**TENDER FOR A TEES VALLEY ENERGY RECOVERY FACILITY (ERF)**

**PROCONTACT REFERENCE DN 488406**

**OJEU REFERENCE 2020/S 142-350833**

Hartlepool Borough Council is procuring a solution for the design, build, financing, commissioning, testing and operation of an ERF on behalf of itself and six other neighbouring local authorities (Darlington Borough Council, Durham County Council, Middlesbrough Council, Newcastle City Council, Redcar and Cleveland Borough Council and Stockton-on-Tees Borough Council) (together, the Councils). By 2025/26, it is forecast that the Councils will be producing circa 397,000 tonnes of residual waste per annum. The ERF will be required to have a capacity that is sufficient to receive and treat all of the residual municipal solid waste from each of the Councils as forecast over the term, with any spare capacity being used to treat similar waste from third parties.

The Councils are seeking a contractor who can provide a facility based on proven technology to dispose of and treat residual municipal solid waste and with the capability to generate electricity and heat for the local economy, thereby minimising diversion to landfill and climate impacts and maximising value generated from the waste treated. The successful contractor will also be responsible for all handling (including storage, marketing and recycling) of any residues from the facility. Residues must be treated in such a manner as to minimise diversion to landfill and climate impacts and maximise recovery (value from) these materials. The ERF must be constructed on a 10 hectare brownfield site at Grangetown owned by the South Tees Development Corporation which comes with the benefit of outline planning permission. Comprehensive ground condition investigations are being undertaken and the results of these will be made available to all Tenderers.

The Councils' intention is to award a contract to the successful contractor in December 2021 for a 29 year term (including 3-4 years construction phase and at least 25 years operational phase) with an option to extend up to a further 11 years. The successful contractor will be required to accept and manage all contract waste from 1 April 2026. The Councils will incorporate a special purpose vehicle project company during the procurement process to act as the contracting entity.

The ERF will be designed to comply with Specification and all relevant planning permission and environmental permit conditions and will be required to achieve a sustained operation of at least 93% availability. The contract will incorporate a performance management framework to incentivise optimal performance. Contract waste composition risk will sit with the contractor and the design of the ERF will be expected to take into account future changes in contract waste composition, including but not limited to the impact of proposed separate weekly food waste collections and enhanced recycling capture on residues.

The contractor will be required to maintain a single comprehensive electronic information management system, accessible by the Councils, for all information related to delivery of the works and services at the ERF including contract waste data, performance monitoring data (including vehicle turnaround times), health and safety, environmental and information on complaints and handling of these.

A key requirement of the Councils is that the proposed solution for the ERF must, where possible, support regional employment and regeneration as well as assisting the Councils in their strategies to reduce the climate change and carbon impacts of waste management and maximising recycling and recovery of waste. The successful contractor will be obliged to comply with all committed outcomes in a social value plan to be provided as part of its tender response.

Further details on the specification and other requirements can be found in the procurement documents which can be accessed in the ProContract tendering portal at <https://procontract.due-north.com>.

Organisations wishing to register an interest and download the procurement documents, should apply via the ProContract e-tendering portal <https://procontract.due-north.com>

Registration is Free of Charge

All completed documentation for the first stage of this tender must be completed and returned via the ProContract e-tendering portal only and by no later than 10:00 on Monday 7th September 2020. Postal or e-mailed submission will not be accepted