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Award

## **Asset Delivery (AD) Area 14 Maintenance & Response (M&R) Contract**

National Highways

F15: Voluntary ex ante transparency notice

Notice identifier: 2025/S 000-047885

Procurement identifier (OCID): ocds-h6vhtk-0585b8

Published 12 August 2025, 10:06am

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

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

National Highways

Bridge House, Walnut Tree Close

Guildford

GU1 4LZ

#### **Email**

[info@nationalhighways.co.uk](mailto:info@nationalhighways.co.uk)

#### **Telephone**

+44 03001235000

#### **Country**

United Kingdom

#### **Region code**

UK - United Kingdom

**Internet address(es)**

Main address

[www.nationalhighways.co.uk](http://www.nationalhighways.co.uk)

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

National or federal Agency/Office

**I.5) Main activity**

General public services

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**Section II: Object**

**II.1) Scope of the procurement**

**II.1.1) Title**

Asset Delivery (AD) Area 14 Maintenance & Response (M&R) Contract

**II.1.2) Main CPV code**

- 45233139 - Highway maintenance work

**II.1.3) Type of contract**

Works

**II.1.4) Short description**

This VEAT Notice relates to a Deed of Variation to a National Highways' Maintenance and Response Contract. This Contract currently provides and undertakes all cyclical and reactive maintenance, incident response, defect rectification and severe weather delivery on the trunk roads and motorways within Northumberland, Tyne and Wear, County Durham, North Yorkshire (National Highways Area 14) (the "Contract"). Duties also include maintenance of roadside technology, the provision of traffic management for the contractor, maintenance and incident response activities, and traffic management for others who may be working on the network.

The variation will add the eastern section of the A69 from the Cumbria/Northumberland County boundary and the A19 Dishforth to Tyne Tunnel into the Contract which is currently maintained under a Design Build Finance & Operate ("DBFO") contract which are due to expire on 31 March 2026 and 23 February 2027. Consequently the total value of the Contract will increase by approximately 26%. It will also shorten the Contract which will have a new end date of 1 June 2028 instead of 31 March 2032 in order to align with the procurement process for the next Maintenance & Response contracts.

#### **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: £165,630,000

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

#### **II.2.2) Additional CPV code(s)**

- 45233130 - Construction work for highways
- 45233139 - Highway maintenance work
- 45233140 - Roadworks
- 45233141 - Road-maintenance works
- 45233210 - Surface work for highways
- 45310000 - Electrical installation work
- 71300000 - Engineering services

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

NUTS codes

- UK - United Kingdom

Main site or place of performance

Northumberland, Tyne and Wear, County Durham, North Yorkshire

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

A Design Build Finance Operate (DBFO) contract covers Section of A69 from

Northumberland county boundary. National Highways therefore must appoint an alternative maintenance contractor and it considers that the scope of these works is already included within this existing Maintenance and Response Contract which is adjacent geographically. Therefore these roads will be incorporated into the existing Maintenance and Response (M&R) Contract for Area 14 of the Strategic Road Network following the award of the Deed of Variation. This together with the need for national alignment of the expiry dates for all of the M&R contracts, ready for their re-procurement, means that the term of the Area 14 Contract will be shortened and will have a new end date of 1st June 2028 instead of 31st March 2032. The new overall estimated Contract value will become £ 165,630,000.

#### **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 IV. Procedure

### IV.1) Description

#### IV.1.1) Type of procedure

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 regulations

Explanation:

The modifications to the Contract fall within the permissible grounds set out under Regulation 72(1)(e) of the Public Contracts Regulations 2015 in that the modifications are not substantial within the meaning of Regulation 72(8) of the Public Contracts Regulations 2015 because:

The inclusion of Design Build Finance and Operate (DBFO) roads into the Contract does not render the Contract materially different compared to when it was originally procured. The type of work originally required of the Contract (i.e. maintenance and response) is the same as that which it will carry out on the previous DBFO stretches of the Strategic Road Network, it is just a case that the total lane coverage to be maintained under the Contract increases. The updated estimated Contract Value is also within the original estimate set out in the Contract notice for the Contract.

Adding the additional roads would not have changed the outcome of the original procurement in any way. The Contract will be fully operated in accordance with their current terms and pricing;

As the current Contract will be operated for the new roads on the same terms and pricing, this does not alter the economic balance of the Contract in favour of the contractor;

The change does not considerably alter the scope of the Contract as the works and services provided will remain unchanged and the roads have been included in this Contract because they are adjacent in terms of geographical scope also. Any increase in scope is also mitigated by a shortening in Contract term and in any event, the updated estimated Contract Value is also within the original estimate set out in the Contract notice for the Contract (which was £503,075,685);

This is not a change in contractor.

In addition, National Highways also considers that the exemption at Regulation 72(1)(a) would apply to the addition of the DBFO stretch of the A69 as the work will be carried out in accordance with the Contract's current terms, on current pricing, in accordance with the existing change mechanism within it and the new Contract value will be within the original estimated Contract value.

National Highways considers that 72(1)(b) would also apply. This permits additional services or supplies that have become necessary and were not included in the initial procurement where a change of contractor cannot be made for economic or technical reasons and another supplier/procurement would cause significant inconvenience or substantial duplication of costs for the contracting authority; and where any increase in price does not exceed 50% of the value of the original Contract.

The Deed of Variation ensures continuity of service on the Strategic Road Network and aligns with National Highways' wider asset delivery and procurement strategy, thereby safeguarding public value and network integrity. The Contract is being shortened to better align with the re-procurement strategy for all Maintenance & Response contracts. It would provide significant technical difficulties and duplication of procurement costs for National Highways to procure a contractor simply for this short stretch of network given the current re-procurement strategy.

#### **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: [2016/S 017-024945](#)

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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**

1 April 2017

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

The contract has been awarded to a group of economic operators: Yes

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

CH2M HILL United Kingdom

London

W6 7EF

Country

United Kingdom

NUTS code

- UK - United Kingdom

The contractor/concessionaire is an SME

No

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

Costain Limited

Maidenhead

SL6 4UB

Country

United Kingdom

NUTS code

- UK - United Kingdom

The contractor/concessionaire is an SME

No

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

Total value of the contract/lot/concession: £165,630,000

#### **V.2.5) Information about subcontracting**

The contract/lot/concession is likely to be subcontracted

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## **Section VI. Complementary information**

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

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

National Highways

Bridge House, Walnut Tree Close

Guildford

GU1 4LZ

Country

United Kingdom