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Planning

Market Engagement Phase 2 - Hampshire Water Transfer and Water Recycling Project

Southern Water Services Ltd.

F04: Periodic indicative notice – utilities

Periodic indicative notice only

Notice identifier: 2022/S 000-031175

Procurement identifier (OCID): ocids-h6vhtk-031321

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Section I: Contracting entity

I.1) Name and addresses

Southern Water Services Ltd.

Southern House

Worthing

BN13 3NX

Contact

Charles Kirabo

Email

Charles.Kirabo@southernwater.co.uk

Telephone

+44 1903264444

Country

United Kingdom

Region code

UKJ - South East (England)

Internet address(es)

Main address

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

Buyer's address

<https://southernwater.bravosolution.co.uk/web/login.html>

I.3) Communication

Additional information can be obtained from 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

<https://southernwater.bravosolution.co.uk/web/login.html>

I.6) Main activity

Water

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Market Engagement Phase 2 - Hampshire Water Transfer and Water Recycling Project

II.1.2) Main CPV code

- 45000000 - Construction work

II.1.3) Type of contract

Works

II.1.4) Short description

Market Engagement - This is Phase 2 of an ongoing Market Engagement exercise. Southern Water is planning to deliver a construction project to provide long-term water supply resilience to Hampshire. It will include Tunnelling.

Southern Water will utilise a Competitively Appointed Provider (CAP) to deliver the project which is to be procured using Ofwat's new Direct Procurement for Customers (DPC) approach.

An initial Periodic Indicative Notice (2022/S 000-003206) was published in February 2022, inviting market views and setting out our proposed procurement and commercial approach. Southern Water is looking to continually test the market's interest for the Design, Build, Financing, Maintenance and Operation of the project.

Market Engagement will be over several phases over several months. Southern Water is keen to keep the market updated on progress as the project matures.

Southern Water will additionally provide a pre-read pack as part of this engagement and has also developed a list of questions relating to the information provided. Any answers provided to this Request for Information (RFI) will be valuable and will be used, where necessary, to inform and develop Southern Water's current understanding of the market and how we can best deliver value for money to our customers. The deadline for responding to this RFI is Friday 2nd December 2022.

As this is a follow up to previous engagements, and given our wish to cover commercial, technical and financial aspects relating to the Design, Build, Finance, Operation and

Maintenance of the Project, suppliers are encouraged to attend the one-to-one meetings with their potential partnering organisations.

II.1.5) Estimated total value

Value excluding VAT: £587,000,000

II.1.6) Information about lots

This contract is divided into lots: No

II.2) Description

II.2.2) Additional CPV code(s)

- 43123000 - Tunnelling machinery
- 43320000 - Construction equipment
- 43614000 - Parts of tunnelling machinery
- 44000000 - Construction structures and materials; auxiliary products to construction (except electric apparatus)
- 45200000 - Works for complete or part construction and civil engineering work
- 45221000 - Construction work for bridges and tunnels, shafts and subways
- 45221200 - Construction work for tunnels, shafts and subways
- 45221240 - Construction work for tunnels
- 45221247 - Tunnelling works
- 45231100 - General construction work for pipelines
- 45231300 - Construction work for water and sewage pipelines
- 45240000 - Construction work for water projects
- 45252126 - Drinking-water treatment plant construction work
- 45350000 - Mechanical installations

- 50000000 - Repair and maintenance services
- 63712320 - Tunnel operation services
- 65100000 - Water distribution and related services
- 65130000 - Operation of water supplies
- 65320000 - Operation of electrical installations
- 66100000 - Banking and investment services
- 66122000 - Corporate finance and venture capital services
- 71000000 - Architectural, construction, engineering and inspection services
- 71242000 - Project and design preparation, estimation of costs
- 71311300 - Infrastructure works consultancy services
- 71322000 - Engineering design services for the construction of civil engineering works
- 71330000 - Miscellaneous engineering services
- 71340000 - Integrated engineering services
- 71350000 - Engineering-related scientific and technical services
- 71500000 - Construction-related services
- 71540000 - Construction management services
- 71541000 - Construction project management services

II.2.3) Place of performance

NUTS codes

- UKJ - South East (England)

II.2.4) Description of the procurement

Hampshire faces water shortages due to climate change and growing population pressures. New water sources are necessary today and in the future to protect Hampshire's sensitive

chalk stream rivers and their delicate ecosystems, while maintaining vital water supplies for a growing population.

Southern Water's Water for Life Hampshire (WfLH) programme will create greater water resilience, especially during dry weather and drought. Several options for a solution are being explored. The current preferred option uses Water Recycling and Water Transfer methods. This will include an element of Tunnelling.

The CPV codes set out in this Periodic Indicative Notice (PIN) are included to give an indication of the likely scope of works and services. Southern Water does not guarantee that all activities referenced by the CPV codes will form part of any future contract notice(s), nor is the list exhaustive of all activities which may be included in any procurement process under this project.

Under a DPC model, Southern Water will competitively tender for a competitively appointed provider (CAP). Southern Water is carrying out several market engagement exercises to support this procurement.

As part of the programme outlined, Southern Water would like to gain market insight on a range of topics which are critical to the programme, including but not limited to Commercial, illustrative Design and Procurement. There will be an opportunity for suppliers to ask further questions prior to, during, and after the engagement sessions.

Market Engagement will take the form of a virtual 'Town Hall' session, at 2.30pm on Friday 9th December 2022, followed by a series of virtual one to one meetings in January/early February 2023 via Microsoft Teams.

As this is a follow up to previous engagements, and given our wish to cover Commercial, Technical and Financial aspects relating to the Design, Build, Finance, Operation and Maintenance of the Project, suppliers are strongly encouraged to attend the one-to-one meetings with their potential partnering organisations.

Southern Water is using an electronic tendering portal (BRAVO) which can be found at [https://](https://southernwater.bravosolution.co.uk/web/login.html)

southernwater.bravosolution.co.uk/web/login.html

If you would like to book a virtual one to one meeting slot or to attend the virtual "Town Hall" event, please register and log onto the portal to download further information on the programme and the registration details.

It is free to register on the portal, which can be accessed at any time of day. Should you have any problems registering on the portal, you should contact BRAVO by Email:

help@bravosolution.co.uk or

by phone 0800 069 8630

Further Market Engagement phases will be held throughout 2023 and perhaps into 2024. Consequently, suppliers who miss the December 2022 market engagement are nevertheless encouraged to contact Southern Water by emailing Charles.kirabo@southernwater.co.uk

II.2.14) Additional information

The project value is approximately £587m CAPEX however due to potential changes in scope that are currently being reviewed, the value of the project is likely to increase. Further details will be released in due course.

II.3) Estimated date of publication of contract notice

3 June 2024

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

IV.2) Administrative information

IV.2.1) Previous publication concerning this procedure

Notice number: [2022/S 000-003206](#)

Section VI. Complementary information

VI.3) Additional information

Please note that the material being supplied is confidential and not for public consumption or sharing unless we have previously published such information.

For the avoidance of doubt, the purpose of this PIN is to conduct a market testing exercise only, and will not formally begin the procurement nor constitute any commitment by Southern Water to undertake any procurement exercise nor form a commercial strategy in a particular form. Any follow-up discussions are solely for information and planning purposes. Southern Water is not liable for any costs, fees or expenses incurred by any party in replying to, participating in or attending any event in response to this PIN; all costs associated with responding to this pre-market consultation will be solely at the interested party's expense. Southern Water is reserving its position as to whether or not to undertake a procurement.

This communication does not constitute a Request for Proposal (RFP) or a promise to issue an RFP in the future. The communication and follow-up discussions do not commit Southern Water to contract for any supply or service whatsoever. Not responding to this pre-market consultation does not preclude participation in any future RFP or tender, if any is issued. Notes will be taken during any discussions, and SW reserves the right to share a general, anonymised summary of any feedback received to help with developing our plans. We may issue additional Requests for Information, organise further supplier engagement events, and engage in additional dialogue with potential suppliers as we continue to develop our plans. We may also issue further Periodic Indicative Notices (PINs) to launch further formal market engagement / consultation processes prior to formally issuing any RFP or tender.