



Tender Brief for Westlakes Science Park Low Carbon Energy Masterplan

submission of proposals by: 1pm, 2nd June, 2017

www.britainsenergycoast.co.uk



Contents

1. About Us	2
2. About this brief	4
3. Our low carbon energy ambitions.....	5
4. Ways of working.....	9
5. Partner selection – what we are looking for.....	10
6. Your proposal – how to respond	11
7. Proposal scoring	12
8. Our valued behaviours	15

1. About us

Britain's Energy Coast (BEC) is a commercial UK based company that specialises in owning, operating, developing and regenerating property. We are a profit for purpose business. Our surplus revenues from commercial property activities are ploughed back into the area around BEC's Cumbrian headquarters.

We own and operate Westlakes Science & Technology Park, a successful commercial development near Whitehaven in Cumbria.

BEC grew out of a series of regeneration and economic development companies designed to boost the economies of Allerdale and Copeland (West Cumbria). The company previously bolstered its commercial revenues with direct funding from the nuclear sector. In 2016, BEC became a fully commercial operation. It supplements its income by strategically applying for funding to support projects that will bring local benefit, often in the low carbon arena.

BEC is able to commercially operate anywhere, but we always bring the financial benefits back to Allerdale and Copeland.

The company is owned by Copeland Borough Council, Allerdale Borough Council and Cumbria County Council, along with the Nuclear Decommissioning Authority, which is headquartered in the borough of Copeland. The BEC team work closely with a number of key local partners including the Cumbria Local Enterprise Partnership.

We are not a run of the mill property development company. Far from it. Our roots are deeply planted in the West Cumbrian communities within the borders of Allerdale and Copeland borough councils, sandwiched between the Irish Sea and the Lake District fells.

We are a profit for purpose business. We use our profits for two aims – to allow us to develop further commercial property opportunities and to benefit the communities that we serve in west Cumbria from a social and economic perspective. And we are low carbon at the core.

The main objectives of developing our low carbon energy portfolio are to:

1. drive commercial value for the business
2. develop an energy generation portfolio
3. improve energy efficiency across our existing property portfolio
4. develop internal skills and capability
5. guide future low carbon property developments, and
6. support low carbon interventions in Allerdale and Copeland that generate real social impact

This brief is the first step on that journey.



BEC owned properties on Westlakes Science & Technology Park (shown in yellow on the map above) include:

1. Ingwell Hall and attached pavilions
2. Innovation Centre
3. Galemire House
4. Kelton House
5. Fleswick Court
6. Robinson House

2. About this brief

This brief represents the first stage in the development of our low carbon energy portfolio. A second stage will follow which will focus on the delivery of the recommendations from this first phase. We have a number of key outcomes to achieve from the delivery of the outputs that will result from this commission. The delivery of this brief must move the company significantly towards achieving these:

1. To ensure that Westlakes Science & Technology Park (Westlakes), our key property asset, is capable of complete independence from grid power and heat (but not an energy island) through **the development of a smart micro-grid**, and
2. To identify and implement energy generation and distribution opportunities across Westlakes (and potential developments in the vicinity of the Science Park that will impact on or benefit from linking into our developing energy asset portfolio)
3. The realisation of commercial returns in the near future from the low carbon energy portfolio we develop - to allow BEC to further invest in commercial and community energy assets
4. To develop internal knowledge, skills and capability in low carbon energy generation, efficiency and property development
5. To develop community benefit (through low carbon energy and property activity) in our most deprived rural and coastal communities.

The specific output we expect from the delivery of this work is:

A Low Carbon Energy Masterplan for Westlakes Science Park that:

- a. benchmarks our current position
- b. provides a route map for the development of a micro smart grid
- c. identifies opportunities for energy generation and energy efficiencies
- d. provides a prioritised implementation plan for investment, and
- e. identifies finance options (including self-funding) for the delivery of the identified opportunities

These outputs must lead to:

- a. a low carbon energy generation portfolio focussed on (but not necessarily restricted to) Westlakes
- b. commercial profit from energy generation assets
- c. a property portfolio with significantly improved energy efficiency ratings and lower energy running costs
- d. an internal, skilled and knowledgeable low carbon energy team capable of initiating and delivering low carbon energy projects aligned, in most cases, to commercial property development and management

3. Our low carbon energy ambitions

Our low carbon energy ambitions are key to the delivery of our new business focus and corporate strategy. The outcomes from the development of low carbon energy assets and the decarbonisation of our existing and future property portfolio will result in positive social impact for the communities of West Cumbria (Allerdale and Copeland) that BEC is here to support.

Our actions in energy and property must secure revenue and profit for the business to allow it to invest further in these areas so that BEC can increase its social impact on our local communities over time – this is why we are here and do what we do.

From an energy perspective we are at the start of what we anticipate will be a long and exciting road which will lead us in a number of directions. Whilst we have some initial goals and ideas for future activity, we need support at strategic and delivery levels to achieve these and to open our eyes to opportunities that we have not yet seen or considered.

The opportunities as we see them are:

	Phase 1	Phase 2
1. Westlakes micro smart grid	✓	✓
2. Energy efficiency of existing property portfolio	✓	✓
3. Energy asset replacement and maintenance plan	✓	✓
4. Development of our low carbon energy standards/guidelines for future property development	✓	✓
5. BEC Internal capability and capacity development	✓	✓
6. Wider commercial energy opportunities		✓
7. Community energy		✓

Phase 1

1. Westlakes micro smart grid

Our ambition for Westlakes is for it to become grid independent for power and heat. Energy storage and, potentially, demand management will need to be part of this mix.

Westlakes is our major asset. BEC owns and operates the Science Park including six of the fourteen existing buildings. Westlakes represents our most significant opportunity for energy generation because we own the site and a significant proportion of the properties. We also have good relationships with either the owners or current tenants of the remaining properties.

The Park has a number of development plots yet to be built out and these represent a potential opportunity for the creation of, for example, a solar meadow in the north east strip between Fleswick Court and the Dalton Cumbrian Facility. There is significant demand for power on site although there are no heavy industrial or energy intensive activities. The potential for electrical storage to complement the generation of on-site electricity is an option that we are keen to explore.

In relation to heat, BEC would like to explore the potential for a district heat network from an energy centre on Westlakes. A feasibility study has been undertaken for the Park as part of a wider study undertaken for Whitehaven by Copeland Borough Council which was part funded by BEC. There may be opportunities here for heat (and perhaps power) customers off-site as well as on the Park, including the potential future housing develop planned on land opposite Westlakes (across the A595) as part of the development of the new nuclear power plant at Moorside next to Sellafield. West Cumberland Hospital and Summergrove residential halls are in close proximity to the Park also.

In the medium term BEC is also looking at the potential for expansion of Westlakes which may provide further opportunities for energy generation in the future.

The generation of income from the sale of power and heat to existing and future tenants and neighbours will be important.

2. Energy efficiency of existing property portfolio

Whilst the generation of energy presents exciting opportunities for the development of the Science Park we are acutely aware that we need to do something with our property portfolio to reduce its energy consumption through energy efficiency measures, demand side management (potentially) and behavioural change.

We do not have baseline energy consumption data that we can measure progress against. We need to establish these and then develop a programme of action for each building on the Park to reduce consumption and energy losses. Each building is different – in age, design, fabric, occupancy. This will not be a one size fits all approach. We will start with our own property portfolio and then look to widen out opportunities to work with other property owners and landlords on Westlakes.

We need to be able to measure progress against benchmarks which will need to be established to include, reductions in running costs, carbon emissions and increases in income.

3. Energy asset replacement and maintenance plan

Some of our capital equipment is ageing and in need of replacement as it is at the end of its useful life. Key elements of this work will be to:

- a. assess the current plant and advise on options for its replacement within the context of the micro-grid approach for the wider science park
- b. develop an energy asset maintenance and replacement plan

4. Future property development

As well as dealing with our existing portfolio – we also need support to develop standards and/or criteria for new development opportunities that we undertake. This will include developments both on and off the Park. What sustainability criteria should we develop to influence our property development portfolio – whether we develop ourselves or sell on to a third party? What and where is best practice in this area, and how can we better that without compromising the commercial business case? Is it simply a matter of adopting BREEAM? Or are there other options?

5. Wider commercial energy opportunities

If we think really big and really boldly, what can we achieve that goes beyond, way beyond, the opportunities afforded BEC by developing opportunities on our own assets? From a property perspective, we are looking at the potential of forward funding to develop our portfolio and create real commercial gain. How would this approach work from a renewable energy perspective? What opportunities would it open up for us - real opportunities providing a real return? Would this approach work for a smart grid on the Park? Or do we have to think much bigger?

We need you to bring your commercial acumen and knowledge of the investment market to bear on this. What can we achieve, really achieve, through this approach?

Phase 2

As well as delivering on the implementation of the Masterplan, we see Phase 2 as the beginning of assessing and developing our wider commercial and community energy opportunities. In this first phase, we don't anticipate that these will require development work but you will need to bear them in mind during the delivery of Phase 1 should your bid be successful.

6. Community energy

Supporting our local communities is what we are here for. We do that through commercial income from our property activities and are aiming to do the same through the development of an energy portfolio. We have two trains of thought here.

The first is quite simply to develop projects that provide local people the opportunity to invest in renewable energy projects to obtain a financial return. Our anecdotal research in this area tells us that finance from the community is not the issue, individuals will invest if the return is greater than they can achieve from savings. What is needed is a pipeline of projects.

The second is the potential for working with local communities to develop low carbon energy solutions that can help them to reduce their carbon footprint, increase their energy resilience and reduce fuel poverty, for instance.

7. Internal capacity development

We want to be able to develop, manage and maintain our energy assets. We need to be able to advise our commercial property team on the most sustainable approaches to new commercial developments that we undertake. We want to minimise our carbon footprint from our development activities as much as possible.

To do this we need to develop internal knowledge, skills and capacity. We have to learn from the development and implementation of this Masterplan to develop a low carbon Energy Services team. In working with us on this commission, you must commit to supporting our development through your advice and the transfer of knowledge

4. Ways of working

This is hugely important to us. We value integrity, transparency and accountability. We will not select a partner that *cannot or will not* evidence that its corporate values and behaviours are a match for ours. This is our veto on partner selection.

This does not mean that we are not looking for value for our money – absolutely not. It does mean that we will be actively looking for companies that not only have the skills, knowledge, capability and willingness to help us achieve our ambitions, but that must also be able to show a depth and breadth of evidence of a match to our values and behaviours. If your view of this brief is that of a potential cash machine, please do not submit a proposal. We are not your typical property development company. For us money is not everything. It is what and how we can use money to benefit our local communities that drives us. We are commercially astute, just not for the benefit of shareholders.

You must bear this in mind at all times in the development of your proposal and if you are successful in working with us going forward.

5. Partner selection – what we are looking for

What you will need to bring to the party

Knowledge, skills, capability in low carbon energy project development and planning goes without saying. It is a must.

Other requirements:

- Your values and behaviours as indicated in the previous section
- Innovation and creativity
- Commercial and financial astuteness
- Knowledge of existing, and ready access routes to, private sector finance - via forward funding channels and/or pension funds for instance
- We need to be able to work with you. And you with us. We are serious about what we do and what we want to achieve, but we also like to have some fun along the way. It would help us if you had a similar approach. Seriously.

While it would be our preference that the chosen supplier for this phase would also be our partner moving forward into delivery, this will depend upon a number of factors including performance across all of the elements of delivery of this first phase and an assessment in action of the fit with our values. However we will also consider for this first phase, suppliers that can deliver the Masterplan and implementation route map but that are not interested in supporting us with its delivery. In this case what we would expect to see in the proposal for Phase 1 is a plan to get us quickly into delivery, for instance by setting up a procurement framework as part of the implementation plan. We would need to see in the proposal evidence of successful examples of where you have done this in the past.

The ideal low carbon energy partner is likely to be a business that will help us develop, implement and manage our low carbon energy portfolio as well as embed low carbon approaches into our property development and management assets and systems. We are **not** looking for a dependency relationship in which all of our energy requirements and opportunities automatically are handed over to the winner of this brief. We are looking for a partner that will help us build our internal capacity and capability in these areas. Our ambition is to become a leading low carbon property development and regeneration company in the UK.

Moving into the subsequent phase of delivery, we would be keen to work with a partner who, for the right project(s) and benefits, would be willing to share risk and reward. It is our intention to consider potential partners that can be flexible in the level and type of support provided, and that is willing, where appropriate, to share risk and benefit in the development and delivery of commercial energy assets. Depending on the nature of the development of our energy asset portfolio, that relationship could be, at different points on the journey, client-consultant, joint venture partner or service provider. We don't intend to be prescriptive at the outset, just flexible in our development and delivery approach.

6. Your Proposal – how to respond

We would like to invite you to submit a proposal on how you would approach working with us. This should be based on the content of this brief and your take on what makes you the company that wants to work with us, and why we would want to work with you.

Proposals should be submitted by: 1pm, Friday 2nd June, 2017

To: tenders@britainsenergycoast.co.uk

Proposals received after this deadline will simply **not be considered**. After all, if you are unable to meet the deadline for a proposal, how can we be sure that you can meet deadlines for the delivery of the actual project? We also reserve the right to disregard proposals that do not meet the criteria outlined in the following section of this document.

Timescales:

Receipt of tenders	1pm, Friday 2 nd June, 2017
Assessment and scoring	Completed by Friday 23 rd June
Appointment of successful proposer	Monday 26 th June
Inception meeting/contract start	Week commencing Monday 3 rd July
Anticipated completion	30 September, 2017

The Small Print – what to include (failure is not an option here):

Your team	CVs, project role, day rate, experience, what they will bring to the project, time they will spend on the project
Case studies	Blind us with your brilliance – show us recent, relevant projects; don't forget testimonials and contacts that would be willing to talk to us about you, warts and all.
Insurance	You will need to evidence that you hold (or are willing to obtain) the following: Professional Indemnity - £1 million Public Liability - £2 million
Project Plan	Providing absolute clarity on the delivery phases, tasks, deadlines, milestones, who, what, when...you know the drill. Not very sexy, but absolutely crucial.
Costings	Your price for the delivering the Masterplan (net of VAT) broken down by key delivery phases.

If you would like to be considered, please send your proposal electronically to tenders@britainsenergycoast.co.uk by **1pm, Friday 2nd June, 2017**, with the message title – **WLSP Low Carbon Energy Masterplan proposal**.

7. Proposal scoring

Your proposal will be scored against the criteria below, which will be weighted as indicated. Please note that while we are of the opinion that the contents of this brief and the criteria listed below are what we need, we are not engineers – and so we are very open to suggestions that we may not have considered.

As well as responding to what we think we need, you have the opportunity to highlight your knowledge and particularly your creativity by indicating where you think your support can benefit us in areas that we have not as yet thought about. We are not engineers after all. Be creative. Be innovative. But please ensure that this is tempered by commercial realism. We do not intend to operate in fantasy land. You need to have vision and show creativity, but you must help us deliver and generate commercial return in a relatively short space of time.

There is a bonus 15 points available in the scoring criteria for this. Show us what you are capable of. Show us what we can be capable of.

CRITERIA			Weight (%)
1	Fit with BEC values and behaviours	Please indicate how you see your company fitting with our valued behaviours, with supporting evidence . Please do not underestimate the value we place on these. It's been mentioned already. We need to be able to work with you and you with us.	20
2	Strategic approach and understanding of the brief	How you will support and guide us on our low carbon energy portfolio development journey? How do we decide on low carbon energy investments? How will we fund it? Will it be commercially feasible? How will you prove it? What's the rationale? How will you help us build capability? How do we incorporate low carbon energy criteria into investment decisions on property? What's your appetite for JV working and sharing risk? Where do we start? Anything else you want to tell us?	20
3	Methodology	How will you develop our Masterplan and Implementation Plan? Excite us with the details. What's the plan? Why that way? How will you keep to time and on budget?	25
4	Your track record	Your chance to blow us away with your achievements in this field and in similar projects. Evidence with testimonials and contacts.	10
5	Your team	Have you got the right people on board? Show us!	10
6	Pricing solution*	Value for money is very important. We need to get the most out of your expertise that we can without breaking the bank. How will you make sure we achieve that?	15
		*see price scoring, below – additional points are possible	100
Bonus	What have we missed?	Your opportunity to add value and show us what you can do.	15

Example based pricing solution scoring methodology:

Example Price	Median price - tender price	Price difference as % of median price	Difference expressed as points	Points added or subtracted from 15 available 'price' points	Points
£10k	$30-10 = 20$	$20/30 = 67\%$	$67\% \text{ of } 15 = 10$	$15 + 15$	30
£20k	$30-20 = 10$	$10/30 = 33\%$	$17\% \text{ of } 15 = 2.5$	$15 + 2.5$	17.5
£30k (median)	$30-30 = 0$	$0/30 = 0\%$	$0\% \text{ of } 15 = 0$	15 ± 0	15
£40k	$30 - 40 = -10$	$-10/30 = -33\%$	$33\% \text{ of } 15 = 2.5$	$15 - 2.5$	12.5
£50k	$30 - 50 = -20$	$-20/30 = -67\%$	$67\% \text{ of } 15 = 10$	$15 - 10$	5

Each of the five criteria will be scored from 0-5 based on the method statement below.

Score	Scoring Guidance
0	Completely fails to meet required standard or does not provide a proposal.
1	Significantly fails to meet the standards required, contains significant shortcomings and/or is inconsistent with other proposals
2	Falls short of achieving expected standard in a number of identifiable respects.
3	Meets the required standard in most material respects, but is lacking or inconsistent in others.
4	Meets the required standard in all material respects.
5	Meets the required standard in all material respects and delivers added value for money.

Each criteria score will be multiplied by the weighting and then divided by 6 to give an overall score out of 100, as in the example below:

Criteria	Score	Weighting	Total (Score x Weighting)	Final score (Total/5)
1	3.5	20	70	14
2	4	20	80	16
3	2	25	50	10
4	3	10	30	6
5	4	10	40	8
TOTAL	(out of 85)			54

Bonus	Score entirely at discretion of BEC	9
Pricing	Example as calculated above	17.5
Grand Total		80.5

Hopefully you will score better than 80.5!

While our preference is for a partner that can fully cover all elements support that we require, we are happy to consider a co-operative approach with other companies to cover any elements that you cannot service in-house. Please ensure that within your proposal, you detail clearly, in what areas and which organisation would be utilised to cover specific service areas, and how contractual arrangements with this partner provider would be set up.

Our Valued Behaviours

As a company, we set high standards of performance and ethical behaviours. We are judged by how we act - our reputation is upheld by how we live up to our core valued behaviours which serve as a compass for our actions and describe how we behave in the world. BEC will improve performance by developing and improving the individual performance of board members, senior management, staff and consultants. These valued behaviours will provide the individual with the guiding principles of the behaviours and actions that will be valued, recognised and key to BEC's success.

We expect all of our contractors (including sub-contractors) and partners to share and exhibit our valued behaviours:

- Working with integrity
- Being commercially astute
- Partnering people and change
- Driven to make a difference
- Responsible for actions
- Courageous leadership
- Environmentally responsible

Please note that we reserve the right not to appoint:

- Full stop.
- If we cannot find a partner that fits with our business culture as indicated in our behaviours listed above; or
- To individual elements of the overall package at our discretion.