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Planning

UPDATED Cardiff International Sports Village Energy Strategy

Cardiff Council

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

Notice identifier: 2025/S 000-010601

Procurement identifier (OCID): ocds-h6vhtk-04f72b

Published 21 March 2025, 10:49am

Scope

Reference

ERFX1008606

Description

The Council is issuing this Preliminary Market Engagement Notice to commence preliminary market engagement with interested contractors in respect of a future procurement process that it intends to conduct.

The procurement process aims to appoint a contractor to deliver a turn-key solution inclusive of funding, design, construction, operation and maintenance of an energy solution across the Sports Village in Cardiff Bay -the Scheme.

The Scheme is essential to protect the long-term sustainability of the existing sport and

leisure facilities given the volatility of energy price and the Council's commitment to reducing the Carbon footprint of its estate and support the wider regeneration.

It is the intention to procure a District Energy Network - DEN - Developer through a private delivery model and for the parties to enter into a Development Agreement together with ancillary agreements.

Other than land - long lease -and concessionary arrangements with the existing sporting and leisure assets and supporting with grant applications

-third-party, not Council - where appropriate the Council will not be funding or financial supporting the delivery and operation of the energy asset by any other means. This has to be a private sector delivered and operated solution.

The Development Agreement and ancillary agreements will set out the arrangements as between the Council and DEN Developer to enable the DEN Developer to finance, design, build, operate and maintain the DEN for a defined term.

The Council makes the following supporting information available with this Notice, these documents can be found within the Attachments Tab on Proactis -

Annex 1 - Energy Strategy

Annex 2 - Energy Strategy Technical Report

Annex 3 - Cost Report

Annex 4 - Contract Structure Report

Annex 5 - Revenue Report

Annex 6 - Approved masterplan

Proposed Procurement Structure -

It is the intention to procure a District Energy Network - DEN - Developer through a private delivery model and for the parties to enter into a Development Agreement together with ancillary agreements. An overview of this structure is set out in Annex 4.

The Development Agreement and ancillary agreements will set out the arrangements as between the Council and DEN Developer to enable the DEN Developer to finance, design, build, operate and maintain the DEN for a defined term.

The Council envisages to commence a public procurement process for the Scheme via the

issue of a Tender Notice in July 2025.

The intention is to conduct the procurement using the Competitive Flexible Procedure as provided for under the Procurement Act 2023.

The procurement process will involve a multi-staged process, which will permit dialogue.

The competition will start with a pre-qualification process to allow the Council to identify and shortlist the most capable contractors who will then be subsequently invited to dialogue on the Scheme and submit tenders.

Further details of the process will be made available when the procurement commences.

Background

In 2023, the Council invited the Market to respond to its request for feedback on a proposed model of delivery for the Scheme. The responses received helped the Council to better inform and shape its strategy for the Scheme and undertake further due diligence activities.

Through this process, the Council are looking for a turn-key solution against their energy strategy within ISV whereby the successful parties can demonstrate the ability to fund, deliver and operate an energy centre infrastructure based upon a heat recovery solution between Ice Arena and International Pool as well as utilising heat recovery from Cardiff Bay.

The initial essential outputs are -

- Decarbonisation of the Cardiff International pool - CIP - Cardiff Ice Arena - CIA - and potentially Cardiff International White-Water Centre - CIWW.
- Long-term sustainable energy strategy for the leisure infrastructure.
- No capital investment from the Council or financial support or underwriting of costs.

What are the Council offering?

- Land on which to deliver an energy centre on a long lease of 125-250 years. This will have a restricted use for the delivery of an Energy Centre.
- Ability to connect to International Pool, Ice Arena and CIWW
- Support to secure grants if required for the energy infrastructure.
- Legal obligation on the incumbent new development to connect to the energy infrastructure - subject to availability, timing and requirements.

What are the Council's timescale requirements?

- The Council must conclude the Procurement with an outcome for a Cabinet decision no later 4th quarter 2025-2026 -January to March 2026..
- The Council are targeting the energy infrastructure to be in place for heat recovery between Ice Arena and International Pool by no later than 3rd quarter of 2026-2027 - October to December 2027.

Contract dates (estimated)

- 2 February 2026 to 1 February 2051
- 25 years

Main procurement category

Works

CPV classifications

- 45000000 - Construction work
- 65000000 - Public utilities
- 09300000 - Electricity, heating, solar and nuclear energy
- 09000000 - Petroleum products, fuel, electricity and other sources of energy
- 71314000 - Energy and related services
- 42515000 - District heating boiler

- 71321200 - Heating-system design services

Contract locations

- UKL22 - Cardiff and Vale of Glamorgan

Engagement

Engagement deadline

25 April 2025

Engagement process description

The Council invites interested contractors in the market to

- provide written feedback in relation to the proposed Scheme for the Council to consider ahead of the commencement of a public procurement exercise via Proactis ERFX1008606 <https://supplierlive.proactisp2p.com/Account/Login>.

- Written feedback of no more than 20 sides of A4, inclusive of images, diagrams etc, should be submitted via Proactis, via the details below, No attachments, hyperlinks or additional documents permitted

The Council is particularly interested in feedback from main contractors who would be interested in delivering the Scheme on the following, but not necessarily limited to

- The proposed procurement structure for the Energy Strategy at ISV
- The proposed contract structure for the Energy Strategy at ISV, Annex 4, to include feedback on the proposed relationship with DEN and each asset and customer.

- Noting the Council's intention to enter a Development Agreement with the successful bidder, please provide your views on this and confirm the minimum term you would consider reasonable and why.
- Feedback on whether the Energy Strategy can be fully Developer led with no Council involvement - except what is listed above as Council contribution.
- An overview of the Developer's Funding Strategy, including clarification on whether grants and/or other unsecured external funding would be an essential component of your funding strategy.
- Noting the key timescales set out by the Council above, please confirm these are achievable and if not, please provide a substantiated alternative proposal.
- The Council has considered several locations for the Energy Centre and its infrastructure whilst the Energy Strategy has evolved alongside the development at ISV-these are illustrated within the technical report at Annex 2. However, the overall design and delivery must consider the ongoing adjoining development strategy. Please can you provide your views on where the ideal location for the Energy Centre might be and any locations across the site that would not be feasible and why?

In relation to this strategy, your thinking on:

- Heat source
- Electricity
- Decarbonisation of Council assets within ISV, Zero Carbon in operation.
- Your approach to back up and resilience
- Your approach to delivering works of this nature

In addition to the essential outputs listed above, what additional features and benefits can you as the developer bring to this opportunity?

This Preliminary Market Engagement serves to alert the marketplace to this opportunity and enable the Council to use any gathered information to shape the proposed procurement. The Council invites interested prospective contractors to lodge an initial expression of interest for this opportunity electronically via Proactis

<https://supplierlive.proactisp2p.com/Account/Login>.

PLEASE NOTE

All written feedback must be submitted before 12:00 noon on Friday 25th April 2025.

Following consideration of the feedback the Council may wish to engage in further discussions with the respondents. Any feedback received by the Council will be considered confidential and dependent on the level of such initial interest the Council may undertake some further strategic work to inform the subsequent procurement process it intends to undertake. Participating in this exercise will not guarantee short-listing at a later stage in the procurement, and the Council reserves the right not to proceed with the procurement process. The Council will not meet any costs incurred by any party in responding to this notice. This Notice does not constitute a commitment by the Council to undertake a procurement exercise in the future. For upcoming tender opportunities, please register with the Council's electronic tendering website.

Submission

Publication date of tender notice (estimated)

14 July 2025

Procedure

Special regime

Concession

Contracting authority

Cardiff Council

- Public Procurement Organisation Number: PVHP-5769-YHRQ

County Hall

Cardiff

CF10 4UW

United Kingdom

Contact name: Lucy Jones

Email: lucy.jones5@cardiff.gov.uk

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

Region: UKL22 - Cardiff and Vale of Glamorgan

Organisation type: Public authority - sub-central government

Devolved regulations that apply: Wales