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Planning

Grand Union Canal Transfer Scheme - Moving Water Together

AFFINITY WATER LIMITED

UK2: Preliminary market engagement notice - Procurement Act 2023 - [view information about notice types](#)

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Scope

Reference

C-04328

Description

Affinity Water is the largest water-only supplier in the UK, serving over 3.8 million people across the southeast of England. With a strong focus on sustainability, innovation, and customer service, Affinity Water is committed to securing water supplies for future generations while protecting the environment. Our work includes reducing water leakage, promoting water efficiency, and engaging with communities to ensure a reliable and sustainable water future.

The Grand Union Canal Transfer scheme has been designated a project of national significance, forming part of Ofwat's Direct Procurement for Customers (DPC)

programme. Affinity Water is looking to utilise a Competitively Appointed Provider (CAP) through a Design-Build -Finance (DBF) or Design-Build-Finance-Operate-Maintain (DBFOM) model or variations thereof (including Design-Build-Finance-Maintain (DBFM)). The scheme facilitates strategic water transfer from the Midlands to the Southeast, leveraging existing canal infrastructure alongside new assets, including water treatment works, pipelines, pumping stations, and environmental mitigation works. This notice seeks market engagement from suitably qualified parties capable of delivering a secure, sustainable, and value-oriented solution for customers aligned with long-term national water resilience objectives.

Total value (estimated)

- £425,000,000 excluding VAT
- £510,000,000 including VAT

Above the relevant threshold

Contract dates (estimated)

- 30 September 2028 to 30 June 2057
- 28 years, 9 months, 1 day

Main procurement category

Works

Additional procurement category

Services

CPV classifications

- 45000000 - Construction work
- 65100000 - Water distribution and related services
- 66100000 - Banking and investment services

Contract locations

- UKF - East Midlands (England)
- UKG - West Midlands (England)
- UKJ - South East (England)

Engagement

Engagement deadline

5 September 2025

Engagement process description

Affinity Water Limited is issuing this Preliminary Market Engagement Notice as part of the early market consultation for the Grand Union Canal Transfer scheme (GUCT scheme), a nationally significant water infrastructure initiative. The southern section of this project is to be delivered under Ofwat's Direct Procurement for Customers (DPC) programme, using a Competitively Appointed Provider (CAP) model.

Affinity Water seeks to engage with market participants who may have the capability, experience, and interest in delivering the scheme through a Design-Build-Finance (DBF), Design-Build-Finance-Maintain (DBFM) or Design-Build-Finance-Operate-Maintain (DBFOM) model. This early market consultation is a Request for Information (RFI) to help shape the commercial, technical, and delivery strategy of the project and inform the forthcoming procurement process.

The project includes (but is not limited to):

- Water Treatment Works
- Pumping stations
- Transfer pipelines
- Canal enhancements
- Environmental and mitigation measures
- Long-term operation and maintenance services (if DBFOM is adopted)

Affinity Water is looking to appoint a Competitively Appointed Provider (CAP) through an open, fair, and transparent competitive procurement process. Affinity Water anticipates that the CAP will be responsible for the design, build, and financing of the scheme, with options to include operation and maintenance for a defined contract term of 25 years.

This Market Engagement is focused on:

- Gauging market capacity and capability
- Understanding potential delivery models and risks
- Informing procurement strategy (DBF, DBFM & DBFOM)
- Identifying innovations and barriers to entry

The scope of this RFI includes:

- Technical feasibility and constructability insights
- Financing models, including private sector appetite and structures
- Operations and maintenance considerations (where applicable)
- Commercial risk allocation and delivery timelines
- Market constraints or innovations
- Environmental or regulatory factors

Affinity Water encourages responses from:

- Infrastructure investors and financiers
- Construction and engineering firms
- Operations and maintenance specialists
- Joint ventures or consortia

Please email guctsheme@affinitywater.co.uk to register/participate in the market engagement process.

This notice is not a call for competition, a contract notice, or a commitment to procure.

Affinity Water reserves the right to alter or terminate the market engagement process at any time without notice.

Affinity Water is not liable for any costs or expenses incurred by any party in responding to this RFI.

Submission of a response does not guarantee inclusion in any future procurement or prequalification process.

Affinity water reserves the right to enter into further rounds of pre-market engagement.

All future procurement opportunities will be published through the Central Digital platform (CDP).

Affinity Water will process your personal data, such as your name and contact details, in accordance with its obligations under the UK General Data Protection Regulation and Data Protection Act 2018. Your personal data will be used for the purposes of reviewing your questionnaire and contacting you for further information only. Any information you provide may be shared with our Grand Union Canal Transfer scheme commercial partners.

Procedure

Special regime

Utilities

Contracting authority

AFFINITY WATER LIMITED

- Companies House: 02546950
- Public Procurement Organisation Number: PMRZ-1695-VBDV

Tamblin Way

Hatfield

AL10 9EZ

United Kingdom

Email: guctscheme@affinitywater.co.uk

Website: <https://guctransfer.co.uk/>

Region: UKH23 - Hertfordshire

Organisation type: Private utility