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Contract

## **Renewable Heat Services-2023-SER051**

The Highland Council

F03: Contract award notice

Notice identifier: 2023/S 000-026011

Procurement identifier (OCID): ocds-h6vhtk-02c717

Published 4 September 2023, 10:35am

### **Section I: Contracting authority**

#### **I.1) Name and addresses**

The Highland Council

Council Headquarters, Glenurquhart Road

Inverness

IV3 5NX

#### **Contact**

Scott Henderson

#### **Email**

[contracts.team@highland.gov.uk](mailto:contracts.team@highland.gov.uk)

#### **Telephone**

+44 1463702979

#### **Country**

United Kingdom

**NUTS code**

UKM6 - Highlands and Islands

**Internet address(es)**

Main address

<http://www.highland.gov.uk/>

Buyer's address

[https://www.publiccontractsscotland.gov.uk/search/Search\\_AuthProfile.aspx?ID=AA00045](https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA00045)

**I.2) Information about joint procurement**

The contract is awarded by a central purchasing body

**I.4) Type of the contracting authority**

Regional or local authority

**I.5) Main activity**

General public services

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## **Section II: Object**

### **II.1) Scope of the procurement**

#### **II.1.1) Title**

Renewable Heat Services-2023-SER051

Reference number

HC/P&H/SER051/2023

#### **II.1.2) Main CPV code**

- 50000000 - Repair and maintenance services

#### **II.1.3) Type of contract**

Services

#### **II.1.4) Short description**

The Authority wishes to appoint one Contractor submitting the Most Economically Advantageous Tender (MEAT), to manage, operate and maintain renewable heat and associated services across the estate.

The Contractor will be required to undertake the management of heat provision, which will include fuel delivery and supply, management and undertaking of the servicing, maintenance and repair of biomass plant, and associated equipment, including fuel storage facilities, ancillary equipment and plant controls.

The contract specifically excludes the building heating system such as pipework and heaters and the Authority's Housing stock which is specifically excluded from the scope of the requirements described.

The Contract shall commence on 06 September 2023 and will endure until 05 September 2026, with the option of multiple extensions to be extended by up to thirty-six (36) months, subject to mutual agreement. The option of multiple extensions may be exercised by the Authority giving written notice to the Contractor to that effect, not less than three (3) months before the contract would otherwise expire.

The estimated annual value (based on historical data of approximately 35,000,000kWh heat consumption across the estate) is 5,800,000.00 GBP. Please note these are estimated and for guidance purposes only.

Tenderers should note and consider the background of market conditions and decreasing public sector budgets and the need to target and achieve budgetary pressures against the current annual costs experienced by the Council for the Services provided by this Contract.

#### **II.1.6) Information about lots**

This contract is divided into lots: No

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

Value excluding VAT: £28,701,093.18

### **II.2) Description**

#### **II.2.3) Place of performance**

NUTS codes

- UKM6 - Highlands and Islands

Main site or place of performance

Covers Highland Council Area

#### **II.2.4) Description of the procurement**

The Authority wishes to appoint one Contractor submitting the Most Economically Advantageous Tender (MEAT), to manage, operate and maintain renewable heat and associated services across the estate.

The Contractor will be required to undertake the management of heat provision, which will include fuel delivery and supply, management and undertaking of the servicing, maintenance and repair of biomass plant, and associated equipment, including fuel storage facilities, ancillary equipment and plant controls.

The contract specifically excludes the building heating system such as pipework and heaters and the Authority's Housing stock which is specifically excluded from the scope of the requirements described.

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Tenderers should note and consider the background of market conditions and decreasing public sector budgets and the need to target and achieve budgetary pressures against the current annual costs experienced by the Council for the Services provided by this Contract.

### **II.2.5) Award criteria**

Quality criterion - Name: Quality / Weighting: 70

Price - Weighting: 30

### **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

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## **Section IV. Procedure**

### **IV.1) Description**

#### **IV.1.1) Type of procedure**

Open procedure

#### **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: [2023/S 000-016800](#)

## **Section V. Award of contract**

### **Contract No**

SER051

A contract/lot is awarded: Yes

### **V.2) Award of contract**

#### **V.2.1) Date of conclusion of the contract**

28 August 2023

#### **V.2.2) Information about tenders**

Number of tenders received: 5

Number of tenders received from SMEs: 5

Number of tenders received from tenderers from other EU Member States: 0

Number of tenders received from tenderers from non-EU Member States: 5

Number of tenders received by electronic means: 5

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

#### **V.2.3) Name and address of the contractor**

Alternative Heat Ltd.

Unit 18-19 Scarva Road Industrial Estate

Banbridge

BT32 3QD

Telephone

+44 2843770700

Fax

+44 2843778404

Country

United Kingdom

NUTS code

- UK - United Kingdom

Internet address

<https://www.alternativeheat.co.uk/>

The contractor is an SME

Yes

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

Total value of the contract/lot: £28,701,093.18

#### **V.2.5) Information about subcontracting**

The contract is likely to be subcontracted

Value or proportion likely to be subcontracted to third parties

Value excluding VAT: £2,560,000

Short description of the part of the contract to be subcontracted

The supply of wood pellets shall be subcontracted on this contract. Various support maintenance services shall also be subcontracted

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## **Section VI. Complementary information**

### **VI.3) Additional information**

(SC Ref:743563)

### **VI.4) Procedures for review**

#### **VI.4.1) Review body**

Inverness Sheriff Court and Justice of the Peace Court

The Inverness Justice Centre, Longman Road

Inverness

IV1 1AH

Email

[inverness@scotcourts.gov.uk](mailto:inverness@scotcourts.gov.uk)

Telephone

+44 1463230782

Country

United Kingdom

Internet address

<https://www.scotcourts.gov.uk/the-courts/court-locations/inverness-sheriff-court-and-justice-of-the-peace-court>