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Tender

## **Scottish Procurement Framework Agreement for the Supply of Natural Gas**

Scottish Government

F02: Contract notice

Notice identifier: 2023/S 000-032806

Procurement identifier (OCID): ocds-h6vhtk-041624

Published 6 November 2023, 3:11pm

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

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

Scottish Government

4 Atlantic Quay, 70 York St

Glasgow

G2 8EA

#### **Email**

[billy.lawson@gov.scot](mailto:billy.lawson@gov.scot)

#### **Telephone**

+44 1412420133

#### **Country**

United Kingdom

#### **NUTS code**

UKM - Scotland

**Internet address(es)**

Main address

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

Buyer's address

[https://www.publiccontractsscotland.gov.uk/search/Search\\_AuthProfile.aspx?ID=AA10482](https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA10482)

**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://www.publictendersscotland.publiccontractsscotland.gov.uk/esop/pts-host/public/pts/web/login.html>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://www.publictendersscotland.publiccontractsscotland.gov.uk/esop/pts-host/public/pts/web/login.html>

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

Ministry or any other national or federal 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**

Scottish Procurement Framework Agreement for the Supply of Natural Gas

Reference number

SP-23-03

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

- 09123000 - Natural gas

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

Supplies

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

The Scottish Ministers through the Collaborative and Scottish Government Procurement Division are seeking to establish a single operator framework for the Supply of Natural Gas and Associated Services to the Scottish Public Sector. The duration of the framework agreement will be for three years with options to extend for three further twelve month periods.

Please refer to section VI.3) Additional Information for eligible public bodies.

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

This contract is divided into lots: No

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

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

NUTS codes

- UKM - Scotland

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

The framework agreement is for the supply of Natural Gas.

The anticipated total consumption, based on the current Scottish Procurement framework agreement volumes, is 4.3 billion kWh per annum.

Scottish Procurement will operate a flexible purchasing strategy for public sector and third sector bodies under the Framework Agreement, predominantly sourced via the traded Natural Gas markets employing buys and sells on a forward and prompt basis via the Contractor's trading desk, with forward purchasing anticipated at 30 months. The Contractor must be able to incorporate volumes sourced independently into the volumes of natural gas that are required to supply any designated framework users. Framework users will take delivery of natural gas on the basis of annual supply periods. Framework users may require certain ancillary services.

The Framework documentation incorporates a number of requirements relevant to and included so as to promote the potential for furthering environmental, renewable and robust energy supply initiatives. The measures it contains include that the supplier must be able to incorporate natural gas volumes sourced independently, with a view to incorporating, within the supply portfolio, sources consistent with the objectives of the Authority and the relevant Framework users (for example related to furthering duties on the framework users to further their sustainable procurement duty or duties under the Climate Change (Scotland) Act 2009), and to future-proof the agreement for policies proposed in the Scottish Government Draft Scottish Energy Strategy.

The period of the Framework Agreement shall be from 1.4.2024 to 31.3.2027 with options to extend for up to 3 years to 31.3.2030 in single year extensions.

Within these time periods, the Contractor will be expected to provide flexible purchasing trading services for the period 1.4.2024 to 31.3.2025, with the existing provider continuing to supply natural gas under the existing framework during this period.

For the avoidance of doubt the Contractor will not supply natural gas to public bodies and third sector bodies under the Framework Agreement during the period 1.4.2024 to 31.3.2025. The supply of natural gas to sites will commence on 1.4.2025.

For the remaining duration of the framework agreement the Contractor will provide flexible purchasing trading services and supply of natural gas to public sector and third sector bodies.

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

Quality criterion - Name: Quality / Weighting: 70

Cost criterion - Name: Price / Weighting: 30

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

Start date

1 April 2024

End date

31 March 2027

This contract is subject to renewal

Yes

Description of renewals

Three, one year contract extension options

#### **II.2.10) Information about variants**

Variants will be accepted: No

#### **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 III. Legal, economic, financial and technical information**

### **III.1) Conditions for participation**

#### **III.1.2) Economic and financial standing**

Minimum level(s) of standards possibly required

SPD Statement 4B.1.1: Bidders will be required to have a minimum “general” yearly turnover of 360,000,000 GBP for the last 3 years. The reason for this figure is that the services include a requirement to forward purchase significant volumes of Natural Gas, up to 2.5 years ahead, for which the customer shall not pay until soon after the point of consumption, creating exposure and financial capacity considerations justifying the turnover figure used. The figure is considered to be below 2 x the contract value of the contract.

SPD Statement 4B.5.1 and 4B.5.2: It is a requirement that bidders hold or can commit to obtain prior to the commencement of any subsequently awarded contract the types of insurance indicated below:

Employers Liability Insurance 5,000,000 GBP (in accordance with any legal obligation for the time being in force)

Public Liability Insurance 10,000,000 GBP for any 1 incident and unlimited in total

Professional Indemnity Insurance 5,000,000 GBP for any 1 incident and unlimited in total

Bidders who do not currently have or cannot commit to obtaining the levels of Insurance requested may be excluded from the procurement process. In event of award of a Framework, Scottish Government will seek proof that these Insurance provisions have been fully complied with.

#### **III.1.3) Technical and professional ability**

Minimum level(s) of standards possibly required

SPD statement 4.C.4 - Bidders should confirm they have (or have access to) relevant supply chain management and tracking systems to ensure a resilient and sustainable supply chain. This will include confirmation that the systems in place allow to pay subcontractors through the supply chain promptly and effectively. Bidders must also provide:

- a. evidence of your standard payment terms
- b. evidence at least 95% payment on time of valid invoices,

OR

c. can provide an improvement plan to drive timely progress towards 95% payment on time of valid invoices.

Responses to SPD Statement 4C.4 will be evaluated as a “Pass” or “Fail”. Tenderers who do not achieve a “Pass” for this question will not be considered further.

SPD Statement 4C.6: Bidders will be required to hold a gas supply licence.

Responses to SPD Statement 4.C.6 will be evaluated as a “Pass” or “Fail”. Tenderers who do not hold a gas licence will not achieve a “Pass” for this question and will not be considered further.

SPD Statement 4C.7: Bidders will be required to demonstrate knowledge of the climate emergency and the impact of their organisation, including their organisation’s own scope 1 and 2 emissions. Accepted evidence to include but is not limited to: A completed copy of the Bidder ‘priority contract’ Climate Change Plan Template, including the bidder’s calculated scope 1 and 2 carbon emissions and their planned projects and actions to reduce their carbon emissions.

SPD Statement 4D.1: Bidders will be required, by the framework commencement date, to demonstrate that they have controls in place to mitigate against cyber-attacks and ensure continuity of service; this may be demonstrated by accreditation to applicable standards such as ISO 27001, ISO 22301, ISO/IEC 20000, Cyber Essentials or their equivalents. Bidders will also be required, by the framework commencement date, to have an effective Quality Management System in place; this may be demonstrated by accreditation to an applicable standard such as ISO 9001, or equivalent, or by submitting a copy of their own Quality Management System.

SPD Statement 4D.1: Tenderers will be required, by the framework commencement date, to have an effective Quality Management System in place; this may be demonstrated by accreditation to an applicable standard such as ISO 9001, or equivalent, or by submitting a copy of their own Quality Management System.

SPD Statement 4D.2: The Bidder must hold a UKAS (or equivalent) accredited independent third party certificate of compliance with

BS EN ISO 14001 (or equivalent) or a valid EMAS (or equivalent) certificate,

OR

2. The bidder must have the following:

- a. A regularly reviewed documented policy regarding environmental management, authorised by the Chief Executive, or equivalent.
- b. Documented arrangements for ensuring that environmental management procedures are effective in reducing/preventing significant impacts on the environment.
- c. Arrangements for providing employees with training/information on environmental issues to ensure that workforce has sufficient skills/understanding to carry out their various duties.
- d. Documented arrangements for checking/reviewing and improving, the bidder's environmental management performance and the environmental impact.
- e. Documented arrangements checking, reviewing/improving the organisations environmental management performance and the environmental impact on an on-going basis.

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## **Section IV. Procedure**

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

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

Open procedure

#### **IV.1.3) Information about a framework agreement or a dynamic purchasing system**

The procurement involves the establishment of a framework agreement

Framework agreement with a single operator

#### **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

7 December 2023

Local time

11:00am

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

English

**IV.2.6) Minimum time frame during which the tenderer must maintain the tender**

Tender must be valid until: 1 May 2024

**IV.2.7) Conditions for opening of tenders**

Date

7 December 2023

Local time

11:00am

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## **Section VI. Complementary information**

**VI.1) Information about recurrence**

This is a recurrent procurement: Yes

Estimated timing for further notices to be published: 2030

**VI.3) Additional information**

SPD 2D.1 & 2D.1.1 Please list the details of any proposed subcontractors you intend to use.

SPD 2D.1.2 Please provide a separate SPD response for each subcontractor.

A sub-contract clause has been included in this contract. For more information see:  
<http://www.publiccontractsscotland.gov.uk/info/InfoCentre.aspx?ID=2363>

The Framework Agreement will be available for use by the Scottish Ministers (including Agencies), Scottish Non-Departmental Public Bodies, offices in the Scottish Administration which are not ministerial offices, cross- border public authorities within the meaning of section 88(5) of the Scotland Act 1998, the Scotland Office, the Scottish Parliamentary Corporate Body, councils constituted under section 2 of the Local

Government etc. (Scotland) Act 1994, Scottish Fire & Rescue Service, the Scottish Police Authority, Scottish health boards or special health boards, all NHS Scotland, The Integrated Joint Boards established further to the Public Bodies (Joint Working) Act 2014, bodies registered as social landlords under the Housing (Scotland) Act 2001, Student Loans Company Limited, the Forestry Commission, the Commissioner of Northern Lighthouse operating as the Northern Lighthouse Board, Equality and Human Rights Commission, Business Stream Ltd, the Business Gateway National Unit at the Convention of Scottish Local Authorities, further or higher education institutions being fundable bodies within the meaning of section 6 of the further and Higher Education (Scotland) Act 2005, any public body established by or under the Scotland Act 1998 or any Act of the Scottish Parliament, any association of or formed by one or more of the foregoing, bodies financed wholly or mainly by one or more of the foregoing, bodies subject to management supervision by one or more of the foregoing and bodies more than half of the board of directors or members of which, or, in the case of a group of individuals, more than half of those individuals, being appointed by one or more of the foregoing. In addition to the contracting authorities listed, the framework agreement will be available to charities entered on the Scottish Charity Register and voluntary organisations entered on the Membership Database of the Scottish Council for Voluntary Organisations.

Information about Scottish Public Bodies is available at:

<http://www.scotland.gov.uk/Topics/Government/public-bodies/about>

The buyer is using PCS-Tender to conduct this ITT exercise. The Project code is 25405. For more information see:

<http://www.publiccontractsscotland.gov.uk/info/InfoCentre.aspx?ID=2343>

The Contracting Authority does not intend to include a sub-contract clause as part of community benefits (as per Section 25 of the Procurement Reform (Scotland) Act 2014) in this contract for the following reason:

#### Supply of Gas

Community benefits are included in this requirement. For more information see:

<https://www.gov.scot/policies/public-sector-procurement/community-benefits-in-procurement/>

A summary of the expected community benefits has been provided as follows:

a. The creation of employment, training and recognised transferable skills development opportunities relevant to the Framework, including those 'Green Skills' as described in the Climate Emergency Skills Action Plan that support the Purchaser's objectives to decarbonise relevant services, including through innovative solutions, with a particular focus on those further from the jobs market, such as the long term unemployed, ex-

offenders or others furthest from the jobs market.

b. To provide employment, apprenticeship, training or work experience for young people, which seek to support the Young Person's Guarantee.

c. The creation of career advice, education and experience opportunities for young people, with a particular focus on those from deprived areas.

d. Support for community energy schemes.

(SC Ref:726417)

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

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

Sheriff Court and Justice of the Peace Court

27 Chambers Street

Edinburgh

EH1 1LB

Country

United Kingdom