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Award

## **Commercial Heating and Ventilation contract extension Contract**

Dacorum Borough Council

F15: Voluntary ex ante transparency notice

Notice identifier: 2025/S 000-031966

Procurement identifier (OCID): ocds-h6vhtk-0547c5

Published 12 June 2025, 2:27pm

### **Section I: Contracting authority/entity**

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

Dacorum Borough Council

The Forum, Marlowes

Hemel Hempstead

HP11DN

#### **Contact**

Sean Lally-Randall

#### **Email**

[sean.lally-randall@dacorum.gov.uk](mailto:sean.lally-randall@dacorum.gov.uk)

#### **Country**

United Kingdom

#### **Region code**

UKH23 - Hertfordshire

**Justification for not providing organisation identifier**

Not on any register

**Internet address(es)**

Main address

[www.dacorum.gov.uk](http://www.dacorum.gov.uk)

**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**

Commercial Heating and Ventilation contract extension Contract

**II.1.2) Main CPV code**

- 50720000 - Repair and maintenance services of central heating

**II.1.3) Type of contract**

Services

**II.1.4) Short description**

On June 30, 2015, Dacorum Borough Council ("Dacorum") entered a contract for an initial period of five-years with Orion Building Engineering Services Limited ("OBES") for Commercial Heating and Ventilation services (the "Contract"). The Contract included annual extensions up to ten years, contingent on supplier performance.

The Contract entails maintaining and installing commercial heating and ventilation systems for properties under the responsibility of Dacorum. It includes routine maintenance and repairs for council properties including residential buildings and corporate assets.

This Voluntary Ex-Ante Transparency Notice (VEAT) relates to a proposed extension of the Contract for a further nine (9) months with a longstop date of March 31, 2026, to allow Dacorum to conduct a re-procurement exercise for the long-term successor to the 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: £180,000

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

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

NUTS codes

- UKH2 - Bedfordshire and Hertfordshire

Main site or place of performance

Borough of Dacorum in Hertfordshire

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

Dacorum plans to extend the term of the Contract with OBES for a bridging period of nine months to conduct a re-procurement exercise for the long-term successor to the Contract. The extension will allow Dacorum sufficient time to run a market-engagement, commissioning and re-procurement process, with the new service to start by April 1, 2026.

#### **II.2.11) Information about options**

Options: No

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## Section IV. Procedure

### IV.1) Description

#### IV.1.1) Type of procedure

Negotiated without a prior call for competition

- New works/services, constituting a repetition of existing works/services

Explanation:

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

- The procurement falls outside the scope of application of the directive.

The existing Contract with OBES commenced on June 30, 2015 and expires on June 30, 2025. Dacorum intends to extend the Contract by nine (9) months, with provision to terminate earlier, to allow Dacorum time to run a comprehensive re-procurement exercise for the appointment of a long-term successor to the Contract.

Dacorum's position is that the proposed extension is not a permitted modification under Regulation 72(1)(e) of the Public Contract Regulations 2015 (as amended) ("PCR") (non-substantial modifications) and that none of the conditions set out in Regulation 72(8) are met.

With reference to Regulation 72(8)(a), the proposed modification will not render the Contract materially different in character from the one initially concluded as there will be no change to the services or works to provide for the extension period (either in terms of the nature of the works/services or the quantity). The modification is an extension of term only.

With reference to Regulation 72(8)(b), Dacorum does not consider that the modification introduces conditions which, had they been part of the initial procurement procedure, would have- (i) allowed for the admission of other candidates than those initially selected, (ii) allowed for the acceptance of a tender other than that originally accepted, or (iii) attracted additional participants in the procurement procedure. The only effect of the modification is to extend the term of the Contract and so Dacorum does not consider that there would have been any change to the outcome of the original procurement.

With reference to Regulation 72(8)(c), the modification will not change any of the terms of the Contract other than the term, and so there will be no change to the economic balance of the contract.

Dacorum does not consider that the modification will extend the scope of the Contract considerably within the meaning of Regulation 72(8)(d) in the context of the Contract as a whole (10 years). No change is proposed to the nature or quantity of the works and services and no new services or works will be included in the scope. The period of the extension may be reduced if the procurement exercise is completed before the end of the extension period.

Regulation 72(8)(e) of the PCR is not engaged as there is no change to the contractor.

The purpose of the modification is to provide a 'bridging period' to conduct a comprehensive re-procurement exercise for the long-term successor to the Contract. The modification will therefore allow continuity of service and value for money for Dacorum while it conducts this exercise, the scope of which will include market testing, assessment of risks and uncertainty within the construction and housing repair sector, corresponding development and design of procurement strategy, managing the orderly wind-down and exit of the Contract with the existing supplier and mobilisation of the new contract.

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

The procurement is covered by the Government Procurement Agreement: Yes

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

A contract/lot is awarded: Yes

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

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

11 June 2025

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

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

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

Orion Building Engineering Services Limited

Hemel Hempstead

Country

United Kingdom

NUTS code

- UKH2 - Bedfordshire and Hertfordshire

Companies House

03524062

The contractor/concessionaire is an SME

Yes

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

Initial estimated total value of the contract/lot/concession: £180,000

Total value of the contract/lot/concession: £180,000

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## **Section VI. Complementary information**

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

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

High Court of England and Wales

London

Country

United Kingdom

#### **VI.4.3) Review procedure**

Precise information on deadline(s) for review procedures

In accordance with Regulation 88 to Regulation 102 of the PCR 2015 (particularly, Regulations 92, 93, 94 and 99 in relation to deadlines).