

Report to: Cabinet



Date of Meeting 30 April 2025

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Exemption applied: None

Review date for release N/a

Procurement of Developer Advisor and Technical Advisor for Cranbrook District Heating Expansion Areas Project

Report summary:

This report is to notify Cabinet of two contracts that will both exceed £100k;

- 1) Contract for consultant support for a Developer Advisor. The advisor will play a vital role in facilitating coordination of the commercial, financial, and operational aspects of developer and land promoter connections and include project liaison. The total contract value is £128,000.
- 2) Contract for consultant support for a Technical Advisor. The advisor will play a critical role in developing the scheme to RIBA Stage 2 and will be responsible for addressing and de-risking key engineering and technical interfaces with the developers involved in the Cranbrook expansion areas. The maximum expenditure on the contract will be £180,000.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendations:

That Cabinet approves:

1. The letting of the contract to Inventa Partners, to provide Developer Liaison, with a total contract value is £128,000.
2. The letting of the contract to WSP, to provide technical and engineering support, with a total contract value is £180,000.

Reason for recommendation:

To support the delivery of Cranbrook District Heating Expansion Project.

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Portfolio(s) (check which apply):

- ☒ Climate Action and Emergency Response
- ☒ Coast, Country and Environment
- ☐ Council and Corporate Co-ordination

- ☐ Communications and Democracy
- ☐ Economy and Assets
- ☐ Finance
- ☐ Strategic Planning
- ☒ Sustainable Homes and Communities
- ☐ Culture, Leisure, Sport and Tourism

Equalities impact Low Impact

Climate change High Impact

Risk: Low Risk; The technical work has been scoped in accordance with the project requirements and established industry standards. The budget allocated for this work package includes a contingency allowance to accommodate any unforeseen variations. Funding for this work is being drawn from the ringfenced Green Heat Networks Fund (GHNF) Grant, which was specifically awarded to support this project.

Links to background information

Link to [Council Plan](#)

Priorities (check which apply)

- ☒ A supported and engaged community
 - ☒ Carbon neutrality and ecological recovery
 - ☐ Resilient economy that supports local business
 - ☐ Financially secure and improving quality of services
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1. Background

- 1.1. The expansion of the Cranbrook heat network will supply heat to an additional c4,200 homes and 24,500m² of commercial space including three new schools at Cranbrook new town. The project will benefit from low carbon heat by connecting to the Energy from Waste facility (EFW) in Hill Barton and reducing reliance on gas. To further lower the carbon footprint of the scheme and support the delivery of a Future Homes/ Buildings Standard compliant energy solution, a large scale thermal storage facility will be constructed.
- 1.2. The network expansion will include new insulated heat pipe network, delivering approximately 34GWh of low carbon energy per year. The project team are coordinating with the developers of the Cranbrook expansion areas to develop a technical solution and delivery schedule that is in line with the first 'heat on' required.
- 1.3. The project will ultimately procure an Energy Services Company (ESCo) that will construct and operate the expanded network.

2. Funding Source

- 2.1. The project team have secured grant funding from the government's Green Heat Network Fund (GHNF) scheme. The award was allocated based on the initial technical work carried out by Anthesis and the Financial modelling supplied by 1Energy.

2.2. The grant awarded is in two parts as follows:

Commercialisation	Construction Award
£1,000,000	£5,950,310
Covers the cost of developing the project Business Case, including the technical, commercial, financial and legal work streams that are required to progress the project to a point where an ESCo can be procured.	Covers a contribution to the capital expenditure costs of building the network. This money will be on-granted to the successful ESCo who will fund the remaining costs of the network build out.

2.3. The project is in the commercialisation stage and therefore the costs of both the developer advisor and the technical advisor will be drawn down from the commercialisation budget.

3. Developer Advisor

3.1. Proposed Scope

- Coordinating the Cranbrook Developers to understand risks, timeframes and technical requirements.
- Developing a financial model to assess procurement options, risk allocation, and ESCO viability.
- Leading the ESCO procurement process, including tender preparation, bid evaluation, and selection of the preferred operator.
- Structuring commercial agreements between developers, the ESCO, and EDDC to align responsibilities and mitigate risks.
- Supporting contract negotiations to ensure favourable terms for developers while securing long-term investment in the heat network.
- Providing strategic guidance to future-proof the district heating network and ensure long-term sustainability.

3.2. The Developer Advisor is critical in ensuring that the ESCO procurement process is structured effectively, remains attractive to market participants, and balances financial and operational risks. Without this expertise, EDDC may face challenges in securing a commercially viable ESCO, leading to project delays or misaligned risk-sharing arrangements. The Advisor will play a key role in advocating for developers while ensuring that the heat network is structured to deliver long-term affordability, resilience, and compliance with funding and regulatory requirements. Their input will be vital in securing a robust and investment-ready district heating solution that supports Cranbrook's sustainable growth.

3.3. Inventa Partners occupy a unique strategic position, combining expertise in heat networks with extensive experience working directly with housebuilders, including those active in Cranbrook. They played a key role in coordinating developer engagement during the original Cranbrook town build, supporting the successful delivery of the initial heat network. As a result, they possess detailed knowledge of the existing infrastructure and local context. In addition, they have pre-established strong working relationships with many of the developers involved in this commission, providing further confidence in their ability to deliver effectively. Given this combination of technical expertise, historical involvement, and stakeholder relationships, the project team considers Inventa Partners to be uniquely well-placed to undertake this work. It is therefore proposed that Inventa Partners be appointed via a direct award through a Dynamic Purchasing System such as the Crown Commercial Service's Low Value Purchasing System.

4. Technical Advisor

4.1. Proposed scope

- Concept design (Stage 2) report for district heating within the development area
- GIS mapping of development site
- Design risk assessment
- Completed CP1 checklist to Stage 2.
- Architectural design and planning advice (up to RIBA stage 2 level) for potential Pumphouse enclosure
- Desktop review of utility assets and historical infrastructure to PAS 128 standard by specialist below ground pipework contractor

4.2. The Technical Advisor will play a critical role in the early stages of the commercialisation phase by identifying the most technically and economically advantageous configuration for the scheme. Their input will be instrumental in fostering confidence among developers and in supporting the implementation of a consistent, standardised solution across all Cranbrook expansion areas.

4.3. A mini-competition was conducted within the Crown Commercial Service (CCS) Framework RM6314 (Lot 4.1: Heat Networks – Heat Network Design). The Invitation to Tender was released via an online portal, with a clear deadline for submissions. In total, 20 invitations were issued, and three bidders submitted tenders. All bids were evaluated on two main criteria: Quality (60%) and Price (40%). Final moderated consensus scores indicated that WSP UK Ltd achieved the highest overall score, outperforming the other two bidders. In accordance with the appropriate procedures and WSP UK Ltd been confirmed as the successful bidder for the tender relating to these works.

5. Summary

5.1. The Cabinet's endorsement of these appointments will enable the project to move forward through the commercialisation stage, working towards the successful expansion of the Cranbrook District Heating Network and supporting the broader goals of sustainability and efficiency in the region.

Financial implications:

The costs are to be met from external funding as outlined in Section 2 of the report.

Legal implications:

There are no substantive legal issues to be added to this report.