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Tender

Economic Regulatory Services

Scottish Water

F05: Contract notice – utilities

Notice identifier: 2023/S 000-036600

Procurement identifier (OCID): ocds-h6vhtk-042522

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Section I: Contracting entity

I.1) Name and addresses

Scottish Water

6 Buchanan Gate

Paul Stewart

g72 8ty

Email

paul.stewart@scottishwater.co.uk

Telephone

+44 7976460907

Country

United Kingdom

Region code

UKM - Scotland

Internet address(es)

Main address

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

I.3) Communication

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

<https://www.delta-esourcing.com/tenders/UK-UK-Paul-Stewart:-Research-and-development-consultancy-services./7ZGNU3G856>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://www.delta-esourcing.com/tenders/UK-title/7ZGNU3G856>

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

I.6) Main activity

Water

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Economic Regulatory Services

Reference number

SW23/CON/1464

II.1.2) Main CPV code

- 73200000 - Research and development consultancy services

II.1.3) Type of contract

Services

II.1.4) Short description

This notice seeks offers for economic consultancy services and support of Scottish Water's Strategy & Regulation team from February 2024, in the context of developing our medium- and long-term strategic plan for the business. This will lead to setting up a long-term framework agreement for at least 3 years with the option of extensions of 3 x 1 years extension options, with up to 4 economic consultancies. The main design and delivery of the work will be undertaken with the internal teams and these consultancies

II.1.5) Estimated total value

Value excluding VAT: £5,000,000

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

Main site or place of performance

SCOTLAND

II.2.4) Description of the procurement

1. Purpose This notice seeks offers for economic consultancy services and support of Scottish Water's Strategy & Regulation team from February 2024, in the context of developing our medium- and long-term strategic plan for the business. This will lead to setting up a framework agreement for initial 3 year period with 3 x 1 year extension options, with up to [4] economic consultancies. The main design and delivery of the work will be undertaken with the internal teams and these consultancies. 2. Context This involves the development of Scottish Water's medium-term (SR27) business plan alongside its long-term strategy to deliver Scotland's Water Sector Vision. Areas where Scottish Water may require expert regulatory economic support include:

- Developing cost and efficiency benchmarking workstreams and helping Scottish Water develop its internal capability. This may include econometric modelling of opex, and capex, as well as broader benchmarking of performance.
- Designing/developing performance measures that align with the business' strategic direction;
- Providing "critical friend" challenge to the team developing Scottish Water's long-term strategy and preparing the SR27 business plan with respect to inter alia:
 - o Our strategic cost benefit analysis tool, which has been developed in order to bring the customer perspective into our investment prioritisation process.
 - o The economic analysis that underpins our asset management strategy.
 - o The overall strength and coherence of our evidence base.
- Supporting Scottish Water in identifying, assessing, and planning for responding to potential risks and opportunities in both the medium- and longer-terms, including with respect to influencing customer behaviour, managing climate change etc. In addition to the above matters, Scottish Water may require expert economic support with various other strategic and/or regulatory matters.

3. Our requirements The consultant should be able to demonstrate track records in

- cost and efficiency benchmarking for regulated businesses, including using econometric tools as well as drawing on established alternative approaches and available datasets.
- designing performance measures that align with the strategy being pursued by a regulated business.
- working openly and constructively with clients and third-party stakeholders to achieve agreement over analytical approaches, assumptions and methodologies.
- techniques, challenges and approaches to infrastructure investment appraisal.
- applied cost-benefit analysis with cash and non-cash monetised external benefits. Experience of advising regulated water companies would be an advantage.

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: £5,000,000

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

Duration in months

72

This contract is subject to renewal

Yes

Description of renewals

3 x 1 year extension options

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

Envisaged minimum number: 3

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

II.2.14) Additional information

The PQQ/ITN documents can also be accessed by logging in through the Scottish Water Delta e-sourcing webpage <https://scottishwater.delta-esourcing.com/> and through the Response Manager section using the following Access Code : 8MANV85862

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

Applicants will be expected to be of sufficient financial and economic standing to support the anticipated contract value. All applicants must complete the financial questions within the pre-qualification questionnaire and tender documents. Financial standing relevant to the anticipated contract value will be determined by Scottish Water based on the response to the pre-qualification questionnaire and any further financial checks deemed necessary

III.1.3) Technical and professional ability

Selection criteria as stated in the procurement documents

III.1.6) Deposits and guarantees required

Scottish Water reserves the right to require deposits, guarantees, bonds or other forms of appropriate security

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

All prices quoted shall be in Sterling (UK) and all payments shall be made in Sterling (UK). Payment shall be made on the basis of completed services in accordance with the agreed contract rates, schedules and conditions of contract

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

In the event of a group of companies submitting an accepted offer it will be necessary for each member of the group to sign an undertaking that each company in the group will be jointly and severally liable for the satisfactory performance of the contract

III.2) Conditions related to the contract

III.2.2) Contract performance conditions

Bidders must comply with modern slavery act and operate an ethical supply chain

III.2.3) Information about staff responsible for the performance of the contract

Obligation to indicate the names and professional qualifications of the staff assigned to performing the contract

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Negotiated procedure with prior call for competition

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 several operators

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

23 January 2024

Local time

1:00pm

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: No

VI.2) Information about electronic workflows

Electronic ordering will be used

Electronic invoicing will be accepted

Electronic payment will be used

VI.3) Additional information

Scottish Water will not accept the SPD. We will only accept a completed Scottish Water PQQ/ITN document. This Notice does not preclude Scottish Water from issuing other notices for specific requirements. Responses to the FTS Notice will be evaluated and only successful applicants following PQQ/ITN evaluation will be invited to submit a tender. Applicants who fail to supply all of the information requested in response to this Notice or any resulting tender exercise may risk elimination

For more information about this opportunity, please visit the Delta eSourcing portal at:

<https://www.delta-esourcing.com/tenders/UK-UK-Paul-Stewart:-Research-and-development-consultancy-services./7ZGNU3G856>

To respond to this opportunity, please click here:

<https://www.delta-esourcing.com/respond/7ZGNU3G856>

GO Reference: GO-20231213-PRO-24761275

VI.4) Procedures for review

VI.4.1) Review body

Glasgow Sheriff Court

Glasgow

Country

United Kingdom

VI.4.2) Body responsible for mediation procedures

Scottish Water

6 Buchanan Gate

Glasgow

G33 6FB

Email

paul.stewart@scottishwater.co.uk

Telephone

+44 7976460907

Country

United Kingdom