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Award

Combined Heat Power (CHP) Upgrade Works

NHS Wales Shared Services Partnership-Procurement Services (hosted by Velindre University NHS Trust)

UK5: Transparency notice - Procurement Act 2023 - view information about notice types

Notice identifier: 2025/S 000-069489

Procurement identifier (OCID): ocds-h6vhtk-05d684 (view related notices)

Published 29 October 2025, 3:44pm

Scope

Reference

CAV-DIR (25-26) 130

Description

Cardiff and Vale University Health Board (CAVUHB) has had a contract in place for the last 16 years for a Combined Heat and Power (CHP) system. Recently a new maintenance contract has been put in place with the Original Equipment Manufacturer (OEM) as they are the only provider who can undertake works due to the specialised nature of the requirement.

Both of the CHP's have now exceeded a run time of 90,000 hours and therefore a major service upgrade is required. As no overhaul has been undertaken in the previous 16 years, the risk of plant failure is increasing until these works are complete. It is proposed to upgrade one of the two CHP's at present and then run the second CHP on a decreased operating load to reduce the risk of plant failure.

the proposed works are as follows:

- Undertake 90,000 hour service to one CHP.
- Replace control system for aforementioned CHP with latest XT4 system.
- Replace radiator cooling system.
- Miscellaneous works including replacement of all energy meters

Contract 1. Combined Heat Power (CHP) Upgrade Works

Supplier

Clarke Energy

Contract value

- £560,000 excluding VAT
- £672,000 including VAT

Above the relevant threshold

Earliest date the contract will be signed

10 November 2025

Contract dates (estimated)

• 11 November 2025 to 28 February 2026

• 3 months, 20 days

Main procurement category

Services

CPV classifications

• 50532400 - Repair and maintenance services of electrical distribution equipment

Contract locations

• UKL22 - Cardiff and Vale of Glamorgan

Other information

Description of risks to contract performance

Due to the age of the equipment and with no previous overhaul being undertaken, the costings for the upgrade are only an estimate. Once the contract has started, additional works may be uncovered, which would result in a contract modification being required.

Conflicts assessment prepared/revised

Yes

Procedure

Procedure type

Direct award

Special regime

Utilities

Direct award justification

- Single supplier technical reasons
- Extreme and unavoidable urgency
- Single supplier intellectual property or exclusive rights

Clarke Energy implemented the CHP system in 2008 and have since provided all associated maintenance for the system. Due to the complexity of the system and the fact that the CHP's have now run for over 90,000 hours, greatly increasing the risk of plant failure, only the OEM can perform the upgrades due to the relevant experience and knowledge they have gained on implementing and maintaining this system in the past 16 years.

Supplier

Clarke Energy

Public Procurement Organisation Number: PCCD-1195-RBHR

Power House, Senator Point, South Boundary Road, Knowsley Business Park

Liverpool

L33 7RR

United Kingdom

Email: uk@clarke-energy.com

Region: UKD71 - East Merseyside

Small or medium-sized enterprise (SME): No

Voluntary, community or social enterprise (VCSE): No

Contract 1. Combined Heat Power (CHP) Upgrade Works

Contracting authority

NHS Wales Shared Services Partnership-Procurement Services (hosted by Velindre University NHS Trust)

Public Procurement Organisation Number: PXWV-6492-CGMN

Woodland House, Maes-Y-Coed Road

Cardiff

CF14 4HH

United Kingdom

Contact name: Harry Davies

Email: <u>Harry.Davies6@wales.nhs.uk</u>

Region: UKL22 - Cardiff and Vale of Glamorgan

Organisation type: Public authority - central government

Devolved regulations that apply: Wales