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Planning

Sheffield Heat Network Development Partner

Sheffield City Council

UK2: Preliminary market engagement notice - Procurement Act 2023 - <u>view information</u> <u>about notice types</u>

Notice identifier: 2025/S 000-063884

Procurement identifier (OCID): ocds-h6vhtk-05ac08

Published 9 October 2025, 4:30pm

This is an old version of this notice. View the latest version.

Scope

Reference

CT07 - Construction

Description

This notice relates to the proposed market engagement activity for the heat network development opportunity for which Sheffield City Council intends to shortly procure a Development Partner. Sheffield City Council has been selected as part of the Department of Energy Security & Net Zero's Advanced Zoning Programme to develop the country's first zonal scale heat networks. To deliver this, Sheffield City Council is seeking a Development Partner to develop (and present for their approval) a zonal scale heat network in the Sheffield area. Sheffield City Council has undertaken work to identify a reference scheme in an area of Sheffield city which has an estimated annual heat demand of c. 60 GWh. The area which will be the subject of the procurement (and which the Development Partner will be invited to deliver development proposals in respect of) is

wider and has an estimated annual heat demand of up to. 900GWh. Sheffield City Council intends to conduct a procurement using the open procedure in accordance with the Procurement Act 2023 to select the development partner for this opportunity. If successful, the parties would enter an agreement for development services only (known as the Development Agreement Only model) under which the Development Partner would put forward proposals for a zonal scale heat network in the area. These proposals would need to meet minimum criteria and would be subject to review and approval by Sheffield City Council. Delivery of such a network in the area would be on a non-exclusive basis (subject to any future regulation). Sheffield City Council does not propose to have any shareholding in the corporate vehicle which will develop and, subject to the terms of the Development Agreement, go on to deliver and operate the heat network in Sheffield. More information on the scale of the opportunity, the reference scheme and the contractual and procurement approach will be presented at the Market Engagement Day.

Total value (estimated)

- £1,000,000 excluding VAT
- £1,200,000 including VAT

Above the relevant threshold

Contract dates (estimated)

- 1 April 2026 to 1 April 2027
- 1 year, 1 day

Main procurement category

Services

CPV classifications

09323000 - District heating

- 42511110 Heat pumps
- 44622000 Heat-recovery systems
- 45211360 Urban development construction work
- 45232140 District-heating mains construction work
- 45232141 Heating works
- 45232142 Heat-transfer station construction work
- 71314000 Energy and related services

Contract locations

UKE32 - Sheffield

Engagement

Engagement deadline

30 November 2025

Engagement process description

The preliminary market engagement related to this project will take the form of a Market Engagement Day which will be held on 5th November 2025 in The International Suite, Sheffield United Football Club, Bramall Lane, Sheffield, S2 4SU Main session: Suppliers interested in bidding for this opportunity should complete an online registration form following the link: https://forms.office.com/e/akwPwfySmg Places are limited to 3 representatives per organisation. Booking of places will be on first come first served basis. Networking session: There will also be an opportunity for local suppliers to attend a networking lunch from 12:30 to find out how they might become involved in the project. Suppliers wishing to join the networking session should register using the following link: https://forms.office.com/e/SBiM9cwvrm Places are limited and will be allocated on a first

come first served basis. All questions raised either via the YORtender platform or at the event will be answered after the event and circulated to all attendees alongside the materials from the presentation. Both will also be included in the procurement documents published alongside the Tender Notice. Any queries regarding the Market Engagement Day should be emailed to the team on: heatnetworks@sheffield.gov.uk This market engagement exercise is not an invitation to tender or a request for formal expressions of interest. Sheffield City Council is not committed to commence a procurement in respect of this opportunity as a result of issuing this notice or conducting any market engagement.

Submission

Publication date of tender notice (estimated)

12 December 2025

Contracting authority

Sheffield City Council

Public Procurement Organisation Number: PPQT-9425-JWVM

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Organisation type: Public authority - sub-central government