

Part B

General Information and Specification

Contract for the Joint Local Enterprise Partnership Energy Strategy Development

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Contents

1	Introduction and Background Information	3
1.1.	Procurement Procedure	3
1.2.	Contract Period	3
1.3.	Eligible Users of the Contract.....	3
1.4.	Procurement Timetable	3
1.5.	Authority Representatives	4
2	Specification	5
2.1.	Background	5
2.2.	Aim.....	6
2.3.	Requirements.....	7
2.3.1.	Scope of work	7
2.3.2.	Shared energy strategy development	7
2.3.3.	Delivery plan and demonstrator projects	8
2.3.4.	Wider engagement.....	8
2.3.5.	Timetable of deliverables:	9
2.4.	Contract management requirements.....	9

1 Introduction and Background Information

1.1. Procurement Procedure

The Authority is inviting expressions of interest and Bids from Applicants in response to the published advertisement in line with the Authority's Contract Procedure Rules and Standing Orders and means that all Applicants that submit a Bid shall be evaluated in accordance with the criteria and process outlined within Part C Selection and Award of these Competition Documents and the information contained within it shall be used by the Authority as the means to make a Contract award decision.

At the conclusion of the Award stage, the intention is to award the Contract to **one** Applicant. Where there is more than one (1) Applicant tied in First place, the lower priced will be Awarded the contract.

1.2. Contract Period

The Contract being offered is due to commence on: **14 Sep 2017**

The contract period will be for 7 months until **31 March 2018**

There are no extension options included within this period.

For avoidance of doubt, the maximum duration of this contract, including permitted extensions will be until 31 March 2018

1.3. Eligible Users of the Contract

This contract is being procured by Somerset County Council as the accountable body for the Heart of the South West Local Enterprise Partnership (HotSW LEP). SCC will be the contract holder.

The Joint LEP project comprises the Heart of the South West, Cornwall & Isles of Scilly and Dorset Local Enterprise Partnerships.

1.4. Procurement Timetable

The key dates for this procurement process are anticipated to be as follows:

Procurement Stage	Dates
Publication of advertisement	27 Jul 2017
Procurement documents distributed to Applicants	27 Jul 2017
Clarification questions to be submitted by	17 Aug 2017
Bid Deadline	24 Aug 2017 by 12:00
Evaluation	w/c 29 Aug 2017
Intention to award	w/c 4 Sep 2017
Contract start	14 Sep 2017

Please note that the above timescales are indicative; the Authority reserves the right to change the above timetable at any time, taking in to account the complexity of the Contract and the time for drawing up Competition Documents, subject always to the minimum timescales in the Regulations. In particular SCC may in its absolute discretion extend the deadline for the receipt of Bids and in such circumstances the Authority will notify all Applicants of any change.

1.5. Authority Representatives

No person in the Authority's employ or other agent, except as so authorised by the Authority Authorised Officer or Procurement Representative, has any authority to make any representation or explanation to Applicants as to the meaning of the Contract or any other document or as to anything to be done or not to be done by Applicants or the successful Applicant or as to these instructions or as to any other matter or thing so as to bind the Authority.

Authority Authorised Representative contact details:	Procurement Representative contact details:	Contract Manager Contact details:
Name: Rob Hensley Address: Somerset County Council County Hall Taunton TA1 4DY e-mail: rhensley@somerset.gov.uk	Name: Mark Brown Address: Somerset County Council County Hall Taunton TA1 4DY e-mail: mbrown@somerset.gov.uk	Name: Rob Hensley Address: Somerset County Council County Hall Taunton TA1 4DY e-mail: rhensley@somerset.gov.uk

2 Specification

2.1. Background

As well as underpinning local economic growth as a necessary input for nearly all goods and services, energy is an important sector of the economy that creates jobs and value from the production and delivery of energy goods and services.

The Industrial Strategy Green Paper highlights several ways in which energy will need to be considered in order to build an economy that works for everyone. These include:

- Upgrading energy infrastructure in order to enable growth
- Building the energy infrastructure we need for new technologies
- Delivering affordable energy and keeping energy costs down for businesses
- Delivering clean growth and securing the economic benefits of the transition to a low carbon economy
- Investing in science, research and innovation, including energy storage and grid technologies
- Supporting businesses to start and grow

It is important therefore that these issues are reflected not just at a national level but at a local level as well. Consequently, the Department for Business, Energy and Industrial Strategy (BEIS) invited Local Enterprise Partnerships (LEPs) to apply for funding to develop an energy strategy, or to develop the evidence base for their area. The Cornwall and Isles of Scilly (CloS), Dorset and Heart of the South West (HoTSW) LEPs submitted a combined bid, and were awarded grant funding from the BEIS Energy Strategy Support Grant Determination (2016/2017) [No 31/2990].

The following are key regional plans and initiatives of the 3 LEPs that include energy as a focal point and will be built:

- The Cornwall and Isles of Scilly (CloS), Dorset and Heart of the South West (HoTSW) strategic economic plans identify energy as a transformational opportunity for growth across the South West.
- The Cornwall Devolution Deal and HoTSW devolution prospectus (2016) emphasise energy as a “golden opportunity” for growth alongside identifying grid connectivity as a key infrastructure barrier to realising opportunities in renewables and in enabling commercial development in some locations.
- Development of Priority 4 Environmental and Low Carbon Evidence Base within LEP ESIF Strategies (2014).
- The South West Marine Energy Park prospectus (2012) and CloS Marine Renewables Roadmap (2015-2025) provides a focus for investment to generate jobs and business opportunities for the regional economy and secure low carbon energy.
- The C&IoS ‘Cornwall Energy Future’ vision sets 2030 targets, including 100% of electricity from renewable generation.
- The Dorset Energy Partnership renewable energy strategy (2012) aims for 7.5% of energy to be produced from local renewable sources by 2020.

- The Dorset Energy Partnership Energy Efficiency strategy (2009) aims for a 30% reduction in greenhouse gas (GHG) emissions by 2020 compared to 2005.

Bournemouth Council as part of the Dorset LEP area is currently undertaking some baselining work to inform the strategy. This work includes:

- Review and undertake an emission inventory by LEP area, to include all sectors, against which to measure targets.
- Report on any progress from any existing baselines including the proportion of the 3 LEP areas' energy demand that is currently met by renewable and low carbon sources and any anomalies across areas or areas of focus e.g. high energy consumer sectors.
- Review all existing LEP and Local Authority energy action plans, strategies, investment programmes, targets and policies relevant to the energy sector in the SW ES area. (10 days)
- Assess the delivered and ongoing actions, investments, policies and targets to evaluate progress and impact of the actions.
- Review practices and governance arrangements of the 3 LEPS and Local Authorities in the combined area to identify best practice and barriers to delivering existing energy projects, action plans and strategies.
- Review practices of other LEPs, Local Authorities and other public, private sector and community organisations to identify best practice and additional or common barriers to delivery of low carbon energy projects.

The work will be completed by September 22nd 2017, but will be shared with the consultants as each element is finished. Actions will be undertaken in the order set out above unless specifically requested otherwise at inception.

2.2. Aim

Overall, the energy strategy will review the range of energy supply and demand reduction opportunities and challenges for the combined LEP areas, and understand how they relate to economic growth. This will inform how the LEPs can strengthen their Strategic Economic Plans to ensure that: the economic benefits in transitioning to a low carbon economy are maximized and secured; energy infrastructure is upgraded to deal with new technologies, and to ensure that energy supply is resilient, secure and affordable; and to ensure businesses have the right environment and opportunities to start, grow and innovate.

The aim is to produce a published energy strategy for CloS, Dorset and HoTSW comprising:

- Baseline study: a review of existing reports, progress to date and current processes
- Shared strategic framework for the three LEP areas with agreed 2030 objectives
- Delivery plans for key priorities/growth areas
- Identify energy demonstration projects/investments the three LEPs intend to collaborate on.

2.3. Requirements

2.3.1. Scope of work

2050 scenario modelling and 2030 projections

- Review Local Plans and Strategic Economic Plans to assess projections of growth and the impact on energy demand (power, heat and transport) and emissions.
- Assess the impact of current and planned strategic projects to reduce energy demand, increase the use of low carbon energy and reduce emissions.
- Review resource assessments and predictions to estimate the potential for low carbon energy generation (electricity, heat and green gases).
- Model Future Energy Scenarios for the combined 3 LEP areas to include a business as usual scenario and an ambitious scenario that fully maximises the area's potential for a locally controlled smart energy system, renewable energy generation and demand reduction, and meets national 2050 targets through effective policy intervention, engaged consumers, economic growth and technological advances.
- Consider the potential effect of electrification of the heat and transport sectors, the additional impact on demand and how the infrastructure and energy vectors (electricity, heat, and transport fuels) will need to be considered as a whole energy system.
- Assess the impact on capacity and constraints on electricity grid infrastructure and any positive impact of current and planned 'smart grid' projects.
- Consider the opportunity for the gas network and alternative transport refueling infrastructure.
- Consider the opportunities that are identified in the Industrial Strategy and Clean Growth Plan.
- Economic Impact Assessment to include but not limited to:
 - The impact of increased energy bills on existing business by size
 - The impact on fuel poverty and health and wellbeing of rising domestic energy bills
 - The impact on the economy if a further constrained grid is unable to provide capacity for development
 - The impact on air quality and health due to increased road transport
 - Job creation potential in the energy sector

Scenario deliverables

- A report that models 2050 energy system scenarios for the combined area and identifies the economic impacts, opportunities, barriers, issues and 2030 target success

2.3.2. Shared energy strategy development

This must be undertaken with the engagement of local stakeholders and workshops (e.g. businesses, community groups, DNO, public sector organisations, further and higher education institutes and research organisations). A list of stakeholders will be provided to the contracted provider at inception.

- Identify the areas strengths and opportunities, key priorities and growth areas
- Develop a vision for the areas energy future
- Agree a set of 2030 targets to be delivered across the 3 LEP energy strategy area
- Create suitable governance structures to support the delivery of the energy strategy
- Create strategic partnerships to support in the delivery of the strategy
- Develop a funding and investment strategy
- Identify ways to attract low carbon innovation companies to the area

This energy strategy will inform more detailed local action plans that will contribute to the overarching goals of the combined strategy.

Strategy deliverables

- Stakeholder events in each LEP area
- Shared strategic framework with 2030 targets

2.3.3. Delivery plan and demonstrator projects

- Identify the perceived barriers to achieve the aims of energy strategy (e.g. electricity grid, access to open data, national and local planning policy, investor confidence, disengaged consumers)
- Explore solutions to include but not limited to:
 - Alternative infrastructure investment models
 - Energy storage
 - ESCo and local supply
 - Open data
 - Smart heat and power solutions
 - Alternative transport fuel infrastructure
- Identify potential strategic demonstrator projects such as initiatives to increase business energy efficiency, sites that could demonstrate energy storage, sites for an innovation zone, innovative investment models to support infrastructure upgrades etc.
- Explore funding and investment opportunities for the individual projects
- Agree 2 or 3 demonstration projects and develop delivery models and governance arrangements

Delivery plan deliverables

- Stakeholder events
- Shared delivery plan with actions identified (2 or 3 in detail), an investment strategy and clear governance structure.

2.3.4. Wider engagement

- Engage with existing Energy Showcase event(s) across the region (timings to be confirmed)

2.3.5. Timetable of deliverables:

September to January 2018

- Model 2050 energy system scenarios identifying economic impacts, opportunities, barriers and target success
- Create shared strategic framework for the 3 LEP areas with a 2030 vision and targets
- Delivery plans for key priority/growth areas to include best practice governance structures and a funding and investment strategy
- Identify potential demonstrator projects to be delivered in collaboration across the 3 LEP area

Draft reports by end of January 2018

Final reports by end of February 2018

- LEP energy strategy and a delivery plan
- Recommended implementation and recommendations for cross-LEP governance
- 2 or 3 agreed strategic deliverable future demonstration projects

2.4. Contract management requirements

Management Information and reporting

The Appointed supplier will report to the Contract Manager (at SCC) on the projects behalf.

Reporting will be Monthly the content of which will include:

- Highlight report, risks and issues, mitigations, actions
- Reporting progress against milestone plan (from Tender)
- Summary of Hours worked by team.