Invitation to tender for Evaluation Consultancy Services on behalf of Hitachi Europe Limited for the Smart Energy Islands project (“ITT”)

DATE OF ISSUE: 21/08/2017

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1. Introduction

Hitachi Europe Limited’s Smart Cities Energy Group (“HEU”) has secured European Regional Development Fund (“ERDF”) funding to deliver the Smart Energy Islands (“SEI”) project on the Isles of Scilly, which is within the Cornwall and Isles of Scilly EU funding region. More specifically:

‘The Smart Energy Islands project will provide the ICT enabling infrastructure to better balance the supply and demand of electricity on the Islands. This will enable a replicable model for increased penetration of renewables, control of energy uses, increasing resilience and efficiency, and reduced energy costs. Supporting the Islands’ objectives of 40% renewable energy and 40% reduction in energy bills.’

The ERDF is part of the European Structural Investment Funds (“ESIF”).

This ITT is issued by HEU and is made available to all potential respondents that are interested in tendering for the opportunity to provide evaluation consultancy services (“Services”), which are more fully described in section 3.

This ITT is made up of the following content:
- the main body of this document;
- the Standard Selection Questionnaire issued alongside this document;
- the expression of interest form (“EoI”) issued alongside this document; and
- the conflicts of interest declaration form issued alongside this document.

HEU thanks all respondents for their consideration and looks forward to receiving their tender response.

2. Project background

HEU has been working with the Smart Islands Partnership (an unincorporated partnership of key stakeholders on the Isles of Scilly) to develop a programme of projects under a ‘Smart Islands’ banner that aim to deliver the following objectives:

- 20% reduction in domestic energy bills by 2020 and 40% by 2025;
- 40% renewable energy production by 2025;
- 40% use of electric vehicles by 2025;
Internships, cultural exchanges and skill delivery.

The SEI project sits within the Smart Islands programme and will deliver the ICT energy infrastructure to support the Isles of Scilly in meeting these goals. The wider programme is summarised on the project website (www.smartislands.org) and in the diagram above.

The SEI project itself is divided into six activities as follows:

Activity 1 – IoT Platform design and implementation.

Central IoT Platform to enable the ongoing deployment of energy infrastructure by balancing of local energy generation and consumption.

Activity 2 – Renewable Energy Deployment

Solar Photovoltaics and Home Energy Management Systems devices deployed on 100 social houses, with 10 being Smart Homes with a mixture of Air Source Heat Pumps and batteries.

Activity 3 – Home Energy Management Systems design and implementation

IoT solution to control and optimise the technologies deployed in Activity 2 and integrated into the island wide Energy Resource Management Platform that will be developed in Activity 1.
Activity 4 – Electric Vehicle Energy Management System design and implementation

IoT solution to optimise the use of electric vehicles for local energy balancing.

Activity 5 – User experience design and implementation

Develop design guidelines to ensure a smooth customer journey and consistent customer experience for developments in other activities.

Activity 6 – Commercial Model & Business Support

Develop the local energy market models and lead business support and community engagement.

Together, these activities will deliver the principle objective of this project; to design, deploy and test an innovative solution to demonstrate a replicable model for how a discrete locality can rapidly decarbonise. To achieve this, the project will:

- Unlock the current commercial and technical constraints on the Islands, which are stopping the islands from realising their low carbon objectives
  - Delivering 448kW of renewable energy and CO₂e savings
- Maximise economic benefits by ensuring local businesses are supported to actively engage with the innovative opportunities to both develop new products and services and directly benefit from the Smart ICT infrastructure.
  - Supporting 200 businesses on the Isles of Scilly and in Cornwall
- Improve social outcomes for the community by providing the infrastructure to reduce fuel poverty through enabling a local energy market and raising aspirations, by working with the Five Islands School to engage with the SEI project and wider Smart Islands Programme.
  - Improve the energy efficiency of 100 social housing tenants on the islands

The SEI project and its outcomes are summarised in the diagram below.
In addition, the project has committed to delivering the following ESIF outputs.

<table>
<thead>
<tr>
<th>ESIF Priority Axis 4 (PA4)</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>ER/C/O/01 Number of enterprises receiving support</td>
<td>20</td>
<td>90</td>
<td>90</td>
<td>200</td>
</tr>
<tr>
<td>ER/C/O/05 Number of new enterprises supported</td>
<td>0</td>
<td>4</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>ER/C/O/30 Additional capacity of renewable energy production (kW)</td>
<td>348</td>
<td>100</td>
<td>0</td>
<td>448</td>
</tr>
<tr>
<td>ER/C/O/31 Number of households with improved energy consumption classification</td>
<td>100</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>ER/C/O/34 Estimated annual decrease of GHG (tonnes)</td>
<td>0</td>
<td>0</td>
<td>458.4</td>
<td>458.4</td>
</tr>
</tbody>
</table>

HEU (as the lead applicant) has secured ERDF funding of £8,637,179 (total project value £10,796,475) in response to a call under the priority axis 4 of the Cornwall and Isles of Scilly ESIF Growth Programme to support the delivery of the SEI project. HEU’s full ERDF application was approved on the 15th August 2016. The SEI project is a 3 year project which commenced on 1st December 2016.

3. Services
Overview and requirement

In order to evaluate progress in the Smart Energy Islands project and make sure it adheres with EU funding guidelines and policies, HEU require an independent, longitudinal evaluation to be carried out, which will within its scope assess, monitor and report on equality and diversity, and environmental sustainability cross cutting themes, establish a carbon baseline, and deliver a comprehensive Summative Assessment of the project that can be presented to the Department for Communities and Local Government (DCLG).

A longitudinal evaluation will allow for the project outcomes and broader impacts to be monitored, measured and reported against expectations from early in the project. Furthermore, as the first project of the Smart Islands Programme, its role in enabling the wider islands objectives can also be assessed.

The evaluation of the Smart Energy Islands project will be focusing on three different service areas, as detailed below:

**ERDF Cross Cutting Themes** – The European Commission states that ‘projects qualifying for funding support must incorporate the cross cutting themes as these are essential for the achievement of a well-balanced, sustainable and innovative economy’ and must be considered at every stage of the project. There are two cross cutting themes, as below:

1. **Equality & Diversity:** Projects must be fully accessible to all. Promoting equal access for all, not only the physical access to buildings, but also to the business and employment opportunities offered. Supporting businesses and individuals who are under-represented in employment and business, and at the same time preventing discrimination on the grounds of the legally protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex, or sexual orientation. HEU require an initial assessment of the Hitachi Equality and Diversity policy, its application within the delivery of the SEI project and the identification of any actions or issues that need to be taken into account when carrying out the rest of the project.

2. **Environmental Sustainability:** Managing the impact on the environment of the European Funding investments is key. From the outset, all projects are required to review the impact they will have – whether positive or negative and to look at options to ensure best practice is used wherever possible from designing new buildings or infrastructure to the highest “green” standards, or managing the travel and behaviour of staff involved in supporting businesses such that their impact on the environment is minimised. HEU require:

   1. An assessment of the environmental aspects and impacts related to the project focusing on the implementation of the project and specifically concentrating on Scopes 1, 2 & part of 3 (please see deliverables below) of the Greenhouse Gas
Protocol, the production of best practice guidance relevant to operation of the SEI project, a mid-term review of environmental impact related to project activity.

2. An assessment of the environmental aspects and impacts related to the installation of equipment including PV, ASHPs and HEMS (Activity 2) covering (please see deliverables below) a project description, likely environmental aspects and impacts and proposals for mitigation. The assessment will be used as the framework to evaluate the sustainable development approach of companies bidding for the installation contract and as such will be required to provide sound, commercial guidance on mitigating environmental impacts and environmental data to feed into part 1 above.

**Carbon Baseline Assessment** – This activity will be key to determine CO$_2$e savings (where the ‘e’ refers to equivalent), and provide evidence of the successful set up of a low carbon community on the Isles of Scilly. HEU require:

- an assessment of the current energy consumption (GHG Scope 1 and 2) situation on the Isles of Scilly using available sources including a background/narrative on existing usage islands-wide, domestic, commercial and council social housing.

- a review of the existing renewable energy deployment on the islands providing a detailed baseline on which the project deployment can be measured from.

- A detailed baseline of the energy efficiency and consumption of the council social housing stock using available sources such as existing EPCs, other property assessments and any energy bill data available to extrapolate across the housing and property in scope.

- An accessible/online tool that allows HEU to access to the base data (such as a spreadsheet)

- A baseline report on energy usage of the businesses receiving support from the project. Monitoring of electricity usage will be carried out as part of the business support and HEU requires the appointed consultant to construct a baseline against which the intervention can be measured in terms of CO$_2$e savings. This work will directly link to the Comprehensive Evaluation Report and total CO$_2$e savings made by the project so a robust methodology will be required to satisfy ERDF output conditions.

**Summative Assessment**– In order to evaluate the project’s ultimate impact and to ensure the processes to collect the necessary data to inform each stage of the evaluation are embedded throughout the project teams, a Monitoring for Evaluation Plan will need to be produced. This plan will need to ensure the appropriate data is collected, in line with Appendix D of ESIF-GN-0-1-034_ERDF_Summative_Assessment_Guidance-Appendicies-v1 for the chosen Impact Assessment
Method throughout the project so that a comprehensive assessment can be made. At the end of the project, the successfully bidder will write a final summative assessment in accordance with Appendix F of ESIF-GN-0-1-034_ERDF_Summative_Assessment_Guidance-Appendicies-v1 or latest version.

Service Deliverables

The Consultant is expected to achieve the following key deliverables:

<table>
<thead>
<tr>
<th>Delivery stage</th>
<th>Deliverable</th>
<th>Target date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ex-ante</td>
<td><strong>Monitoring for Evaluation Plan:</strong> reviewing the logic and rationale of the project with internal stakeholders in order to create and refine the evaluation framework and deliverables.</td>
<td>November 30th 2017</td>
</tr>
<tr>
<td></td>
<td>• <strong>Carbon baseline:</strong> initial review and report</td>
<td></td>
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<tr>
<td></td>
<td>o Executive summary</td>
<td></td>
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<tr>
<td></td>
<td>o Methodology</td>
<td></td>
</tr>
<tr>
<td></td>
<td>o Background on the islands carbon intensive community including islands-wide, domestic, commercial and Council scopes.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>o Current renewable energy deployment on the islands</td>
<td></td>
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<tr>
<td></td>
<td>o Baseline and report of Activity 2, installation of renewable energy on Council housing stock using existing EPCs and proposed Solar Gardens, present summary findings</td>
<td></td>
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<tr>
<td></td>
<td>o Baseline and report of Activity 6b, Business Support based on GHG Scope 1 &amp; 2 methodology.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• <strong>Cross cutting themes Equality and Diversity:</strong></td>
<td></td>
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<tr>
<td></td>
<td>o An initial assessment of the SEI project’s implementation of the Hitachi’s equality &amp; diversity policy including but not limited to:</td>
<td></td>
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<tr>
<td></td>
<td>▪ Accessibility of buildings,</td>
<td></td>
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<tr>
<td></td>
<td>▪ Employment opportunities,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ Project procurement and supply opportunities</td>
<td></td>
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<tr>
<td></td>
<td>▪ Business support strategy,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>o A report identifying project issues and proposed measures for mitigation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• <strong>Cross cutting themes Sustainable Development:</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>o An assessment of the environmental aspects and impacts related to the project focusing on the</td>
<td></td>
</tr>
</tbody>
</table>
implementation of the project, including but not limited to:

- A high level review of the environmental aspects and impacts associated with the project.
- Assessing the project against Scopes 1 & 2 of the Greenhouse Gas Protocol (GHGP)
- Assessing the project against business travel and employee commuting of Scope 3 (GHGP)
- Assessing the project against the Products Use Phase of Scope 3 (GHGP) if appropriate, to net the positive impact of the project’s Activities against the potential negative impacts in the points above
- The production of a ‘Best Practice’ guidance for the sustainable implementation of the project related to the review of environmental aspects and impacts.

- An assessment of the environmental aspects and impacts related to the project of delivering Activity 2 - the installation of equipment including PV, ASHPs and HEMS, including:
  - Description of the project, site description, activities carried out, associated environmental aspects that may be affected by the development,
  - Identification and description of the significant environmental impacts, (using a suitable methodology to be agreed e.g. Leopold Matrix)
  - Proposed mitigation to minimise or remove negative impacts
  - Non-technical Summary

<table>
<thead>
<tr>
<th>Mid-term (formative)</th>
<th><strong>Longitudinal</strong>: a mid-term report to measure and report on project performance up to this point, against initial assessment: o Project performance against targets and results.</th>
<th>November 30th 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ex-post (summative)</td>
<td><strong>Summative Assessment</strong>: a final comprehensive report to demonstrate delivery of project outcomes as well as wider</td>
<td>November 30th 2019</td>
</tr>
</tbody>
</table>
An external evaluation has been selected to ensure that specialist independent input throughout the project can be utilised. The specialist technical nature of the project combined with the ERDF specific requirements will require the evaluators to have a range of skills. In addition to evaluation specific skills and experience, other skills include:

- Evaluating ERDF projects,
- Knowledge of ERDF programme and government policy priorities,
- Expertise of evaluating delivery against cross-cutting themes (environmental sustainability and equality of opportunity),
- Understanding of the local economic challenges and opportunities (Cornwall and the Isles of Scilly) and how to evaluate the projects impact on these,
- Understanding of Smart Energy systems and associated commercial / regulatory drivers would be preferred,
- Technical knowledge of Renewable Energy (“RE”) infrastructure and regulatory regimes,
- Experience of undertaking project based carbon accounting for similar multi stakeholder projects and good knowledge of carbon accounting methodologies and tools..

More specifically, this ‘energy and carbon accounting’ expertise will be important in ensuring the evaluation framework fulfils the recent ESIF-GN-1-033_ERDF_Summative_Assessment_Guidance_v1. Core to this project is the integrated, whole-place approach to the rapid decarbonisation of the islands, which requires a framework for measuring impacts of the work and potential additional benefits. This report will include:

- Project Context,
- Project Progress
- Projects Delivery and Management
- Project Outcomes and Impacts
- Project Value for Money
- Conclusion and Lessons Learnt
- Summary

| On-Going throughout the project | Quarterly reports for the Project Manager on project performance for the evaluation scope and progress of the project. |
activities that reduce CO\textsubscript{2}e emissions.

Whist some of this is already undertaken, the quality of the data collected is not sufficient to both effectively evaluate the outcomes of this project as well as monitor its impact on the wider Smart Islands transition. For this reason, a core part of the evaluation process will be to establish this monitoring and reporting framework (together with the project team who have a lot of accumulated knowledge in this area) and to subsequently, independently evaluate its impact over the project period. This approach will be of national significance in terms of evaluating the impact of this highly innovative approach to the rapid decarbonisation of a distinct community.

For context, whilst the core evaluation will be undertaken by the external evaluator, the project will be continually monitored and evaluated at the quarterly Project Board meetings, where key project management issues such as; performance, delivery against outputs profile, spend, cross cutting themes and communications will be discussed. Furthermore, delivery against more strategic objectives and alignment at the wider Smart Islands programme level will be monitored through the Smart Islands Partnership board.

Once the Project Evaluator has been selected, they must produce a Monitoring for Evaluation Plan with input from the project partners to ensure the processes to collect the necessary data to inform each stage of the evaluation are embedded in the project procedures.

**Research methodology**

The successful bidder will be required, as part of the evaluation, to develop a research methodology that demonstrates the most appropriate approach and study design for evaluating the impact of the project, including identification of economic analytical tools and statistical methods to be used.

As such, the proposed research methodology might be expected (but not exclusively) to include:

- Interviews with key stakeholders/partners at strategic and operational levels.
- A robust survey of primary beneficiaries to gather insights into the impact of the intervention and it’s additionally.
- Assessment of financial inputs (e.g. management and administration) and activities.
- Analysis of the impact of the business support provided to SME beneficiaries of the project, with supporting case studies particularly to demonstrate strategic added value and including quotes.
- Desktop analysis of project documentation – strategic and delivery information e.g. monitoring returns on expenditure, milestones, outputs.
- Assessment of standards of service provided.
• Benchmarking to compare with other similar projects and activities.
• Cost-benefit analysis.

HEU will provide the evaluator with the following information for the formal evaluation:

• HEU application for funding, funding agreement and details of material changes.
• HEU Equality and Diversity Policy
• Delivery plans for achieving project targets.
• All relevant monitoring and project progress information.
• A full list of SME beneficiaries of the project, including details of what business support they received.
• Staff involved with project setup and delivery
• Summative Assessment Logic Model

4. Assessment of tender responses (qualification process, evaluation criteria and award process)

The assessment of tender responses will involve 2 distinct stages:
• the qualification stage; then
• the award stage.

Following the assessment, the contract award decision will be made in accordance with the process set out in this section.

Qualification stage

All responses to the Standard Selection Questionnaire provided with this ITT will be assessed by HEU.

To pass the qualification stage, a respondent must meet all of the following pass thresholds. A respondent that does not pass the threshold for any question will be eliminated from this procurement and its tender response will not proceed to the award stage:

<table>
<thead>
<tr>
<th>Question number</th>
<th>Pass threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Section 1 – Potential supplier information</strong></td>
<td></td>
</tr>
<tr>
<td>All questions in 1</td>
<td>Suitable response provided to all applicable questions</td>
</tr>
</tbody>
</table>
Section 2 – Grounds for mandatory exclusion

| 2.1(a) | Answer "no" to all questions OR where answer is "yes" to any question, provide evidence of self-cleaning in response to questions 2.1(b) and 2.2 which HEU considers to be sufficient (where applicable) |
| 2.3(a) | Answer "no" OR where answer is "yes" provide evidence of self-cleaning in response to question 2.3(b) which HEU considers to be sufficient (where applicable) |

Section 3 – Grounds for discretionary exclusion

| 3.1 | Answer "no" to all questions OR where answer is "yes" to any question provide evidence of self-cleaning in response to question 3.2 which HEU considers to be sufficient (where applicable) |

Section 4 – Economic and Financial Standing

| 4.1 | Answer "yes" to any one of questions 4.1, 4.1(a), 4.1(b) or 4.1(c). |
| 4.2 | Answer "yes". |

Section 5 – Group information

| 5 | Wider group information provided AND answer "yes" to question 5.1 AND answer "yes" to question 5.2 or, where the answer to which is "no", answer "yes" to question 5.3. |

Section 6 – Technical and Professional Ability

| 6.1 | Response and at least one contract example provided which HEU considers to be sufficient OR where a contract example cannot be provided, an explanation is given in response to question 6.3 which HEU considers to be sufficient. |
| 6.2 | Answer "N/A" OR response and evidence provided which HEU considers to be sufficient. |

Section 7 – Modern Slavery Act 2015

| 7.1 | Suitable response provided. |
| 7.2 | If applicable, answer "yes" OR where the answer is "no", an explanation is given which HEU considers to be sufficient. |

Section 8 – Insurance

| 8.1 | Answer "yes". |

Each respondent is required to complete and submit the conflicts of interest declaration form issued with this ITT. The conflicts of interest declaration form allows HEU to identify any professional
relationship that the relevant respondent has, or has previously had, with HEU, other HEU group companies or their personnel, the Council of the Isles of Scilly or the Department for Communities and Local Government.

Where an actual or potential conflict of interest is identified, HEU requires the relevant respondent to set out the measures the respondent proposes to undertake to address any potential conflicts of interest in delivering the Services. If any respondent is subject to a conflict of interest which, in HEU’s sole opinion, cannot be adequately mitigated, such respondent will be eliminated from this procurement and its tender response will not proceed to the award stage.

**Award stage**

The award criteria will be applied to the tender responses submitted by respondents that have passed the qualification stage. The award criteria and weighting for this procurement are:

- quality – 70%
- price – 30%

**Quality**

The quality criteria is further sub-divided as follows:

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1) A statement on your company’s understanding of the brief (including its context and deliverables), as well as on your ability to meet HEU’s and ERDF requirements as set out in section 3 of the ITT, ESIF-GN-1-033_ERDF_Summative_Assessment_Guidance_v1 and ESIF-GN-1-034_ERDF_Summative_Assessment_Guidance_Appendices_v1: an outline / summary of the way in which HEU's requirements are to be met by your proposal and why HEU should select your organisation. This section should include a proposed evaluation methodology (including a carbon assessment methodology)</td>
<td>35%</td>
</tr>
<tr>
<td>1.2) A project management proposal demonstrating a suitable approach that will successfully deliver the above requirements. The proposal should include a Gantt chart/programme of the key activities to be undertaken and the project milestones.</td>
<td>15%</td>
</tr>
<tr>
<td>1.3) Statement of Qualifications: details of your organisation’s experience and strengths that you consider relevant to the Services. Details of the identity, expertise and experience (including CVs) of the team members proposed to provide the Services, together with the role undertaken by such individuals in the examples of experience provided. Plus any known commitments that will affect the capacity of the individuals identified during the project duration.</td>
<td>20%</td>
</tr>
</tbody>
</table>
The responses to requirements 1.1 to 1.3 will be scored by applying the following scoring descriptions to determine the total marks to be awarded for each criterion. The full range of percentages (i.e. 0% to 100%) may be used by HEU to score responses but only whole numbers will be used.

<table>
<thead>
<tr>
<th>Description</th>
<th>Justification</th>
<th>% of available score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellent</td>
<td>• Exceeds the requirement.</td>
<td>80 - 100%</td>
</tr>
<tr>
<td></td>
<td>• Exceptional demonstration by the respondent of the relevant quality measures required set out in requirement 1.1 to provide the service.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Response identifies factors that will offer potential added value, with evidence to support the response.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• A proposed evaluation methodology is included.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• The Evaluator is very confident the services will be completed in accordance with ERDF Guidance.</td>
<td></td>
</tr>
<tr>
<td>Good</td>
<td>• Satisfies the requirement with minor additional benefits.</td>
<td>60 - 79%</td>
</tr>
<tr>
<td></td>
<td>• Above average demonstration by the respondent of the relevant quality measures required set out in requirement 1.1 to provide the service.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Response identifies factors that will offer potential added value, with evidence to support the response.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• A proposed evaluation methodology is included.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• The Evaluator is confident the services will be completed in accordance with ERDF Guidance.</td>
<td></td>
</tr>
<tr>
<td>Acceptable</td>
<td>• Satisfies the requirement.</td>
<td>50 - 59%</td>
</tr>
<tr>
<td></td>
<td>• Demonstration by the respondent of the relevant quality measures required set out in requirement 1.1 to provide the service, with evidence to support the response.</td>
<td></td>
</tr>
<tr>
<td>Minor reservations</td>
<td>• Satisfies the requirement with minor reservations.</td>
<td>30 - 49%</td>
</tr>
<tr>
<td></td>
<td>• Some minor reservations of the respondent's ability to provide the relevant quality measures set out in requirement 1.1 to provide the service, with little or no evidence to support the response.</td>
<td></td>
</tr>
<tr>
<td>Serious reservations</td>
<td>• Satisfies the requirement with serious reservations.</td>
<td>1 - 29%</td>
</tr>
<tr>
<td></td>
<td>• Serious reservations of the respondent's ability to provide the relevant quality measures set out in requirement 1.1 above to provide the service, with little or no evidence to support the response.</td>
<td></td>
</tr>
<tr>
<td>Unacceptable</td>
<td>• Does not meet the requirement.</td>
<td>0 %</td>
</tr>
</tbody>
</table>
- Does not comply and/or insufficient information provided to demonstrate that the respondent can provide the relevant quality measures set out in requirement 1.1 to provide the service required and has little or no evidence to support the response.

<table>
<thead>
<tr>
<th>Quality Requirement 1.2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong></td>
</tr>
</tbody>
</table>
| Excellent | • Exceeds the requirement.  
• Exceptional demonstration by the respondent of a project management structure and Gantt Chart/programme for the projects delivery.  
• Response identifies factors that will offer potential added value, with evidence to support the response. | 80 - 100% |
| Good | • Satisfies the requirement with minor additional benefits.  
• Above average demonstration by the respondent of a project management structure and Gantt Chart/programme for the projects delivery.  
• Response identifies factors that will offer potential added value, with evidence to support the response. | 60 - 79% |
| Acceptable | • Satisfies the requirement.  
• Demonstration by the respondent of a project management structure and Gantt Chart/programme for the projects delivery. | 50 - 59% |
| Minor reservations | • Satisfies the requirement with minor reservations.  
• Some minor reservations of the project management proposals and Gantt/programme, with little or no evidence to support the response. | 30 - 49% |
| Serious reservations | • Satisfies the requirement with serious reservations.  
• Serious reservations of the project management structure and Gantt Chart/programme for the projects delivery, with little or no evidence to support the response. | 1 - 29% |
| Unacceptable | • Does not meet the requirement.  
• Project management structure is seriously flawed or provides no confidence that the project can be delivered with little or no evidence to support the response. | 0 % |
## Quality Requirement 1.3

<table>
<thead>
<tr>
<th>Description</th>
<th>Justification</th>
<th>% of available score</th>
</tr>
</thead>
</table>
| Excellent                  | • Exceeds the requirement.  
• The qualifications and/or experience of the staff team identified to deliver the project are exceptional.  
• Response identifies factors that will offer potential added value, with evidence to support the response.                                      | 80 - 100%            |
| Good                       | • Satisfies the requirement with minor additional benefits.  
• The qualifications and/or experience of the staff team identified to deliver the project are above average.  
• Response identifies factors that will offer potential added value, with evidence to support the response.                                      | 60 - 79%             |
| Acceptable                 | • Satisfies the requirement.  
• The qualifications and/or experience of the staff to deliver the project are sufficient to deliver the project.  
• The response is clearly evidenced                                                                                                                                                           | 50 - 59%             |
| Minor reservations         | • Satisfies the requirement with minor reservations.  
• Some minor reservations relating to the qualification and/or experience of the staff team assigned to the project.  
• Evidence to support the response is not sufficiently detailed to clearly show that the requirement can be satisfied.                                                                  | 30 - 49%             |
| Serious reservations       | • Satisfies the requirement with serious reservations.  
• The staff team assigned to the project demonstrates weaknesses in the levels of qualification and/or experience.  
• Limited evidence supports the statements in the submission                                                                                                                                 | 1 - 29%              |
| Unacceptable               | • Does not meet the requirement.  
• The qualification and experience of staff assigned to the project is insufficient to deliver the project. Staff members have limited or no experience in the project areas.  
• No evidence is provided to support the submission.                                                                                                                                           | 0 %                  |

Whilst not evaluated, organisations must also provide the following documents (to the extent not provided as part of the Standard Selection Questionnaire):

- A statement on the standard of quality control to be applied to the work
- Environmental sustainability and Equality/Diversity Policies

**Please note that HEU would appreciate succinct responses to this ITT.**
Tender responses must include a fixed capped price quote for the provision of the Services within an expected range of £80,000 - £130,000 exclusive of VAT.

The price quote scores are arrived at by assessing the submissions concerned received by HEU relative to the mean average of all the price quotes received from respondents who have proceeded to the award stage. The mean average constitutes the middle point at which 50% of the total marks would be awarded. Fee quotes that are greater than the mean receive lower percentage scores and fee quotes that are lower than the mean receive higher percentage scores.

- Mathematically the process used can be expressed as
  - Mean Average/Price submission *0.5
  - As an example, two tenders are received and the prices of these tenders are £47,000 and £63,000. This generates a mean average of £55,000. The calculation is applied to the price submissions with the following result:
    - Tender 1 – 55,000/47,000 * 0.5 = 0.585
    - Tender 2 – 55,000/63,000 * 0.5 = 0.436
  - The values generated for Tenders 1 and 2 (0.585 and 0.436) are then applied to the overall Price weighting for this section (in this tender 30%) to generate the final price scores for the respective tenders. This can be expressed mathematically as:
    - Tender 1 – 30% x 0.585 = 17.55%
    - Tender 2 – 30% x 0.436 = 13.08%

For clarity, the final Price score for Tender 1 and 2 are respectively 17.55% and 13.08%.

In order for the price quote to be considered organisations are required to submit a full breakdown of their costs using the table below. This must include:

- a price breakdown for each member of their team including their hourly rate;
- travel and subsistence costs detailing the expected number of trips and associated costs;
- cost of energy monitoring and display devices;
- costs for each element of the project; and
- any other costs.
Table 1

**Project Delivery Price**

Team Member Cost for all activities (including, but not limited to, all time associated with writing reports, training, installing and analysing energy monitoring)

<table>
<thead>
<tr>
<th>Name</th>
<th>Job title</th>
<th>Hourly rate</th>
<th>Number of hours</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

Sub Total

**Flights and Accommodation**

<table>
<thead>
<tr>
<th>Flight Embarkation Point</th>
<th>Number</th>
<th>Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lands’ End (return)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Newquay (return)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exeter (return)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sub Total

**Accommodation**

<table>
<thead>
<tr>
<th>Overnight Stay</th>
<th>Sustenance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
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<td></td>
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</tbody>
</table>

Sub Total

**Other Fees**

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
<th>Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

Sub Total

Total
Table 2

<table>
<thead>
<tr>
<th>Activity</th>
<th>Number (do not adjust)</th>
<th>Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monitoring for Evaluation Plan</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Evaluation and report – Sustainable Development</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Evaluation and report on Equality and Diversity</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Best Practice Guidance</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carbon Baseline</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mid-term cross cutting theme assessment</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Summative Assessment</td>
<td>1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Total should equal the total as set out in the above table*

Total

Only the total price for the tender response entered into the bottom right cell of the each of the two tables above will be used for the evaluation of tenders.

ITT prices should be fully inclusive, including (but not limited to) any proposed subcontracted work, disbursements, travel and subsistence and other expenses and should include a confirmation that the price includes all disbursements, overheads and other charges (including, but not limited to, secretarial services, preparation and review of billing statements, etc.).

Any assumptions underlying the terms and conditions of the ITT price quotes should be clearly stated. The basis of charging out-of-pocket expenses and other reimbursable charges should also be indicated (including, but not limited to, how your organisation proposes to charge any reasonable and necessary travel and subsistence expenses in connection with the project). Please indicate any taxes which your organisation proposes to charge in addition to your price submission. HEU requires any disbursements to be charged at cost and that there will be no profit margins in such billing.

5. Timetable

The timetable for this procurement is as follows. This is intended as a guide and, while HEU does
not presently intend to depart from the timetable, it reserves the right to do so at any time, including by shortening or lengthening any stage.

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tenders invited</td>
<td>21/08/2017</td>
</tr>
<tr>
<td>Clarification period opens</td>
<td>21/08/2017</td>
</tr>
<tr>
<td>Clarification period closes</td>
<td>15/09/2017 at 17:00 BST</td>
</tr>
<tr>
<td>Closing date and time for submitting tender responses</td>
<td>26/09/2017 at 16:00 BST</td>
</tr>
<tr>
<td>Evaluation of tender responses</td>
<td>27/09/2017</td>
</tr>
<tr>
<td>Selection of successful tender response</td>
<td>29/09/2017</td>
</tr>
<tr>
<td>Anticipated Contract commencement date</td>
<td>October 2017</td>
</tr>
</tbody>
</table>

A programme of work will be agreed on appointment with the successful organisation for the delivery of the tasks, which will cover a period of October 2017 – December 2019.

6. Clarifications

All requests for clarification about the requirements or the process of this procurement must be made within the clarifications period stated in the timetable above. No further requests for clarifications will be accepted outside of the period referenced in the table above, unless the period for receiving clarifications is extended in accordance with the terms of this ITT.

Clarifications should only be submitted by email to: SEI.PMO@Hitachi-eu.com

Please complete and return the EoI issued with this ITT in the first instance if you would like to receive responses to clarifications directly. Alternatively responses to clarifications will be periodically uploaded on to the Hitachi Europe website.

HEU reserves the right not to respond to a request for clarification or to circulate such a request where it considers that the answer to that request would or would be likely to prejudice its commercial interests.

If any question or request for clarification is considered to be of material significance, both the question / request and the response will be communicated, in a suitably anonymous form, to all the respondents.

7. Submission of tender responses

Submission mechanics
Each respondent may submit a maximum of one tender response. Variant or multiple tenders are not invited and will not be considered.

Any response you submit to this ITT **must** include:

- a completed Standard Selection Questionnaire in the form attached to this ITT;
- answers to the quality and price questions in this ITT; and
- a completed conflicts of interest declaration form.

The tender response must be contained in a single document and submitted in accordance with the following instructions.

HEU requires one hard copy and two electronic copies (via USB Flash drive only) of your tender response. In relation to the submission of the electronic copies, one of the electronic copies must have the pricing table completed (priced) and the other electronic copy must be submitted without completing the pricing tables (unpriced).

Return the hard copy tender response and USB flash drive containing the priced and unpriced electronic copies, together with all relevant attachments, in a plain sealed envelope bearing only the following words: ‘ITT – SEI004 (Ten SEI004)’ to the following address:

**FAO: John Whybrow**  
Hitachi Europe Ltd  
Whitebrook Park,  
Lower Cookham Road,  
Maidenhead,  
SL6 8YA

The envelope containing your tender response shall not bear any name or other distinguishing matter or mark indicating the identity of the sender. This includes any incorporation of the name of the respondent by way of advertising in the franking of the envelope/package for postage.

**ITT RESPONSES MUST BE RECEIVED NO LATER THAN 16:00 BST ON 26/09/2017.**

Any tender responses received after this deadline may be rejected by HEU.

Respondents should note that they are not permitted to email copies of the ITT to HEU and any emailed submissions will be deleted without consideration and any associated paper submission may also be rejected. Therefore, electronic copies must be via USB Flash Drive only.

**Submission conditions**
By submitting its tender response, the respondent shall be deemed to have accepted the conditions and instructions for tendering set out in this ITT. Each respondent should read the whole of this ITT carefully, take legal advice if necessary and ensure that such tender response is submitted accordingly.

By submitting its tender response, the respondent warrants, represents and undertakes to HEU that:

- all information, representations and other matters of fact communicated (whether in writing or otherwise) to HEU by the respondent or its representatives in connection with or arising out of this ITT are true, complete and accurate in all respects, both as at the date communicated and as at the date of submission of the tender response;
- the respondent has made its own investigations and undertaken its own research and due diligence and has satisfied itself in respect of all matters (whether actual or contingent) relating to this ITT and has not submitted its tender response in reliance upon any information, representation or assumption which may have been made by or on behalf of HEU; and
- the respondent has full power and authority to respond to this ITT and to perform the obligations in relation to the contract and will, if requested, produce evidence of such to HEU's reasonable satisfaction.

Where there is a change to the information provided to HEU at any time the respondent must advise HEU in writing as soon as practicable, even if this is after the date of submitting its tender response, and disclose such changes in full. Upon receipt of such information, HEU will consider whether or not the nature and extent of the changes are such that the respondent should be permitted to participate further in this procurement process.

A tender response must be unconditional and capable of acceptance. The tender response must be clear, concise and complete.

Tender responses must be in English and all prices and pricing information must be provided in pounds sterling (£) and be exclusive of VAT.

Parts of the tender response requiring a signature on behalf of the respondent may be signed electronically. The relevant pages may also be printed, signed by hand and scanned to create an electronic document.

8. Reservation of rights

HEU reserves the right to:

- waive or change the requirements of this ITT process from time to time without prior (or any)
notice being given by HEU;

- seek clarification or documents in respect of a respondent’s submission;
- disqualify any respondent that does not comply in any material respect with the instructions given by HEU;
- disqualify any respondent in relation to which there is a conflict of interest;
- disqualify any respondent in accordance with the grounds set out in regulation 57 of the Public Contracts Regulations 2015;
- disqualify any respondent that is guilty of serious misrepresentation in relation to its response, expression of interest or the ITT process;
- disqualify any respondent that is excluded following HEU’s assessment of the respondent’s submitted Standard Selection Questionnaire;
- withdraw the contract opportunity at any time, or to re-invite responses on the same or any alternative basis;
- choose not to award any contract as a result of the current ITT process;
- make whatever changes it sees fit to the timeline, structure or content of the ITT process; and
- contact any person referred to in a tender response for the purposes of verification to confirm that the respondent's response to any question and/or requirement is true and accurate.

9. Contract award

HEU will make its award decision on the basis of the most economically advantageous tender response—being the highest scoring tender response following completion of evaluation.

Respondents will be notified of the result of this procurement as soon as possible but HEU shall not be obliged to return any unsuccessful responses. Notification to the successful respondent should not be considered a binding offer for the engagement of an energy consultant.

No useful purpose is served by contacting HEU, or any of its representatives, prior to the notification of the result.

The successful respondent will be required to enter into legally binding agreement(s) with HEU setting out the terms and conditions on which the Services will be provided to HEU. Such terms and conditions will include any confirmations, commitments and deliverables stated in the successful respondent's tender response, together with provisions dealing with, inter alia, payment terms linked to milestones, data protection, warranties and limitations of liability.

Once HEU has selected the successful respondent, both parties will enter into a period of negotiation to finalise the terms of the legally binding agreements referred to above, together with the successful respondent’s specific statement of work. The successful respondent will be required
to conclude these negotiations with HEU within 14 days of HEU notifying them that such period has started. Respondents should note that if successful, their tender response will be used as the basis for any negotiations regarding the terms and conditions and HEU will not negotiate any material deviations from the successful respondent's tender response.

10. Conduct, conflicts of interest and disqualification

HEU reserves the right to disqualify any respondent (without prejudice to any other civil remedies available to HEU and without prejudice to any criminal liability which such conduct by a respondent or a representative of a respondent may attract) that, in connection with this procurement process:

- fixes or adjusts the terms, pricing information or other content of its tender response by or in accordance with any agreement or arrangement with any other respondent;
- enters into any agreement or arrangement with any other respondent or third party that it shall refrain from participating in this procurement or any part of it;
- causes or induces any person to inform the respondent of the contents of its tender response or obtains details of the tender response of another respondent;
- offers or gives any inducement or incentive to any person for doing or having done or forbearing from doing any act or omission in relation to this procurement process which is likely to affect competition or any other tender response or proposed tender response;
- communicates to any person other than HEU any of the contents of its tender response (except where such disclosure is made in confidence in order to obtain quotations necessary for the preparation of the tender response or in discussions with subcontractors and suppliers (subject to such parties providing undertakings to comply with this ITT) or in discussions with professional advisers);
- carries out any other co-operation or collusion which HEU considers has actually or potentially undermined competition;
- makes a submission, proposal or tender response which is not bona fide and intended to be competitive and is fixed or adjusted by or under or in accordance with any agreement or arrangement (direct or indirect) with any other person;
- canvasses or solicits any representative of HEU in connection with the review, assessment or evaluation of any submissions, proposals or tender responses;
- offers any fee or reward or other benefit by way of inducement to any representative of HEU in connection with this procurement process, or the matters to which it relates; or
• does anything in connection with this procurement process which constitutes an offence under the Bribery Act 2010.

Respondents are responsible for ensuring that no conflicts of interest exist between the respondent and its representatives and HEU and its representatives at all times, including after the date of submitting its tender response. Respondents are required to submit a declaration as regards conflicts of interest alongside submitting their tender response. Any respondent who fails to comply with these requirement as regards conflict of interest may be disqualified from this procurement. Accordingly, respondents shall notify HEU as soon as possible if there are any material changes to their corporate structure or such respondent enters into a significant contract which has the potential to give rise to such a conflict of interest (in respect of the provision of the Services or otherwise in respect of this procurement).

In the event of disqualification pursuant to this section 9 or any other provision of this ITT, a respondent will be eliminated from this procurement and its tender response will be rejected.

11. Confidentiality

Subject to the exceptions referred to in this section 11 below, this ITT is being made available by HEU on the condition that:

- respondents shall at all times treat this ITT as confidential;
- respondents shall not disclose, copy, reproduce, distribute or pass this ITT to any other person at any time; and
- respondents shall not use this ITT for any purpose other than for the purposes of preparing (or deciding whether to prepare) a tender response.

Respondents shall procure that each representative of the respondent who receives any of the ITT information is made aware of, and complies with, the provisions of this section 11.

Respondents may disclose, distribute or pass this ITT to another person (including representatives of the respondent or the respondent's insurers) if either:

- this is done for the sole purpose of enabling a tender response to be prepared and the person receiving the ITT undertakes in writing to keep this ITT confidential on the same terms as set out in this ITT; or
- the respondent obtains the prior written consent of HEU for such disclosure, distribution or passing of this ITT.

HEU may disclose tender responses or information relating to the tender responses to (i) its representatives and also to its officers, partners, members, stakeholders or auditors. (ii) the Council for the Isles of Scilly, and (iii) the Department for Communities and Local Government.
HEU reserves the right to publish the value of any contracts to be awarded by HEU and the name of the successful respondent and to publish such other information regarding respondents as may be required in accordance with any legislation or other laws or guidance with which HEU must comply.

12. General

This ITT shall not have contractual effect between HEU and any other person. Participation in this procurement does not create any form of contract (implied or otherwise) between HEU and any respondent.

Neither the issue of this ITT, nor any of the information presented in it, should be regarded as a commitment of any kind on the part of HEU (or any other person) to enter into a contractual arrangement.

HEU is not bound to award any contract as a result of this procurement.

This ITT and any accompanying documents and other information and documents issued by HEU have been prepared and provided by (or on behalf of) HEU in good faith, and HEU will prepare all subsequent documents and information in good faith. However, neither HEU, nor any of its representatives, gives any warranty, or accepts any liability (including liability for loss or damage or expense suffered or incurred by a respondent) in relation to the reasonableness, completeness, fitness for purpose or accuracy of this ITT or such documents or information.

No publicity regarding this procurement or the award of any contract will be permitted unless and until HEU has given express written consent to the relevant communication. For example, no statements may be made to the media regarding this procurement or the nature of any response without the prior written consent of HEU.

Intellectual property

The copyright in this ITT is vested in HEU. This ITT may not be copied, reproduced, or stored in any medium without the prior written consent of HEU except in relation to the preparation of a tender response. This ITT and all documentation supplied by HEU in relation to it is and shall remain the property of HEU and must be returned on demand, without any copies being retained.

Compliance

All tender responses will be checked to ensure that the required responses have been submitted in accordance the requirements set out in this ITT.
Where a tender response is considered by HEU to be materially non-compliant with the requirements of this ITT, the respondent may be eliminated from this procurement and its tender response rejected without any further assessment.

**ITT costs**

HEU will not be liable for any costs, expenditure, work or effort incurred by a respondent in proceeding with or participating in this procurement, including if this procurement is terminated or changed by HEU.

By submitting its tender response, each respondent confirms its understanding and acceptance of the fact that it shall have no claim against HEU for such costs and fees and in particular HEU shall not make any payments to any respondent save as expressly provided for in any contract if and when entered into.

**Tender response validity**

Tenders must remain open for acceptance by HEU for a period of 6 months from the tender response submission deadline.

**Applicable law**

This ITT and this procurement process is governed by English law and the English courts shall have exclusive jurisdiction over any claims arising out of or in connection with this ITT or the associated procurement.