



Crown
Commercial
Service

Customer Needs

RM3824 – Heat Networks and Electricity Generation
Assets (HELGA)

Dynamic Purchasing System Agreement



Contents

Introduction	3
Customer needs statement	3
The Opportunity	3
What is a Dynamic Purchasing System (DPS)?	4
How will the services within the DPS for RM3824 - HELGA be organised?	4
What are the benefits of the RM3824 - HELGA DPS Agreement?	5
What is the estimated value of the RM3824 – HELGA DPS Agreement?	5
The current situation	5
Specification (Schedule 2 Part A Goods and/or Services)	5
Service Requirements	6
Please refer to Attachment 1 - (HELGA Services Matrix) for further details.	7
Mandatory Requirements	7
Health and Safety:	9
Vetting:	10
Sustainability	10
Government Social Values	12
Warranty and aftersales:	13
Training and guidance:	13

1. **Introduction**

1.1. **Customer needs statement**

- 1.1.1. Crown Commercial Service (CCS) is seeking to establish a Dynamic Purchasing Agreement (DPS) for the provision of Heat Networks and Electricity Generation Assets (HELGA) for all UK central government departments, wider public sector departments and charities which can be accessed via the link provided in the OJEU Contract Notice for RM3824 – Heat Networks and Electricity Generation Assets (HELGA) DPS.
- 1.1.2. This RM3824 – HELGA DPS Agreement will be managed by CCS and any Contract(s) awarded under this DPS Agreement will be managed by individual Customers.
- 1.1.3. The intended duration period of the RM3824 – HELGA DPS Agreement is for 4 years (48 months). In the event that the RM3824 - HELGA DPS Agreement is terminated, CCS shall give the Supplier no less than three (3) Months written notice. CCS acknowledges that RM3824 - HELGA DPS Agreement will not be terminated within the initial first six (6) months from the commencement date.
- 1.1.4. CCS may extend the duration of this HELGA - RM3824 DPS Agreement for any period or periods up to a maximum of 1 year (12 months) in total from the expiry of the Initial HELGA - RM3824 DPS Agreement period by giving the Supplier no less than three (3) Months' written notice.
- 1.1.5. Customers may enter into a contract with a supplier for a period of their determining, which may exceed the duration of the RM3824 - HELGA DPS Agreement. The flexibility of the contracting period allows the customer to determine appropriate contracting timelines required in order that the supplier can meet the needs of the customer for large and complex projects.

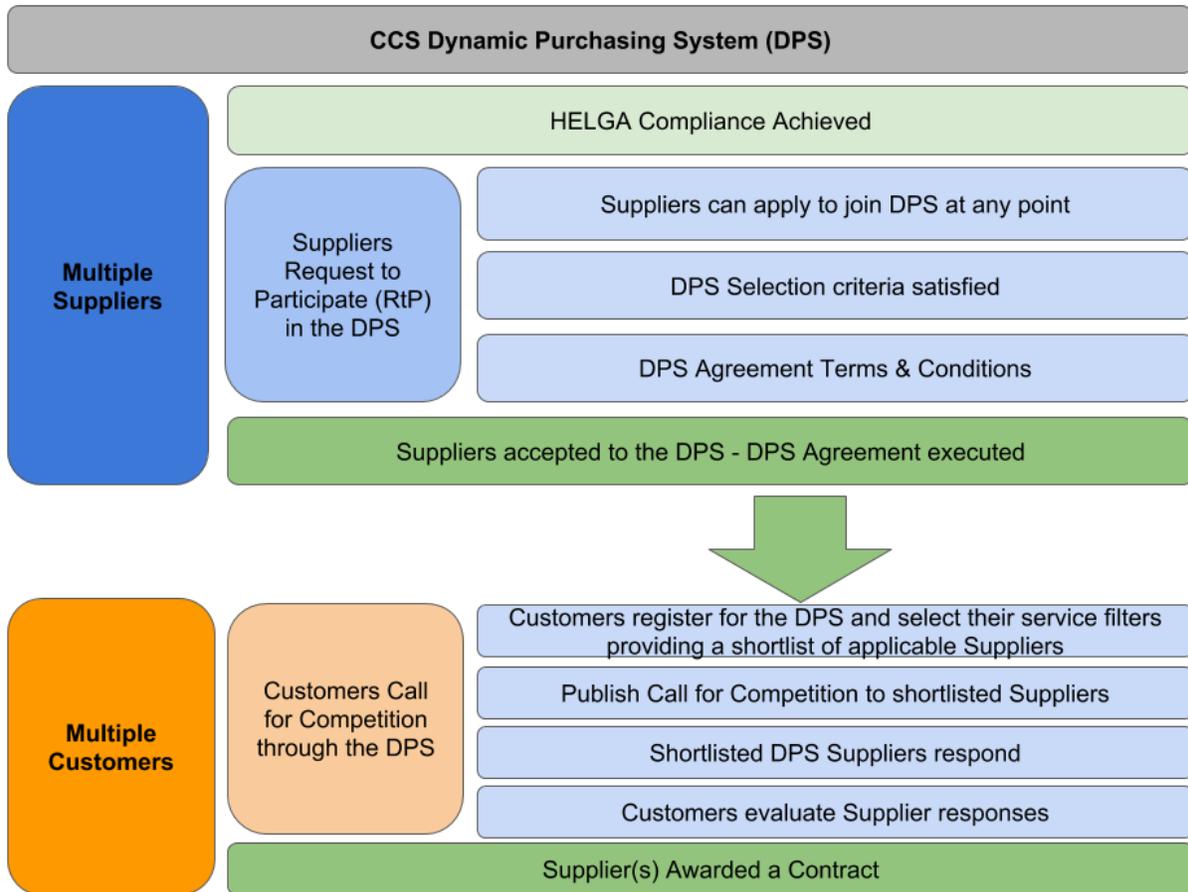
1.2. **The Opportunity**

- 1.2.1. The RM3824 – HELGA DPS Agreement will provide central government and wider public sector departments with the opportunity to procure goods and services for heat networks and electricity generation assets as detailed in Attachment 1 - HELGA Services Matrix of this Bid Pack and within the DPS Schedule 2 (Goods and/or Services and Key Performance Indicators) via a comprehensive number of suppliers.
- 1.2.2. Upon application to join the RM3824 - HELGA DPS Agreement, bidders are required to indicate which services and categories they are able to bid for. It is therefore essential that bidders select the exact filters relevant to their service offering in order to be invited to the relevant competitions.

1.2.3. Customers will use the services and product filters, as detailed in Attachment 1 - HELGA Services Matrix of this Bid Pack to short list appointed suppliers who can provide their service requirements, and invite them to a competition.

1.3. What is a Dynamic Purchasing System (DPS)?

1.3.1. A DPS is a public sector sourcing tool for common goods and services under regulation 34 (Dynamic Purchasing Systems) of the [PCR 2015](#). Bidders can apply to join at any point and do not require any special IT equipment as a DPS eliminates unnecessary up-front activity for the bidder:



1.4. How will the services within the DPS for RM3824 - HELGA be organised?

1.4.1. The RM3824 - HELGA DPS will be organised into four (4) distinct Filters so:

- a) Bidders can indicate all elements relevant to their service offering, and
- b) Customers can filter the elements to produce a shortlist of appointed suppliers to invite to a competition.

The four (4) distinct Filter categories comprise of:

- **Products & Services**
- **Geographical Location (International)**
- **Geographical Location (National)**
- **Project Value**

1.5. **What are the benefits of the RM3824 - HELGA DPS Agreement?**

- **Simpler, quicker process** – accessible for both SMEs and other suppliers seeking opportunities to provide services to the public sector.
- **Automated, electronic process** – streamlined electronic process.
- **Flexible** - Suppliers can apply to join and update responses at any point.
- **Choice** - increased scope/scale of service offerings and access to public sector business.
- **Filtering of supplier offering** - ensures suppliers receive notifications of competitions that are relevant to their service offering.
- **Supports localism and Social Value** - enabling appointed suppliers to bid for business either locally, regionally, nationally or internationally.
- **Efficiencies** – reduces Suppliers costs and process cycle time.

1.6. **What is the estimated value of the RM3824 – HELGA DPS Agreement?**

1.6.1. Initial indications estimate the value could be £20 million (excluding VAT) in the first year, growing up to £800 million (excluding VAT) over the lifetime of the DPS Agreement in line with targeted growth strategies. This may comprise of multiple Customer contracts with multiple suppliers, however there is no guarantee of work or spend under this RM3824 HELGA - DPS Agreement.

1.7. **The current situation**

1.7.1. This RM3824 - HELGA DPS Agreement is a new offering from CCS. There is no existing CCS provision for heat networks, electricity generation assets or Energy Purchase Agreements (EPA).

2. **Specification (Schedule 2 Part A Goods and/or Services)**

2.1. **HELGA Priorities**

2.1.1. The key priorities of this offering are to deliver through a commercial route a solution that supports visibility and control of whole life costs and to influence efficiencies through:

- Offering valued demand management and generation solutions to meet Customers individual requirements;
- Build and increase capacity of public sector estate generation volume;
- Develop a dynamic commercial model for access to demand management and generation options and associated services.

2.2. **Scope**

2.2.1. The Supplier shall provide products and services for heat networks and electricity generation assets as detailed in Attachment 1 - (HELGA Services Matrix) within this Bid Pack and within the DPS Schedule 2 (Goods and/or Services and Key Performance Indicators).

2.2.2. The initial scope includes Services 1, 2, 3, 4 and a One Stop Solution (Service 5). Service 5 will be a single supplier solution incorporating all of the products and services included in Services 1, 2, 3, 4. Suppliers must select a minimum of one Service, however there is no limit on a maximum number of Services a Supplier can select.

3. **Service Requirements**

3.1. **Core Requirements**

3.1.1. The core requirement of the Heat Networks and Electricity Generation Assets shall include but shall not be limited to the following Service requirements:

3.1.2.

- **Service 1** - The supplier shall have the ability to provide Technical services relating to the advice and design of any demand management or generation type.
- **Service 2** - The supplier shall have the ability to provide Delivery services to install, manage and maintain any demand management or generation type.
- **Service 3** - The supplier shall have the ability to provide Provision of Energy Purchase Agreements through direct or indirect opportunities
- **Service 4** - The supplier shall have the ability to provide Access to Commoditised Products through bulk purchasing

- **Service 5** - The supplier shall have the ability to provide One-stop-shop solution to deliver full end to end advisory, design, delivery, energy purchase agreements, and commoditised products.

3.1.3. Please refer to Attachment 1 - (HELGA Services Matrix) for further details.

4. Mandatory Requirements

- 4.1. The Supplier must meet all requirements of the DPS Agreement conferring rights upon a Customer under Clause 14 (Minimum Standards of Reliability).
- 4.2. The Supplier shall provide evidence of required standards, licensing and accreditations or qualifications where requested by the Authority and/ or the Customer.
- 4.3. The Supplier shall provide verification of the same on an ongoing basis by reporting any change to their licensing status to the Authority and/ or Customer.

4.4. Management Information

4.4.1. The Supplier shall provide Monthly MI Reports to the Authority detailing Customer Invoice/Credit Note Date, Product/Service provided. This MI Report must include but not limited to: Customer name, Customer Unique Reference Number (URN), Total Cost along with any additional information deemed necessary by the Authority to monitor ongoing monthly MI usage for current and new Customers you have secured contracts for. *N.B only suppliers who have active contracts in place with Customers will be required to provide MI reports*

4.5. Key Performance Indicators (KPI)

4.5.1. The supplier shall provide Monthly KPI reports to the Authority as outlined below. The Authority reserves the right to review and update the KPI's during the term of the DPS. *N.B only suppliers who have active contracts in place with Customers will be required to provide KPI reports*

4.6. Reporting Timeframes

4.6.1. All Management Information reports (MI and KPI) are required on or before the 5th Working Day of each month and it is imperative this timeline is achieved. Failure to meet this for 3 instances in a rolling 12 month period, will result in the Supplier being put on a 6 month corrective plan to resolve and monitor performance. If a Supplier decides to come off the Dynamic Purchasing System then it shall still submit MI while it has a contract with a Customer for the duration of the contract period. *N.B only suppliers who have active contracts in place with Customers will be required to provide MI and KPI reports.*

4.7. Environmental and Sustainability:

4.7.1. The Government is committed to environmental improvement through integrating environmental protection and sustainable development into its decision-making

processes in respect of both the execution of its core functions and responsibilities and the management of day-to-day operations.

- 4.7.2. The Supplier shall provide information on new or improved environmentally preferable products when they become commercially available and, promote their use under the DPS.
- 4.7.3. The Supplier shall work with the Authority and Customers to identify opportunities to introduce innovation, reduce cost and waste and ensure sustainable development is at the heart of their operations.
- 4.7.4. The Supplier shall ensure that they consider the relevance of sustainability at all lifecycle stages of the Services provided under this DPS. This includes not only consideration of commercial needs and minimisation of negative impacts but also the maximisation of positive impacts on society and the environment.
- 4.7.5. The Supplier shall comply with each of the following government standards (hyperlinked) for the duration of this DPS Agreement:

[Sustainable Development](#)

[Government Buying Standards](#)

- 4.7.6. The Supplier shall ensure that all of the goods supplied under this DPS Agreement, including packaging, shall comply with the requirements of the Government Buying Standards (GBS) for Imaging Products, Energy Star Rating and Article 6 of the Energy Efficiency Directive (EED) Standards. Full details can be accessed via the following link:
<https://www.gov.uk/government/publications/sustainable-procurement-the-gbs-for-office-ict-equipment>
- 4.7.7. The Supplier shall ensure that all Electric and Electronic Equipment (EEE) provided in association with the delivery of the goods and/ or services, is compliant with Restriction of Hazardous Substances (RoHs), Regulations and WEEE Regulations, where appropriate, including Producer Compliance Scheme registration. Full details can be accessed via the following links:
<https://www.gov.uk/guidance/rohs-compliance-and-guidance>
<http://www.hse.gov.uk/waste/waste-electrical.htm>
- 4.7.8. The Supplier shall comply with and operate to the standard ISO 14001; Eco-Management and Audit Scheme (EMAS) or a nationally recognised equivalent accredited standard for the scope of the goods and/ or services, which is agreed with the Authority.
- 4.7.9. The Supplier shall, where applicable, effectively manage the goods and/or services supplied under this DPS agreement, in order to minimise any impact on the environment.
- 4.7.10. The Supplier shall, where applicable, work proactively with Customers in relation to the provision of Goods and Services, which includes but is not limited to, the following areas:

- noise reduction;
- removal of unwanted consumables;
- heat production reduction in confined spaces.

4.7.11. The Supplier shall be responsible for the collection and disposal of all packaging, materials and redundant or replacement spare parts in accordance with WEEE Regulations which can be accessed via the following link:

<http://www.legislation.gov.uk/ukxi/2013/3113/contents/made>

4.7.12. The Supplier shall, where applicable, take steps to encourage the reuse of any WEEE generated in the delivery of services as promoted by the WEEE Directive.

4.7.13. The Supplier shall demonstrate their full re-use or recycling streams upon request from Customers.

4.8. **Health and Safety:**

4.8.1. The Supplier shall meet all of the relevant health and safety legislation in accordance with the [Health and Safety at Work etc. Act 1974](#) in discharging their duties under this DPS Agreement.

4.8.2. The Supplier shall ensure all of the staff concerned with the Authority's and Customers requirements are suitably trained and comply with all relevant health and safety legislation throughout the duration of the DPS Agreement and any contract awarded.

4.9. **Security**

4.9.1. The supplier shall as a condition of an award of the first contract derived from the DPS, provide confirmation of Cyber Essentials Basic Certification.

Further information relating to the Cyber Essentials scheme can be found at: <https://www.gov.uk/government/publications/cyber-essentials-scheme-overview>).

N.B If requested at Call for Competition stage, suppliers may be required to provide additional certification, which shall be determined by the Customer.

4.9.2. The Supplier shall be required to have their own security operating procedures that shall be made available to the Authority and/or Customers to provide assurance of data security.

4.9.3. The Supplier shall ensure that Customers' information and data (electronic and physical) shall be collected, held and maintained in a secure and confidential manner and in accordance with the Terms of the DPS Agreement any individual contracts awarded.

- 4.9.4. The Supplier shall ensure that all Supplier Personnel involved in the performance of any individual contracts awarded under this DPS Agreement shall comply with all data security and confidentiality requirements.
- 4.9.5. The Supplier shall ensure appropriate security standard, controls and measures in place such as access to premises.
- 4.9.6. The Supplier shall provide secure premises for all individual contracts awarded under the DPS Agreement which meet Contacting Authorities individual security protocols.
- 4.9.7. The Supplier shall ensure that any suspected or actual security breaches are reported to the Customers' representative immediately.
- 4.9.8. The Supplier shall provide details of their personnel security procedures and upon request by Customers, details of all personnel that they intend to use in the delivery of the Goods and Services.
- 4.9.9. The Supplier shall ensure that Customers information and data is secured in a manner that complies with the Government Security Classification Policy rating.
- 4.9.10. The Supplier shall ensure that the Government Security Classification Policy rating is also applied when information and data is transmitted across all applicable networks and/or in line with the Customers' requirements.
- 4.9.11. For further information, the Government Security Classification 2014 may be accessed here:
<https://www.gov.uk/government/publications/government-security-classifications>

4.10. **Vetting:**

- 4.10.1. The Supplier shall ensure that all Supplier Personnel vetting procedures, under the DPS Agreement and individual Contracts entered into under it by Customers and Suppliers, comply with the British Standard, Security Screening of Individuals Employed in a Security Environment – BS 7858:2012 or agreed equivalent, unless otherwise specified by Customers.
- 4.10.2. The Supplier shall where applicable provide details of its Supplier Personnel security procedures to Customers and contact details of all Personnel who will be involved in the delivery of the Services, when requested by Customers.

4.11. **Sustainability**

- 4.11.1. The Supplier shall ensure that it adheres to Government guidance and best practice as set out in the Greening Government Commitments, and also in associated and supporting documentation and publications such as the Common

Minimum Standards, the Government Construction Strategy 2016 - 2020 and the Construction Strategy 2025. The UK Government is committed to sustainability and places great importance on working with Suppliers to deliver contracts with sustainability incorporated.

4.11.2. The Supplier shall provide support to a number of strategic priorities related to the environment within wider government policy, which include, but are not limited to:

- a) Reducing greenhouse gas emissions across the government estate by 50% by 2025 and by 80% by 2050, as per the Green Construction Board policy;
- b) Reducing the amount of waste (including construction waste) generated and diverting waste from landfill;
- c) Reducing water consumption, particularly in areas subject to water stress, while increasing water recycling;
- d) Adopting a whole life cost approach to design cost and carbon and water reduction in the built environment, and assisting individual Contracting Authorities in meeting departmental targets arising from the Climate Change Act 2008;
- e) Increasing liquidity in the supply chain through initiatives such as Supply Chain Finance, Project Bank Accounts (PBAs), and the Enterprise Finance Guarantee;
- f) Ensuring that government (through its Suppliers) purchases more sustainable and efficient products;
- g) Ensuring that redundant ICT (Information and Communications Technology) equipment is re-used (within government, the public sector or wider society) or responsibly recycled;
- h) Using sustainable urban drainage systems where appropriate;
- i) Promoting, conserving and enhancing biodiversity, including use of Biodiversity Action Plans or equivalent and the management of Sites of Special Scientific Interest;
- j) Avoiding flooding and helping recovery in the event of flooding and other weather-related hazards;
- k) Adopting the application of BRE's Environmental Assessment Methodology (BREEAM);
- l) Promoting well-being;
- m) Encouraging volunteering;
- n) Delivering apprenticeships;
- o) Supporting sustainable skills development through major construction and infrastructure projects, in accordance with Procurement Policy Note (PPN) 06/15;

- p) Compliance with the Public Equality Duty to promote diversity, to assist sector capacity and increase the employment of protected groups;
- q) Following the principles of the Green Public Procurement (GPP) voluntary instrument;
- r) Compliance with Procurement Policy Note (PPN) 16/15 for procuring steel in major projects;
- s) Compliance with the Timber Procurement Policy dated 20th October 2014;
- t) Compliance with Digital Built Britain, including Building Information Modelling (BIM);
- u) Embedding Government Buying Standards in departmental and centralised procurement contracts, where appropriate;
- v) Improving and publishing data on government supply chain impacts;
- w) Leadership in whole-life approaches and climate change adaptation;
- x) Supporting “green” economic growth by encouraging “green” technologies, promoting innovation, working with small businesses and protecting the environment, whilst also delivering value for money; and
- y) The Armed Forces Covenant enacted under the Armed Forces Act 2011

4.11.3. The Supplier shall ensure that Customer targets for carbon reduction, waste reduction and water consumption are achieved.

4.11.4. The Supplier shall comply with the legislative requirements as prescribed in Article 6 of the Energy Efficiency Directive 2012/27/EU (EED), and shall ensure that any goods required by the Supplier to fulfil the Service delivery requirements are compliant with the Directive.

4.12. **Government Social Values**

4.12.1. The Supplier shall complete annual Corporate Social Responsibility (CSR) assessments upon request from Contracting Authorities.

4.12.2. The Supplier shall identify [Social Value](#) options which are appropriate to Contracting Authorities at Call for Competition stage. Any Social Value options selected by Customer shall be in accordance with the Government’s Social Values which are current at that point in time.

5. **Desirable Requirements**

5.1. Warranty and aftersales:

The Supplier shall ensure that any work(s) or installation warranties will be clearly notified to Customers at the Call for Competition stage.

The Supplier shall, where applicable, provide a manufacturer's warranty.

5.2. Training and guidance:

The Supplier shall provide training and guidance to Customers where required in relation to the services being carried out.