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Award

Leeds City Centre Heat Network

Leeds City Council

UK6: Contract award notice - Procurement Act 2023 - [view information about notice types](#)

Notice identifier: 2026/S 000-014927

Procurement identifier (OCID): ocds-h6vhtk-05128c ([view related notices](#))

Published 18 February 2026, 3:58pm

Scope

Reference

99236

Description

Leeds City Council ("LCC") is seeking via this Procurement to appoint a Development & Funding Partner to develop the Leeds City Centre Heat Network ("the Network") under a Development Agreement ("DA"). The Network will be a large-scale, low carbon heat network serving the Leeds AZP Area ("the Project").

The Development & Funding Partner will enter into the DA with LCC to undertake development activities during the Development Period. The DA is based on the template "Golden Share Development Agreement" developed by DESNZ for the Advanced Zoning Programme ("AZP") and regulates the design and development of the Network up until the point at which the Project is approved, not approved or is deemed to be unviable at the Approvals Gateway.

If the Project successfully meets the Mandatory Requirements ("MRs") set out in the DA, the Development & Funding Partner has met its relevant obligations under the DA and

LCC elects to approve the Project, LCC and the Development & Funding Partner will be required to enter into a Joint Venture Partnership via a Shareholders' Agreement ("SHA").

The SHA is based on the template "Golden Share Shareholders' Agreement" developed by DESNZ for the Advanced Zoning Programme and will govern the management of the Special Purpose Vehicle ("SPV") and impose obligations on delivery and operation of the Network.

The Development & Funding Partner will be responsible for further development activities, funding and delivering the Project under the SHA, as the Development & Funding Partner. LCC will hold a Golden Share under the SHA.

LCC (in its own right and via its wholly owned subsidiary) is the owner and operator of the Leeds PIPES heat network ("Leeds PIPES"). LCC may elect to offer to transfer Leeds PIPES to the SPV on a cash or equity basis after execution of the SHA and in accordance with the terms of the SHA. The following known risk has been identified as part of this procurement:

1. Future introduction of the Heat Network Zoning regulations and the appointment of the Zone Coordinator.

Contract 1. Leeds City Centre Heat Network

Supplier

- HEMIKO LIMITED

Contract value

- £3,405,000,000 excluding VAT
- £4,086,000,000 including VAT

Above the relevant threshold

Award decision date

18 February 2026

Date assessment summaries were sent to tenderers

18 February 2026

Standstill period

- End: 27 February 2026
- 8 working days

Earliest date the contract will be signed

20 March 2026

Contract dates (estimated)

- 27 March 2026 to 31 March 2076
- 50 years, 5 days

Main procurement category

Works

CPV classifications

- 45211360 - Urban development construction work
- 45232140 - District-heating mains construction work
- 45232141 - Heating works
- 71314000 - Energy and related services

Contract locations

- UKE42 - Leeds

Information about tenders

- 2 tenders received
- 2 tenders assessed in the final stage:
 - 1 submitted by small and medium-sized enterprises (SME)
 - 0 submitted by voluntary, community and social enterprises (VCSE)
- 1 supplier awarded contracts
- 1 supplier unsuccessful (details included for contracts over £5 million)

Unsuccessful suppliers

- [VITAL ENERGI UTILITIES LIMITED](#)

Submission

Submission type

Tenders

Procedure

Procedure type

Competitive flexible procedure

Special regime

Concession

Suppliers

HEMIKO LIMITED

- Companies House: 08331646
- Public Procurement Organisation Number: PVTD-3884-HXGH

Castletown Office

Carlisle

CA6 4BN

United Kingdom

Email: bidning@hemiko.com

Website: <http://www.hemiko.com>

Region: UKD12 - East Cumbria

Small or medium-sized enterprise (SME): Yes

Voluntary, community or social enterprise (VCSE): No

Supported employment provider: No

Public service mutual: No

Contract 1. Leeds City Centre Heat Network

VITAL ENERGI UTILITIES LIMITED

- Companies House: 04050190
- Public Procurement Organisation Number: PRNH-3543-YBNX

Century House

Blackburn

BB1 2LD

United Kingdom

Website: <http://www.vitalenergi.co.uk>

Region: UKD41 - Blackburn with Darwen

Small or medium-sized enterprise (SME): No

Voluntary, community or social enterprise (VCSE): No

Contracting authority

Leeds City Council

- Public Procurement Organisation Number: PJYG-6658-PPMY

Civic Hall, Calverley Street

Leeds

LS1 1UR

United Kingdom

Email: cpu@leeds.gov.uk

Website: <http://www.leeds.gov.uk>

Region: UKE42 - Leeds

Organisation type: Public authority - sub-central government

Other organisations

These organisations are carrying out the procurement, or part of it, on behalf of the contracting authorities.

OVE ARUP & PARTNERS LIMITED

Summary of their role in this procurement: Procurement support and advice

- Companies House: 01312453
- Public Procurement Organisation Number: PZJN-8211-DBBV

8 Fitzroy Street

London

W1T 4BJ

United Kingdom

Email: uk.procurement@arup.com

Website: <http://www.arup.com>

Region: UKI31 - Camden and City of London

ADDLESHAW GODDARD LLP

Summary of their role in this procurement: Legal support to the project

- Companies House: OC318149
- Public Procurement Organisation Number: PRWH-7564-XRYD

41 Lothbury

London

EC2R 7HG

United Kingdom

Email: bdtenders@addleshawgoddard.com

Website: <http://www.addleshawgoddard.com/>

Region: UKI31 - Camden and City of London

HERMETICA BLACK LIMITED

Summary of their role in this procurement: Technical Advice

- Companies House: 08548008
- Public Procurement Organisation Number: PNLC-8839-QVPH

118 Commercial Street

London

E1 6NF

United Kingdom

Email: accounts@hermeticablack.com

Website: <https://hermeticablack.com/>

Region: UKI42 - Tower Hamlets

ASTEROS ADVISERS LTD

Summary of their role in this procurement: Commercial

- Companies House: 11914766
- Public Procurement Organisation Number: PPZV-1662-HMLH

Unit 10 7 Wenlock Road

London

N1 7SL

United Kingdom

Email: enquiries@asteros.co.uk

Website: <http://www.asteros.co.uk>

Region: UKI41 - Hackney and Newham

Contact organisation

Contact Leeds City Council for any enquiries.