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Tender

HCC - 12/23 - The Provision of a Highways Services Term Maintenance Contract

Hertfordshire County Council

F02: Contract notice

Notice identifier: 2023/S 000-036802

Procurement identifier (OCID): ocds-h6vhtk-034346

Published 14 December 2023, 1:34pm

Section I: Contracting authority

I.1) Name and addresses

Hertfordshire County Council

Pegs Lane

Hertford

SG13 8DE

Contact

Strategic Procurement Group

Email

zoe.upson@hertfordshire.gov.uk

Telephone

+44 01707292463

Country

United Kingdom

NUTS code

UKH23 - Hertfordshire

National registration number

n/a

Internet address(es)

Main address

www.hertfordshire.gov.uk

Buyer's address

<https://in-tendhost.co.uk/supplyhertfordshire/aspx/Home>

I.3) Communication

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

<https://in-tendhost.co.uk/supplyhertfordshire/aspx/Home>

Additional information can be obtained from the above-mentioned address

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

I.4) Type of the contracting authority

Regional or local authority

I.5) Main activity

General public services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

HCC - 12/23 - The Provision of a Highways Services Term Maintenance Contract

Reference number

HCC2315465

II.1.2) Main CPV code

- 71000000 - Architectural, construction, engineering and inspection services

II.1.3) Type of contract

Services

II.1.4) Short description

Hertfordshire County Council ("Authority") wishes to appoint a service provider to deliver a highways term maintenance contract ("Contract"). The Authority is looking for a relationship with a service provider to support the Authority's objectives ("Service Provider"). The Authority wishes to work with the appointed Service Provider to innovate and maximise potential for success. At present, the services are delivered through the Authority's existing contract, to expire in September 2025. Organisations wishing to take part should "express interest" to give access to the full procurement documents. To be considered as a Candidate you must complete and submit a response to the SQ by the deadline of 12:00 Noon on 26 February 2024, Please allow sufficient time to make your return as late returns will not be permitted by the system. The estimated total value of all of the Contracts is stated in II.1.5 of this notice and is for entire term inclusive of the approximate value for extensions

II.1.5) Estimated total value

Value excluding VAT: £1,950,000,000

II.1.6) Information about lots

This contract is divided into lots: No

II.2) Description

II.2.2) Additional CPV code(s)

- 71000000 - Architectural, construction, engineering and inspection services

II.2.3) Place of performance

NUTS codes

- UKH23 - Hertfordshire

II.2.4) Description of the procurement

The Authority wishes to put in place a new, flexible, and collaborative arrangement to facilitate successful delivery of the Contract by the Service Provider. The process commenced with a pre-market engagement exercise notified to the market by PIN ref 2022/S 000-015520. This was supplemented by a notice by VEAT ref 2023/S 000-004956 published on 17 February 2023 explaining the intention to extend the existing highways services term maintenance contract by a period of approximately 12 months. A further round of pre-market engagement took place between 1 and 10 February 2023, followed by a final round of pre-market engagement between 4 and 8 December 2023. This Contract Notice marks the commencement of the formal procurement for a Service Provider to deliver the Contract. The Authority intends to focus on the following:

- A service delivered in line with Hertfordshire's Sustainability Strategy, playing a key role in delivering the strategy's ambitions both in its partner organisations and the behaviour it encourages. The Authority wishes to work with service providers to meet its ambitious environmental targets to address the climate emergency it declared in 2019;
- Managing, improving and maintaining the network for all users, encouraging and enabling active and sustainable travel;
- Sustaining a financially resilient service that delivers best value with the resources available;
- Optimising service efficiency and maximising income from commercialisation and external funding. The Authority wishes for the Service Provider to raise initiatives for providing a commercially astute service;
- Embracing best practice, innovations and new technologies, enabling the service to continuously evolve and improve. The Authority's ambition is to create an exciting, new approach to the delivery of highways and related services;
- Attracting, developing, empowering and retaining the best people capable of driving a dynamic and agile service;
- Engaging effectively to understand and meet the needs of citizens and communities;
- Developing and sustaining a collaborative partnership that delivers the objectives for all. The Authority is keen to understand how it can better facilitate collaborative working across the highways service and throughout the wider supply chain;
- A sensible and fair procurement process - as a local authority, the Authority is committed to complying with the public procurement regime. The Service Provider will be expected to deliver various services including:
- Core services (emergency service, defect triage and remedy service, client-directed maintenance, routine & cyclical services non-complex member-directed maintenance and improvement etc.)
- Discretionary services (complex member-directed maintenance and improvement, client-directed improvement schemes, other resources and professional

services)• Other related services (future innovation and technical opportunities, possible in-house services, design and construction of an additional depot), the Authority expects that it will identify and acquire the land for this new depot in the near to medium term and intends to develop the plans for it with the Service Provider, and, having done so, may elect to appoint the Service Provider to design and construct the new depot through the Contract. The form of contract is expected to be the NEC4 Term Service Contract (TSC) with bespoke amendments to be discussed with Bidders during the negotiation stages of the procurement process. The pricing approach is currently being developed and will also form part of discussions on the Contract during the negotiation phase of the procurement process.

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: £1,950,000,000

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

Duration in months

252

This contract is subject to renewal

Yes

Description of renewals

It is anticipated that the Contract term will be up to a maximum of 21 years comprised of an initial minimum term of 7 years followed by optional extension periods up to a maximum aggregate duration of 21 years. The duration and number of extension(s) beyond the initial minimum term of 7 years shall be determined at the Authority's absolute discretion

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

Envisaged number of candidates: 3

Objective criteria for choosing the limited number of candidates:

Please refer to the selection questionnaire

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: Yes

Description of options

The Contract shall include, but not be limited to, the following options:• to extend the initial minimum term of the Contract from 7 years up to a maximum aggregate of 21 years. Such options shall be included in the Contract and shall be developed as part of the negotiation process with those Bidders selected to participate in that phase.

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.1.1) Suitability to pursue the professional activity, including requirements relating to enrolment on professional or trade registers

List and brief description of conditions

Selection criteria as stated in the procurement documents

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.2) Conditions related to the contract

III.2.2) Contract performance conditions

The Service Provider will be required to reach performance benchmarks in several areas, including collaboration, social value, sustainability, customer journey, operational delivery, and client audit, amongst others. Failure to reach the benchmarks will result in financial consequences. Such payments will vary depending on the extent of the failure, ultimately resulting in an Authority right to terminate for default. The Authority will be looking for a Service Provider that can facilitate the framework's evolution. This may include development of shared KPIs in defined areas where collaboration across parties is of value. Finally, delivery of the Contract must be in accordance with the Authority's social value commitments.

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Competitive procedure with negotiation

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.2.1) Previous publication concerning this procedure

Notice number: [2022/S 000-015520](#)

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

Date

26 February 2024

Local time

12:00pm

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

20 March 2024

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

Duration in months: 4 (from the date stated for receipt of tender)

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

The Authority will ensure a fair and transparent procurement process whilst complying with the Public Contracts Regulations 2015 and, subject to Section IV.1.5 below, intends to invite the top three scoring Candidates at selection stage to submit an initial tender, draft final tender and final tender. Further information about the procurement process is set out in the Project Information Memorandum. The Authority has launched a separate procurement for a Professional Services Contract. While Candidates are welcome to bid for both opportunities, the same organisation will not be able to win both contracts, as a key part of the role of the PSC Consultant will be to manage the Service Provider. This also means that both the Service Provider and the PSC Consultant must act in good faith and with absolute impartiality in the performance of their respective roles. Consequently, if a Candidate, who was participating in both the procurement of the Professional Services Contract and this Contract, was to become preferred bidder for the Professional Services Contract, then their bid for this Contract would automatically be withdrawn at that point. At the outset, the Authority expects that Candidates will not engage in any behaviours which may jeopardise the integrity of this Procurement or which may confer any form of advantage to a Candidate in this Procurement. This includes engaging in communications in connection with either the Professional Services or Highways Services procurement processes or contracts with organisations, currently involved in bidding for, or that might subsequently be appointed to deliver, the Professional Services Contract. Selection Questionnaire responses and tenders are to be completed electronically using the Portal: <https://in-tendhost.co.uk/supplyhertfordshire/aspx/Home>. Please note that a 'request to participate' for the purposes of this contract notice (in particular, Section IV.2.2) is by completion and return of the Selection Questionnaire by the stated deadline. Candidates will remain responsible for all costs and expenses incurred by them or by any third party acting under instructions from Candidates in connection with taking part in this procurement, regardless of whether such costs arise as a direct or indirect consequence of any amendments made to the procurement documents by the Authority at any time.

The Authority is mindful of the issues presented by conflicts of interest and will be proactively managing any actual or potential conflicts that may arise during this procurement. The Authority reserves the right at any time to: i) reject any or all responses and to cancel or withdraw this procurement at any stage; ii) award a contract without prior notice; iii) change the basis, the procedures and the time-scales set out or referred to within the procurement documents; iv) require a Candidate to clarify any submissions in writing and/or provide additional information (failure to respond adequately may result in disqualification); v) terminate the procurement process; and/or vi) amend the terms and conditions of the selection and evaluation process. All discussions and correspondence will be deemed strictly subject to contract until a formal contract is entered into. The formal contract shall not be binding until it has been signed and dated by the duly authorised representatives of both parties. The estimated value of the contract identified in II.2.6) is only an estimate at this stage. There is some uncertainty as to the total value for several reasons including: (i) the flexible approach being adopted which anticipates change and continuous improvement; (ii) the annual budget for Highways Service and availability of central Government funding; and (iii) the significant impact that inflation could have on costs under the contract which means that the value could change and has the potential to exceed the figure provided at this stage.

VI.4) Procedures for review

VI.4.1) Review body

Royal Courts of Justice

The Strand

London

WC2A 2LL

Email

enquiries@justice.gov.uk

Telephone

+44 2079477882

Country

United Kingdom

Internet address

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

VI.4.2) Body responsible for mediation procedures

Royal Courts of Justice

The Strand

London

WC2A 2LL

Telephone

+44 2079477882

Country

United Kingdom

Internet address

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

VI.4.3) Review procedure

Precise information on deadline(s) for review procedures

The Contracting Authority will incorporate a minimum 10 calendar day (when using electronic means) standstill period at the point information on the award of the Contract is communicated to Bidders. This period allows unsuccessful Bidders to challenge the decision to award a Contract before a Contract is executed/signed (as appropriate). The Public Contracts Regulations 2015 ('Regulations') provide for aggrieved parties who have been harmed or at risk of harm by a breach of the rules to take action in the High Court (England, Wales and Northern Ireland). Any such action must be brought promptly and within the time limits as defined in the above regulations. Where a Contract has not been entered into the court may order the setting aside of the award decision or order the contracting authority to amend any document and may award damages. If the Contract has been entered into the court has the options to award damages and/or to shorten or order the Contract ineffective.

VI.4.4) Service from which information about the review procedure may be obtained

Royal Courts of Justice

The Strand

London

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Telephone

+44 2079477882

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Internet address

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