIGHWAYS LIMITED

Unit G1 Ash Tree Court, Nottingham Business Park

NOTTINGHAM

NG86PY

Contact

Michael Murray

Email

mmurray@equitix.co.uk

Telephone

+44 7710057497

Country

United Kingdom

NUTS code

UKG31 - Birmingham

Internet address(es)

Main address

<https://eqmanserv.sharepoint.com/:f:/s/ABH/EodJuWniqKZNiyBRVF7OokUBd9F5co9pB92yuenWTfkliq?e=CH14ku>

I.3) Communication

Additional information can be obtained from the above-mentioned address

I.4) Type of the contracting authority

Other type

Main Contractor

I.5) Main activity

Housing and community amenities

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

Birmingham Highways Maintenance and Management Sub-contract

II.1.2) Main CPV code

- 45233139 - Highway maintenance work

II.1.3) Type of contract

Works

II.1.4) Short description

BHL is intending to commence a competitive procurement process to appoint a new sub-contractor that will carry out the operation, rehabilitation and maintenance of the Birmingham highway infrastructure until the expiry of the PFI contract in June 2035. To ensure there is no interruption to the provision of the highway services pending the appointment of a new sub-contractor BHL intends to extend the interim arrangements with Kier until [August 2023]. As part of the extension arrangements it is proposed that Kier will carry out certain highway services in relation to the Commonwealth Games that are being held in Birmingham in 2022.

Subject to the relevant approvals being obtained it is estimated that the contract notice for the new sub-contract will be issued in January 2022. The total value of the new sub-contract is estimated to be in the range of £1.1bn - £1.2bn real terms GBP (excluding VAT).

II.1.5) Estimated total value

Value excluding VAT: £1,150,000,000

II.1.6) Information about lots

This contract is divided into lots: No

II.2) Description

II.2.3) Place of performance

NUTS codes

- UKG31 - Birmingham

II.2.4) Description of the procurement

On 6 May 2010, following an EU regulated procurement process, Birmingham Highways Limited (BHL, formerly Amey Birmingham Highways Limited) was awarded a 25 year PFI contract by Birmingham City Council for the operation, rehabilitation and maintenance of the highway infrastructure in Birmingham.

At the time of contract award BHL entered into a sub-contract with Amey LG Limited (ALG)

to deliver the project. After a restructuring of the project the sub-contract with ALG terminated on 31 March 2020 and, following a competitive procurement process, Kier Highways Limited (Kier) was appointed from 1 April 2020 to carry out the highway services on an interim basis.

BHL is intending to commence a competitive procurement process to appoint a new sub-contractor that will carry out the operation, rehabilitation and maintenance of the Birmingham highway infrastructure until the expiry of the PFI contract in June 2035. To ensure there is no interruption to the provision of the highway services pending the appointment of a new sub-contractor BHL intends to extend the interim arrangements with Kier until [August 2023]. As part of the extension arrangements it is proposed that Kier will carry out certain highway services in relation to the Commonwealth Games that are being held in Birmingham in 2022.

Subject to the relevant approvals being obtained it is estimated that the contract notice for the new sub-contract will be issued in January 2022. The total value of the new sub-contract is estimated to be in the range of £1.1bn - £1.2bn real terms GBP (excluding VAT).

Prior to the commencing the procurement process for the new sub-contract BHL proposes to engage with interested parties in order that it gains a better understanding of market capacity. An information memorandum providing further information explaining the market engagement process is available free of charge from the URL set out above.

The importance of the procurement of the new sub-contractor for the ongoing delivery of the highway services means that representatives of Birmingham City Council will also be involved in the market engagement and the procurement by BHL.

If you would like to take part in the market testing exercise or wish to express interest in taking part in the ensuing procurement process, please contact Michael Murray at mmurray@equitix.co.uk.

Please note that taking part in the market testing exercise is not a pre-condition to participating in the procurement for the long-term subcontract.

II.3) Estimated date of publication of contract notice

31 January 2022

Section IV. Procedure

IV.1) Description

IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: No