Report for:	Cabinet, 20 October 2026
Item number:	15
Title:	Selby Urban Village – award of contracts for heat supply arrangements
Report authorised by:	Jess Crowe, Corporate Director for Culture, Strategy and Communities
Lead Officer:	David Sherrington, Head of Estate Renewal
Ward(s) affected:	Bruce Castle (LB Haringey), Upper Edmonton (LB Enfield)
Key/Non Key Decision:	Key decision

1. Describe the issue under consideration

1.1. The Selby Urban Village (SUV) development is a partnership between the Council and the Selby Trust to transform the Selby Centre site and Bull Lane Playing Fields into a new accessible and well-connected neighbourhood, made up of 202 new council homes, new sporting facilities, improved open space, play facilities and a new Community Centre.

1.2. The SUV development consists of “Phase One” delivering a new community building, a pavilion building with changing rooms, improved park and sports pitches. “Phase Two” will deliver 202 new Council homes alongside a small commercial unit of 112 sqm.

1.3. The development received planning permission in 2025 under two planning approvals as the site comes within both Enfield’s Planning Authority (Phase One - 24/03470/FUL) and Haringey’s Planning Authority (Phase Two - HGY/2024/2851), and was referred to the GLA sue to scale. The planning approvals follow LBH, LBE and GLA energy policy, requiring the SUV development to connect to a district heat network on “fair and reasonable commercial terms” and unless “not possible, practical or viable to connect”.

1.4. A main works contractor has been appointed to deliver for Phase One and Phase Two and have been mobilising on site and undertaking preparatory works, aiming to formally commence Phase One in Autumn 2026. This mobilisation period includes RIBA stage 4 detailed design of heat supply infrastructure, based on the tender pack information which included connection to a district heat network.

1.5. On 8 January 2026 Cabinet approved a procurement exercise for Selby Urban Village (SUV) heat supply contracts, via direct negotiations with the district heat network, Lee Valley Heat Network Operating Company Limited (company

number: 09763702), referred to by their trading name as ‘Energetik’ in this report.

1.6. In line with Contract Standing Order (CSO) 2.01 (c), this report seeks approval to award contracts to a third-party heat supplier for the heat connection agreements and supply agreements (including management/ maintenance of residential secondary network) for 40 years for the Selby Urban Village development, to ensure that the construction site, residents, tenants, and building users of the new development are supplied with heat during and upon completion of the build.

2. Cabinet Member Introduction

2.1. We are proud to be building the Selby Urban Village development, delivering 202 much needed new homes at council rent, creating a community hub that will include workspace, community space, parkland, and sporting facilities, play and biodiverse spaces alongside a local shop. We continue to work in partnership with the Selby Trust in delivering a place where residents can enjoy healthy and fulfilling lives.

2.2. Our administration is committed to reducing our housing register waiting list and creating high quality social infrastructure and Selby Urban Village is a big step forward in making that happen. To achieve our vision, we are awarding contracts for heating and hot water supply to ensure that the new homes, community and sports facilities will be ready to be occupied once completed.

2.3. This administration has inherited this scheme’s energy and heat strategy during delivery, with the Selby Urban Village development required to connect to the Energetik District Heat Network, based on the GLA’s Energy Hierarchy and Haringey and Enfield’s planning obligations on the development.

2.4. The Council has undertaken significant due diligence to review this requirement to connect, explore alternative options, ensure that we have a fair and reasonable contracts for heat supply arrangements, and to seek the best deal for our residents and community operators in the future.

2.5. We have secured safeguards to ensure that the network is not reliant on higher-carbon energy sources indefinitely and meets Future Homes Standards. The introduction of Ofgem regulatory oversight of heat networks, from January 2027, also provides increased surety for fair pricing and consumer protections.

2.6. Delivering the Selby Urban Village development shows our commitment tackling the inequality across our borough, creating a sustainable, long lasting and modern village in one of the most deprived wards in the country that all residents can benefit from.

3. Recommendations

It is recommended that the Cabinet:

3.1. Approves the awarding of Heat Connection Agreements for a term of 40 years for; Selby Village (residential); Commercial Unit Space (in residential); Commercial Connection – Selby Centre; and, Commercial Connection – Sports Pavilion, to Lee Valley Heat Network Operating Company Limited (company number: 09763702**)** to a total value contained in the Exempt Recommendation 3.1.

3.2. Approves the award of contract for the Selby Urban Village: Framework Supply Agreement, for a term of 40 years to Lee Valley Heat Network Operating Company Limited (company number: 09763702). This commits LBH to relevant supply costs within the subsidiary supply agreements over a 40 year period, including those set out in the exempt recommendations 3.4 and 3.6.

3.3. Notes that through the subsidiary Construction Supply Agreement, LBH will pay for the cost of the heat supply for the construction period, e.g. for commissioning purposes, already included for within the capital works budget for the project.

3.4. Notes that through subsidiary Residential Customer Supply Agreements, LBH will contribute the Landlord's Availability Charge applied by Energetik for the residential heat network at Selby Urban Village. The % proportion of the total availability charge and estimated cost to LBH for this over the 40-year contract term is captured in Exempt Recommendation 3.4.

3.5. Notes that through subsidiary Residential Customer Supply Agreements, social housing tenants will contribute the Tenant's Availability charge applied by Energetik for the residential heat supply at Selby Urban Village. The proportion of the total availability charge is captured in Exempt Recommendation 3.5.

3.6. Notes that through subsidiary Residential Customer Supply Agreements, social housing tenants will be responsible for their variable usage charges during occupation.

3.7. Notes that through subsidiary Commercial Customer Supply Agreements, commercial tenants (in the Community Centre, Sports Pavilion, Commercial Unit) will be responsible for their availability charge and variable usage charges during occupation.

3.8. Notes that through the subsidiary Void Supply Agreements, LBH will pay the availability and usage charges for heat supply for residential and commercial void units, for a term of 40 years to Lee Valley Heat Network Operating Company Limited (company number: 09763702). An estimated cost to LBH for this over the 40-year contract term is captured in Exempt Recommendation 3.6.

3.9. Grants delegated authority to the Corporate Director of Finance and Resources following consultation with the Head of Legal and Lead Member for Placemaking to finalise the terms of the above contracts to ensure they are fair

and reasonable, agree the final legal documentation and complete the execution of the contracts.

4. Reasons for decision

4.1. The overall design concept and sustainability aims behind the Selby Urban Village Project were approved by Cabinet in September 2023, and subsequently in Cabinet Report 'Gateway 0 Report - Phase 2, Selby Urban Village' in June 2024, with the energy strategy developed in line with the energy policies of the London Plan, LBH and LBE, to achieve a low carbon target, and in accordance with the London Plan's energy hierarchy. These policies and the project's planning approvals require connecting to a district heat network, on "fair and reasonable commercial terms" (LBH Director's Letter) and unless "not possible, practical or viable to connect" (LBE S106).

4.2. Energetik is the only viable district heat network to connect to in the geographical area, therefore review of agreements and direct contract negotiations with Energetik have been undertaken for connection to their heat network, supply of heat for residential and non-residential buildings, and management/ maintenance services for residential heat supply. This is as per the 7 January 2026 Cabinet approval of the heat supply direct procurement strategy.

4.3. The Heat Connection Agreement and Framework Supply Agreement are long-term contracts between LBH and Energetik, but cover different aspects of the heat network. Together, awarding of these two contracts provides the framework for both the operation of the heat network and the supply of heat to customers.

4.4. Under Section 11 of the Landlord and Tenant Act 1985, the Council is obliged to provide and maintain a working heating system for secure tenants, therefore needs to progress with heat supply arrangements for the 202 council homes being constructed in the development. The Council also needs to ensure a working heating system for the new Community Centre, Sports Pavilion and Commercial Unit that are being constructed, so that these can be leased/ operated as intended. The proportion of the availability charges as part of the residential supply charges, to be paid by the Landlord and Social Tenants, has been reviewed and is deemed to accurately reflect duties within the Landlord and Tenant Act 1985.

4.5. Work has been undertaken to mitigate against potential risks associated with the connection to the Energetik district heat network and the main contract terms, and further detail on risks and mitigation can be found in the exempt report. A recommendation has been included to delegate authority to finalise the terms of the agreements to ensure that in the final drafting they remain fair and reasonable to LBH, and to allow the contracts to be executed.

5. Alternative options considered

5.1. **Do not connect to the Energetik district heat network:** Given planning policy and approvals requirements, connecting to the most local district heat network, i.e. Energetik, is required unless there are not fair and reasonable contract terms. To mitigate against the risk of not connecting to the district heat network if fair and reasonable contract terms were not received, the Council has explored alternative technical options of an on-site energy centre with low carbon heat solutions. As the main contract terms are deemed fair and reasonable, subject to final negotiation, this alternative option has been discounted. Further information on the costs associated with this alternative option is available in the exempt report.

5.2. **Investigate connecting to a different District Heat Network supplier**: While there are other similar District Heat Network suppliers/ operational systems in London, the capital costs and feasibility of running pipework the distances required from these other locations (e.g. Stratford, Brent) to Selby Urban Village site render them unviable.

5.3. **Procure connection to and supply from Energetik heat network, but do not procure service agreement (management and maintenance) from Energetik (e.g. management of heat supply to be by Haringey Council or another)**: It was considered whether the Council should choose to directly operate the secondary network for the residential portion of the scheme. Technical advice set out that this would have ongoing high financial, resource and capacity implications: with procuring supply and management/ maintenance from Energetik being more cost effective than procuring supply and separate in-house management/maintenance.

6. Background information

6.1. The Selby Urban Village project is a partnership between Council and The Selby Trust (local charitable organisation) to transform the Selby site and Bull Lane Playing Fields into a new accessible and well-connected neighbourhood.

6.2. The Selby Urban Village (SUV) development consists of Phase 1 delivering a new community centre (the new Selby Centre), a Sports Pavilion building with changing rooms, improved park and sports pitches. Phase 2 will deliver 202 new Council homes alongside a small ground floor commercial unit of 88 sqm. The development will take place on the existing Selby Centre site and Bull Lane Playing Fields. The build contractor for Phase 1 and 2 is appointed and mobilising on site. Phase 1 works are scheduled to commence in September 2026 and expected to complete by January 2028 and Phase 2 works are expected to commence in February 2028 with completion anticipated by July 2030.

Design development of heating system

6.3. Both schemes had to be referred to the GLA as part of the planning process. Respective parts of the scheme have received planning approval from Enfield Council and Haringey Council, and from the Greater London Authority (GLA).

6.4. The GLA's London Plan includes a hierarchy that is applied to how new developments are heated. Both Haringey and Enfield's planning policies have similar requirements. The planning approvals for the scheme require SUV to connect to a district heat network (Energetik) unless it can be shown that there are not "fair and reasonable commercial terms" (LBH Director's Letter) and unless "not possible, practical or viable to connect" (LBE S106).

6.5. As part of the design process Haringey officers and the Design Team considered various options for hot water supply including Air Source Heat Pumps (ASHP) and Ground Source Heat Pumps (GSHPs).

6.6. The preference for a connection to Energetik was highlighted in paragraph 8.12 of the Cabinet Member Signing Report 'Gateway 0 Report - Phase 2, Selby Urban Village, N17 – Bruce Castle Ward' on 19 June 2024, and subsequently proposed in the planning applications.

6.7. The detailed design, planning approvals, tender documents and mains works contract documents reflect this approach. To vary this LBH would have to demonstrate very clear and compelling reasons of a lack of reasonable and fair contract offer. For further information on the contract terms and commercial risks, please see the exempt report.

6.8. A further technical design study was undertaken for an on-site energy centre with low carbon air source heat pumps, to ensure that LBH have clarity on a fallback position should negotiations with Energetik not progress positively. Further information on this fall-back position is contained within the exempt report.

Background on Energetik

6.9. The Lee Valley Heat Network Operating Company Limited (company number: 09763702), incorporated in 2015 under their Trading Name 'Energetik', where they operate as a heat network utility company.

6.10. Energetik is fully owned by Enfield Council as the sole shareholder, but operates independently, and is supported by central government (securing £92m in low-cost central government loans). Energetik already supplies energy to around 1700 domestic customers as well as a hotel, various medical centres, and community spaces. The network has currently reached the nearby Joyce and Snells Estate (on Fore Street) with supply and Energetik is working on extending the site to the North Middlesex Hospital, north of the Selby Urban Village site. Further background and network expansion information can be found in Energetik's June 2025 Business Plan Summary.

6.11. Currently all heat for Energetik's network comes from large gas boilers located at Energetik's energy centre at the Edmonton Eco park. However, 90% of this should be replaced by classified low carbon heat from the Energy Recovery Facility (ERF) once this facility is complete.

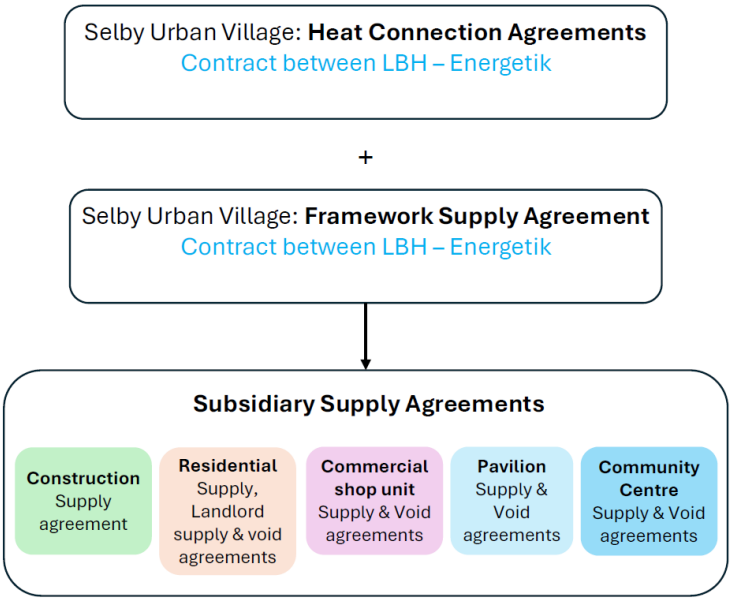
6.12. Energetik have noted that classified low carbon heat is expected to be available from the ERF by July 2029, however this is not certain as is reliant on the North London Waste Authority's (NLWA) ongoing construction programme. The project team have sought to safeguard the timely transition to a low carbon heat source – further detail on this can be found in the exempt report and appendix.

6.13. From January 2027 Energetik will be fully regulated by Ofgem under the new heat network authorisation regime. This regulation provides consumer protection and fair pricing provisions, including appointment of supplier of last resort to mitigate risk of insolvency, monitoring of performance and necessary improvement if required, and powers to limit pricing of heat for domestic customers.

Contract Types and Scope

6.14. The Council is looking to secure a suite of contracts/ agreements with Energetik, including Heat Connection Agreements, an overarching Framework Supply Agreement and related subsidiary supply agreements for the development's residential, commercial, and community connections.

6.15. Diagram of contract types:



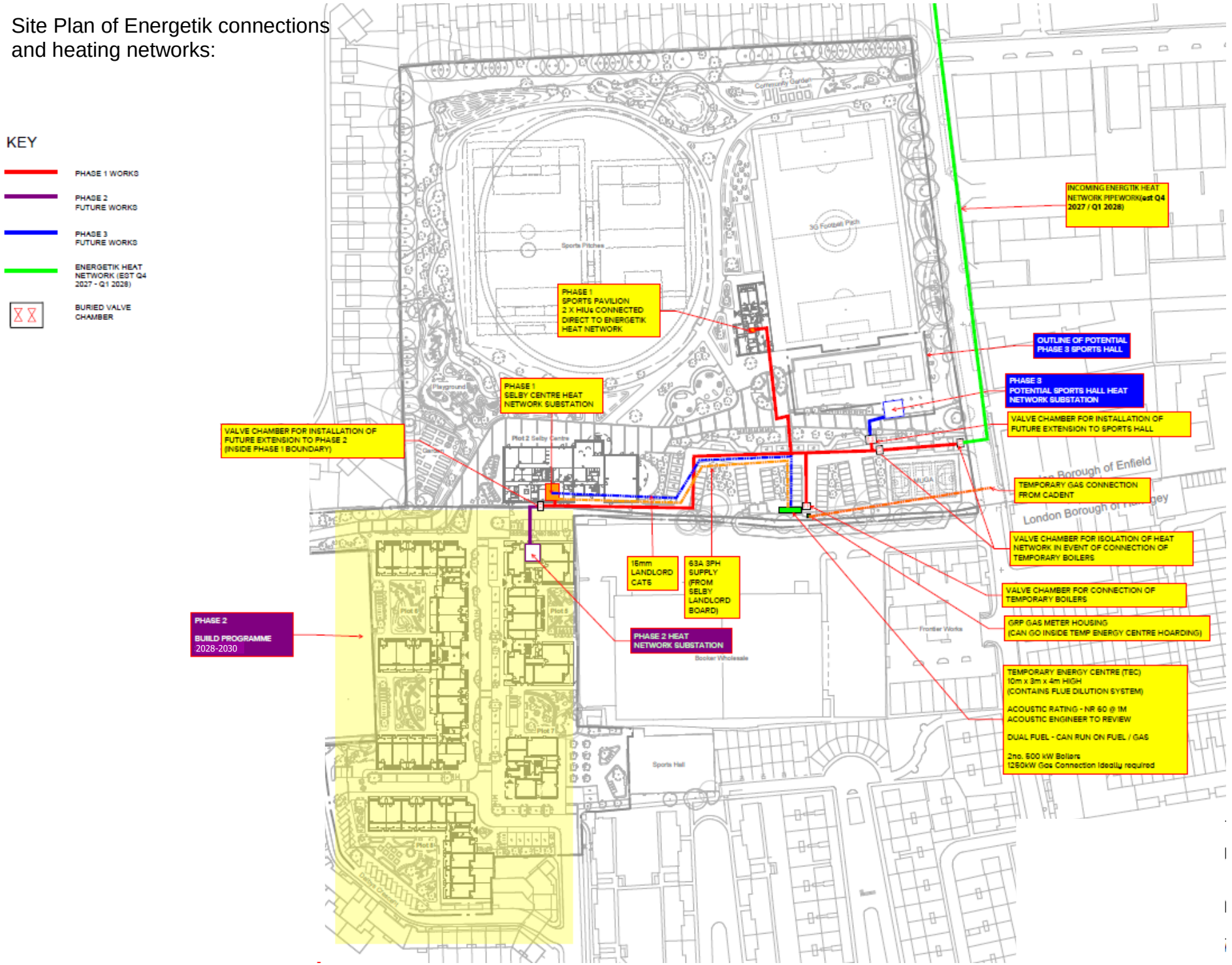
6.16. Energetik have provided their suite of contracts, terms and conditions and schedules for LBH's commercial and legal review. Energetik have also provided a 'Selby Urban Village Formal Proposal' which details costs and deliverables specific to the SUV development.

6.17. **Heat Connection Agreements:** these cover connecting the site and different buildings to the Energetik heat network, the amount of heat that will be available, the technical requirements, ownership of equipment, maintenance responsibilities, access rights, and payment obligations. These are 40-year agreements, which is Energetik's standard term and is considered typical for heat networks, to match operational lifespan and financing of the infrastructure.

6.18. Energetik will install the relevant pipeline outside of the site's boundary connecting the scheme to the network (green line on diagram 5.18 below). The cost for this is included in Energetik's 'Selby Urban Village Formal Proposal'.

6.19. The pipework then runs to a variety of substations on site (red and purple lines on diagram 5.18 below). This is referred to as the on-site 'Primary Heating Network'. The trenches and pipework etc within the site boundary will be installed by the main works contractor, with oversight from Energetik for technical compliance. The costs for oversight of works on site by Energetik is included in their proposal. The cost for installing pipework on site is already included in the main works contractor's contract sum. These have been budgeted for in the project capital works costs.

6.20. Site Plan of Energetik connections and heating networks:



6.21. **Framework Supply Agreement:** this is the overarching contract that governs Energetik's energy supply to the development and its occupants, setting out service standards, billing arrangements, customer services and the contractual relationship with residents, businesses and other end users. It includes all related subsidiary supply agreements and explains what Energetik is responsible for. The agreement covers the period before anyone moves into the development, as well as when homes and commercial units are occupied

6.22. The Framework Supply Agreement is awarded at the same time as the Connection Agreements. It is a 40-year agreement, which is Energetik's standard term and is considered typical for heat networks, to match operational lifespan and financing of the infrastructure, and the longer length helps keep heat supply prices/ tariffs lower Under this supply agreement.

6.23. Energetik also provide the service of managing and maintaining the residential 'Secondary Heating Network', up to and including the Heat Interface Unit, rather than LBH. Energetik do not offer this management/ maintenance service within the Community/ Commercial Facilities (Selby Centre, Sports Pavilion).

6.24. The Framework Supply Agreement also commits LBH to future Subsidiary Supply Agreements, meaning residents and tenants will use Energetik as their sole/ exclusive heat supplier.

6.25. **Subsidiary Supply Agreements** are separate contracts between Energetik and building occupiers, such as residents, landlords, or commercial operators (this can include LBH). Apart from the Construction Supply Agreement, these are entered into once the development is occupied.

6.26. The Contracts Table 1 below sets out more detail on each of the different contracts. Contract values for these contracts are contained within the exempt report.

Contract Name	**Services**	**Costs & Budget**	**Duration**
Connection Agreements			
Connection Agreement - Community Centre	Installation of pipework connecting Scheme to Eco Park, and Energetik overseeing main works contractor's installation of Primary Heating Network into substation.	LBH Phase 1 capital development costs (shown in overall project budget 19 Feb 2026 Cabinet Report)	40 Years* (2026 – 2066) *Standard contract term duration from Energetik
Connection Agreement - Sports Pavilion	As above	As above	As above

Connection Agreement – Residential	As above	LBH Phase 2 capital development costs (shown in overall project budget 19 Feb 2026 Cabinet Report)	As above
Connection Agreement – commercial unit (in residential plot 7)	As above	As above	As above

Framework Supply Agreement	Overarching supply agreement, to provide heat to the Residential Units, Commercial Units and/or Common Parts in accordance with the relevant Subsidiary Supply Agreement. Includes secondary Heating Network Services including metering and billing, HIU Services and customer meter Services.	Commits to costs within subsidiary supply agreements which fall to LBH, see below.	40 Years* (2026 – 2066) *Standard contract term duration from Energetik

Subsidiary Supply Agreements			
Construction Supply agreement	Supply of heating and hot water to site (e.g. for commissioning) during the construction period	Supply cost as needed for commissioning, dependent on heat consumption. Contained within LBH Phase 1 and 2 capital development costs (shown in overall project budget 19 Feb 2026 Cabinet Report)	Duration of construction.
Residential Landlord Supply agreement	Exclusive supply of heating and hot water to residential landlord	Cost of Landlord Availability Charge - LBH Housing Revenue Account	~40 Years (2026 – 2066)
Residential Supply Agreements	Exclusive supply of heating and hot water to residents	Individual Residents directly contracting with Energetik. Costs dependent on heat consumption.	Duration based on individual tenancies.

Commercial Supply Agreements – Community Centre, Sports Pavilion, Retail Unit	Exclusive bulk hot water supply of heating and hot water to community and sports facilities	Various operators directly contracting with Energetik. In some scenarios, energy/ hot water and associated costs will be recharged via the lease from LBH to operator. Costs dependent on heat consumption.	Duration based on individual tenancies.
Void Supply Agreement	Covers the heat supply to voids (all residential/ commercial units in the development)	LBH to commit to cost of Void Availability Charges – LBH Housing Revenue Account (residential voids) and LBH General Fund (commercial voids). Costs dependent on number of voids and heat consumption.	~40 Years (2026 – 2066)

Scope

6.27. Energetik's scope as set out in their formal proposal includes:

- Primary Network Delivery (off-site) and Permanent Network Connection - by Energetik- delivery of pipework connecting the site to the Meridian Water Heat Network via new pipework outside the site boundary.
- Primary Network oversight (on site) by Energetik – oversight of design, installation, delivery of primary network by main works contractor, within site boundary.
- Temporary Energy Centre (on site) – Energetik will provide this (with temporary containerised gas boiler) to supply heat to site until permanent pipework in place. Includes delivery, installation, commissioning, operation, and maintenance of the TEC. Energetik will also be responsible for the gas supply arrangements for the Temporary Energy Centre, including cost of gas consumed, recharged as per supply agreements. Energetik will be responsible for decommissioning of Temporary Energy Centre and removal.
- Delivery of heat supply as per the Framework Supply Agreement and subsidiary supply agreements.
- Energetik, upon adoption of the primary network, will be responsible for the operation, maintenance, repair and replacement of the primary network including the connection point in the plant room.
- Energetik, upon acceptance of the Secondary Heating Network will be responsible for operation, maintenance and repair of the Secondary Heating Network (residential), including the Heat Interface Unit and heat meter within each dwelling.

Contract values and budgets

6.28. The individual and total contract values, and estimated costs over the length of the contract, are set out in the exempt report.

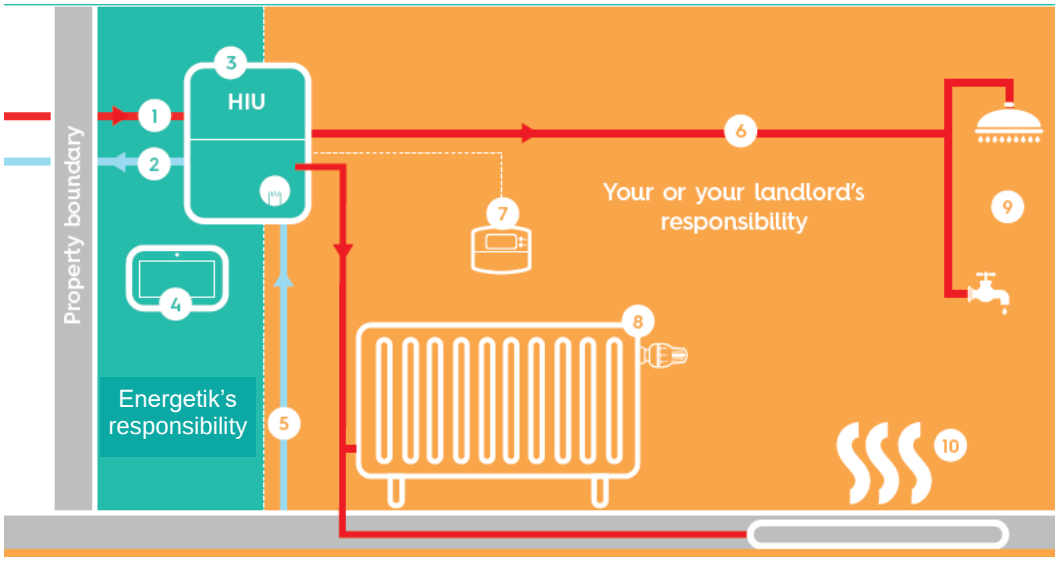
6.29. The contracts include both capital costs and ongoing revenue costs for the Council's General Fund and Council's Housing Revenue Account.

6.30. The capital Connection Agreement costs are budgeted for within the Selby Urban Village overall project budget, as set out in Cabinet Report 19 February 2026.

6.31. The ongoing heat supply costs will need to be budgeted for the duration of the contract term within Housing Revenue Account for the Landlord supply for residential units and residential voids, and within the General Fund for the commercial units and commercial voids. Internal budgets will also need to be reviewed to cover the maintenance and liability that falls to LBH for heat equipment inside a residence, beyond the Heat Interface Unit (see diagram below for split of responsibilities).

6.32. Diagram below showing split of heat equipment responsibility within residence:

6.33.



6.34. The heat supply pricing has been reviewed by commercial advisors and benchmarked against other LBH cost allocations for heat supply, and is considered reasonable. It is comparable to other low carbon options such as air source heat pumps.

6.35. The overarching Framework Supply Agreement and subsidiary supply agreements require ongoing contract management to protect residents and unnecessary cost to the Council. This is a complex contract structure and LBH will need clear contract management approach across multiple service areas to ensure that revenue responsibilities do not fall between teams, leading to delayed payments, late-payment penalties, and unclear long-term budget ownership. There will likely be a resource / related budget requirement to ensure that a suitably qualified and experienced officer can manage the Framework Supply Contract.

7. Contribution to the Corporate Delivery Plan 2024-2026 High level Strategic outcomes

Resident experience and enabling success:

7.1. This procurement is a critical part of the SUV project which will contribute to
a) the building high quality sustainable homes outcome and the activity around new council homes; and
b) the zero carbon and climate resilient objective.

7.2. The services operation (management and maintenance) of the secondary network will contribute to the outcome of delivering reliable customer-focused resident housing services.

Carbon and Climate Change:

7.3. The recommendation to progress the connection of SUV to Energetik aligns with Haringey, Enfield and London policy on district energy networks.

7.4. Connecting SUV to Energetik is in line with the planning approvals for the site and is currently considered to deliver best value in how the development achieves zero carbon.

8. Statutory Officers comments (Director of Finance, Procurement, Director of Legal and Governance (Monitoring Officer), Equalities)

Finance

HRA

8.1. Finance notes the recommendations to enter into a Heat Connection Agreement, a Framework Supply Agreement and associated subsidiary agreements in connection with the provision of heat network infrastructure and the supply, operation and maintenance of heating and hot water services for the Selby Urban Village development

8.2. The proposed arrangements have both capital and revenue implications for the Housing Revenue Account (HRA). The heat connection infrastructure and associated on-site network infrastructure required to enable occupation of the new homes form part of the overall development costs of the scheme and will be treated as capital expenditure.

8.3. The capital costs associated with these arrangements will be managed within the current approved total scheme cost for phase 2 HRA.

8.4. The Framework Supply Agreement and associated subsidiary agreements also create ongoing revenue commitments for the HRA, including landlord heat network charges and costs associated with residential void properties. These costs will need to be reflected within future HRA revenue budgets for the duration of the agreements

8.5. Further detailed finance comments are provided in the Exempt report attached.

Procurement

8.6. Strategic Procurement (SP) notes the contents of this report.

8.7. The award of this contract falls under the scope of utilities contracts as defined in Schedule 4 of the Procurement Act 2023 and qualifies as an exempted contract under schedule 2 paragraph 31 of the Procurement Act 2023

8.8. SP supports the recommendation to approve the award of this contract in accordance with CSO 2.01(c)

8.9. Further procurement comments can be found in the exempt part of this report.

Director of Legal & Governance (Monitoring Officer)

8.10. The Director of Legal and Governance (Monitoring Officer) has been consulted in the preparation of this report.

8.11. The procurement of utilities is governed by the Procurement Act 2023 (the Act) and Schedule 4 of the Act identifies utility activities. Under Schedule 2, section 31 of the Act, the award of the contract to Energetik and the associated contracts qualify as exempted contracts. There is therefore no requirement to comply with the tendering requirements set out in the Act.

8.12. The award is a Key Decision and must therefore comply with the Council's governance requirements in respect of Key Decisions including publication in the Forward Plan.

8.13. Cabinet has power to approve the recommendations under CSO 2.01 c) (contracts valued at £500,000 or more).

8.14. The Director of Legal and Governance (Monitoring Officer) confirms that there are no legal reasons preventing Cabinet from approving the recommendations in this report.

Equalities

8.15. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act.
- Advance equality of opportunity between people who share those protected characteristics and people who do not.
- Foster good relations between people who share those characteristics and people who do not.

8.16. The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty. Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

8.17. The report is seeking approval of contracts for heat supply arrangements at Selby Urban Village, in order to be able to deliver heat to the community buildings and homes in the Selby Urban Village development, N17. The development is increasing the number of Council homes, which will have a positive impact on individuals on the housing register, especially families in need of two and three-bedroom homes, which includes people in severe housing need and people currently living in temporary accommodation. Data held by the Council suggests that women, young people, and residents from ethnic minority backgrounds are over-represented among those living in temporary accommodation. The N17 postcode also has high levels of socioeconomic deprivation relative to the rest of the borough. As such, it is reasonable to anticipate a positive impact on residents with these protected characteristics.

8.18. There is potential for annual price increases of heat supply to disproportionately impact low-income households, disabled residents, older residents, and others who may have higher heating needs or spend more time at home. Mitigation against this impact includes the Ofgem regulation, consumer protection and fair pricing provisions, and the Council's ongoing contract management and oversight arrangements.

8.19. Reliable heating and hot water are essential services, particularly for vulnerable residents, including older people, disabled residents, households with young children, and those with long-term health conditions. The proposed arrangements include service standards and compensation provisions where service failures occur, helping to mitigate the impact of any interruption to heat supply. In the event of prolonged outages, residents will continue to have access to the Council's existing support processes and escalation routes. These measures are intended to reduce the risk of disproportionate impacts on residents who share protected characteristics and support the Council in meeting its Public Sector Equality Duty.

8.20. The heat supply contractor is obliged to have due regard for the need to achieve the three aims of the Public Sector Equality Duty as stated above. Appropriate long term contract management arrangements will need to be established to ensure that the delivery of the heat supply arrangements does not result in any preventable or disproportionate inequality.

Use of Appendices

- Exempt Appendix 1: SUV Energetik Risk Table
- Exempt Appendix 2: Energetik Formal Proposal July 2026

Background papers

- 19 June 2024; Cabinet Member Signing Report 'Gateway 0 Report - Phase 2, Selby Urban Village, N17 – Bruce Castle Ward' Public Report
- 19 June 2024; Cabinet Member Signing Report 'Gateway 0 Report - Phase 2, Selby Urban Village, N17 – Bruce Castle Ward' Exempt Report
- 8 January 2026; Cabinet Member Signing Report 'Selby Urban Village – approval of procurement strategy for heat supply arrangements' Public Report
- 8 January 2026; Cabinet Member Signing Report 'Selby Urban Village – approval of procurement strategy for heat supply arrangements' Exempt Report
- 19 February 2026; Cabinet member Signing Report 'Award of main works contract for the construction of Selby Urban Village' Public Report
- 19 February 2026; Cabinet member Signing Report 'Award of main works contract for the construction of Selby Urban Village' Exempt report

Local Government (Access to Information) Act 1985

Exempt report is NOT FOR PUBLICATION by virtue of paragraph 3 of Part 1 of Schedule 12A of. the Local Government Act 1972 in that they contain information relating to the financial or business affairs of any particular person (including the authority holding that information).