

# Future Oxfordshire Partnership

## Project Outline Business Case

<b>Version</b>	<b>Date</b>	<b>Author</b>	<b>Notes</b>
VS1.0	13/05	SH	Comments and track changes removed for final Draft version. <b>NOTE: commercially sensitive content in Appendix I b – Confidential Financial Detail and pages 22, 28, 29, 30 – redacted for public version</b>
VS1.0	30/05	SH	<ul style="list-style-type: none"> <li>- Strengthened benefits to clarify that OxLAEP will reduce risks to Oxon's status as a national innovation engine and net contributor to the national exchequer, and will share learnings to help secure public benefit from Oxon's innovative LAEP approach</li> <li>- Corrected error in County time table – incorrect total.</li> </ul>
VS1.0	31/05	SH	<ul style="list-style-type: none"> <li>- Updated Commercial section: Added Sourcing Route, Timetable (TBC), clarified contract escalation procedure (risk management section).</li> </ul>
VS1.0	03/06	SH	Procurement time table added to commercial section, district resourcing added to summary, Appendix 1 reorganised for commercial confidentiality.
VS1.0	10/06	SH	Timetables updated to reflect new FOP decision date, content page added
VS2	19/06	SH	Procurement table updated to reflect now FOP decision date and directorate change.
VS2	08/07	SH	Public version created with <b>commercially sensitive figures redacted</b> in line with legal advice received 30/05/24

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## PROJECT CASE

The purpose of the Project Case (PC) is to provide a simplified stand- alone business case. It is based upon the 5 case model for business cases recognised as best practice by Government and aligns to the green book requirements of business case development.

<https://www.gov.uk/government/collections/the-green-book-and-accompanying-guidance-and-documents>

Programme Name:	Pathways to a Zero Carbon Route Map – Action 4
<b>Project Name:</b>	<b>OxLAEP: Future Oxfordshire Partnership Local Area Energy Plan</b>
<b>Proposing Organisation and proposed nominated lead authority.</b>	Oxfordshire County Council
Prepared by:	<i>Sarah Hassenpflug</i>
Job Title:	<i>Energy Systems Lead</i>
Organisation:	<i>Oxfordshire County Council</i>
Date:	TBC – anticipated 31st of July 2025
Concept Paper:	<i>N/A</i>

## Common Abbreviations:

PaZCO	Pathways to a Zero Carbon Oxfordshire
PaZCO R&A	PaZCO Route Map and Action Plan
LAEP	Local Area Energy Plan
OxLAEP	Oxfordshire LAEP Programme
OxIS	Oxfordshire Infrastructure Strategy
FOP	Future Oxfordshire Partnership
Oxon	Oxfordshire
Oxon CC	Oxfordshire County Council
DNO	Distribution Network Operators
NZ	Net Zero
DFES	Distribution Future Energy Scenarios
FES	Future Energy Scenarios
RESP	Regional Energy System Planning
LENZA	Local Energy Net Zero Accelerator
YLNZH	Your local Net Zero Hub
LAEP+	AITL (Advanced Infrastructure Technologies Limited) digital underpinning of the YLNZH and LENZA platforms, developed in the context of the Local Energy Oxfordshire project (LEO)
LAEP platforms	Data tools such as LENZA and YLNZH
OFGEM	Energy System Regulator
ES Catapult	Energy Systems Catapult
BAU	Business as Usual

GEC	Grid Edge Coordination A new role to coordinate energy use where electricity is used at the intersection of the grid and homes and businesses.
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## 1 The Strategic Case

### 1.1 Project Summary

*Please provide a summary of the proposed project that can be used as a stand-alone summary of what is being proposed (up to a maximum of 500 words). The summary should include a brief project description and case for change/ why it is necessary, target objectives and associated outputs.  
Please provide a reference to evidence how your project contributes to the Future Oxfordshire Partnership’s endorsed programme and the Oxfordshire Strategic Vision.*

Oxfordshire Net Zero, Climate Adaption and Economic Growth targets are increasingly at risk from lack of energy capacity, funding and resource. Local Area Energy Planning (LAEP) is a collaborative, [seven stage process](#) developed by the Energy Systems Catapult, defined as “a data-driven, whole system approach that considers how to decarbonise the entire energy system at least cost”. It considers all energy types (e.g. electricity, gas), energy uses (e.g. heat, transport, industry), and the complete supply chain (generation, distribution & consumption, in homes and businesses). LAEP identifies optimal pathways to enable Local Authorities, Distribution Network Operators, Community and Industry Stakeholders to take targeted action to reduce energy constraints and identify the most feasible projects to achieve full and timely decarbonisation.

Oxfordshire LAEP proposes two workstreams across a 24-month programme to deliver:

**Dynamic Local Area Energy Plans (WS1):** This workstream procures external consultants will deliver datasets suitable to be incorporated into a dynamic local area energy planning tool, such as LENZA, as well as corresponding actions plans and

a project pipeline to achieve Net Zero targets, both at district and regional (county) level. And, if the market response is sufficient, an investment portfolio. Approximate end date: Summer 2025.

**A Local Area Energy Function (WS2):** This workstream will deliver energy planning capability within Oxfordshire's local authorities and key stakeholders, with integrated interfaces into the wider community, to embed an agile and sustainable program of Local Area Energy Planning for the long-term. Approximate end date: Summer 2026.

Delivering these two workstreams is estimated to require a time investment of 138 days over 24 months per participating district, with a workload peak during Action Plan development. To manage the time impact, a project gate way has been introduced allowing districts to opt out or delay delivery of action plans.

Strategic framework:

- Pathways to a Zero Carbon Oxfordshire (PaZCO, 2021) and PaZCO Route Map and Action Plan (PaZCO R&A 2023). Action 4 specifies the delivery of a LAEP function in Oxfordshire.
- The Oxfordshire Energy Strategy (2019) sets high level targets and articulates the ambition and opportunities associated with the transition to a decarbonised economy in the County.
- Oxfordshire Infrastructure Strategy (OXIS).
- District level strategies have set net zero targets ranging from 2030–2045 as below. CDC and WODC targets will be reviewed this year.

This OBC has been based on extensive market engagement and engagement with partners in the Energy Planning Working Group (EPWG), which gives confidence that the proposed options and corresponding objectives are achievable. But the final scope cannot be known until submission of the Full Business Case before tender award, which will provide actuals on resourcing requirements and costs, and the full scope, based on tender submissions. The full business case will be presented to the Executive Steering Board (ESB) for approval at this point.

LA	Net Zero Target	Action Plan	LA Logo
<b>Oxfordshire County Council (OxonCC)</b>	2050	2020 Climate Action Framework For A Thriving Oxfordshire (2020)	
<b>Cherwell District Council (North Oxfordshire)</b>	2030	Cherwell Climate Action Framework (2020)	
<b>Oxford City Council</b>	2040	Oxford 2040 Net Zero Action Plan (2021)	
<b>South Oxfordshire District Council</b>	2030	Climate Action Plan 2022-2024	
<b>Vale of White Horse District Council</b>	2045	Climate Action Plan 2022-2024	
<b>West Oxfordshire District Council</b>	2050	Climate Change Strategy for West Oxfordshire 2021 – 2025, Carbon Action Plan 2024 - 2025	

Table 1-1: Summary of Decarbonisation Plans for Oxfordshire Local Authorities

## 1.2 SMART Objectives- how we will measure success of the project

No.	Objective	Baseline	Target(s) within project window (24m)	Actions to achieve objective	Project Outcome(s)
1	<p><b>Realise NetZero in the most effective way:</b> Oxfordshire LA's and local stakeholders have a clear, spatially specific pathway (action plan and project pipeline) to achieve their locally mandated decarbonisation targets, and the capability and tools to review and adjust this pipeline as needed and engage stakeholders appropriately.</p>	<p>Oxfordshire LA's will continue to pursue individual LAEPs. Decarbonisation routes and project definition to achieve PaZCO targets in a manner that is spatially specific and holistic is limited by capacity and funding constraints. Outputs are not aligned, planning across administrative boundaries is challenging.</p> <p>A "delivery gap" exists between NZ planning and delivery capabilities, jeopardising Oxfordshire LA's and its communities' ability to reach NZ.</p> <p>Authorities have limited capacity to engage stakeholders in Local Area Energy Planning.</p>	<p>OxLAEP has identified projects that are spatially specific, and have the potential to achieve full decarbonisation, at a pace that is aligned with local NetZero and Local Plan targets.</p> <p>The OxLAEP BAU function has been defined and approved, with clear Roles and Responsibilities for all OxLAEP partners, underpinned by a sustainable business case.</p>	<p>See Appendix 2 – Work Breakdown Structure</p>	<p>Carbon budgets are achieved and LA's are on the correct pathway to net zero in line with local mandates.</p> <p>Local authorities know where and when to target decarbonisation projects across a range of relevant emissions sectors, including smart flex.</p> <p>Local Authorities have tools available to deliver LAEPs in BAU and engage stakeholders, the in-house skills to use the tools, and are clear about cost of the work and options available to them to fund this work.</p>
2	<p><b>Reduction of Grid Constraints:</b> DNOs have sufficient visibility of local decarbonisation pathways and local development plans and can evidence how this data is used to improve the provision of</p>	<p>DNOs have insufficient visibility of energy demand, both spatially, and trajectory, and infrastructure delivery is not keeping pace with</p>	<p>All Oxon LAs respond to 2024 and 2025 DFES process;</p> <p>DFES response takes no more than 2 officer</p>	<p>See Appendix 2 – Work Breakdown Structure</p>	<p>Number of connection request that cannot secure the requested capacity within 2yrs are reduced by X% over Y years.</p>



	<p>capacity through grid infrastructure upgrades and flexibility solutions.</p> <p>Local authority response to DFES process is consistent, and workload for authorities from response requirement is reduced.</p> <p>Project submissions through DSO digital platforms are able to contribute meaningful demand data into the DFES process.</p> <p>Capacity constraints and constraint forecasts are visible through readily available data tools, enabling strategic positioning of development projects in areas where capacity is available.</p> <p>The role of Transmission Network level and Independent DNO and private wire connections is clear to all parties, and National Grid, iDNOs and private wire providers are fully integrated into the OxLAEP process.</p>	<p>demand, leading to an increase of projects being delayed or cancelled due to grid constraints, or taken forward with reduced NZ standards.</p> <p>DFES responses are inconsistent, and cumbersome, lack of clarity on how projects submitted through LAEP platforms can contribute to the DFES process.</p> <p>DFES scenario applied to Oxfordshire (Customer transformation) is not aligned with decarbonisation mandate or local demand.</p> <p>iDNO and private wire demand impacts are opaque.</p>	<p>days per district to complete;</p> <p>DFES scenario applied to Oxfordshire is aligned with local NZ mandate.</p> <p>DFES process is transparent on how LA responses have been considered in 2024 and 2025 Network Development Planning decisions.</p> <p>Tools providing capacity constraint insights and forecasts are available throughout the full 24m project window, and a long-term plan and business case to enable access to 2030 is delivered as part of the LAEP function.</p>		<p>DNOs are provided with demand data through theDFES process and LAEP platforms, and can evidence how responses have informed infrastructure investment decisions.</p> <p>iDNO and private wire demand and constraint impacts are visible within digital LAEP tools.</p> <p>Authorities are equipped to respond to DFES timely and accurately.</p> <p>DFES scenario applied to Oxfordshire reflects local political mandates.</p> <p>Local Authorities and key stakeholders have long-term visibility of constraints and constraint forecasts.</p>
<p>3</p>	<p><b>Planning opportunities:</b> Local Plans and Neighbourhood Plans are more effective and more likely to be realised.</p> <p>Planning officers are confident in navigating energy capacity as a</p>	<p>Capacity constraints are increasingly impacting local plan implementation, putting local plan commitments such as housing targets and</p>	<p>70% of planning officers are confident in considering energy capacity in their daily work.</p>	<p>See Appendix 2 – Work Breakdown Structure</p>	<p>Planning officers are clear on how LAEP can inform local Plans and Neighbourhood Plans. LAEP action plans and pipeline projects are</p>

	<p>design consideration in their daily work, without having to default to a reduction in NZ solutions.</p> <p>LAEP Action Plans are making use of Planning Tools such as Neighbourhood Plans, Infrastructure Development Plans or Local Development Orders, to support delivery of the LAEP and Local Plan project pipelines.</p>	<p>regeneration projects at risk.</p> <p>Officers are unclear on the spatial implication of energy capacity and the full range of NZ projects and lack access to data and training.</p>	<p>Each authority has <math>\geq 2</math> Planning officers that are fully trained in the use of all digital local LAEP platforms.</p> <p>100% of LAEP Action Plans and 100% of LAEP projects are considering planning constraints and opportunities as part of the viability assessment.</p>		<p>integrated into strategic planning tools.</p> <p>Planning officers know if and how Energy Capacity can be a Material Consideration and are confident to implement and apply this.</p>
4	<p><b>Equitable LAEPs:</b> LAEPs enable active balancing of Council priorities in line with political mandates. For example, ensuring that climate mitigation projects protecting those most vulnerable to climate change are identified and added to the Project Pipeline.</p>	<p>Access to data to inform complex option appraisals is frequently siloed, and multiple projects and developments may claim capacity in the same area, without being mutually aware.</p> <p>Project boards are not widely aware of the impact from capacity constraints, nor how to navigate fair access to energy.</p> <p>There is a risk of increased political conflict around energy access, and no clear pathway on how to avoid polarisation.</p>	<p>Census deprivation and fuel poverty data is available as a data layer for 100% of LAEP platforms.</p> <p>100% of LAEP Action Plans and 100% of LAEP projects include an Equality Impact Assessment, drawing on the above datasets, and considering climate vulnerability.</p> <p>Training for digital LAEP tools and energy capacity literacy training is being offered to all data analysts employed by Oxon</p>	See Appendix 2 – Work Breakdown Structure	<p>Each authority will nominate a LAEP data lead officer, to offer support and capacity literacy training within their organisation.</p> <p>Project boards include capacity and equitable energy access in their project appraisals.</p> <p>Climate vulnerability is a standard dataset in the OxLAEP, or a clear pathway to include this data has been determined and committed.</p>

			<p>LAs, and <math>\geq 1</math> officer in any department that delivers projects or policy with an energy footprint.</p> <p>4 out of 6 authorities implement capacity and equitable energy access as a consideration in their project approval processes.</p>		
5	<p>OxLAEP will enable increased investment into local and regional projects and better investment coverage of harder-to-fund projects through portfolio bundling.</p>	<p>No coherent investment strategy in place to fund NZ actions resulting in piecemeal and opportunistic approach to financing</p> <p>Lack of coordination between the Oxfordshire LAs on NZ investment.</p> <p>100 Together Conference demonstrated willingness to fund NZ actions.</p>	<p>Dependant on tender outcomes – The production of an Investment Prospectus for OxLAEP projects.</p> <p>Training on NZ project financing for 1 officer in each Oxfordshire LA.</p> <p>The ESB ToR is amended to cover investment.</p>	<p>See Appendix 2 – Work Breakdown Structure</p>	<p>LAEP projects have clear delivery pathway via link with emerging Green Finance Strategy for the County.</p> <p>Project financing expertise available to all Oxon local authorities</p>
6	<p>Regional Energy System Planning (RESP) is more responsive to local needs, interests, and opportunities, better reflects local political mandates.</p>	<p>The role of RESP is unclear.</p> <p>OFGEM and ESO have made the RESP proposal dependent on cross-vector local authority data derived from net zero and energy planning, but no</p>	<p>RESP representative is a member of the EPWG and ESB, and BAU iterations of these boards, or OxLAEP is represented in RESP governance.</p>	<p>See Appendix 2 – Work Breakdown Structure</p>	<p>OxLAEP partners have a clear understanding on how RESP and LAEPs interface and support each other. Local Mandates are not undermined through RESP.</p>

		<p>funding or statutory responsibility for LAEPs exist.</p> <p>RESPs are scoped to deliver on National NZ and FES objectives and targets, not local ones. Local targets will follow different NZ trajectories, and there is risk of misalignment, and competition for funding.</p> <p>Data-interfaces are not yet defined.</p>			<p>Active working forums exist, or a clear pathway to set up such forums is in place.</p>
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### 1.3 Equalities

Explain how this project will contribute towards equality within Oxfordshire, including how health inequalities and equalities (protected characteristics as defined by the Equality Act) have been considered in the production of this business case.

Local Area Energy planning increases visibility of grid constraints, and introduces strategic alignment to local political mandates into the energy system, which currently largely rest on a “first come first served” approach, with very limited ability to prioritise energy system benefits or access based on need or protected characteristics outside a limited number of activities around fuel poverty. LA involvement in strategic energy decisions has the potential to introduce a powerful corrective in this sector, by improving visibility of unequitable impacts, and alignment of decarbonisation pathways to equitable outcomes. While there is uncertainty, LAEP function development (WS2) is scoped as an iterative process of continued learning, and application of those learnings, as the knowledge base and experience in this area expands. The recommended multi-authority approach and the combined LAEP governance facilitate ongoing sharing of such learnings.

Options presented under this business case have been appraised at a high level for equality impacts on those with protected characteristics, and those considered vulnerable. A full Equality Impact Assessment will be carried out under the full business case.

Equality impact assurance includes a range of actions:

OxLAEP function development (WS2):

- WS2 will incorporate principles developed under Project LEO’s Smart and Fair neighbourhood approach, and LEON’s Grid Edge Coordination function.
- WS2 commits to the delivery of a Benefits Realisation Plan and Full Business Case in year two of the OxLAEP programme. This will require the carrying out of a renewed Equality Impact Assessment, based on the full learnings of the WS1 LAEP Plans.

OxLAEP Plans (WS1):

- We have identified four higher risk areas where deeper engagement is recommended. Consultants will be asked how engagement in these areas can be supported within the LAEP process:

- 1) New emission sectors,
- 2) Areas of likely contention or where political mandates have evolved,
- 3) High uncertainty sectors, which may benefit from local insights,
- 4) Stakeholder groups that have been identified as vulnerable or disadvantaged.

Phase 1 Modelling stage:

- Consultants will be required to incorporate fundamental datasets that allow assessment of impacts of LAEP pathways and scenarios on protected and vulnerable groups. These include datasets on deprivation, fuel poverty and climate vulnerability, all of which Oxfordshire County Council already holds.
- In line with LAEP best practice, all scenarios will consider distributional impacts of different options and possible influences on poverty levels and summarise those impacts.

Phase 2 Production stage:

- All LAEP Action Plans under the recommended option will align with local political mandates, and will consider local policies in depth, including Local Plans, Housing and Regeneration Strategies. As such, areas that have been identified to require particular focus to achieve local equity and equality objectives will be incorporated into action planning.
- Contract specifications will require that Action Plans both mainstream EIA thinking, but also contribute a distinct section for each Emissions Sector to flesh out risks and opportunities.

Phase 3 Activation stage:

- Project pipeline development will contain benefits appraisals.
- Project portfolio creation will aim to bundle projects with a wider range of commercial attractiveness, to maximise investment into “harder-to-fund” areas.

While Equity is central to the LAEP process, LAEP does not attempt to solve the wider problem of how a fair and equitable transition can be delivered for all local citizens, where such policies do not yet exist. But LAEP work will improve visibility of unequitable impacts. Once the preferred local pathways have been developed, additional policy work may be required to enable this.

**1.4 Governance**

Does external governance- i.e. constituent partners apply to the Project Business Case?		YES	NO
If YES, please provide details of organisations:	Cherwell District Council Oxford City Council South Oxfordshire District Council Vale of the White Horse District Council West Oxfordshire District Council Oxfordshire County Council The Low Carbon Hub  DSOs: SSEN, UKPN, NGD + SGN  LEP, GSENZH		
If YES, please set out external approval requirements with dates for consideration	FOP LAEP governance applies. Oxfordshire Cabinet and Commercial Board decisions are required due to Contract Value. Additional approvals may be required from the District Councils. This is being monitored by District Councils. No delegations are deemed necessary beyond LAEP FOP governance decisions at this time, but that may change depending on specification and award conditions/full business case. This is not a dependency on the project.  <i>Cabinet approval &amp; date:</i> Oxfordshire County Council <b>YES / July 24 (contract award delegation)</b>		

	Other approval & date
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	Oxfordshire County Council: <b>Commercial Board approval / June 24</b>
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### 1.5 Stakeholder Involvement

Provide the names and comments of the following stakeholders who have been sighted on this business case prior to submission, note this is a mandatory requirement. NOTE: signature will be provided as part of the Full Business case.

Stakeholder	Name	Date
<b>Project Senior Responsible Owner (SRO)</b>	Director of Economy and Place - TBC	
Comments:		

Stakeholder	Name	Date
<b>Programme SRO- if different from Project SRO</b>	N/A – Programme SRO will be determined as an output under the LAEP function development	
Comments:		

Stakeholder	Name	Date
<b>FOP Director - Sponsor</b>	Andrew Down - Director of FOP	
Comments:		

### 1.6 Core Stakeholder Engagement from nominated lead authority

Stakeholder	Name	Date
<b>Finance Lead</b>	Kathy Wilcox - Head of Corporate Finance	
Comments:		

Stakeholder	Name	Date
<b>Legal Lead</b>	Marina Lancashire - Lawyer (Contracts)	
Comments:		

Stakeholder	Name	Date
<b>Procurement Lead</b>	Steph Galliford - Category Manager Professional Services	



Comments:

Stakeholder	Name	Date
<b>Human Resources Lead</b>	Caroline Bing - HR Business Partner Human Resources	

Comments:

Stakeholder	Name	Date
<b>Communications Lead</b>	TBD: FOP Communications Lead (Confirm name)	

Comments:

Stakeholder	Name	Date
<b>Information Technology Lead</b>	Anne Kearsley - GIS and Mapping Manager	

Comments:

## 2 - The Economic Case

## 2.1 Benefits Appraisal

Summarise the main benefits associated with the achievements of the project's objectives by beneficiary.

No:	Benefit	Benefit Type	Beneficiary
B1	Faster and more cost effective decarbonisation: evidencing local FES "Leading the way" scenario, reducing end user cost through improved targeting of grid upgrades, improved NZ project option appraisal.	Strategic, risk management, operational, and financial benefit	Society at-large, future generations, Oxfordshire community, local authorities, network and grid operators.
B2	Reduced risk of Council and community & industry projects being unable to proceed due to grid constraints by informing targeted infrastructure investment and enabling alternative solutions such as Flexibility and renewable generation.	Strategic, customer and social benefit	Stakeholders, Oxfordshire community, network and grid operators, local authorities.
B3	Local Plans, neighbourhood plans/area action plans are better positioned, more effective and more likely to be realised. Improved response to Distribution Future Energy Scenarios (DFES) including reduced workload for authorities.	Customer, operational, social and risk management benefit	Local authorities, Oxfordshire community, network and grid operators.
B4	Active balancing of Council priorities in line with political Mandates, e.g. ensuring that climate mitigation projects protecting those most vulnerable to climate change are identified early and supported, <a href="#">ensuring Oxfordshire's status as an innovation engine (which helps innovation and development at a national economic level) and net contributor to the national exchequer is supported by its energy infrastructure.</a>	Social, <a href="#">economic</a> and operational benefit	Oxfordshire communities, future generations, local authorities.
B5	Reduced Network impacts and minimizing disruption through coordination of major infrastructure works, such as delivery of Heat Networks, electrical infrastructure upgrades, gas network decommissioning and drainage/water utilities works.	Customer, financial, compliance benefit and risk management benefit	Oxfordshire communities, Oxfordshire utilities and heat network providers, Local Authorities, transport operators, stakeholders.
B6	Increased investment into local and regional projects, better investment coverage of harder-to-fund projects through portfolio bundling.	Financial, customer and social benefit.	Oxfordshire communities, stakeholders and local authorities.
B7	Higher probability of securing LEON Beta funding	Financial and strategic benefit	Local authorities, stakeholders, network operators, communities
B8	Regional Energy System Planning (RESP) is more responsive to local needs, interests and opportunities, better reflects local political mandates.	Strategic benefit	Local authorities, regulators, communities, future generations.

## 2.2 Key Risks

*Specify the main risks associated with the achievement of the project's objectives. Outline the proposed counter measures for avoidance, mitigation, and management.*

Risk	Impact (1-5)	Probability (1-5)	RAG Rating	Risk Owner	Mitigation
Lost momentum due to Delivery Gap and lack of LA funding and resourcing to facilitate and deliver LAEP pipeline projects.	4	3		EPWG	<p>LAEP project window expanded to 24 months, to enable authorities to transition LAEP project outputs across into BAU/subsequent phase. Deliver Benefits Realisation Plan as part of Phase 2 (production) for all options incl. full business case for LAEP Function BAU. Deliver Investment Strategy and engagement to maximise private sector support and funding.</p> <p>The specifications will seek costings for two options, allowing DCs that can accommodate the pace to go ahead, while giving flexibility to those that need more time:</p> <ol style="list-style-type: none"> <li>1) a full option 4 (All DCs commit to phase 1 and 2 of WS1 – LAEP Plan)</li> <li>2) Option 4 with a stage gate before phase 2. This will allow districts to either opt out of producing a DC level OxLAEP action plan, or opt for a “Fast Follower” route within an agreed time window.</li> </ol>
Lack of community buy-in through lack of engagement	5	3		All Councils	<ul style="list-style-type: none"> <li>-Base the LAEP action plans around commitments on PAZCO, which has a mandate through stakeholder engagement.</li> <li>-District level action plans means that local political mandates can be directly reflected in the project pipelines.</li> <li>-Ensuring that LAEPs underpin and enable Local Plans and Neighbourhood Plans, and creating strong links into the Planning process will embed LAEPs into Council’s established statutory consultation obligations.</li> </ul>

					<ul style="list-style-type: none"> <li>-Building principles of co-creation and best-practice community representation into the Contract specs and engagement planning for consideration under the full business case</li> <li>- Introducing a Grid edge coordination function enables localized engagement and community involvement.</li> <li>-Low Carbon Hub representation on LAEP governance boards brings grid edge community insights to LAEP decision making.</li> <li>-LEP can be encouraged to strengthen representation of micro-businesses</li> </ul>
Loss/Lack of data tools essential to deliver LAEP function and LAEP plans in the long-term	5	2		All Councils	<p>Ensure reports, datasets or licenses for datasets generated through LAEPs are owned by the authorities, and data specifications are sufficiently generic and not proprietary, to enable use with alternative tools.</p> <p>Explore whether local authority input in tool development, where it leads to improved functionality, is monetized, to create a contingency budget for longer term licensing.</p>
Undermine statutory status of the Planning System	3	2		All Councils	<p>Mitigation: Carry out assessment of alignment of LAEP project pipeline and action plans with Local Plan Policies such as Neighbourhood Plans, and planning conditions. Where divergence becomes apparent, address through the Planning System and existing Planning Tools such as local development plans. Where this is not possible, defer project implementation until a new mandate can be secured through statutory Planning Policy changes</p>
Lack of consultant capacity	5	3		EPWG	<p>Mitigation. This can be included as an evaluation criterion whereby during the procurement process, suppliers will be required to evidence their capacity through previous experience and commitment to known key deliverable dates.</p>
Lack collaboration between councils	4	3		EPWG	<p>Mitigation. An MoU needs to be completed by Oxfordshire County Council where agreement is sought from the other local councils so that a clear understanding of the roles and responsibilities can be established.</p>

## 2.3 Options Analysis & Appraisal

Please identify a minimum of 4 options and complete a shortlisting exercise within the table below; options must include 'BAU/Do Nothing' and 'Do Minimum'.

Option	Description	Shortlisted (S) / Rejected (R)	Meets objectives (Y/ N)
1.	Option 1 – BAU: No Oxfordshire LAEP programme: (No established LAEP function, no Oxon convening role, continue with District level/Stakeholder specific LAEPs such as ZCOP ID, Bicester LAEP and all other District LAEPs with local funding and separate DFES). FOP budget ask: None	Rejected	No
2.	Option 2 – LAEP Function only: Establish LAEP Function (WS2) , to support locally funded, individual LAEPs. FOP budget ask: £150k.	Rejected	Partial
3.	Option 3 – Deliver partial LAEP Plans (WS1) only: Fund Oxfordshire-wide LAEP plans for Catapult stages 1-4 (base data & scenarios) as a springboard to locally funded stages 5-7. FOP budget ask: £400k.	Rejected	Partial
4.	Option 4 – Comprehensive LAEP programme: LAEPs and LAEP Function (WS1 and WS2):. Grid Edge Coordination interface, LAEP Plans: fully funded County-wide stages 1-4 AND District level stages 5-7 (local tailoring of action plans and project pipeline). Tender to include stage gate option to enable different DC paces based on DC and consultant's capacity. Stretch target: stage 7+: delivery of a portfolio of investable projects and agile investment engagement programme. FOP budget ask: £600k.	Shortlisted	Yes

Using the same option numbering above, complete the following options appraisal summary (detail see Appendix I – LAEP Plan costings):				
	<b>Option 1 – BAU No countywide programme</b>	<b>Option 2 – Do Minimum LAEP Function only</b>	<b>Option 3- Partial LAEP Plan at County scale</b>	<b>Option 4 – RECOMMENDED Full LAEP Programme</b>
Net Costs (Capital & revenue)	<p><b>Capital:</b> £0</p> <p><b>Revenue (24m):</b> £1,460,000</p> <p><b>FOP budget ask: £0</b></p> <p><b>Additional funding requirement:</b> Consultancy: Dependent on whether LAEP plans would be pursued at district level. Cost per individual LAEP approx. £150, totalling £900k if six LAEPs are separately produced. Capability: cost to support LAEP development estimated at £40k per district per annum plus £80k County (£560k total).</p> <p>No LAEP+ integration</p>	<p><b>Capital:</b> £0</p> <p><b>Revenue (24m):</b> £1,354,000</p> <p><b>FOP budget ask: £150k</b></p> <p>£50k consultancy: (LAEP+ integration) £100k capability</p> <p><b>Additional funding requirement:</b> Consultancy: Dependent on whether LAEP plans would be pursued at district level. Cost per individual LAEP approx. £150k, totalling £900k if six LAEPs are separately produced.</p> <p>Capability: Cost to develop LAEP function fully covered. 144k additional capability funds required for LAEP delivery, if LAEPs are locally pursued.</p>	<p><b>Capital:</b> £0</p> <p><b>Revenue (24m):</b> £1,550,000</p> <p><b>FOP budget ask: £400k.</b></p> <p>£300k consultancy: £100k contingency</p> <p><b>Additional funding requirement:</b> Consultancy: Dependent on whether LAEP plans would be pursued at district level. Estimate £0 - £600k (approx. £138k per district to procure &amp; create action plans/project pipelines. Capability cost to support LAEP development estimated at £40k per district per annum plus £80k County (£560k total).</p>	<p><b>Capital:</b> £0</p> <p><b>Revenue (24m):</b> £935,383</p> <p><b>FOP budget ask: £600k.</b></p> <p><b>Redacted</b></p> <p><b>Est. other staff time cost:</b> May be covered through LEON project, if bid is successful)</p> <p><b>Includes stage gate before DC Action Planning stage to allow DCs to fast follow or opt out if resource draw can't be accommodated.</b></p> <p>Districts: £181,146 County: £204,237</p> <p>Flexible procurement with modular options to enable districts to bring in additional funding to expand LAEP scope.</p>
Benefits that arise (monetary & non-monetary)	<p><b>Workload planning:</b> Flexible workload planning for LAs.</p> <p><b>Governance:</b> Agile governance and decision making.</p>	<p><b>Organisational Readiness:</b> Delivers LAEP function across County and districts to support and coordinate individual District</p>	<p><b>Tailoring:</b> Local authorities can tailor their action plans to their individual needs (dependent on</p>	<p><b>Organisational readiness:</b> Lays foundation for long term, agile LAEP function to support energy transition.</p> <p><b>Flexible and cost effective:</b> Districts can tailor datasets and action plans to local</p>

	<p><i>No costs to FOP</i></p>	<p><i>Level LAEPs</i>  <b>Capability:</b> Cost to develop LAEP function fully covered.                  No additional costs to FOP</p>	<p><i>separate funding secured from elsewhere).</i>  <b>High risk areas:</b> Identifies areas most at risk from grid constraints across two scenarios.  <b>Major projects:</b> May enable some large-scale investable projects to be derived from County datasets by external stakeholders.  <b>Coordination</b> of action planning across boundaries is possible.  <b>DNO-led energy planning (DFES):</b> DFES inputs are simpler, drawing on a central dataset.</p>	<p><i>mandates at least cost.</i>  <b>Capability:</b> Partial funding of district capability cost.  <b>Responsive grid management:</b> Greatly improves ability of DNOs, Councils and key stakeholders to deliver solutions to minimise risks to Council, Community &amp; Industry projects being unable to proceed due to grid constraints.  <b>Effective Planning System:</b> Local Plans, Neighbourhood Plans and other Planning tools are better positioned, more effective and more likely to be realised. Less Disruption from infrastructure works through improved coordination.  <b>Faster decarbonization:</b> Aligning local DNO grid investment with governments “Leading the way” scenario, while reducing end user cost through geographically targeted grid upgrades.  <b>Active balancing of Council priorities</b> in line with political Mandates, e.g. ensuring that Climate Mitigation projects protecting those most vulnerable to climate change are identified early and supported.  <b>Reduced Network impacts</b> and minimizing disruption through coordination of major infrastructure works, such as delivery of Heat Networks, electrical infrastructure upgrades, gas network decommissioning and drainage/water utilities works.  <b>Increased investment</b> into local and regional projects, better investment coverage of harder-to-fund projects through portfolio bundling.</p>
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				<ul style="list-style-type: none"> <li>· <b>LEON Beta</b> bid more likely to succeed, due to LAEP alignment with LEON Beta approach.</li> <li>· <b>Regional Energy System Planning (RESP)</b> is more responsive to local needs, interests and opportunities, better reflects local political mandates.</li> </ul>
<p>Risks associated</p>	<p><b>Grid constraints:</b> Inconsistent and high-cost approach to addressing grid constraints lead to delayed/failed development incl. energy generation and retrofit projects.</p> <p><b>PaZCO Route Map Action 4</b> - not met – no delivery of a LAEP function.</p> <p><b>Local Plans/Net Zero Targets:</b> Uncertainty of whether Local Plans and Local Net Zero commitments are deliverable for districts that cannot raise the funds to deliver LAEPs.</p> <p><b>Zero Sum Game:</b> Hyperlocal LAEPs that aren't coordinated or integrated across District boundaries lead to competition between districts/developers for cross-boundary energy capacity and poor stakeholder support.</p> <p><b>Investment:</b> Weak investment proposition for Oxfordshire projects against other, larger, more integrated authorities.</p>	<p><b>Local cost:</b> Individual LAEPs are approx. 85% more expensive than recommended model.</p> <p><b>Grid constraints:</b> Inconsistent and high-cost approach to addressing grid constraints lead to delayed/failed development incl. energy generation and retrofit projects.</p> <p><b>Local Plans/Net Zero targets:</b> Uncertainty of whether Local Plans and Local Net Zero commitments are deliverable for those districts that cannot raise the funds to deliver LAEPs.</p> <p><b>Zero Sum Game:</b> Hyperlocal LAEPs that aren't coordinated or integrated across District boundaries lead to competition between districts/developers for cross-boundary energy capacity and poor stakeholder support.</p> <p><b>Investment:</b> Weak investment proposition for Oxfordshire projects against other, larger, more integrated authorities.</p> <p><b>LENZA:</b> LENZA datasets don't fully meet local need, putting Grid Edge Coordination services at risk.</p>	<p><b>Local cost:</b> Consultancy cost for Individual LAEPs for stages 5-7 are substantially more expensive than the recommended option: approx. £100k additional per authority.</p> <p><b>Local cost:</b> FOP funding will not cover local authority cost for staff resource.</p> <p><b>Higher consultancy cost/higher LA workload:</b> Optional stages 5-7 will increase risks for consultants and thus inflate cost. If only stages 1-4 are procured, additional procurements by individual districts are required to secure stages 5-7 at a later date.</p> <p><b>Data validity:</b> Risk of LAEP data going out of date before funding for stages 5-7 can be secured.</p> <p><b>Development delays:</b> Likely delay to ability of LA's and DNOs to address constraints, may lead to delayed development incl. energy generation and retrofit projects.</p> <p><b>PaZCO Route Map Action 4</b> - delivery of a LAEP function not met.</p> <p><b>Investment:</b> Weak investment proposition for Oxfordshire</p>	<p><b>Partnership working:</b> Commitment to cooperation and LAEP governance may be less agile in responding to specific local needs than fully separate district-level LAEPs.</p> <p><b>Highest FOP opportunity cost</b> – largest FOP cost of proposed options.</p> <p><b>LEON Beta dependency:</b> Full funding of Local Authority capability cost dependent on LEON Beta.</p>



	<p><b>DNO-led energy planning (DFES):</b> High workload impacts from DFES process / poor demand visibility for DNOs increases risk of misaligned infrastructure delivery.</p> <p><b>LEON bid:</b> Higher risk of failing 10m LEON Beta bid (LEON dependency on LAEP Plans &amp; Function).</p> <p><b>LENZA:</b> Higher risk of outdated LENZA datasets, increasing cost for Grid Edge Coordination services.</p> <p><b>Regional Energy System Planning (RESP)</b> is less responsive to local needs, interests and opportunities, and may not reflect local political mandates.</p>	<p><b>LEON bid:</b> higher cost to develop LAEP Plans and Hyper-local LAEPs under LEON beta</p>	<p>projects against other, larger, more integrated authorities.</p> <p><b>LEON Beta Grid Edge Coordination services</b> are not supported due to slower/no LAEP function development.</p>	
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## 2.4 Recommended/ Preferred Option

Please confirm which Option you deem to be the preferred option. Conclusions should be drawn on each of the different options considered in terms of cost, benefit, risk and its ability to meet the project objectives.

### Option 4: Full, dynamic LAEP Plan and LAEP function.

#### Reasoning:

- Most cost-effective approach to achieve overall objective, due to efficiencies from simultaneous procurement and consistent, region-wide base dataset and overarching scenario (FES leading the way).
- Most likely approach to bridge Deliver Gap, due to development of LAEP function and Grid Edge Coordination interface.
- Best option to balance agency of partners with cost and efficiency: Phased approach means districts can client the Action Plan and project pipeline stages to cater to local mandates, and modular procurement enables partners to procure additional datasets and services, included as options and separately funded if options cannot be subsumed under overarching funding envelope.
- Tender bid includes Stage Gate before DC Action Planning stage (Phase 2) to allow DCs to fast follow or opt out if resource draw can't be accommodated, without slowing down those that can move forward.
- LAEP function approach on longer, 24 month timeline means consultants support for capability building can be secured, while giving sufficient time and flexibility to generate learnings, and develop a stand-alone business case for a long-term LAEP function.
- Best option for strong private sector role: Able to create investable project portfolio both locally and regionally, strong integration of DNO platforms, commitment to LEON developed Grid Edge Coordination function.

### 3 The Commercial Case

We are currently undertaking discussions with Legal to confirm whether or not this falls under the Light Touch Regime (LTR) as this will only be of interest to suppliers in the local area/county and is related to localised/community energy plans. Timelines are unaffected until award, but would diverge in November to accommodate a standstill period, if required – highlighted in red.

<b>3.1 – Procurement Arrangements</b>		
<b>Stage/Action</b>	<b>If this is not an LTR</b>	<b>If this is an LTR</b>
Review requirements. Agree Route to Market and obtain all approvals to include Commercial Board (by 27.6.24), Key Decision (18.7.24) and FOP on 30.7.24)	30.7.24	30.7.24
Send EOI which could include 2 x open days	31.7.24	31.7.24
Open Days and Procurement Docs	By 16.8.24	By 16.8.24
Dispatch Contract Notice and upload Procurement Docs	16.8.24	16.8.24
Clarifications from Suppliers	23.8.24	23.8.24
Return from Suppliers (30 days)	23.9.24	23.9.24
Release bids to Evaluators	25.9.24	25.9.24
Evaluation Scores by	9.10.24	9.10.24
Moderation	14.10.24	14.10.24
Finalise and Seek Approval of Contract Award Report (CAR), could be delegated power from the Cabinet	By 30.10.24	By 30.10.24
Standstill Letters issued	15.11.24	n/a
Standstill Period closes (10 days)	25.11.24	n/a
Award/Issue Contract	25.11.24	1.11.24
Start Contract by	6.12.24	7.11.24

## 4 The Financial Case

### 4.1 – Capital and Revenue Funding Statement

*Provide an overview of the proposed funding package to deliver the project within the table below and include the remaining funding gap (if applicable).*

*A written summary of the overall affordability of the project and the funding that has been secured to date must be provided. Where there is a shortfall in available funding, provide details of how this will be addressed, and the level of contingency included.*

This business case is to request an additional £450000 in addition to the 150000 previously agreed by FOP, for the delivery of PaZCO R&A Action 4 – Local

### 4.2a Project costs – Option 4

	Status (Secured/ Not Secured)	£
Gross Cost	Partially secured	£935,383
Revenue	Partially secured	£935,383
Capital	N/A	£0
Total		£935,383

### 4.2a Finance security- Complete the table below only where there is more than one source of funding

Funder	Purpose	Amount	% of Total	Status (Secured/ Not Secured)	Funding Details (status, timing, conditions etc)
FOP	External Consultants	Redacted		Not secured	Dependent on FOP approval 24 <sup>th</sup> of June 2024.
FOP	DC capacity	£50,000		Not secured	Shared DC staff resource - to reduce LAEP resourcing impacts on DCs.
FOP	Contingency	Redacted		Not secured	Contingency for consultants, LAEP+ tool integration or capacity, dependent on market response.

Oxon	County staff resource – existing funding	£204,237		Secured	Base budgeted forward plan 2024/25, 25/26
District Councils (DC)	Estimated additional DC time contribution	~£131,146		Partial	<b>Opportunity cost</b> based on estimated LAEP activity time/standard hourly rates approx. £26k per district (excludes £50k capacity FOP allocation). Where time cannot be absorbed into existing teams.
<b>Total</b>		Redacted			

**4.2b Average project staff time estimate per District Council.**

**Please note: Stage gating WS1 LAEP Plans before entering Phase 2 (LAEP production) could reduce DC time by up to 30 days. Further staff time reductions can be secured by reducing involvement in LAEP function co-creation, and delegation of deliverables to third parties. This would not affect DCs involvement as decision makers.**

	Total per DC	NZ officers	Managers	Planners (policy)	Planners DM	Legal	Procurement	ReGen	Data	Finance	Other
<b>Total days/24m</b>	<b>138 days/24m</b>	50	22	25	8	5	1	8	6	4	8
<b>FTE %</b>		10.4%	4.6%	5.3%	1.7%	1.1%	0.2%	1.8%	1.3%	0.7%	1.6%

**4.2c Average project staff time estimate Oxfordshire County Council.**

	Total per DC	Project Manager	Programme Manager	Planners (policy)	Planners DB	Legal	Procurement	Regen	Data	Finance	Other
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<b>Total days/24m</b>	<b>824</b> days/24m	360	360	25	8	5	14	8	25	4	14
<b>FTE %</b>		75%	75%	5.3%	1.7%	1.1%	2.9%	1.8%	5.2%	0.7%	2.9%

**4.3 Budgeted Cashflow – external suppliers only**  
 Authority costs are base-budgeted opportunity costs, unless otherwise agreed.

*Complete the cashflow table below setting out both income and expenditure. Amend fiscal year dates as required and number of funding sources.*

Year (fiscal)	Q 1 - 2 2024/25	Q 3 - 4 2024/25	Q 1 - 2 2025/26	Q 3 - 4 2025/26
<b>Income (£)</b>				
Revenue	<b>Redacted</b>	£0	£0	£0
Capital	N/A	N/A	N/A	N/A
<b>Expenditure (£)</b>				
Revenue	<b>Redacted</b>			
Capital	N/A	N/A	N/A	N/A
Net Position	<b>Redacted</b>			

## 5 The Management Case

### 5.1 – Management and Governance

*Provide an overview of the necessary management and governance arrangements both in the delivery phase and in operation i.e., include detail on:*

*Governance and decision-making arrangements*

*Change management arrangements*

*Benefits realisation arrangements and plans*

*Contract management arrangements*

*Post evaluation arrangements*

*LAEP governance applies*

*Oxfordshire LAEP Governance was established under the FOP Infrastructure Advisory Group to provide the strategic direction and operational resource necessary to agree and then deliver a LAEP programme (LAEPs and LAEP function for the County). The governance structure comprises a strategic level executive Steering Board (ESB) and an operational level Energy Planning Working Group (EPWG).*

*Contract change and escalation route via EPWG, ESB, FOP. Partner authorities will need to put appropriate delegations in place to enable ESB board members to take the relevant decisions (see also Risk Management in this document). An MOU will be drawn up for the successful Option to set out terms of reference to provide clarity to project partners and suppliers.*

*The standard consultancy contract change process will be followed.*

*FOP monies will be held and administered by Oxfordshire County Council as the Convening Authority/Lead.*

*Contract management by Climate Action team: Oversight: Energy Systems and Investment Manager Contract Management: Oxfordshire Energy Systems Lead.*



# LAEP Governance

## FOP Infrastructure Advisory Group: Intent

- ESB Chair is the Director of FOP



## Executive Steering Board: Ownership

- Project management function
- EPWG Chair



## Energy Planning Working Group: Delivery

- Direction of travel, longevity of commitment
- Value & unlocking
- Strategic direction
- Expectation-setting; alignment, collaboration
- Strategic risk management
- Contribute & shape
- Communication, collaboration & alignment
- Visibility of projects and activity
- Operational risk management



Action	Board/Forum	<u>Option supported</u>	Name & Signature, Minutes location	Date
Approval	* Future Oxfordshire Partnership Approval see appended minutes. Sign off by the Chair			Exp. June 2024
Steer	Chief Executives Forum			Exp. June 2024
Steer	FOP Scrutiny			Exp. May 2024
Steer	Infrastructure Advisory Group (IAG)			Exp. May 2024
Approval	Executive Officer Group (EOG)			Exp. May 2024
Approval	District Project Governance and District Cabinets (where delegations are required)			Exp. May 2024



<b>Approval</b>	<b>Energy Planning Executive Steering Board (ESB)</b> Approval see appended minutes. Sign off by the Chair			Exp. May 2024
	<i>Confirmation of Consultation with / Input from</i>		<i>Name</i>	<i>Date</i>
<b>Approval</b>	<b>Strategy / Delivery Team: Energy Planning Working Group (EPWG)</b>		Mark Saunders (Chair) Minutes: EPWG SharePoint folder.	29 <sup>th</sup> April 2024
<b>Steer</b>	<b>EPWG Local Authority Subgroup</b>		N/A	3 <sup>rd</sup> May 2024
<b>Steer</b>	<b>Service Area / Key Stakeholder (Planning, ReGen, Climate Action, Data, Communities)</b>	ongoing	N/A	Exp. April/May

## 5.2 – Programme Schedule for Delivery

List the key project milestones and ensure this information is fully aligned to the Project Schedule, which must be appended to this Project Case. Include a longstop date by which all monies for development of this Project Case needs to be drawn.

No.	Milestone	Proposed Start Date	End Date
	ESB Scope decision	Jan 2024	May 2024
	FOP Funding decision	Mar 2024	Jun 2024
	Go to Market	Jul 2024	-
	Authority delegations – where required	May 2024	Sep 2024
	Contract Award	Oct 2024	
	Contract Mobilisation	Nov 2024	-
	Phase 1 LAEP Modelling Stage Gate	Mar 2025	-
	Phase 2 LAEP Production Stage Gate	Aug 2025	-
	Benefits realisation plan approved	Nov 2025	-
	Investment prospectus delivered	Nov 2025	

	Long term LAEP function business case approved	Mar 2026	-
	Phase 3 LAEP Activation Stage Gate	Aug 2026	-
	Lesson's Learned	Nov 2026	
	Longstop date	Aug 2026	-

### 5.3 – Project Delivery Roles and Responsibilities

Classify the roles and tasks to determine who is Responsible ( R ) , Accountable ( A ) , Consulted ( C ) and Informed ( I ).

Task	Insert Role	Insert Role	Insert Role	Insert Role	Insert Role	Insert Role
	Oxfordshire County Council	District Councils - quorum	FOP Sponsor & CC SRO	EPWG – non authority members - non-quorate	ESB – non authority members – non-quorate	FOP – full partnership
LAEP project definition	R	R	A	C	C	C
LAEP consultancy procurement	A	C (quorate)	I: FOP Sponsor A: CC SRO only	C	C	I
LAE Plan delivery Phase 1 (Modelling Phase)	R	C (quorate)	A	C	C	I
LAE Plan delivery Phase 2 (Production Phase)	R	R	A	C	C	I
LAEP Function definition	R	R	A	C	C	I
LAEP Function full business case	R	C (quorate)	A	C	C	C
LAEP Investment Portfolio and Engagement	R	R	A	C	C	C

## 5.4 – Project Organogram

Insert a Project staff organogram which includes distinguishes between full-time, part-time and fixed term staff. A Senior Responsible Owner (SRO) should be appointed and identified in the organogram.

**To be supplied as part of Full Business Case, post tender.**

## 5.5 – Use of Specialist Advisers

Specify what support and SME advice is required from outside the project team. Include both resources inside your organisation (e.g. legal and finance) and those outside (e.g. technical consultants)

### External advisors:

LAEP consultants: Delivery of Phases 1 (Modelling) and 2 (Development) of the project. Phase 3 essential: Training and capability building. Phase 3 desirable (tbc pending tender responses): Development of investment prospectus, input to Benefits Realisation Plan and LAEP Function business case.

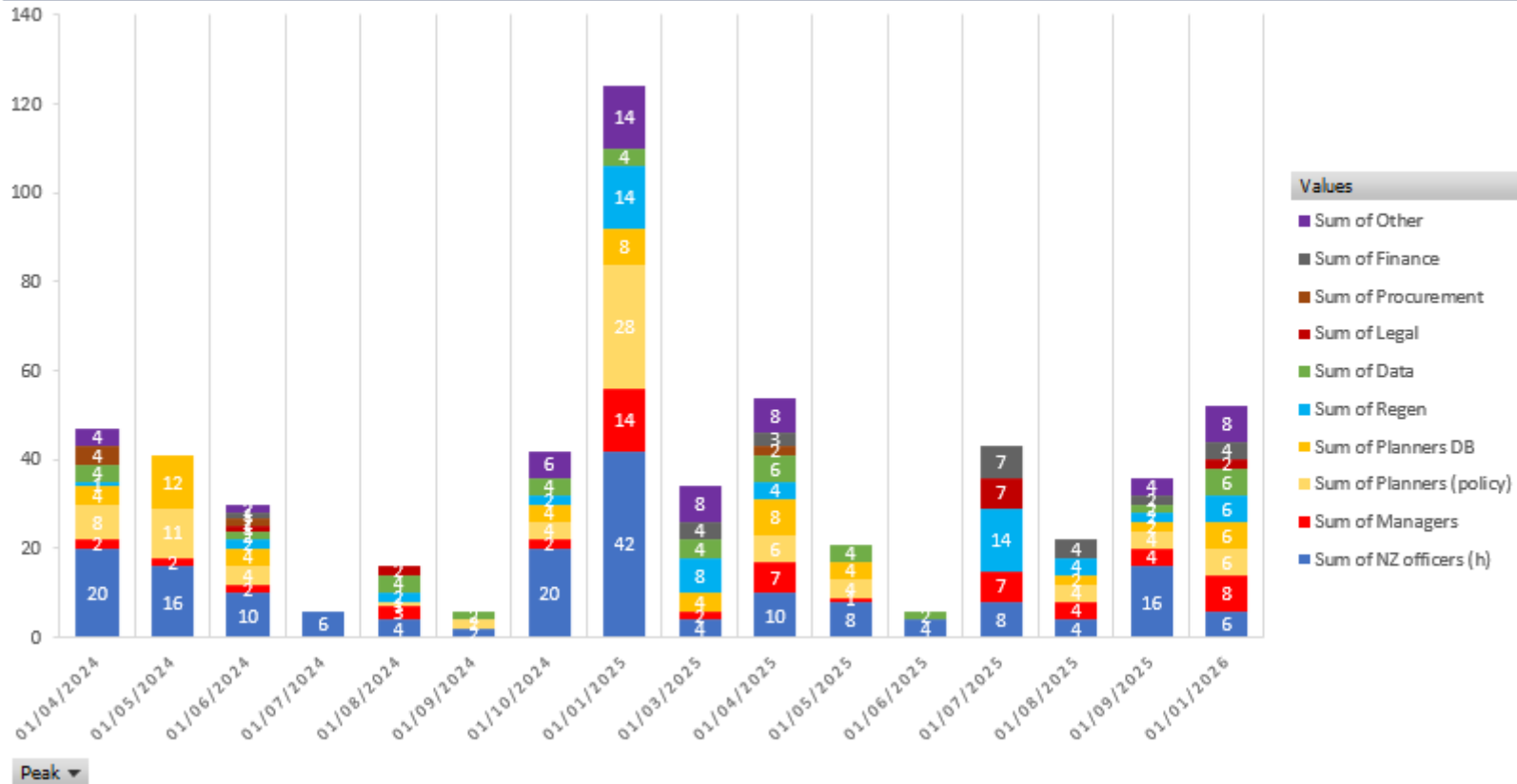
Advanced Infrastructure Technologies Limited - AITL (LAEP+ developers): Essential: Further development of the LAEP+ platform to support self-sustaining LAEP production and modelling under WS1 LAEP Function BAU (within LENZA or independently), incl. business case development. Desirable: Nesting functionality suitable to support Grid Edge Coordination.

### Internal advisors:

Per District Council (DC) **over 24 months:**

	Total per DC	NZ officers	Managers	Planners (policy)	Planners DM	Legal	Procurement	ReGen	Data	Finance	Other
Total days/24m	138 days/24m	50	22	25	8	5	1	8	6	4	8
FTE % 24m		10.4%	4.6%	5.3%	1.7%	1.1%	0.2%	1.8%	1.3%	0.7%	1.6%

Est. average hourly staff requirement per SME/per DC over 24m programme



Oxfordshire County Council (SME time) over 24 months:

	Planners (policy)	Planners DB	Legal	Procurement	Regen	Data	Finance	Other
<b>Total days/24m</b>	<b>25</b>	<b>8</b>	<b>5</b>	<b>14</b>	<b>8</b>	<b>25</b>	<b>4</b>	<b>14</b>
<b>FTE %</b>	5.3%	1.7%	1.1%	2.9%	1.8%	5.2%	0.7%	2.9%

## 5.6 – Risk and Issue Management

Explain how project risk management is undertaken; the relevant roles and responsibilities for managing risk within the project. Think about how risks are identified, how often and by whom the risk register is reviewed, and how risks are to be escalated. This last point is particularly important, what happens if a risk is out of control, where does it go?

### Roles and Responsibilities:

#### Project Roles:

- *The Delivery Project Manager*: Is responsible for maintaining the risk register for WS1 (LAEP Plan) and ensuring its accuracy and completeness.
- *The Oxfordshire Client Project Manager*: Will oversee the day-to-day risk management process, ensuring that risks are appropriately identified, assessed, and managed. The role is also responsible for maintaining the risk register and ensuring its accuracy and completeness for any period in the programme outside the contracted term.
- *The District Client Project Managers*: To keep the programme agile during WS1 Phase 2 when clienting moves to the District Councils, any issues and risks that affect only a specific DC will be reported on the collective risk register but managed by the respective District Client Project Manager.
- *The OxLAEP Sponsor* will be accountable for risks related to the project's strategic objectives and organizational impact and will support the ESB with decisions regarding risk acceptance, mitigation, or escalation.
- *The OxLAEP SRO* oversees project risk management activities, ensuring that risks are managed effectively. They make decisions regarding risk tolerance, mitigation strategies, and support risk escalation as necessary.

#### Project Team (EPWG and EPWG subgroups, or alternative body if so agreed):

Members of the project team will actively participate in risk identification and assessment activities, and are committed to input based on their expertise and experience in their respective areas, and share learnings from programme progression to support all partners. The risk register will be reviewed at each EPWG meeting, and any new issues tabled. Issues and new risks will be brought to and by subgroups as appropriate. During Phase 1 and 2 of the project the external LAEP consultants will be a member of the project team. They may remain involved during phase 3, depending on the tender response and contract.

#### Risk Owners:

Each identified risk is assigned a risk owner who is responsible for monitoring and managing that specific risk. The risk owner ensures that appropriate mitigation strategies are implemented and regularly reviewed. During Phase 2 (Production), DC Client Project Managers will be Risk Owners for any Risks and Issues that are specific to their authority. DCs may wish to report to internal boards during this phase, in addition to EPWG reporting.

**Risk Management Process:**

Identification: Risks are identified on an ongoing basis, through a combination of techniques, including brainstorming sessions, workshops, and expert judgment, lessons learned review. All stakeholders are encouraged to contribute to the identification process.

Assessment: Identified risks will be assessed based on their likelihood and impact on project objectives. This assessment helps prioritise risks and allocate resources for mitigation efforts effectively.

Mitigation: Once risks are assessed, mitigation strategies are developed to reduce the likelihood or impact of the identified risks. These strategies are tailored to each specific risk and may include preventive measures, contingency plans, or transfer of risks.

Monitoring and Review: The risk register is regularly reviewed by the Client Project and Programme Manager and project team to track the status of identified risks, evaluate the effectiveness of mitigation strategies, and identify new risks that may arise during project execution.

**Escalation Process:**

Out-of-Control Risks: If a risk is deemed out of control or its impact exceeds agreed tolerances, it is escalated to the LAEP Executive Steering Board (ESB) for further review and decision-making.

These tolerances include:

ESB decision scope:

- Decisions over expenditure of the LAEP contingency budget, or any additional funding from outside the FOP budget
- Any addition or removal of agreed Outputs or Deliverables
- Any extension of the programme to beyond 24m
- Any contract changes (in line with contract change procedure – pending approval by Oxfordshire Commercial Board & Legal)

FOP decision scope:

- Any addition or removal of agreed objectives.
- Any decision on termination of the contract will be taken by FOP.

If in regard to any specific issue or risk the ESB is not deemed to have the authority to make decisions regarding risk acceptance or mitigation, then the decision will be escalated to the Executive Officer Group (EOG), and, if required, Chief Executives Group (CEG). If the matter cannot be resolved in this manner, it will be escalated to FOP. Where a risk is deemed not to affect the partnership, but just one of the partners, the ESB may decide to defer to an individual partner only, such as a specific District Council.

**Decision Making:**

Programme:

The EPWG will make recommendations to the ESB. Where recommendations aren't agreed by all partners, divergent opinions will be highlighted in any papers going to the ESB. The ESB evaluates the escalated risk, considering its potential impact on project objectives, available resources, and overall project viability. Based on this assessment, they may approve additional resources for mitigation efforts, adjust project scope or timelines, or accept the risk if it falls within acceptable tolerance levels.

**Contract:**

Any decisions affecting the contract issued by Oxfordshire County Council on behalf of FOP will need to secure all relevant internal decision approvals.

**Documentation:**

All escalated risks and decisions are documented in the project risk register and communicated to relevant stakeholders to ensure transparency and accountability.

## 5.7– Lessons Learnt

Detail how Lessons Learnt have been considered during the development of this proposal and plans for capturing Lessons Learnt during this project.

Extensive market testing has been carried out to draw learnings from the market.

The inclusion of the DSOs, GSENZH etc on the EPWG and ESB will improve the sharing of information.

Partner 121s have been conducted, to draw learnings from similar partnership projects.

Two lesson's learned exercises are planned for this project: One 3 months after end of Phase 2 (LAEP production), to derive learnings from Consultancy stages and apply them to LAEP function development. A second one will be conducted 3 months after the end of Phase 3 (Activation).



## 5.8 – Monitoring and Evaluation

Set out a summary of the outline Monitoring Evaluation arrangements for the project and milestones leading to Project Evaluation.

### **Project management:**

Client project managers will report to EPWG. Project summary updates will be reported to ESB. Issues and Change requests will follow the LAEP governance hierarchy.

A long-term evaluation programme will be developed under WS2 – LAEP function, as part of the benefits realisation plan.

### **Contract management:**

Monthly contract management meetings: Suppliers will report to the Oxfordshire Client Project and Programme manager on KPIs monthly. These contract management meetings will be distinct from project management meetings. Any issues will be escalated to the relevant governance structure as required, usually to the LA subgroup or EPWG.

### **Contract enforcement, escalation, and default:**

Contract escalation procedures will be Project board decisions will be supported by the Procurement Category Lead, if resolution cannot be secured by the contract manager. Project steering board first, decision then raised with procurement lead. Escalation steps summary: 1) Contract manager meets 121 with the supplier to highlight default risk. 2) If unsuccessful, move to meeting with supplier and Category Manger to discuss steps to reach a satisfactory resolution and avoid formal default. If this option is exhausted, we 3) escalate to Legal and proceed through contractual default procedure.

Project board will be kept informed at each step.

Costs:	LAEP consultancy:	DC Resourcing 24m:	CC Resourcing 24m:	Contingency:	Total	Comment
Option 1: Current BAU	£900,000	£400,000	£160,000	£0	<b>£1,460,000</b>	5DC and 1CC LAEP required (six total)
Option 2: Do Minimum	£900,000	£244,000	£160,000	£50,000	<b>£1,354,000</b>	DC staff resourcing is more efficient, due to shared resourcing and digital tool integration
Option 3: Partial	£940,000	£400,000	£160,000	£50,000	<b>£1,550,000</b>	Inefficient due to duplicated procurement and higher risk profile for consultants.
Option 4: Full (recommended)	<b>Redacted</b>	£181,146	£204,237	£50,000	<b>Redacted</b>	Consultancy cost substantially lower in this model. Quality will flex to accommodate budget. Modular elements: Non-essential modules, and intensity of Phase 3 support.

APPENDIX I b – Confidential Finance Detail

**Redacted**

## Appendix 2 – Work Breakdown Structure

<b>PROJECT TITLE</b>	LEAP Oxfordshire (OxLAEP)	<b>COMPANY NAME</b>	Future Oxfordshire Partnership
<b>PROJECT MANAGER</b>	Sarah Hassenpflug	<b>DATE</b>	03 April 2024

