

# Delegated Decision Report



<b>Subject:</b>	Heat Network Early Works – appointment of 3DTD consultants
<b>Decision maker: Senior Officer</b>	Neil Consterdine, Director of Communities
<b>Decision maker: Cabinet Member</b>	Cllr Abdul Jabbar, Cabinet Member for Finance & Sustainability
<b>Decision date:</b>	14 November 2025
<b>Report author:</b>	Andrew Hunt, Green Energy & Sustainability Manager
<b>Ward (s):</b>	N/A

### Reason for decision

To appoint 3DTD consultants to deliver RIBA Stages 3, 4, 5 and 6 design for the proposed Town Centre Heat Network Early Works, to be funded from the Council's £7.8m Green Heat Network Fund Construction Grant.

The value of the appointment is £679,595.12 inclusive of Bloom 5% fee and VAT. The value of this appointment makes it a Key Decision. The Cabinet report of 26 February 2024 delegates authority to the Deputy Chief Executive (Place) to make this appointment.

### Recommendation(s)

1. That the Council appoints 3DTD consultants to deliver detailed design for the Heat Network Early Works.

### Background

On 26 February 2024, Cabinet accepted £8.8m of Green Heat Network Fund grant funding to support development and delivery of the Oldham Low Carbon Heat Network. £1m of this is Commercialisation (revenue) grant and the remaining £7.8m is Construction (capital) grant. Cabinet delegated authority to appoint consultants and contractors to the Deputy Chief Executive (Place) and to Legal Services to sign and seal the associated contracts. The 26 February 2024 Cabinet report is embedded in this report in the Background Papers section.

The Council is currently contracted with Buro Happold to provide RIBA Stage 3 design for the heat network as a whole. However, an opportunity has arisen for the heat network project team to work together with the Council's Highways team to install heat network infrastructure (pipes) in Oldham Town Centre alongside the planned grant-funded civil engineering works which will be delivered as part of the town centre regeneration programme. These Heat Network Early Works will be funded from the GHNF Construction (capital) grant, and the funder has approved this approach, including the use of compliant direct appointments for consultants and contractors to enable delivery. Installing the pipework in this way would avoid the need for the Council's eventual heat network delivery partner (which will be procured for expected

appointment in summer 2027) to re-excavate highways and public realm to install heat network pipes at that time.

If the heat network project is to meet the required timescales in terms of having a RIBA Stages 3, 4, 5 and 6 design specifically for the proposed Early Works ready for the procurement of a heat network pipe delivery contractor, who will need to be appointed to start work early in calendar year 2026 to work alongside the Council's appointed town centre civil engineering contractor, the Council will need to appoint consultants to develop the RIBA Stages 3-6 design immediately. To this end, the Council intends to directly appoint 3DTD consultants via the Bloom framework to commence the detailed design work as soon as possible.

Buro Happold have recommended 3DTD for the Early Works detailed design work and have an existing working relationship with them. Using 3DTD would mean that they could work seamlessly with Buro Happold to prepare detailed design for the Early Works.

Buro Happold recommend that, "there is not a truly viable alternative to 3DTD in the marketplace for what they deliver. This is specialist 3D co-ordinated sub surface heat network design through all design stages into construction. We have worked with 3DTD on various large heat network projects, and they are one of our trusted partners and sub-consultants. They are also well known in the general field of heat network design and organisations such as DESNZ, Triple point, AECOM etc will be aware of their work and input into different large scale heat network projects in the UK."

The Bloom framework charges a 5% fee but the alternative would be that the Council would not be able to deliver the Heat Network Early Works in the timescales available, with the result that the Council's eventual heat network developer partner would need to re-excavate all of the highways and other public realm to install the infrastructure once appointed in 2027.

The value of the 3DTD appointment is £679,595.12 inclusive of Bloom 5% fee and VAT. This falls above the threshold for required Cabinet approval – however, the Cabinet report of February 2024 (included below) delegated authority for the appointment of consultants and contractors on this project to the Deputy Chief Executive and Legal Services, so this appointment can be made via this Delegated Decision Report.

The commission will be funded from the Council's already-secured Green Heat Network Fund Construction (capital) grant. Approval from the funder (Triple Point / DESNZ) for Construction Grant funds to be used for this appointment was given on 28 October 2025, following a detailed proposal from the Council to DESNZ around use of Construction Grant funds for the design and implementation of the proposed Early Works in Oldham.

**Alternative option(s) to be considered** *(please give the reason(s) for recommendation(s))*

Option 1 (recommended option) – approve the appointment of 3DTD to deliver RIBA Stages 3 / 4 / 5 / 6 design services for the Low Carbon Heat Network Early Works. Under this option, the detailed designs should be complete and available for the procurement of a heat network piping delivery contractor to work alongside the Council's appointed civil engineering contractor for the Oldham Town Centre regeneration works.

Option 2 – Do not approve the appointment of 3DTD to deliver RIBA Stages 3 / 4 / 5 / 6 design services for the Low Carbon Heat Network Early Works. Under this option, the Low Carbon Heat Network Early Works will not proceed and the Council’s appointed heat network delivery partner (expected in summer 2027) will need to re-excavate highways and other town centre public realm to install heat network infrastructure at that time.

**Consultation** *(include any conflict of interest declared by relevant Cabinet Member consulted)*

The Cabinet Member for Finance and Sustainability has been consulted.

**Risks**

N/A

**Key Decision Reference**

FCR-14-25

**Implications**

<p>Financial</p>	<p><b>Capital implications</b></p> <p>The Council was awarded £7.8m capital grant from Triple Point and the Department for Energy Security and Net Zero (DESNZ) to design and develop a Low Carbon Heat Network in Oldham. The proposal is to appoint 3DTD to carry out the RIBA Stages 3, 4, 5, and 6 design for the Low Carbon Heat Network. This will allow the installation of heat network infrastructure (pipes) in Oldham Town Centre, through collaboration with the civil engineering contractor for the Oldham Town Centre regeneration works, thus preventing further excavation of the Town Centre in the future.</p> <p>The works are expected to cost £566,329.26 including the 5% Bloom fee but excluding VAT. The expenditure is capital in nature and will be fully grant funded through the capital Green Heat Network Fund grant.</p> <p>Leonnie Wharton-Brown, Senior Accountant</p>
<p>Legal</p>	<p>Procurement has confirmed that the Framework was competitively procured under the PCR 2015. The use of this legally compliant framework is permitted under the CPRs Rule 8. Under Regulation 33 of the PCR, contracting authorities may call off contracts from a framework agreement by either running a mini-competition or, where the framework terms permit, by making a direct award. The Framework, under which Bloom operates, allows for direct awards only by exception. Procurement has advised that the justification for any direct award must be properly documented. Accordingly, the Council may, authorise this direct award to 3DTD via Bloom, provided</p>

	<p>the framework criteria are met and the decision is properly evidenced.</p> <p>The Council would enter into the main contract with Bloom, which in turn subcontracts the services to 3DTD. To ensure a direct contractual link for performance, a Collateral Warranty from 3DTD will be secured. This provides the Council with a direct right of recourse against 3DTD in the event of defective performance or professional negligence, thereby protecting the Council's interests.</p> <p>Procurement has highlighted that proceeding by direct award without a mini-competition is a risk-based decision for the Council, requiring a balanced assessment between the urgency and expediency of the appointment versus the compliance risks and the potential consequences of alternative procurement routes. The report confirms that the proposed fees represent value for money in the circumstances.</p> <p>In line with standard practice, the Council will be required to publish a Contract Award Notice under PCR 2015, naming Bloom as the contracting party.</p> <p>Legal Services will be available to review the Bloom Call-Off Contract, assist with drafting the collateral warranty and related documentation.</p> <p>Pamela Nsofor, Commercial and Procurement Solicitor</p>
<p>Equality impact including implications for Children and Young People</p>	<p>N/A</p>
<p>Procurement</p>	<p>The Commercial Procurement Team was approached for advice on the possibility of directly awarding a contract for design services to 3DTD on the basis that the services of this specific provider are required owing to their specialist knowledge and expertise and known ability to achieve the required project outputs within the challenging timescales.</p> <p>The value of the proposed direct award is above the Procurement Act 2023 (PA23) threshold (£) for services, and therefore any independent procurement the Council were to run would attract the full regulatory regime. The necessary procurement timescales for this would not enable the appointment of a provider in time to meet the project timescales.</p> <p>The Council cannot, under any circumstances, authorise a departure from the law. The Council would not be able to satisfy the permitted circumstances for a direct award under PA23. A typical alternative to an independent procurement would be to run a mini-competition under a third-party framework.</p>

	<p>Regardless of provider and framework (including the possibility of a mini-competition via Bloom); the necessary procurement timescales for this approach would be most unlikely to facilitate the appointment of a provider in time to meet the project timescales.</p> <p>3DTD is not found on any accessible third-party framework which facilitates a direct award to them. They are however registered with Bloom.</p> <p>Bloom is the Council's contracted 'neutral vendor solution' (under the NEPO<sup>3</sup> Framework). Its use is therefore permitted by the Council's Contract Procedure Rules (CPRs). The Council may, if it chooses, authorise a 'direct award' to 3DTD via Bloom. The NEPO<sup>3</sup> Framework specifies that direct awards should be by exception (in comparison to competitions as the 'norm') and the justification for use of direct awards recorded. PCR15 nor PA23 directly address neutral vendor solutions. This report outlines the proposed justification. To proceed with the direct award is a risk-based decision for the Council to make weighting up all the circumstances and consequences of other options. Compliance risks are held by the Council, not Bloom.</p> <p>The Council would contract with Bloom. Bloom would contract with 3DTD. The Council would have a collateral warranty. The Council would subsequently be required to publish a Contract Award Notice (standard practice) under PCR15 stating the award is made to Bloom.</p> <p>Bloom charge a 5% fee. In justifying the fee, the report author has detailed above the consequences of not being able to deliver the Heat Network Early Works in the timescales available. Seeking to benchmark the overall service fees for the provider against other providers, variable framework scopes, terms, rates and framework fees would prove very difficult in the circumstances and would be unlikely to provide meaningful assessment results ordinarily attained through a competitive procurement process. The report author considers the fees to represent value for money in all the circumstances and has confirmed to Procurement that in obtaining fee information no commitment has yet been indicated to 3DTD.</p> <p>The report author has also confirmed above that the commission will be funded from the Council's Green Heat Network Fund Construction (capital) grant, and that approval from the funder for grant funds to be used for this appointment has been obtained. Therefore there are no funder concerns with the Council's proposed route to market which are compliant with its CPRs.</p> <p>Emma Tweedie, Senior Category Manager, Commercial</p>
--	--

	Procurement Unit
--	------------------

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution?	Yes
Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget?	Yes
Are any of the recommendations within this report contrary to the Policy Framework of the Council?	No

### Background Papers under Section 100D of the Local Government Act 1972

1. Cabinet report February 2024 – OGNDDP Grant Acceptance



Cabinet Report  
Feb24 - OGNDDP Gr

### Appendix

N/A

Report author sign-off	Andrew Hunt
Role	Green Energy & Sustainability Manager
Date of sign-off	14 November 2025

<b>Approval</b>	
Officer approval sign-off	 Neil Consterdine
Role	Director of Communities

Date of sign-off	19.11.25
------------------	----------

<b>Approval</b>	
Member(s) approval sign-off	 Cllr Abdul Jabbar
Role	Deputy Leader, Cabinet Member for Finance, Corporate Services and Sustainability
Date of sign-off	14 <sup>th</sup> November 2025