

United Kingdom-Stoke-on-Trent: Engineering services
OJ S 11/2019 16/01/2019
Contract award notice
Services

Legal Basis:

Directive 2014/24/EU

Section I: Contracting authority

I.1. Name and addresses

Official name: Stoke on Trent City Council

Postal address: Civic Offices, Glebe Street

Town: Stoke-on-Trent

NUTS code: UKG23 Stoke-on-Trent

Postal code: ST4 1HH

Country: United Kingdom

Contact person: Jo Stanway

E-mail: jo.stanway@stoke.gov.uk

Telephone: +44 1782236420

Internet address(es):

Main address: <https://www.stoke.gov.uk/site/>

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

Contract for the operation and maintenance of an Energy from Waste plant

II.1.2. Main CPV code

71300000 Engineering services

II.1.3. Type of contract

Services

II.1.4. Short description

Contract for the operation and maintenance of an Energy from Waste plant.

II.1.6. Information about lots

This contract is divided into lots: no

II.1.7. Total value of the procurement

Value excluding VAT: 75 000 000,00 GBP

II.2. Description

II.2.2. Additional CPV code(s)

71300000 Engineering services

II.2.3. Place of performance

NUTS code: UKG23 Stoke-on-Trent

Main site or place of performance: Energy from Waste plant, Hanford in Stoke-on-Trent, Staffordshire

II.2.4. Description of the procurement

The procurement concerns an extension by Stoke-on-Trent City Council of its current contract with Hanford Waste Services Limited ("HWS") for the operation and maintenance of the Energy from Waste plant at Hanford ("Facility") for 5 years from its contracted expiry date of March 2020. The Contract with HWS to construct and operate the Facility was originally entered into in 1995. HWS sub-contracts the operation and maintenance of the Facility to MES Environmental Limited.

The Facility will reach the end of its economic life by 2028. The Council published a prior information notice on 9.11.2017, with a view to procuring the creation of a new facility (see publication number [2017/S 215-446861](#)).

II.2.5. Award criteria

Price

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

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 Official Journal of the European Union in the cases listed below

- The procurement falls outside the scope of application of the directive

Explanation:

SOTCC has extended its current contract ("Contract") with Hanford Waste Services Limited ("HWS") for the operation and maintenance (O&M) of the Energy from Waste plant at Hanford ("plant") for 5 years from its contracted expiry date of March 2020. The Contract with HWS to construct and operate the plant was originally entered into in 1995. HWS sub-contracts the O&M of the plant Facility to MES Environmental Limited ("MESE"). The plant will reach the end of its economic life by 2028 and requires extensive remedial maintenance in anticipation of handback of the site to the Council in 2020. SOTCC believes that the first 2 years of the 5 year extension are necessary in order to carry out additional works and/or works made necessary by unforeseen circumstances to the plant within the meaning of Article 72(1)(b) and/or (c) of Directive 2014/24/EU ("Directive"). These works include:

- essential upgrading and maintenance, and
- upgrades to comply with new EU regulatory emissions standards for waste incineration, 20 years after the Contract was first awarded.

It is unlikely to be feasible commercially or technically for any contractor other than HWS to complete these works for a limited period beyond the original contractual termination date. Performance by another contractor would cause SOTCC significant inconvenience and duplication of costs. In both the above cases, the contract extension value does not exceed 50 % of the value of the Contract. SOTCC believes that the 2nd 3 year period for the extension is not a substantial modification to the Contract within the meaning of Article 72(4) of the Directive because:

- the extension will not render the Contract materially different in character,
- no realistic hypothetical bidder would be interested in the 3 year extension post 2022 in order to keep the plant operational until a new facility is operational,
- the Council intends to ensure that the extension will not lead to any shift in the economic balance in favour of HWS,
- a 3 year extension in the context of a 25-year contract is not a considerable extension of the scope of the Contract.

SOTCC believes that the extension is justified under Article 32(b)(ii) of the Directive on the basis that competition is absent for technical reasons. There are 2 plants in the UK that are similar; MESE have the O&M for both. There are unlikely to be other contractors presently in the UK with capabilities or access to the parts required and that competition would be limited or non-existent for technical reasons.

IV.1.3. Information about a framework agreement or a dynamic purchasing system

IV.1.8. Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: no

IV.2. Administrative information

IV.2.1. Previous publication concerning this procedure

Notice number in the OJ S: [2018/S 003-003912](#)

IV.2.8. Information about termination of dynamic purchasing system

IV.2.9. Information about termination of call for competition in the form of a prior information notice

Section V: Award of contract

Title:

Contract for the operation and maintenance of an Energy from Waste plant

A contract/lot is awarded: yes

V.2. Award of contract

V.2.1. Date of conclusion of the contract

04/01/2019

V.2.2. Information about tenders

Number of tenders received: 1

The contract has been awarded to a group of economic operators: no

V.2.3. Name and address of the contractor

Official name: Hanford Waste Services

Postal address: Crown Street

Town: Wolverhampton

NUTS code: UKG23 Stoke-on-Trent

Postal code: WV1 1QB

Country: United Kingdom

E-mail: adrian.meehan@wasteservicesgroup.com

Telephone: +44 1902352864

Fax: +44 1902451069

The contractor is an SME: yes

V.2.4. Information on value of the contract/lot

Total value of the contract/lot: 75 000 000,00 GBP

V.2.5. Information about subcontracting**Section VI: Complementary information**

VI.3. Additional information**VI.4. Procedures for review****VI.4.1. Review body**

Official name: The High Court of England and Wales

Town: The Strand

Postal code: City of Westminster

Country: United Kingdom

VI.4.3. Review procedure

Precise information on deadline(s) for review procedures:

Part 3 of the Public Contracts Regulations 2015 ("PCR 2015") provides for aggrieved parties who have been harmed or are at risk of harm by a breach of the PCR 2015 to take action in the High Court (England, Wales and Northern Ireland). Any such action must be brought within the applicable limitation periods.

VI.5. Date of dispatch of this notice

14/01/2019