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Tender

Southern Integrated Delivery (SID)

Network Rail Infrastructure Ltd

F05: Contract notice – utilities

Notice identifier: 2021/S 000-027900

Procurement identifier (OCID): ocds-h6vhtk-02f469

Published 5 November 2021, 10:45pm

Section I: Contracting entity

I.1) Name and addresses

Network Rail Infrastructure Ltd

1 Eversholt Street

London

NW1 2DN

Email

SouthernCP7Delivery@NetworkRail.co.uk

Telephone

+44 7701060358

Country

United Kingdom

NUTS code

UKJ - South East (England)

Internet address(es)

Main address

<http://www.networkrail.co.uk/>

Buyer's address

<http://www.networkrail.co.uk/>

I.2) Information about joint procurement

The contract is awarded by a central purchasing body

I.3) Communication

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

<https://networkrail.bravosolution.co.uk/esop/guest/go/opportunity/detail?opportunityId=52345>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://networkrail.bravosolution.co.uk/>

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

I.6) Main activity

Railway services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Southern Integrated Delivery (SID)

II.1.2) Main CPV code

- 45000000 - Construction work

II.1.3) Type of contract

Works

II.1.4) Short description

Network Rail intends to establish a value driven, collaborative integrated relationship that will deliver our Control Period 7 (CP7) and potentially CP8 renewals portfolio. Network Rail Southern Region is seeking to achieve a step change in the way renewals are delivered on its network, making the most of modern methods of working and technology, collaboration and relationship focused contracting, and a portfolio focus to achieve the objectives of the Strategic Business Plan (SBP). Southern Integrated Delivery (SID) will be a fully integrated team based on 'Project 13' principles comprising all categories of railway assets: Signalling & Telecoms, Track, Buildings & Civils (B&C), Electrification and Plant (E&P) and Minor Works (Network Rail).

The SID will bring together the strengths, capabilities, and knowledge of the supply chain and Network Rail and the scope is expected to include some or all the following items: development, design, manufacture, supply, installation, integration, testing and commissioning of the Southern renewals work bank. These works will be undertaken on Kent, Sussex and Wessex routes, and will primarily be focussed on the delivery of the renewals portfolio, however options will be included to enable enhancements also to be delivered, subject to capacity and where the SID is considered the optimum procurement route.

The establishment of the SID will be undertaken in tranches, the first of which pertaining to this notice is for the procurement of a Buildings & Civils and an Electrification & Plant Business Partner.

II.1.5) Estimated total value

Value excluding VAT: £5,300,000,000

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: 1

II.2) Description

II.2.1) Title

Lot 1: Buildings & Civils

Lot No

1

II.2.2) Additional CPV code(s)

- 45200000 - Works for complete or part construction and civil engineering work
- 45210000 - Building construction work
- 45234100 - Railway construction works
- 50700000 - Repair and maintenance services of building installations
- 51000000 - Installation services (except software)
- 71000000 - Architectural, construction, engineering and inspection services
- 71300000 - Engineering services
- 71311230 - Railway engineering services
- 71500000 - Construction-related services
- 79420000 - Management-related services

II.2.3) Place of performance

NUTS codes

- UKI - London
- UKJ - South East (England)

II.2.4) Description of the procurement

Management and Delivery of Building and Civils works on the Railway. These works will be undertaken within the Southern Region on Kent, Sussex and Wessex routes, and will primarily be focussed on the delivery of the renewals portfolio, however options will be included to enable enhancements also to be delivered, subject to capacity and where the SID is considered the optimum procurement route.

All appointed Business Partners within the SID will initially sign into a development phase agreement which is scheduled from December 2022 - April 2024. The main SID agreement will be 10 years in duration (April 2024 - March 2034) and will commence in Control Period 7 (CP7) with the inclusion of a break clause prior to the commencement of CP8. The options to enact the break clause for Control Period 8 (CP8) will be subject to performance at the time.

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: £4,300,000,000

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

Duration in months

136

This contract is subject to renewal

No

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

Maximum number: 3

Objective criteria for choosing the limited number of candidates:

Applicants are referred to the procurement documents for further information on Network Rail's criteria for selecting applicants to be invited to tender; pre-qualification will take place in two stages:

- 1) written questions followed by;
- 2) an on-site assessment and interviews focusing on health, safety, behaviours and collaboration.

Network Rail intends to select three (3) applicants to the invitation to tender stage, provided each applicant satisfies the pre-qualification requirements (including minimum scoring thresholds set out in the pre-qualification instructions).

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: Yes

Description of options

The option to enact the break clause for Control Period 8 (CP8) will be subject to performance at the time. In addition, detail of any options on which Network Rail may wish to call will be set out in the Invitation to Tender.

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 2 - Electrification & Plant

Lot No

2

II.2.2) Additional CPV code(s)

- 45200000 - Works for complete or part construction and civil engineering work
- 45210000 - Building construction work
- 45232220 - Substation construction work
- 45232221 - Transformer substation
- 45234100 - Railway construction works
- 45310000 - Electrical installation work
- 45315100 - Electrical engineering installation works
- 45317000 - Other electrical installation work
- 50532000 - Repair and maintenance services of electrical machinery, apparatus and associated equipment
- 50700000 - Repair and maintenance services of building installations
- 51000000 - Installation services (except software)
- 71000000 - Architectural, construction, engineering and inspection services
- 71300000 - Engineering services
- 71311230 - Railway engineering services
- 71500000 - Construction-related services
- 79420000 - Management-related services

II.2.3) Place of performance

NUTS codes

- UKI - London
- UKJ - South East (England)

II.2.4) Description of the procurement

Management and Delivery of Electrification and Plant works on the Railway. These works will be undertaken within the Southern Region on Kent, Sussex and Wessex routes, and will primarily be focussed on the delivery of the renewals portfolio, however options will be

included to enable enhancements also to be delivered, subject to capacity and where the SID is considered the optimum procurement route.

All appointed Business Partners within the SID will initially sign into a development phase agreement which is scheduled from December 2022 - April 2024. The main SID agreement will be 10 years in duration (April 2024 - March 2034) and will commence in Control Period 7 (CP7) with the inclusion of a break clause prior to the commencement of CP8. The options to enact the break clause for Control Period 8 (CP8) will be subject to performance at the time.

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: £1,000,000,000

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

Duration in months

136

This contract is subject to renewal

No

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

Maximum number: 3

Objective criteria for choosing the limited number of candidates:

Applicants are referred to the procurement documents for further information on Network Rail's criteria for selecting applicants to be invited to tender; pre-qualification will take place in two stages:

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II.2.10) Information about variants

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Options: Yes

Description of options

The option to enact the break clause for Control Period 8 (CP8) will be subject to performance at the time. In addition, detail of any options on which Network Rail may wish to call will be set out in the Invitation to Tender

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 III. Legal, economic, financial and technical information

III.1) Conditions for participation

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

Applicants are referred to the procurement documents for information about Network Rail's rules and criteria for participation.

III.1.6) Deposits and guarantees required

A Bond / Parent Company Guarantee may be required.

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

The main financing conditions, payment mechanism, performance standards and incentive mechanism are described in the procurement documents. The draft procurement documents are available via our electronic procurement system (BravoNR) and tender documents will be updated prior to the formal issue of the invitation to tender. The form of the contract governing these arrangements will be based on an amended version of the NR21.

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

Network Rail will accept pre-qualification and tender submissions from single entities or consortia. Network Rail does not require those consortia who intend to form a single legal entity to do so at the pre-qualification stage, however this shall be required at the point of contract award.

If consortia members change at any point during the procurement process, Network Rail reserves the right to revisit the pre-qualification stages to consider the impact of the updated information.

III.2) Conditions related to the contract

III.2.2) Contract performance conditions

Applicants are referred to the procurement documents for further information.

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Negotiated procedure with prior call for competition

IV.1.4) Information about reduction of the number of solutions or tenders during negotiation or dialogue

Recourse to staged procedure to gradually reduce the number of solutions to be discussed or tenders to be negotiated

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

Date

6 December 2021

Local time

12:00pm

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

14 March 2022

IV.2.4) Languages in which tenders or requests to participate may be submitted

English

Section VI. Complementary information

VI.1) Information about recurrence

This is a recurrent procurement: Yes

Estimated timing for further notices to be published: 2029 - 2034

VI.3) Additional information

The procurement documents are available via the link in Section I.3. These include the Instructions to Participants (which include general instructions, pre-qualification instructions and draft instructions to tender), information on scope, and the draft terms and conditions.

A web-link to the market briefing event held on 01.11.2021 is also included in the document pack. Applicants are required to complete and submit one pre-qualification questionnaire by the date set out in Section IV.2.2 in order to express an interest in this opportunity (pre-qualification stage 1) and be considered for pre-qualification stage 2 - further details are included in the Instructions to Participants.

This opportunity relates to the appointment of a Buildings & Civils and an Electrification & Plant (E&P) Business Partner to work alongside appointed Business Partners in Signalling & Telecoms, Track, and Minor Works (Network Rail Partner), referred to collectively as Southern Integrated Delivery (SID).

The SID will be responsible for managing the renewals portfolio across the Southern Region. All SID Partners will be commercially aligned and jointly incentivised. Each SID Partner will operate under their own Principal Contractor License and will undertake both Principal Designer and Principal Contractor obligations under CDM regulations.

Whilst Network Rail retains some understanding of the value of the CP7 Renewals portfolio, due to the way Enhancement schemes are funded, the value of Enhancements is purely indicative and subject to change. For the purposes of valuing this forthcoming opportunity, Network Rail has assumed that the volume of work delivered within CP8 is aligned with CP7 current estimates. Recognising these constraints, it is estimated that the total value of the SID may be in the region of £4.7 billion - £9.6 billion of which it is anticipated that Buildings and Civils constitutes 30% - 45%, Track 15% - 25%, Signalling & Telecoms 5% - 15%, Electrification and Plant 5% - 10% whilst Minor Works is estimated to constitute 20%- 30% of the overall estimated value. However, given the uncertainty over volumes and funding commitments, the overall value of this opportunity may vary and therefore may differ from this range.

Applicants will have the option to bid for both Lot 1 – Buildings & Civils and Lot 2 – Electrification & Plant. However, Network Rail intends to restrict the number of Lots an applicant may be awarded under this Procurement Event (and the number of roles) to a maximum of one.

This principle will also apply to the appointment of all future appointments to the SID; the number of places an economic operator is eligible to be awarded across Buildings & Civils, Electrification & Plant, Track and Signalling & Telecommunications will be restricted to one. This is because all Business partners under the SID will be party to the same contract and Network Rail does not consider that optimal operation of the SID will be achieved if an economic operator holds more than one of the key Partner roles.

Network Rail reserves the right to cancel or suspend this procurement process at any time without incurring any cost or liability. Network Rail shall not be liable for any costs or expenses incurred by any organisation in responding to this notice or in tendering for the proposed Contract. Network Rail does not bind itself to enter into any agreement arising from this Notice and no contractual rights express or implied arising out of this Notice or arise out of the procedure envisaged by this Notice.

Network Rail reserves the right to disqualify any organisation who provides information or confirmations which later prove to be untrue or incorrect, does not supply the information required by this Notice or as otherwise directed by Network Rail during the procurement process.

The procurement documents are available for unrestricted and full direct access, free of charge, at: <https://networkrail.bravosolution.co.uk/>

VI.4) Procedures for review

VI.4.1) Review body

The High Court

London

WC2A 1AA

Country

United Kingdom

VI.4.2) Body responsible for mediation procedures

The High Court

London

WC2A 1AA

Country

United Kingdom

VI.4.3) Review procedure

Precise information on deadline(s) for review procedures

Network Rail will incorporate a minimum 10 calendar day standstill period after notification to unsuccessful bidders and until such point will not enter into a contract for this requirement. Part 5 of the Utilities Contracts Regulations 2016 sets out the remedies available to economic operators and provides for aggrieved economic operators to take action in the High Court of England and Wales.