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Tender

Procurement of the Development Agreement Related to a Low Carbon Heat Network in the Square Mile

The Mayor and Commonalty and Citizens of the City of London

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

Notice identifier: 2025/S 000-083343

Procurement identifier (OCID): ocds-h6vhtk-05453f ([view related notices](#))

Published 16 December 2025, 12:53pm

Scope

Reference

itt_201

Description

City of London Corporation ("CoLC") is seeking via this Procurement to select a Heat Network Development Partner to develop the Network and, subject to receipt of the necessary approvals, deliver the Network.

It is intended that, as a result of this Procurement, CoLC will enter into a development agreement under which the Heat Network Development Partner (via the special purpose vehicle (the "SPV") established for development and delivery of the Network) is required to design and develop the Network up until the point at which it is ready to be built, at which point, it will present the project for approval by CoLC.

Provided that the project passes this "Approvals Gateway", CoLC and the Heat Network Development Partner will be required to enter into the Shareholders' Agreement which will govern the management of the SPV and impose obligations on delivery and operation of

the Network. CoLC invests no capital in the SPV and derives no economic benefit as a Shareholder but, holds a "special" or "golden" share in the SPV which allows it certain rights as set out in more detail in the Contractual Documentation.

The geographical area for the development and delivery of the Network is bounded by:

- a) the City of London boundary with Westminster, Camden, and Islington;
- b) roads including Moorgate, Princes Street, King William Street, and London Bridge; and
- c) the River Thames.

The indicative procurement dates for this opportunity are:

12/01/2026 - Deadline for initial clarification questions submitted (Enquiry Deadline)

26/01/2026 - Deadline for receipt of PSQ Response (Tender Submission Deadline)

23/03/2026 - Deadline for receipt of Interim Tender Responses

22/06/2026 - Deadline for receipt of Final Tender Responses

05/11/2026 - Assessment summaries & Contract Award Notice issued

26/11/2026 - Contract signature (Contract Start Date)

Total value (estimated)

- £4,342,000,000 excluding VAT
- £5,210,400,000 including VAT

Above the relevant threshold

Contract dates (estimated)

- 26 November 2026 to 31 August 2068
- 41 years, 9 months, 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

- UKI31 - Camden and City of London

Submission

Enquiry deadline

12 January 2026, 12:00pm

Submission type

Tenders

Tender submission deadline

26 January 2026, 12:00pm

Submission address and any special instructions

This tendering exercise is being undertaken using the electronic tendering system 'City of London Corporation Sourcing & Contracts Portal' (<https://cityoflondon.ukp.app.jaggaer.com/>). Suppliers will need to register an interest on the system in order to participate and registration is free.

Tenders may be submitted electronically

Yes

Languages that may be used for submission

English

Award decision date (estimated)

5 November 2026

Award criteria

Name	Description	Type	Weighting
Technical	Technical (Qualitative)	Quality	50%
Commercial	Commercial (Qualitative + Quantitative)	Price	40%
Social Value	Social Value (Qualitative + Quantitative)	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. However, technical issues can be raised to the extent that they relate to contractual risks.
- 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 CoLC 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 - CoLC will provide an assessment summary to all Suppliers that submitted Final Tender Responses. CoLC will clarify commitments with the Supplier who CoLC considers has the Most Advantageous Tender in order to finalise the Contractual Documentation. During this stage CoLC 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:

- Economic Financial Standing
- Insurance
- Technical Ability (relevant experience and case study examples)
- Data Protection
- Health & Safety
- Business Continuity
- Requirement under Section 73 in the Act
- Modern Slavery Act 2015
- Climate Action Strategy (not scored)
- Work Related Road Risk
- Living Wage
- Supplier Diversity Monitoring Form (not scored)

CoLC has included in section 10 of the Invitation to Tender a number of known risks, as defined in Schedule 1, paragraph 5(b) of the Procurement Act 2023. In the event any of the above-mentioned known risks materialise, CoLC reserves the right to modify the Contractual Documentation in accordance with section 74 of the Procurement Act 2023.

CoLC reserves their right under section 24 of the Procurement Act 2023 to refine award criteria before the invitation of final tenders.

Contracting authority

The Mayor and Commonalty and Citizens of the City of London

- Public Procurement Organisation Number: PYQD-1693-MYXR

PO Box 270

City of London

EC2P 2EJ

United Kingdom

Email: robert.pine@cityoflondon.gov.uk

Website: <https://www.cityoflondon.gov.uk>

Region: UKI43 - Haringey and Islington

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

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

SHARPE PRITCHARD LLP

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

- Companies House: OC378650

Elm Yard, 13-16 Elm St

London

WC1X 0BL

United Kingdom

Email: tenders@sharpepritchard.co.uk

Website: <https://www.sharpepritchard.co.uk/>

Region: UKI31 - Camden and City of London

LOCAL PARTNERSHIPS LLP

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

- Companies House: OC346845

18 Smith Square

London

SW1P 3HZ

United Kingdom

Email: LPenquiries@localpartnerships.gov.uk

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

Region: UKI32 - Westminster

Contact organisation

Contact The Mayor and Commonalty and Citizens of the City of London for any enquiries.