



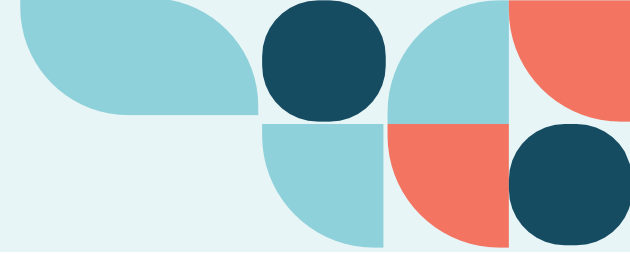
# Sheffield Heat Networks

## APSE Energy Event

27 November 2025



# Climate commitments



**2019**

Sheffield Declares a Climate Emergency and commit to be a Net Zero City by 2030

**2021**

Delivers 10-Point Plan, commit to develop Decarbonisation Routemaps for the areas that need to change

**2020**

Commit to deliver a 10-Point Plan on the back of the 'Pathways to Zero Carbon in Sheffield' Report

**2022-5**

Decarbonisation Routemaps will set out the action we commit to take over the next 2-3 years

**Net Zero 2030**

Council Emissions reduced to Net Zero by 2030

City Emissions reduced to Net Zero by 2030

A just transition

Co-benefits maximised



# Green economy



## City Goals

Foster and grow businesses, organisations and local initiatives that look after people, place and planet and lead the way on decarbonisation



## Energy Generation and Storage

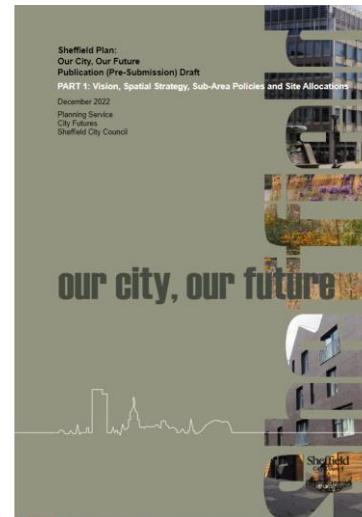
By 2030 Sheffield will have commenced its transition to a smart, decentralised and decarbonised energy system with the capacity to meet changing energy demands in the future



Sheffield City Council Plan 2024-28

## Council Plan 2024-28

- A city on the move – growing, connected and sustainable

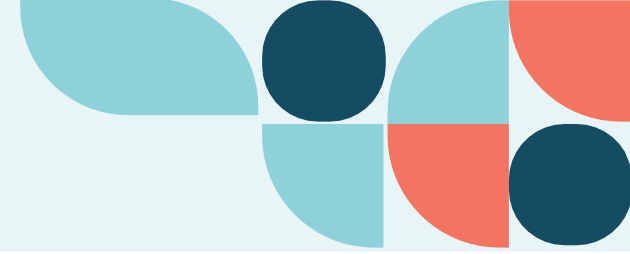


## Draft Local Plan

- Promotes urban renewal
- Sets the framework for transport and infrastructure investment



# Growth Plan – our four missions



**Our economy: global, green and growing** – grow the economy and improve living standards in Sheffield by scaling-up our business base to generate more and better jobs for residents



**Celebrate and grow a vibrant, cultural and creative Sheffield** – grow our reputation internationally, attract visitors, create vibrancy and pride of place through celebrating and growing our cultural and creative industries



**Grow our neighbourhoods together** – ensure that all parts of the city share in Sheffield's success, with high quality neighbourhoods offering a good choice of homes and where people are able to play an active role in the economy



**A city on the move, with the infrastructure to grow** – deliver the connected, reliable and low carbon infrastructure network that a major city needs by securing large-scale and long-term investment



# Core City within South Yorkshire

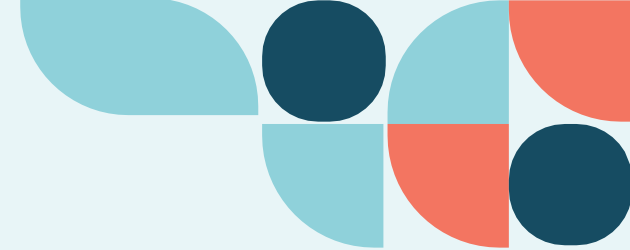
Sheffield is the core city within the wider region of South Yorkshire, home to 1.4 million people and comprising the cities of Sheffield and Doncaster and towns of Rotherham and Barnsley.

South Yorkshire's recent Plan for Good Growth and its Investment Zone Prospectus identified strengths in a number of sectors, including;

- Engineering and AI
- Robotics
- Clean tech (industrial decarbonisation)
- Local energy systems and advanced energy production
- Defence sector



# South Yorkshire Investment Zone



- A** M1 J37
- B** THE SEAM
- C** M1 J36
- D** SHEFFIELD CITY CENTRE
- E** THE INNOVATION DISTRICT, SOUTH YORKSHIRE
- F** ROTHERHAM TOWN CENTRE
- G** GOLDTHORPE
- H** DONCASTER CITY CENTRE
- I** GATEWAY EAST
- J** UNITY
- K** DONCASTER NORTH



Photo © Sheffield Olympic Legacy Park c/o Scarborough Group International

**SHEFFIELD OLYMPIC LEGACY PARK**



**SHEFFIELD BUSINESS PARK**



Photo © The University of Sheffield AMBC

**UoS INNOVATION DISTRICT**



Photo © The University of Sheffield AMBC

**ADVANCED MANUFACTURING PARK**

Sheffield city centre 3 miles

Rotherham town centre 4 miles

SHEFFIELD CITY COUNCIL

ROTHERHAM METROPOLITAN BOROUGH COUNCIL

# Existing heat networks

## Sheffield District Energy Network – Veolia

- Developed in 1980s
- >45km of underground pipes
- Generates >100,000MWh of low carbon heat per year
- Serves ~130 buildings
- Council connections to social housing and city centre buildings – Town Hall, Moorfoot, Howden House, Ponds Forge, Crucible, Lyceum, Winter Gardens, City Hall



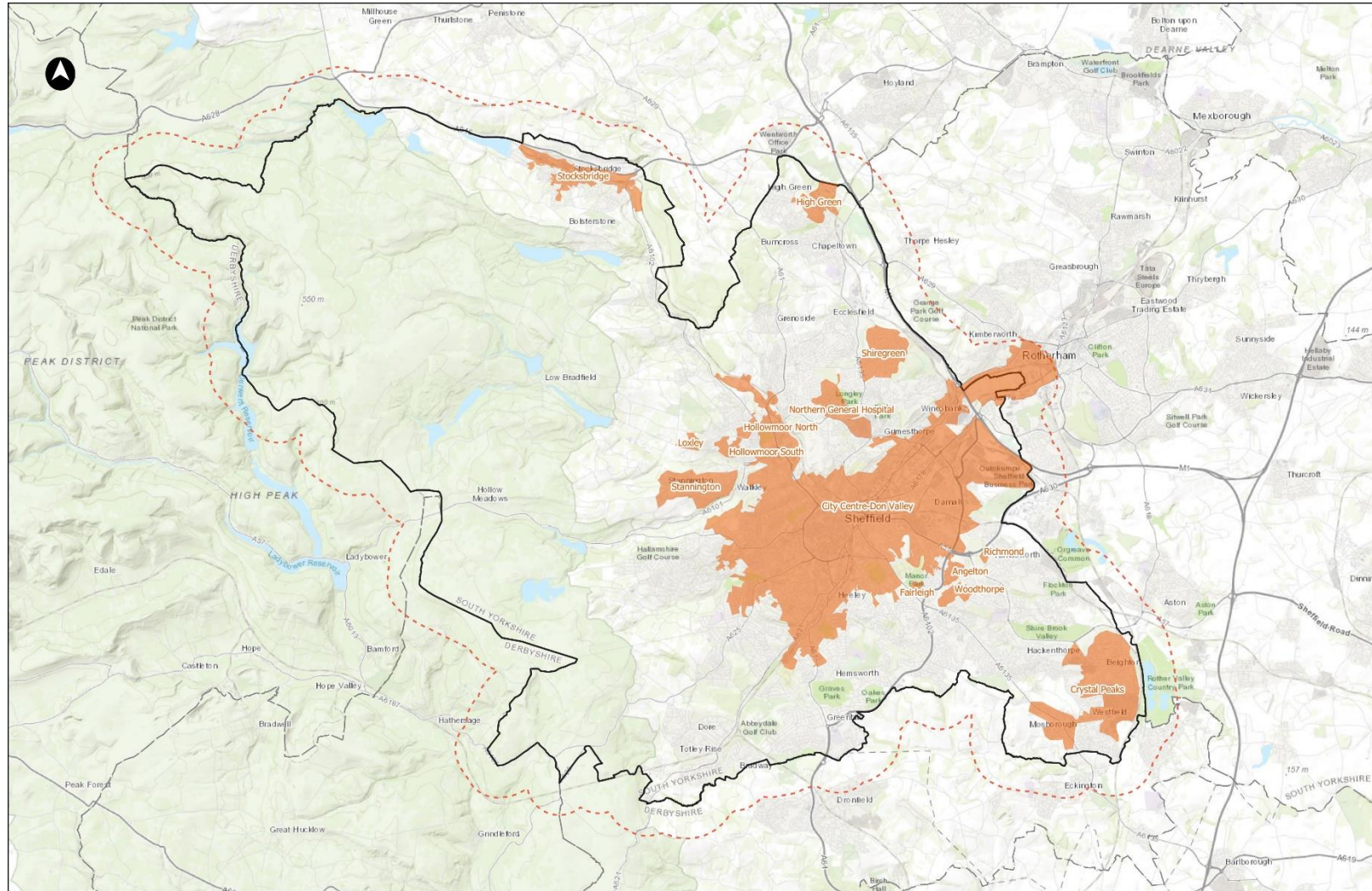
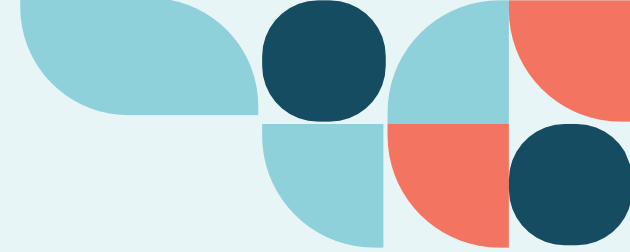
Sheffield City Council

## EON – Blackburn Meadows

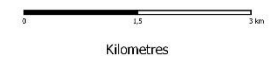
- Biomass fuelled CHP built on site of former coal fired power station
- Operational since 2015
- 10km of underground pipework
- Capacity; 30MWe and 25MWth
- Serves IKEA, Ice Sheffield, Sheffield Arena, Forgemasters
- Green Heat Network Fund – expansion



# Heat Network Zoning Pilot Programme



**Boundaries**  
--- Study Boundary    □ Local Authority Boundary    □ Other Local Authority Boundary    ■ Heat Network Zones

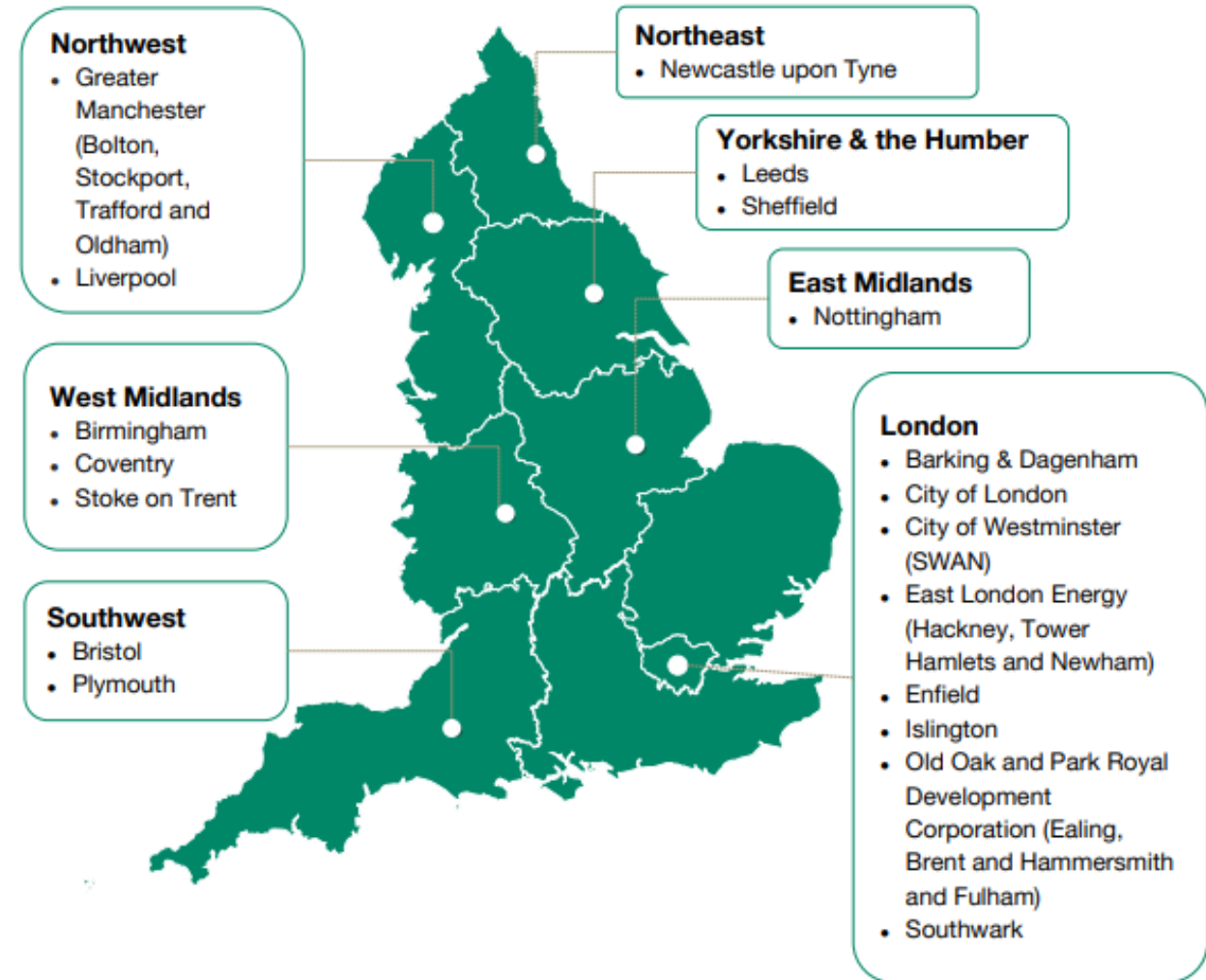


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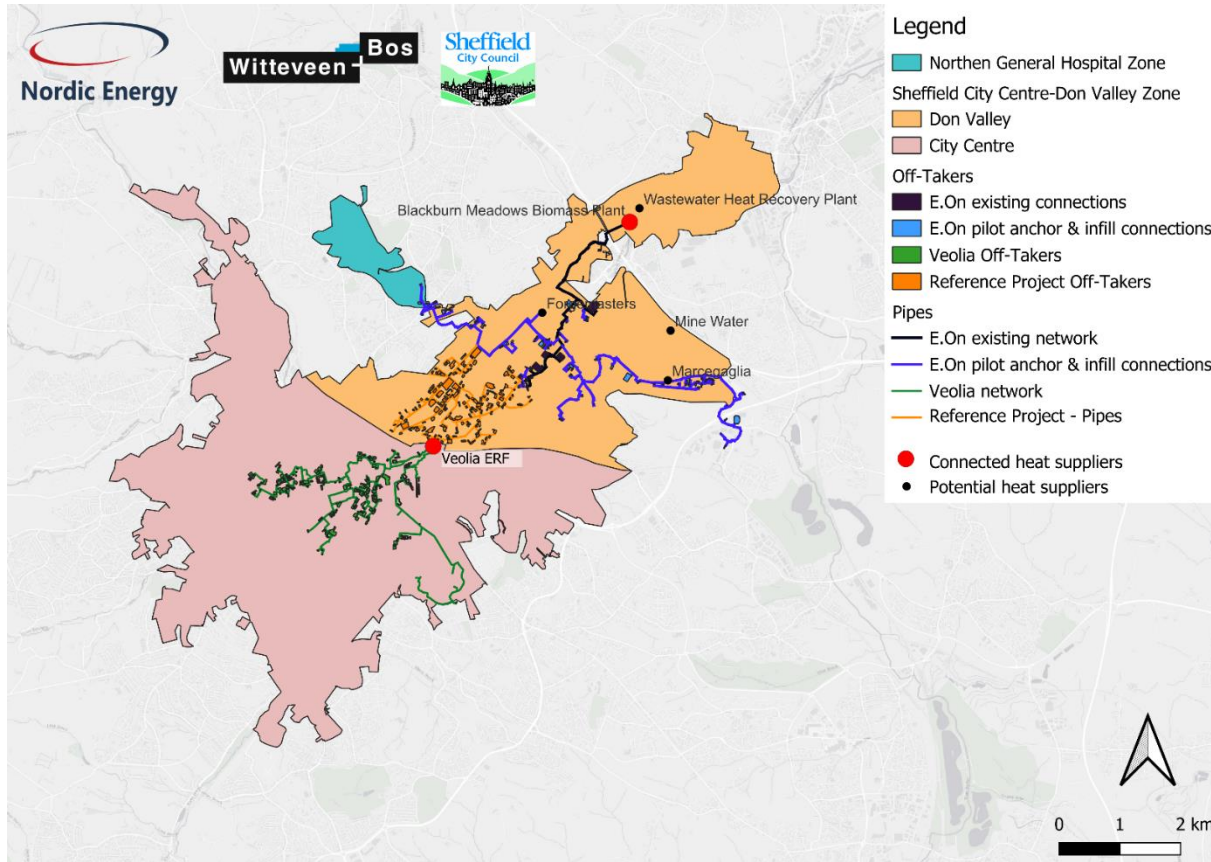
# Advanced Zoning Programme

- 1 Construction starts and pipeline** Working to identify the opportunities for accelerating the scale and pace of zonal heat network delivery with cities, areas and project sponsors
- 2 Readiness for zoning** Supporting the acceleration of zonal scale heat network delivery aligned with zoning policy
- 3 Leaving a strategic legacy** Capture lessons learnt, establish standardised outputs and provide feedback to policy development from key stakeholders

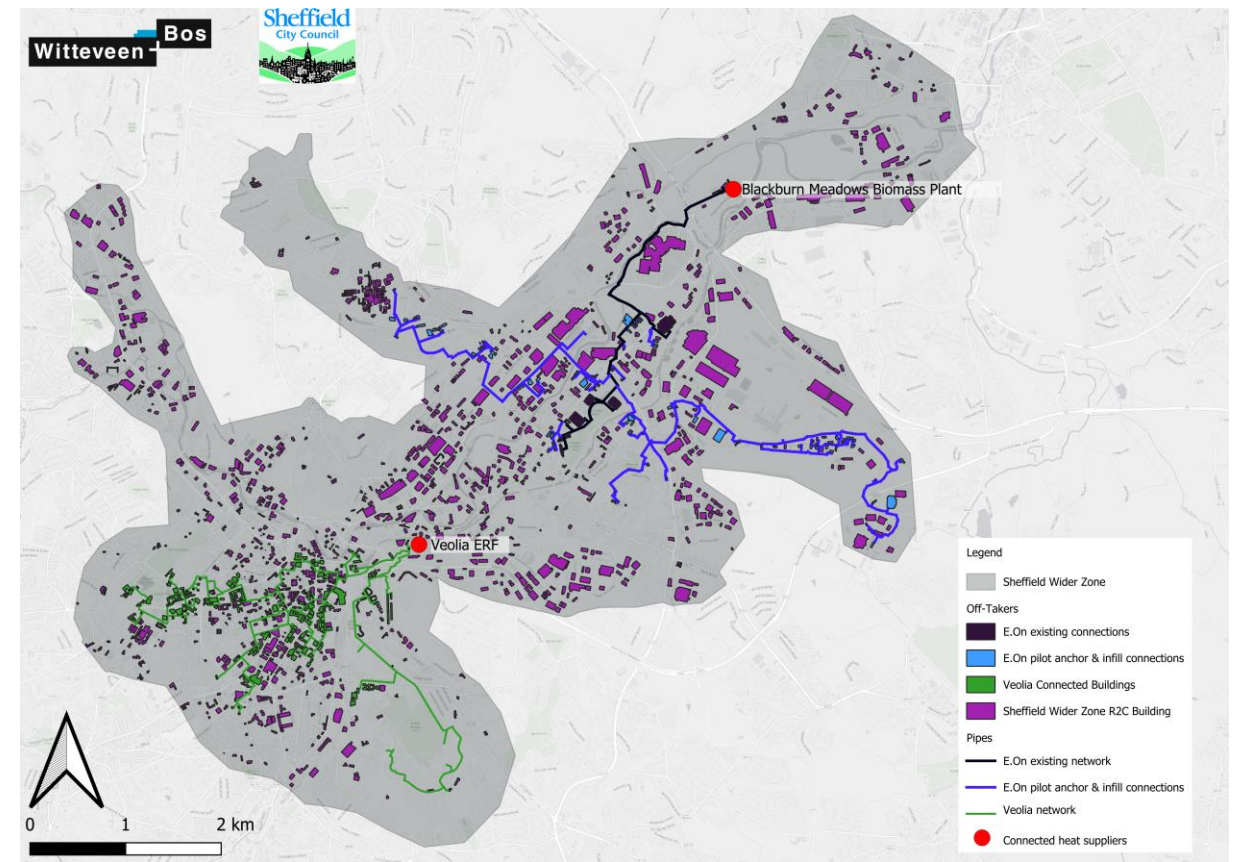


# Advanced Zoning Programme

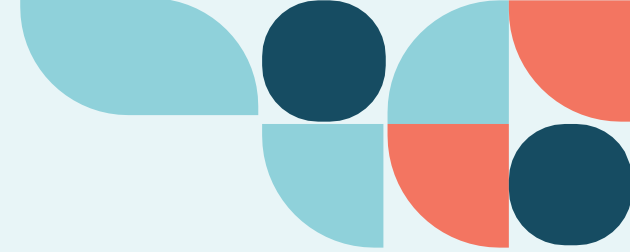
## Reference Scheme



## Opportunity Area



# AZP Routes to Market



<b>Development Agreement Only</b>	<ul style="list-style-type: none"><li>• Procurement of a Development Partner to design and develop the heat network up until the point it is ready to be built</li><li>• Approvals Gateway – no obligation to proceed</li><li>• Contractual arrangement ends on completion of development services</li></ul>
<b>Development Agreement with Golden Share Shareholder's Agreement</b>	<ul style="list-style-type: none"><li>• As above, but contractual arrangement doesn't end at financial close</li><li>• If approved, both parties are committed to proceed to financial close and enter shareholder's agreement</li><li>• Council would hold a single golden share in the SPV established to deliver the project</li></ul>
<b>Development Agreement with Co-investment Shareholder's Agreement</b>	<ul style="list-style-type: none"><li>• As above, but the council would make a financial investment in the SPV</li></ul>



# Zoning Coordination Body – proposed roles and responsibilities

- National Zoning Model
- Local data collection
- Refine boundary
- Formal consultation before designation
- Register with Central Authority
- Zone review and implement outcomes

## Identify, design and review

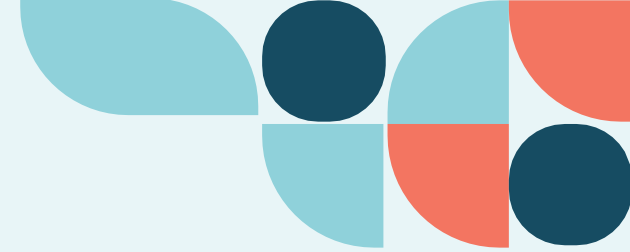
## Zone delivery

- Develop and publish Zonal Market Prospectus
- Run competition to appoint developer
- Review Zonal Development Plans
- Standardised conditions to apply to the zone
- Finalise contractual agreements with zone developers

- Monitor the performance of zone developers
- Report data to central Authority
- Enforce zone requirements by issuing penalty notices or equivalent
- Consider appeals against exemption decisions or enforcement action

## Zone operation

# Zoning Coordination Body – co-design



**Nominate  
representative**



**Establish working  
group**



**Knowledge  
development**



**Design structure  
and governance**



**Readiness for  
mobilisation**

2-4 months\*

6-8 months\*



**Thank you**

