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Tender

AI Services Framework

YORKSHIRE WATER SERVICES LIMITED

UK4: Tender notice - Procurement Act 2023 - view information about notice types
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Procurement identifier (OCID): ocds-h6vhtk-0524ba (view related notices)
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Scope

Reference

CM3224

Description

Yorkshire Water has made significant investments in its cloud data platform and has established an internal data science team. The organisation is now moving into a new phase of strategic maturity, aiming to apply AI in ways that deliver measurable value across the business.

AI is recognised at the executive level as a priority capability to support efficiency, resilience, and improved customer service. YW operates in a heavily regulated environment, and any use of AI must align with regulatory requirements around transparency, ethics, security, and operational reliability.

There are currently two priority domains for AI (although the scope of the framework will be for any AI/ML services required at Yorkshire Water):

1. Central Control Operations

• Yorkshire Water operates a real-time control room that monitors extensive telemetry across clean and wastewater networks.

• Operators are overwhelmed by alarms, many of which are false positives due to manually-set thresholds (e.g. "trigger at 80% tank level" without data context).

• Decision-making often relies on decades of tacit knowledge, e.g. knowing which alarms to ignore or act on.

• There is a strong opportunity to apply AI in:

o Alarm triaging and rationalisation

o Digital twins for simulation and scenario testing

o Predictive maintenance and network optimisation

o Performance is heavily regulated; service outages or pollution events result in significant financial penalties - hence the need for trusted, explainable automation.

2. Customer Service Operations

• Yorkshire Water serves around 5 million customers, handling thousands of customer queries and calls, often with high manual effort.

• Call centre volumes spike due to changes like pricing or hosepipe bans, and many interactions (e.g. moving house) are highly repetitive and ripe for automation.

• Digital self-service is limited; the website is dated and lacks tools like live chat.

• There is strong interest in deploying voice bots, LLM-powered agents, and NLP models to:

o Automate simple tasks

o Improve customer response time

o Prioritise vulnerable customers (while navigating GDPR/sentiment rules)

To accelerate delivery and unlock value across the organisation, YW is establishing a framework of specialist AI service providers. The focus is on working with partners who can bring genuine AI expertise and work collaboratively with internal teams to deliver real, operationally grounded solutions.

YW is seeking to develop trusted partnerships with AI specialists who can support the delivery of practical, business-focused solutions. There is a strong emphasis on collaboration, with suppliers expected to work closely with internal teams and co-develop solutions in an agile, transparent way. The organisation aims to upskill internal staff as part of any delivery, ensuring that solutions can be owned, maintained, and adapted in-house over time. Suppliers must be able to work entirely within Yorkshire Water's environment, including existing cloud infrastructure (e.g. Azure), CRM (Dynamics), and other systems. No data is permitted to leave YW's infrastructure.

The framework will seek suppliers with a range of AI-related expertise, including:

• AI consultancy and use case advisory

• Design, integration and implementation of AI tools and systems

• Data science and platform engineering

• Responsible AI and compliance support

• Upskilling and capability-building for internal teams

Suppliers must be able to work within Yorkshire Water's existing infrastructure and data environment, and deliver in a collaborative, agile manner.

Commercial tool

Establishes an open framework

A series of frameworks with substantially the same terms. Awarded suppliers are carried over and new suppliers can bid.

Total value (estimated)

• £32,000,000 excluding VAT

• £38,400,000 including VAT

Above the relevant threshold

Contract dates (estimated)

- 1 December 2025 to 1 December 2030

- Possible extension to 1 December 2033

- 8 years, 1 day

Description of possible extension:

Extensions on a 1-year basis up to a maximum of 3-years, at the discretion of Yorkshire Water

Main procurement category

Services

CPV classifications

- 72200000 - Software programming and consultancy services

- 72300000 - Data services

Contract locations

- UKC - North East (England)

- UKD - North West (England)

- UKE - Yorkshire and the Humber

- UKF - East Midlands (England)

- UKG - West Midlands (England)

- UKH - East of England

- UKI - London

- UKJ - South East (England)

- UKK - South West (England)

Framework

Open framework scheme end date (estimated)

1 December 2033

Maximum number of suppliers

Unlimited

Maximum percentage fee charged to suppliers

0%

Framework operation description

The framework will be awarded based on a commercial and capability evaluation.

Award method when using the framework

Either with or without competition

Contracting authorities that may use the framework

Establishing party only

Participation

Particular suitability

Small and medium-sized enterprises (SME)

Submission

Enquiry deadline

27 August 2025, 5:00pm

Submission type

Requests to participate

Deadline for requests to participate

3 September 2025, 5:00pm

Submission address and any special instructions

For access to the Ariba event and full information, including the Conditions of Participation and the ITT, please reach out to Matt Bamforth at matt.bamforth@yorkshirewater.co.uk by the specified deadline of this notice, using the below email subject line .

Email subject line: CM3224 AI Services Framework

https://www.yorkshirewater.com/

Tenders may be submitted electronically

Yes

Languages that may be used for submission

English

Award decision date (estimated)

25 November 2025

Award criteria

Name	Type	Weighting
Capability	Quality	65%
Commercial	Price	35%

Other information

Conflicts assessment prepared/revised

Yes

Procedure

Procedure type

Competitive flexible procedure

Special regime

Utilities

Competitive flexible procedure description

This will be a multiple round process.

The Conditions of Participation phase will select the top 10 highest scoring suppliers who will then be invited to participate in at least one further tender round.

Documents

Documents to be provided after the tender notice

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Email subject line: CM3224 AI Services Framework

Contracting authority

YORKSHIRE WATER SERVICES LIMITED

• Companies House: 02366682

• Public Procurement Organisation Number: PXGT-3622-WXBQ

Western House

Bradford

BD6 2SZ

United Kingdom

Contact name: Matt Bamforth

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Region: UKE41 - Bradford

Organisation type: Private utility