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Contract

Nitrogen and Phosphorous Mitigation Agreement

Norfolk Environmental Credits Limited

F20: Modification notice

Notice identifier: 2024/S 000-040670

Procurement identifier (OCID): ocds-h6vhtk-048827

Published 17 December 2024, 4:33pm

Section I: Contracting authority/entity

I.1) Name and addresses

Norfolk Environmental Credits Limited

The Horizon Centre

Norwich

NR70WF

Contact

Tom Sayer

Email

admin@norfolkenvironmentalcredits.co.uk

Telephone

+44 1508533931

Country

United Kingdom

Region code

UKH15 - Norwich and East Norfolk

Companies House

14573978

Internet address(es)

Main address

https://norfolkenvironmentalcredits.co.uk

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Nitrogen and Phosphorous Mitigation Agreement

II.1.2) Main CPV code

• 90710000 - Environmental management

II.1.3) Type of contract

Services

II.2) Description

II.2.2) Additional CPV code(s)

• 90700000 - Environmental services

II.2.3) Place of performance

NUTS codes

UKH15 - Norwich and East Norfolk

II.2.4) Description of the procurement at the time of conclusion of the contract:

Norfolk Environmental Credits Limited ('NEC') generate, establish and sells nutrient mitigation credits to offset nutrient pollution generated by new residential developments. On 10 May 2024, NEC entered into a contract for the delivery of Nitrogen and Phosphorous Mitigation with Norfolk Rivers Consortium ('the Contract').

The scope of services covered under the Contract relate to the provision of high efficiency nutrient removal package treatment plants for the generation, establishment and sale of nutrient mitigation credits.

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

Duration in months

Section IV. Procedure

IV.2) Administrative information

IV.2.1) Contract award notice concerning this contract

Notice number: 2024/S 000-024716

Section V. Award of contract/concession

Contract No

MIT00002 Septic Tank Upgrades

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract/concession award decision:

10 May 2024

V.2.2) Information about tenders

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

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

Norfolk Rivers Consortium Limited

Haslers Hawke House, Old Station Road

Loughton, Essex

IG10 4PL

Country

United Kingdom

NUTS code

• UK - United Kingdom

Companies House

14346827

The contractor/concessionaire is an SME

Yes

V.2.4) Information on value of the contract/lot/concession (at the time of conclusion of the contract; excluding VAT)

Total value of the procurement: £4,000,000

Section VI. Complementary information

VI.3) Additional information

NEC intends to extend the Contract to allow for a further 49 Delivered Savings as more fully described in VII.1.4) by reference to Regulation 72(1)(b) of the Public Contracts Regulations 2015 ("PCR").

For the purposes of assessing whether the conditions with Regulation 72(1)(b) PCR have been satisfied, NEC has considered it necessary and proportionate to calculate the value of the Contract in the Contract Award Notice and this extension on the basis of the quantum of phosphorus secured.

Consequently, notwithstanding the duration as stated in this Modification Notice, the commitment to deliver the total phosphorus (and associated nitrogen offset) as valued in this Modification Notice and the Contract Award Notice during the initial 12 month and extension of the Contract by 6 months may result in circumstances where the actual duration of Contract extends beyond the initial duration and extension of the Contract.

VI.4) Procedures for review

VI.4.1) Review body

High Court

London

Country

United Kingdom

Section VII: Modifications to the contract/concession

VII.1) Description of the procurement after the modifications

VII.1.1) Main CPV code

• 90710000 - Environmental management

VII.1.3) Place of performance

NUTS code

• UK - United Kingdom

VII.1.4) Description of the procurement:

This notice relates to an extension to allow for a further 49 Delivered Savings under the Contract, with a new total amount of 149 Delivered Savings under the Contract.

NEC considers the modifications of the Contract without prior publication of a Contract Notice is permitted by the PCR and Directive 2014/24/EU (the "Directives").

The Contract was modified in accordance with regulation 72(1)(b)/article 72(1)(b) on 13 December 2024 and accordingly does not in NEC's view amount to the award of a new contract and/or an unlawful substantial change. The modification does not alter the overall nature of the Contract. The estimated price increase does not exceed 50 % of the estimated value of the original Contract (as identified in the Contract Award Notice).

The extension to allow for a further 49 Delivered Savings is necessary for the provision of additional services, namely for the continued generation of the nutrient mitigation credits.

A change of contractor cannot be made for economic and technical reasons and would cause significant inconvenience and substantial duplication of costs for NEC. The mobilisation of a new contractor to deliver the required nutrient savings in the required timescales is not feasible and would lead to substantial duplication of costs.

Separately NEC has commenced a competitive procurement (notice reference: 2024/S 000-037896), for delivery of permanent nutrient savings from mid-March 2025. The extension will enable further savings to be delivered whilst NEC conducts the competitive procurement.

VII.1.5) Duration of the contract, framework agreement, dynamic purchasing system or concession

Duration in months

18

VII.1.6) Information on value of the contract/lot/concession (excluding VAT)

Total value of the contract/lot/concession:

£5,960,000

VII.1.7) Name and address of the contractor/concessionaire

Norfolk Rivers Consortium Limited

Haslers Hawke House, Old Station Road

Loughton, Essex

IG10 4PI

Country

United Kingdom

NUTS code

• UK - United Kingdom

Companies House

14346827

The contractor/concessionaire is an SME

Yes

VII.2) Information about modifications

VII.2.1) Description of the modifications

Nature and extent of the modifications (with indication of possible earlier changes to the contract):

Nature and extent of the modifications (with indication of possible earlier changes to the contract):

NEC has agreed with the contractor to extend the Contract to allow for the delivery of an additional 49 Delivered Savings which were not originally provided for under the Contract.

VII.2.2) Reasons for modification

Need for additional works, services or supplies by the original contractor/concessionaire.

Description of the economic or technical reasons and the inconvenience or duplication of cost preventing a change of contractor:

The modification is brought about by the need for additional services which were not originally provided for under the Contract. The modifications are in accordance with Part 2 of the PCR which implements the Directive. The modifications are particularly provided for in regulation 72(1)(b) (additional services) of PCR. NEC considers the modification without prior publication of a Contract Notice is permitted by the PCR and the Directive. The Contract was modified on 13 December 2024 in accordance with regulation 72(1)(b)/article 72(1)(b) and does not in NEC's view amount to the award of a new contract and/or an unlawful substantial change. NEC has separately commenced a procurement (Notice reference: 2024/S 000-037896) for the delivery of permanent nutrient neutrality mitigation.

VII.2.3) Increase in price

Updated total contract value before the modifications (taking into account possible earlier contract modifications, price adaptions and average inflation)

Value excluding VAT: £4,000,000

Total contract value after the modifications

Value excluding VAT: £5,960,000