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Tender

Leeds City Centre Heat Network

Leeds City Council

UK4: Tender notice - Procurement Act 2023 - [view information about notice types](#)

Notice identifier: 2025/S 000-037937

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

Published 7 July 2025, 3:40pm

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.

The indicative procurement dates for this opportunity are:

29/07/2025 - Deadline for clarification questions submitted (Enquiry Deadline)

22/08/2025 - Deadline for receipt of PSQ Response (Tender Submission Deadline)

17/10/2025 - Deadline for receipt of Interim Tender Responses

19/12/2025 - Deadline for receipt of Final Tender Responses

13/03/2025 - Assessment summaries & Contract Award Notice issued

03/04/2025 - Contract signature (Contract Start Date)

Total value (estimated)

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

Above the relevant threshold

Contract dates (estimated)

- 1 March 2026 to 29 February 2076
- 50 years

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

Submission

Enquiry deadline

29 July 2025, 12:00pm

Submission type

Tenders

Tender submission deadline

17 October 2025, 12:00pm

Submission address and any special instructions

Bids must be submitted to the website <https://yortender.eu-supply.com/login.asp?B=YORTENDER> using the contract reference number 99236, as outlined in the tender documentation.

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Tenders may be submitted electronically

Yes

Languages that may be used for submission

English

Award decision date (estimated)

13 February 2026

Award criteria

Name	Description	Type	Weighting
Technical	Technical quality questions	Quality	75%
Commercial	Commercial	Price	15%
Social Value	Social Value question and targets	Quality	10%

Other information

Conflicts assessment prepared/revised

Yes

Procedure

Procedure type

Competitive flexible procedure

Special regime

Concession

Competitive flexible procedure description

This Competitive Flexible Procedure will be conducted in five (5) stages.

- a. Stage 1: Conditions of Participation - issuing this Tender notice and a Procurement Specific Questionnaire, which includes the Conditions of Participation.
- b. Stage 2: Interim Tender Response Phase - suppliers who have been successfully shortlisted at Stage 1 will be invited to submit an Interim Tender Response. This will be limited to a legal response on the Contract Documents.
- c. Stage 3: Dialogue Meetings - Following receipt of the Interim Tender Responses, dialogue meeting(s) will be held with each Supplier to discuss their responses in Stage 2.
- d. Stage 4: Invitation to Submit a Final Tender Response - Stage 4 will commence with LCC providing any documents which have been updated following Stage 3, and inviting suppliers to respond to the Technical, Commercial and Social Value questions.
- e. Stage 5: Preferred Supplier Stage - LCC will provide an assessment summary to all Suppliers that submitted Final Tender Responses. LCC will clarify commitments with the Supplier who LCC considers has the Most Advantageous Tender in order to finalise the Contractual Documentation. During this stage LCC will not negotiate substantive terms post final tender evaluation and award, only using this stage to clarify and confirm commitments made in the tender negotiation. This will ensure a confirmed understanding of how the contract will operate and reducing the risk of issues arising once the contract has been entered into.

The conditions of participation used in Stage 1 will include:

- Financial Capacity
- Insurance
- Data Protection
- Legal Capacity
- Technical Ability (relevant experience and case study examples)

- Health and Safety
- Requirement under section 73 of the Act
- Tackling Modern Slavery in Supply Chains

Justification for not publishing a preliminary market engagement notice

The preliminary market engagement notice was published.

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

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

Milton Gate

London

EC1Y 4AG

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

Region: UKI41 - Hackney and Newham

Contact organisation

Contact Leeds City Council for any enquiries.