



The Marches LEP

Energy Fund – Expression of Interest

GUIDANCE for Capital Development Projects

1. Introduction

- 1.1 The Marches Local Enterprise Partnership (LEP) recognises that energy provision is a critical element for unlocking future growth. Funded by the Department for Business, Energy and Industrial Strategy (BEIS), the [Marches Energy Strategy](#) was published in 2018. The Strategy sought to recognise and overcome the various energy challenges that exist in the region. The Strategy highlighted the main energy infrastructure is already at capacity in many areas and this presents both a threat to future business and housing development.
- 1.2 The Strategy also provides an opportunity to invest in innovation that can overcome these challenges providing a unique selling point for those in the energy supply chain to invest in the area.
- 1.3 The Call is seeking to identify projects in the Marches LEP area that are able to achieve the following key objectives as set out in the Marches Energy Strategy:
 - Smart control and mitigation of grid constraints
 - Innovation in agricultural technologies
 - Sufficient reliable energy supply
 - Development of the supply chain in key areas of the low carbon economy
 - Local renewable energy supply
 - Addressing high levels of fuel poverty
- 1.4 The Call is for capital projects with a minimum grant funding requirement of £100,000, with a maximum value of £2,000,000. The Marches LEP wishes to have a refreshed pipeline of Capital Energy Projects that can be worked into full business cases.
- 1.5 This document provides guidance on the submission of Energy Grant Funding Expression of Interest applications.

2. Project Eligibility Criteria

- 2.1 Energy Grant Funding support is **only available** for costs incurred up to **31 March 2024**. We will not pay any Energy Grant Funding for costs incurred after **31 March 2024**. All funded activity **must be complete by 1 April 2024 or earlier depending on the individual project**.
- 2.2 Funding will be awarded based on a maximum 80% intervention rate of total eligible costs with a minimum contribution of 20% match funding. The Call is for capital projects with a minimum energy funding requirement of £100,000 and a maximum of £2,000,000.
- 2.3 Expression of Interests must include at least one of the following activities:
- Capital Development in Energy Infrastructure (including renewable generation capacity & Increased energy efficiency of existing buildings / infrastructure)
 - Innovation – establishment of project to test innovative solution to energy management problem. (Includes proof of concept, scaling, development costs)
- 2.4 If funding is awarded, but the profiled spend as at 31 March 2024 is not met for the existing scheme, then the funding may be withdrawn.
- 2.5 In all cases, applicants must procure consultants and contractors and purchase equipment in accordance with [UK Public Procurement Regulations](#).
- 2.6 All purchased equipment which receives Energy Grant Funding is to be used solely or mainly for the delivery of the project.
- 2.7 The Marches LEP is committed to ensuring Social Value through its funding programmes, recognising its responsibilities pursuant to the Social Value Act 2012. Applicants should provide details on how projects add economic, social or environmental benefits within the local area.
- 2.8 All applicants need to take steps to satisfy themselves that any Energy Grant Funding does not amount to unlawful Subsidy Control. Further guidance is provided in Section 6.0.
- 2.9 Organisations will need to provide outputs by 31 March 2025. During the delivery stage, the organisation will need to provide evidence for each output that has been achieved. Organisations will need to keep records of all outputs for monitoring purposes.
- 2.10 Outputs are provided below:

1. New Jobs Created (FTE)

The total number of newly created permanent full-time equivalent jobs as a direct result of the intervention within [Small and Medium Enterprises](#) (SME) in the Marches.

Created jobs exclude those created solely to deliver the intervention (e.g. construction). A job is deemed as permanent if it lasts at least a year.

2. Promoting the production and distribution of energy from renewable sources.

This output is looking to encourage the total increased generation of renewable energy as a direct result of the proposal. It could also include support to build capability and capacity for supply chains in renewable energy, as well as demonstration and deployment of renewable energy technologies. Finally, this could also include technologies that would support the roll-out of renewable energy generation, such as energy storage systems.

- In this case renewable sources of energy include:
 - wind
 - solar
 - aerothermal
 - geothermal
 - hydrothermal
 - hydropower (must comply with Directive 2000/60/EC)
 - biomass
 - biogases

This output can be measured through a number of indicators including:

- kWp installed capacity, number of new sites, or annual generation.
- Estimated Greenhouse Gas Savings (tCO₂e)
- Number of enterprises receiving support

3. Increasing energy efficiency, including through the implementation of low carbon technologies.

This output is looking to support improved energy efficiency in order to reduce carbon emissions. For example, it will help SMEs to invest in energy efficiency measures and processes to improve environmental performance, or resilience to the impacts of climate change.

The outputs for this measure could include:

- Total Energy (kWh) Savings
- Estimated Greenhouse Gas Savings (tCO₂e)
- Number of households brought out of fuel poverty
- Number of enterprises receiving support

4. Promoting research and innovation in, and adoption of, low carbon technologies and energy efficiency, including smart energy management.

This output will include research, development, and demonstration projects that encourage the adoption of technologies and systems that support the low-carbon energy transition and accelerate the establishment of new technologies.

The outputs for this measure could include:

- Total freed-up capacity (kWp)
- Estimated Greenhouse Gas Savings (tCO₂e)
- Number of enterprises receiving support
- Innovative New Products Created

5. Number of New Learners Assisted.

The number of new learners assisted as a direct result of the intervention, in courses leading to a full qualification.

- 2.11 The objective that the project will address will to an extent dictate the outputs, and will be agreed during the selection process.
- 2.12 The Marches Energy Fund will not support the delivery of new fossil fuel infrastructure projects.

3. Expression of Interest Process

- 3.1 Guidance on how to complete the Expression of Interest is also included within the form itself. Incorporate all information into the form. Limited time is available to carry out the assessment process and applicants are therefore required to keep answers brief – the Expression of Interest contains guidance for length of responses (word limits apply to help keep the process manageable).

We will assess Expression of Interests only on the information submitted in the required format. We cannot guarantee that we will consider any additional information that applicants provide at the assessment stage.

- 3.2 Applicants must submit the Expression of Interest by 5pm Friday 8th July 2022.
- 3.3 For any questions or queries relating to the Expression of Interest Process please contact Tim Yair (Tim.Yair@nottinghamcity.gov.uk).

- 3.4 Please return **one** electronic copy of the signed and completed Expression of Interest and the required supporting information to The Marches LEP at enquiries@marcheslep.org.uk. (Please compress files to less than 5Mb or send several emails).

4. Assessment Criteria

- 4.1 Expression of Interests will be assessed against the following core criteria:

Assessment Criteria	Weighting
Match funding (amount and secured)	20%
Project deliverability (approvals and funding in place, realistic timescales etc.)	20%
How the project meets the Energy Strategy priorities	20%
Project outputs and impact on achieving the Energy Strategy priorities	20%
Proposed management of the project (staffing, procurement and monitoring approach)	20%

- 4.2 Scoring Matrix

Response	Score	Reason for Score
Non-compliant response	0	No information given or response not relevant.
Unsatisfactory response	1	Partially compliant response but with lack of detail unclear understanding of the requirement.
Weak response	2	Weak response that barely demonstrates understanding and that acceptable outcomes would be delivered.
Acceptable response	3	Compliant response indicating would meet minimum requirements.
Good response	4	Compliant response shows detailed understanding of requirements and offers benefits beyond stated requirements.
Usefully Exceeds	5	Compliant response, illustrated comprehensive understanding of requirements. Proposal usefully exceeds expectations.

- 4.3 Scoring process

All EOI will be scored against the above criteria and moderated. Depending on the number of applications submitted a limited number of applications will then be invited through to the next stage, to submit a full business case. This doesn't indicate a grant award, just that we would like to see a more developed project proposal.

4.4 Timescales

Milestone	Date
Call opens	w/c 6 th June
EOI submission deadline	8 th July
Assessment of EOIs	8 th July- 15 th July
Moderation Meeting	18 th July
Applications informed of outcome	19 th July
Business cases due	2 nd September
Assessment of Business cases	5 th September- 19 th September
Approval of projects	23 rd September
Offer letters issued	30 th September

All dates are subject to change.

5.0 Energy Grant Funding Contractual Obligations

5.1 Applicants will receive a letter from the LEP to advise on whether their Expression of Interest has been successful or not. Letters to successful applicants will set out timescales in relation to the submission of the Full Business Case.

5.2 The LEP reserves the right to withdraw the approval of the Expression of Interest in the event that following approval the project is considerably changed and/or project costs are increased or decreased without proven justification.

6.0 Subsidy Control

6.1 The applicant must provide information in Section A8 of the Expression of Interest to enable the LEP to verify that the applicant's assessment as to whether capital funding payable under this scheme is compliant with UK Subsidy Control Rules. Evidence of this will be requested at the Full Application stage.

6.2 The applicant should note that the LEP may be obliged under any subsequent funding agreement and/or the Subsidy Control Mechanism to require all or part of any grants to be repaid (plus interest) if any information given or representation made in respect of the Subsidy Control Mechanism information provided in the Expression of Interest is found to be materially incorrect.

