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Contract

Ofwat Innovation Fund delivery partner 2025-30

Water Services Regulation Authority (Ofwat)

F03: Contract award notice

Notice identifier: 2025/S 000-021944

Procurement identifier (OCID): ocds-h6vhtk-049d6e

Published 15 May 2025, 4:58pm

Section I: Contracting authority

I.1) Name and addresses

Water Services Regulation Authority (Ofwat)

Centre City Tower, 7 Hill Street

Birmingham

B5 4UA

Email

Procurement@ofwat.gov.uk

Telephone

+44 1216447534

Country

United Kingdom

NUTS code

UKG31 - Birmingham

Internet address(es)

Main address

<http://www.ofwat.gov.uk/>

Buyer's address

https://www.mytenders.co.uk/search/Search_AuthProfile.aspx?ID=AA24607

I.2) Information about joint procurement

The contract is awarded by a central purchasing body

I.4) Type of the contracting authority

Body governed by public law

I.5) Main activity

General public services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Ofwat Innovation Fund delivery partner 2025-30

Reference number

PROC.0024

II.1.2) Main CPV code

- 65000000 - Public utilities

II.1.3) Type of contract

Services

II.1.4) Short description

We are looking to appoint delivery partners to support Ofwat in delivering the Ofwat Innovation Fund and aspects of the Water Efficiency Fund in AMP 8 (the asset management planning period which runs from April 2025-March 2030). This is a continuation of the existing Innovation Fund which was established in 2020 and the introduction of a new Water Efficiency Fund (WEF) of which this Invitation to Tender is concerned with only two aspects: the Water Efficiency Lab (WEL) – an annual competition similar to the Innovation Fund but focused solely on water efficiency, and the evaluation of the Water Efficiency Campaign (WEC), which is the other part of the two components that make up the WEF.

We are looking for delivery partner support in three distinct but linked areas:

Lot 1: Core Innovation Fund and WEL delivery

Lot 2: Implementation programme

Lot 3: Evaluation

II.1.6) Information about lots

This contract is divided into lots: Yes

II.1.7) Total value of the procurement (excluding VAT)

Value excluding VAT: £18,400,000

II.2) Description

II.2.1) Title

Lot 1: Core Innovation Fund and WEL delivery

Lot No

1

II.2.2) Additional CPV code(s)

- 65000000 - Public utilities

II.2.3) Place of performance

NUTS codes

- UKG31 - Birmingham
- UKI - London
- UKI32 - Westminster

II.2.4) Description of the procurement

Lot 1: Core Innovation Fund and WEL delivery

Lot 1 is broken down into the following services (detailed descriptions follow):

1. Water Breakthrough Challenge rounds 6-7
2. Water Discovery Challenge round 2
3. Water Efficiency Lab rounds 1-2
4. Collaborative Challenge programme
5. Monitoring of live projects and project closedown
6. Programme governance
7. Marketing and communications
8. Data collection to inform AMP 8 evaluation

The overall budget range for the initial two-year contract for Lot 1: Core Innovation Fund and WEL delivery is 4,400,000-5,800,000

The overall budget for 3-5 of the period will be determined towards the end of year 2 is 6,500,000-8,700,000

II.2.5) Award criteria

Quality criterion - Name: Quality / Weighting: 70

Price - Weighting: 30

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) Description

II.2.1) Title

Lot 2: Implementation programme

Lot No

2

II.2.2) Additional CPV code(s)

- 65000000 - Public utilities

II.2.3) Place of performance

NUTS codes

- UKI32 - Westminster
- UKG31 - Birmingham

II.2.4) Description of the procurement

The Innovation Fund aims to support the adoption and roll-out of innovative products, services and concepts. We expect most water companies will see the benefits of adopting successful innovations with no further support from Ofwat. However, throughout our engagement with companies in 2023/24 we have understood that it can take many years for companies to adopt an innovation and there have been suggestions that part of the fund should be targeted to help speed up implementation of new products, services and concepts.

The Supplier and Ofwat will work closely together with the sector to determine what an effective implementation programme could look like. The programme will focus on accelerating the adoption and scaling of innovations awarded funding through the Ofwat Innovation Fund but also to support innovation implementation more generally across the sector.

Co-design and delivery of new programme to support the acceleration of adoption and scaling of innovations across sector. Timetable to be agreed with the Supplier in line with the capacity of the sector to engage in design of the programme, but work expected to start in 2025.

The overall budget range for the initial two-year contract for Lot 2: Implementation programme is 500,000-800,000

The possible budget in years 3-5 of extension period for Lot 2: Implementation programme is 800,000-1,100,000

II.2.5) Award criteria

Quality criterion - Name: Quality / Weighting: 70

Price - Weighting: 30

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) Description

II.2.1) Title

Lot 3: Evaluation

Lot No

3

II.2.2) Additional CPV code(s)

- 65000000 - Public utilities

II.2.3) Place of performance

NUTS codes

- UKG31 - Birmingham
- UKI32 - Westminster

II.2.4) Description of the procurement

Lot 3 is broken down into the following services

1. AMP 7 Evaluation: Delivery of an impact and Value for Money (VfM) evaluation programme before the end of 2027

2. Delivery and coordination of AMP 8 evaluation activity.

The overall budget range for the initial two-year contract for Lot 3: Evaluation is 600,000-900,000

The overall value in years 3-5 of the period will be determined towards the end of year 2 and could be in the range of 800,000-1,100,000

II.2.5) Award criteria

Quality criterion - Name: Quality / Weighting: 70

Price - Weighting: 30

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

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Open procedure

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: [2024/S 000-030529](#)

Section V. Award of contract

Lot No

1

Title

Lot 1: Core Innovation Fund and WEL delivery

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

31 March 2025

V.2.2) Information about tenders

Number of tenders received: 7

Number of tenders received from SMEs: 3

Number of tenders received from tenderers from other EU Member States: 0

Number of tenders received from tenderers from non-EU Member States: 7

Number of tenders received by electronic means: 7

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

V.2.3) Name and address of the contractor

Nesta

58 Victoria Embankment

London

EC4Y0DS

Telephone

+44 7445088652

Country

United Kingdom

NUTS code

- UK - United Kingdom

The contractor is an SME

Yes

V.2.4) Information on value of contract/lot (excluding VAT)

Initial estimated total value of the contract/lot: £14,500,000

Total value of the contract/lot: £14,500,000

Section V. Award of contract

Lot No

2

Title

Lot 2: Implementation programme

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

31 March 2025

V.2.2) Information about tenders

Number of tenders received: 7

Number of tenders received from SMEs: 3

Number of tenders received from tenderers from other EU Member States: 0

Number of tenders received from tenderers from non-EU Member States: 7

Number of tenders received by electronic means: 7

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

V.2.3) Name and address of the contractor

Isle

One Eleven, Edmund Street

Birmingham

B3 2HJ

Telephone

+44 7742096537

Country

United Kingdom

NUTS code

- UK - United Kingdom

The contractor is an SME

Yes

V.2.4) Information on value of contract/lot (excluding VAT)

Initial estimated total value of the contract/lot: £1,900,000

Total value of the contract/lot: £1,900,000

Section V. Award of contract

Lot No

3

Title

Lot 3: Evaluation

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

31 March 2025

V.2.2) Information about tenders

Number of tenders received: 14

Number of tenders received from SMEs: 8

Number of tenders received from tenderers from other EU Member States: 0

Number of tenders received from tenderers from non-EU Member States: 14

Number of tenders received by electronic means: 14

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

V.2.3) Name and address of the contractor

ICF Consulting Services Ltd

62 Threadneedle Street

London

EC2R 8HP

Telephone

+44 2030964800

Country

United Kingdom

NUTS code

- UK - United Kingdom

The contractor is an SME

No

V.2.4) Information on value of contract/lot (excluding VAT)

Initial estimated total value of the contract/lot: £2,000,000

Total value of the contract/lot: £2,000,000

Section VI. Complementary information

VI.3) Additional information

(MT Ref:234342)

VI.4) Procedures for review

VI.4.1) Review body

Public Procurement Review Service

Cabinet Office

London

Email

publicprocurementreview@cabinetoffice.gov.uk

Telephone

+44 3450103503

Country

United Kingdom

Internet address

<https://www.gov.uk/government/publications/public-procurement-review-service-scope-and-remit>