



Department for
Energy Security
& Net Zero

Non-Domestic Smarter Tariff Comparisons Innovation Programme

SBRI COMPETITION GUIDANCE NOTES

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Glossary of terms and definitions

AMR	Automated Meter Reading Device
Applicant/ Bidder	A company, organisation or consortia of companies and/or organisations that submits an application in response to the Competition
Application/ Bid	The Bidder's formal offer in response to the Competition
Assessment Criteria	The criteria against which compliant Programme Applicants will be assessed in relation to awarding of SBRI Contracts. These are set out at Section 7.
Authority / Contracting Authority	This is the Department for Energy Security and Net Zero.
Clarifications Deadline	The time and date set out in Section 4 for the latest submission of clarification questions
Competition	The process used to establish awarding of contracts for the non-domestic smart meter tariff comparisons.
Consumer	Households or small businesses who are customers of an Energy Supplier
DCC	Data Communications Company
Department for Business Energy and Industrial Strategy (BEIS)/ Department for Energy Security and Next Zero (DESNZ)	As a result of the recent Machinery of Government changes, the Department for Energy Security and Net Zero will take this requirement forward. BEIS functions, and rights and liabilities, will transfer to the relevant Secretary of State once they have each been incorporated as a corporation sole. This will be achieved by an Order in Council under the Ministers of the Crown Act 1975 [Transfer of Functions Order (TFO)]. Until that happens BEIS remains the contracting authority (under the Public Contracts Regulations 2015) for contracts and contracts continue to be signed on behalf of the Secretary of State for BEIS.
Deliverables	Means the various reports, prototype tool and other outputs to be delivered under the Contract.
Delivery and Payment Milestone Schedule	The document to be developed and continuously updated by the Supplier to track progress against delivery of required Services and Deliverables as detailed in Section 3.

Down Selection	Means the process as detailed at Section 8 to select one (1) Phase 1 Projects to advance to Phase 2/ 3.
DSR	Demand Side Response
Energy Supplier	An entity that holds a Gas or Electricity Supply Licence
FAQs	Frequently asked questions
Feasibility Report	The key Contract deliverable at end of Phase 1.
FOIA	Freedom of Information Act (2000)
GB	Great Britain
GDPR	General Data Protection Regulations
HMG	Her Majesty's Government
IPR	Intellectual property rights
KPI	Key Performance Indicator
Milestone and Deliverable Schedule	The schedule to be agreed as part of the mobilisation process which will set out arrangements for Supplier payments linked to achievement of relevant milestones and production of Deliverables.
Minimum Threshold Scores	Means the minimum scores that Applicants must achieve against the Assessment Criteria to be considered for funding, as detailed at Section 7.1
NCSC	National Cyber Security Centre
NZIP	Net Zero Innovation Portfolio
PCW	Price comparison websites in relation to Energy supply
Phases	The three stages of activities and deliverables for the Innovation Programme.
Phase 1	Means activities and outputs relating to the initial Feasibility Study stage as set out at Section 3.
Phase 2	Means activities and outputs relating to the second project stage (Alpha Prototype), as set out at Section 3.
Phase 3	Means activities and outputs relating to the third project stage (Beta Prototype), as set out at Section 3.

Project Cost Breakdown Form ('the')	Means the 'Project Cost Breakdown form' provided as an Electronic Appendix to this Competition pack, and which Applicants must complete as their pricing proposal.
Project(s)	Applicants'/ bidders' proposals for which the Programme seeks to award SBRI funding
Scoring Scheme	The range of scores that may be given to a Bidder depending on the quality of its response to a question which is located in the boxes below the applicable question.
Smart Survey	E-Tendering Platform used for this Procurement, to complete and submit Project applications.
SME	Small and medium enterprise
SMS	Smart meter system
SMETS	Smart metering equipment technical specifications
Solution	Applicants' technical proposals for Non-Domestic Tariff Comparison prototype tool or service, and any supporting data management tools.
Supplier	the Bidder with whom the Authority ultimately concludes the Contract
T&C	Terms and conditions
Technical Challenge Log	The record of Technical Challenges that the Supplier will develop and maintain as set out in Section 3.
Total Score Available	the maximum potential score that can be awarded for a response to a question
TPIs	Third Party Intermediaries. TPIs include a wide range of business models that typically sit between customers and the regulated entities in the energy market. TPIs used mostly by domestic customers include price comparison websites, auto-switchers and auto-recommendation services, and bill-splitters. Business customers use TPIs such as brokers to support with energy procurement and contract negotiation, and new types of TPI are emerging across the energy system as it evolves, in particular around flexibility services.
TRL	Technology Readiness Level

UK	United Kingdom
VAT	Value-Added Tax
Work Days	Monday – Friday unless otherwise stated.

Supporting Documents

The following documents support this Competition Guidance and are available within the application form.

Please complete and upload the following application documents. All these documents are also available on the [Programme Website](#).

Annex 1: SBRI Contract Terms and Conditions

Annex 2: Declarations

- Declaration 1: Statement of non-collusion
- Declaration 2: Form of Bid
- Declaration 3: Conflict of Interest
- Declaration 4: Code of Practice for Research
- Declaration 5: The UK General Data Protection Regulation Assurance Questionnaire for Contractors
- Declaration 6: Standard Selection Questionnaire

Annex 3: Project cost breakdown form

Annex 4: Risk proforma

Non-Domestic Smarter Tariff Comparisons SBRI Innovation Programme - Guidance for Applicants

The purpose of this Guidance is to give a comprehensive overview of the up to £800K Non-Domestic Smart Tariff Comparisons SBRI Innovation Programme and associated procedures for participation in the Programme.

Through this Programme the department is seeking to fund projects that will identify, develop and test innovative solutions that use customer data (including half-hourly consumption data) to provide energy tariff comparisons (including standard tariffs, time of use tariffs, and tariffs bundled with flexibility technologies or services) along with supporting advice and recommendations for smaller non-domestic energy consumers. Products funded by the Programme will help drive take-up of time-of-use tariffs and help bring forward demand-side flexibility in this market.

This Programme forms part of the overarching up to £65m Flexibility Innovation Programme which seeks to enable large-scale widespread electricity system through smart, flexible, secure and accessible technologies and markets. The Programme is to be run in three Phases:

- Phase 1- Total budget of up to £250K to fund up to five (5) feasibility studies (up to £50K per project) and;
- Phase 2/3- Total budget of up to £550K with intention to fund one (1) Phase 1 Project to develop and test prototypes (Alpha/ Beta).

The Flexibility Innovation Programme is part of the Net Zero Innovation Portfolio (NZIP)¹ and forms a substantial part of a commitment set out in the Government's 10 point plan for a green industrial revolution, to invest at least £100 million on energy storage and flexibility innovation challenges. For further information on other innovation activity under the Flexibility Innovation Programme, please visit the Programme website².

¹ <https://www.gov.uk/government/collections/net-zero-innovation-portfolio>

² <https://www.gov.uk/government/publications/flexibility-innovation>

1. Programme Overview

1.1 Background & Context

1.1.1 The Smart Metering Implementation Programme

The Smart Metering Implementation Programme (SMIP) is aiming to upgrade 53 million electricity and gas meters in households and small businesses across Great Britain with smart meters. The rollout of smart meters is a cross-industry programme; the regulatory framework and associated consumer protections have been put in place by Government, whilst Energy Suppliers are responsible for offering smart meters to their customers and successfully carrying out installations. As of the end of 2022, 31.3 million smart and advanced meters (55% of meters in scope of the roll-out) were operating in homes and small businesses across Great Britain³.

Smart meters are the next generation of energy meters and a vital upgrade to our system, allowing Energy Suppliers to offer new services and giving consumers access to information that will help them take control of their energy use.

1.1.2 Non-domestic smart metering policy background

Smart meters are being rolled out to businesses, public sector organisations and homes across Great Britain. There are broadly two types of smart meter in the non-domestic market. Large electricity supplies (profile classes 5-8 and 00) and large gas supplies (consumption over 732 MWh/year) are required by energy supply licence conditions (regulated by Ofgem) to have Advanced Meter Reading (AMR) meters fitted which measure consumption every half hour⁴ and transmit readings to the supplier. These tend to be larger non-domestic organisations, such as Industrial and Commercial (I&C) businesses.

Smaller non-domestic sites in electricity profile classes 1-4 or with gas consumption below 732 MWh/year are covered by the smart meter mandate. Three million meters (across two million sites) are in scope of the mandate. As of December 2018, all microbusinesses within the smart meter mandate must be offered a smart meter that complies with the latest Smart Metering Equipment Technical Specifications (SMETS) by their energy supplier. Non-microbusinesses within the mandate can be offered a choice of SMETS or AMR meter, but the choice must include SMETS.

Collectively across both large and small energy suppliers, there were 1.7 million smart and advanced meters in non-domestic sites in Great Britain at the end of 2022; 52% of all non-domestic meters.⁵

In June 2020, the government confirmed a new four-year policy Framework with fixed minimum annual installation targets for energy suppliers, subject to tolerance levels. The four-year Framework applies to all domestic and non-domestic energy suppliers and took effect from 1 January 2022.

³ <https://www.gov.uk/government/collections/smart-meters-statistics>

⁴ Or at least every hour for gas

⁵ <https://www.gov.uk/government/collections/smart-meters-statistics>

Smart metering makes it possible to remotely access half-hourly consumption data (with relevant permissions from the customer) which could be analysed to provide tailored tariff recommendations, including more complex time-of-use (TOU) tariffs. This is estimated to lead to £1.4⁶ billion of demand shifting benefits, alongside £1.5 billion of non-domestic specific energy consumption reductions, driven by these consumers engaging with their smart meter data and identifying ways to reduce their energy use.⁷

The wider landscape is also changing with Market-Wide Half Hourly Settlement⁸ on the horizon which will extend half-hourly settlement to domestic and smaller non-domestic customers. This will create new incentives for energy suppliers to engage their customers with load shifting. Additionally, last year changes were made to energy supplier licence conditions in relation to the smart meter data offer for smaller non-domestic customers. By October 2024 suppliers will have to provide customers with free and regular information about their energy use⁹. This could be provided for example through an App or online platform. This may provide opportunities for suppliers and other third-party providers to link together customer offerings with consumption reduction and load shifting objectives.

As a result of the changing landscape and new incentives for innovators, the department is looking for new ways for customers to compare tariffs and drive uptake of and engagement with TOU tariffs in the non-domestic market.

1.1.3 Smart meters and time of use tariffs

Smart meters enable time-of-use (TOU) and other sophisticated types of tariffs (for example, electric vehicle tariffs) by recording the time when energy is used and, with SMETS meters allowing two-way communication of that information between the energy supplier and consumer (or a third party acting on their behalf, with consent).

These new types of tariffs can reward consumers for consuming energy outside peak periods. Consumers could shift their usage in this way manually (e.g. through changing their consumption behaviour) or through the adoption of technologies which partially or wholly automate the process, such as load controllers, energy management systems, electric vehicle smart chargers, small-scale renewable electricity generation (such as solar panels), or battery storage. By flattening usage throughout the day, these tariffs reduce the amount of generation and network capacity required at peak times, delivering system and consumer savings.

1.1.4 Encouraging engagement with tariffs, in particular time-of-use tariffs in the smaller non-domestic energy market

In general, there are low levels of engagement with tariffs in the non-domestic market leading to worse outcomes for smaller non-domestic consumers and presenting a specific barrier to time of use tariff adoption.

⁶ Net present value

⁷ <https://www.gov.uk/government/publications/smart-meter-roll-out-cost-benefit-analysis-2019>

⁸ <https://www.ofgem.gov.uk/energy-policy-and-regulation/policy-and-regulatory-programmes/electricity-settlement-reform>

⁹ <https://www.gov.uk/government/consultations/maximising-non-domestic-smart-meter-consumer-benefits-improving-the-data-offer-and-enabling-innovation>

The Competition and Markets Authority (CMA)¹⁰ found that smaller non-domestic consumers – especially microbusinesses – are failing to secure good outcomes in the energy market because:

- Customers have limited awareness of and interest in their ability to switch energy supplier;
- Customers face barriers in accessing and assessing information because;
 - Many tariffs are not published and it is difficult to identify available tariffs;
 - Many contracts are negotiated on a 1:1 basis between the Electricity Supplier and the customer, or commonly by a third-party intermediary (TPI) on the customer's behalf;
 - The nascent state of price comparison websites (PCWs) and services (although there has been some development since 2016);
 - The complexity of the market means customers are especially dependent on services offered by TPIs who themselves face considerable challenges in supporting small non-domestic consumers to find the best possible deal given the substantial diversity in consumer needs and contexts.

More recent data (2018)¹¹ demonstrated that engagement remains low, with a third (32%) of microbusiness consumers not engaging with their energy use annually (defined as switching Energy Supplier or tariff, or comparing tariff), with a lack of confidence that savings are available (and that comparisons can easily be made) a key barrier.

There are additional barriers to Time of Use (TOU) tariff adoption.

TOU tariffs and Demand Side Response (DSR) services are novel in the market for smaller non-domestic energy consumers, unlike the developing market for larger non-domestic consumers where higher energy consumption means there is often significant benefit to the consumer for using these services and there is a regulatory and policy environment that enables suppliers and consumers to engage in flexibility services (e.g. mandatory half-hourly settlement and metering arrangements). However, this environment does not extend to the market for smaller non-domestic consumers and as a result TOU and DSR products and services remain nascent, despite potentially significant system and consumer benefits.

The risk that smaller non-domestic consumers will be left behind has been recognised and already reflected in several current policies to encourage greater flexibility (principally the introduction of market-wide half-hourly settlement by Ofgem). The smart meter roll-out will also introduce the required half-hourly metering across the smaller non-domestic market.¹² However, as outlined above, there are several additional barriers in this market which will need to be overcome.

¹⁰ <https://www.gov.uk/cma-cases/energy-market-investigation>

¹¹

https://www.ofgem.gov.uk/sites/default/files/docs/2018/10/micro_and_small_business_engagement_survey_2018_report.pdf

¹² More information on the scope of the smart meter roll-out in the non-domestic market can be found here: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/920211/non-domestic-smart-metering-guidance.pdf

A key challenge will be encouraging take-up of TOU tariffs and engagement with flexibility products in a market where consumer engagement is already low and there is already considerable complexity.

As more sophisticated and complex TOU tariffs and bundled tariffs (e.g. for low carbon technology) become available, **engagement will only become more difficult for consumers and (increasing) search costs will be an additional barrier to take-up.** TPIs – which already operate in a complex landscape – will also find it even more challenging to deliver good outcomes for their customers.

1.1.5 Smart metering and tariff comparisons

Delivering the benefits of demand side flexibility in this market will require the sector to develop new tools for assessing new complex tariffs and providing accurate recommendations to consumers. New tools and approaches are needed so developers of flexibility products (including energy suppliers and their tariffs) can build confidence in the value of their products, and so consumers and/ or TPIs acting on their behalf can:

- Understand what tariffs are available to them and appropriate for their circumstances; and
- Accurately evaluate the potential costs and benefits of these tariffs in order to facilitate take up of TOU tariffs at scale, along with the associated consumer and social benefits from flexibility in this market.

As well as enabling flexibility products in themselves, the smart meter roll-out offers opportunities for developing new tools that will support smaller non-domestic consumers to engage with these products.

The smart metering system makes it possible to remotely access half-hourly consumption data (with relevant permissions from the customer) which could be **analysed to provide tailored recommendations based on granular consumption profiles, including more complex tariffs such as TOU tariffs and other flexibility products.** This could:

- Give consumers confidence in choosing TOU tariffs (and third parties in recommending them);
- Be used to demonstrate the potential financial benefits of altering energy consumption patterns via behaviour change or demand management technology.
- Incentivise development of TOU propositions by Energy Suppliers and others by generating demand amongst consumers; and

In addition to supporting the adoption of time of use tariffs, these approaches can address more general engagement challenges in the market, delivering better outcomes for smaller non-domestic consumers through increased engagement with potential tariffs and energy costs through scalable digital comparison products that enable more consumers to get a good deal.

1.2 Current and recent innovation projects

This Programme is principally related to the Government's **Smart Systems and Flexibility Plan**¹³ (SSFP). The SSFP has been developed by the Government and Ofgem in coordination with the energy sector to set out a vision, analysis and workplan for delivering a smart and flexible electricity system that will underpin our energy security and the transition to net zero. The SSFP has four areas of focus:

- Support flexibility from consumers
- Remove barriers to flexibility on the grid
- Reform markets to reward flexibility
- Monitor flexibility across the system.

The Flexibility Innovation Programme is part of the Net Zero Innovation Portfolio (NZIP)¹⁴ and forms a substantial part of a commitment set out in the Government's 10 point plan for a green industrial revolution, to invest at least £100 million on energy storage and flexibility innovation challenges. For further information on other innovation activity under the Flexibility Innovation Programme, please visit the Programme website¹⁵.

Other relevant policy programmes and projects include:

- Ofgem's Market-Wide Half-hourly Settlement (MHHS) Programme¹⁶ – this aims to expand half-hourly settlement to the full market by 2025. Market-wide settlement reform is a key enabler of the move to a smarter, more flexible energy system and has a fundamental role in delivering the smart systems and flexibility plan.
- Ofgem's Microbusiness Strategy Review, including new changes to supplier licence conditions regarding microbusiness customers that came into force on 1st October 2022.¹⁷
- The Department's on-going consultation on proposals for delivering a smart and secure electricity system¹⁸, including a proposal to require energy suppliers to make time-of-use-tariff data openly available in a common format, accessible over the internet.

This Programme is also informed by two recent programmes within the DESNZ (formally BEIS) £505m Energy Innovation Programme (2015 - 2022), which identified the potential for innovation in tariff comparison services for smaller non-domestic customers:

¹³ <https://www.gov.uk/government/publications/transitioning-to-a-net-zero-energy-system-smart-systems-and-flexibility-plan-2021>

¹⁴ <https://www.gov.uk/government/collections/net-zero-innovation-portfolio>

¹⁵ <https://www.gov.uk/government/publications/flexibility-innovation>

¹⁶ <https://www.mhhsprogramme.co.uk/>; <https://www.ofgem.gov.uk/energy-policy-and-regulation/policy-and-regulatory-programmes/electricity-settlement-reform>

¹⁷ <https://www.ofgem.gov.uk/publications/microbusiness-strategic-review-decision-modify-slcs-all-gas-and-electricity-supply-licences>

¹⁸ <https://www.gov.uk/government/consultations/delivering-a-smart-and-secure-electricity-system-the-interoperability-and-cyber-security-of-energy-smart-appliances-and-remote-load-control>

- Non-domestic Smart Energy Management Innovation Competition¹⁹ (NDSEMIC) – funded the development and testing of innovative smart meter-enabled management tools for the retail, hospitality and school sectors.
- Smarter Tariffs – Smarter Comparisons²⁰ (STSC) – developed and tested a smart meter-enabled comparison prototype for smart tariffs in the domestic market²¹.

1.3 Programme Aims, Objectives and Scope

Through this Programme the department is seeking to fund projects that will identify, develop and test innovative solutions that use customer data (including half-hourly consumption data) to provide energy tariff comparisons (including standard tariffs, time of use tariffs, and tariffs bundled with flexibility technologies or services) along with supporting advice and recommendations for smaller non-domestic energy consumers. Products funded by the Programme will help drive take-up of time-of-use tariffs and help bring forward demand-side flexibility in this market.

Up to £800,000 (exclusive of VAT) is available for developing and testing prototype tools or services that will be ideally ready (or near ready) for commercialisation and use in the market by the end of the Programme. The maximum budget for Phase 1 is up to £250,000 (up to £50K per project). The maximum budget for Phase 2/ 3 is up to up to £550K.

1.3.1 Programme Aims

The Programme aims to assess and demonstrate the technical and commercial feasibility of prototype tools or services with functionality tailored to different small non-domestic users that use consumer data, including actual consumption and tariff data, to provide tailored advice, recommendations and/ or tariff comparisons.

It will fund development and testing of prototype products (tools or services) that use customer data and can demonstrate key features of the proposed Technical Solution, including retrieval of tariff type or tariff price information, and with readiness (or near readiness) to take forward to be adopted by the market in providing comparison and switching services for small non-domestic consumers.

The ‘Smarter Tariffs – Smarter Comparisons’ project demonstrated the technical feasibility of using smart meter data for domestic TOU tariff comparisons. **This Programme aims to develop solutions tailored to the market for smaller non-domestic consumers, which is more complex, requires different models of consumer engagement and brings different technical challenges (see below for further details on these).**

¹⁹ <https://www.gov.uk/government/publications/non-domestic-smart-energy-management-innovation-competition-ndsemic-evaluation-findings>

²⁰ <https://www.gov.uk/government/publications/smart-meter-enabled-tariffs-comparison-project-smarter-tariffs-smarter-comparisons/smart-tariffs-smarter-comparisons-project-winning-bid>

²¹ The STSC prototype is available to access here: <http://smartertariffsmartcomparison.org/>

The JavaScript library is available here: <https://www.npmjs.com/package/stsc-js>

The final report from the project, including the findings of the consumer and market research and user testing, is available here: <https://www.gov.uk/government/publications/smart-meter-enabled-tariffs-comparison-project-smarter-tariffs-smarter-comparisons>.

The Programme aims to help drive take-up of TOU tariffs and achieve the benefits of flexibility in this market, as well as more broadly support the development of digital tariff comparison tools that will make it easier to engage in the market and achieve better all-round outcomes for smaller non-domestic consumers.

1.3.2 Programme Objectives

The key objectives of this Programme are to:

- Assess the technical and commercial feasibility of smart meter-enabled innovative solutions (that use consumption data) for driving take-up of TOU tariffs, engagement with flexibility products, and achieve better outcomes for smaller non-domestic consumers and the public sector (through access to both standard and TOU tariff information).
- Design, develop and test Prototype Comparison Tools using an agile iterative approach, taking the Tool from a Feasibility phase through to Alpha and Beta phase.
- Demonstrate value through user testing and support commercialisation of Tools through market engagement and collaboration.
- Assist in delivering the following wider benefits:
 - Development of the non-domestic demand side flexibility and energy tariff comparisons market (and learnings for future development);
 - Increased awareness of potential savings available through different market offers (time-of-use tariffs, wider smart tariffs and other flexibility products);
 - Improved outcomes for smaller non-domestic and public sector energy customers, including lower prices for energy use secured through switching tariffs or supplier and getting deals tailored to their needs;
 - Increased awareness of, confidence in, and engagement with tariffs (including standard tariffs) and uptake of TOU tariffs (with the associated consumer and social savings and benefits);
 - Increased incentives for the development and offering of TOU tariffs from Energy Suppliers and broader flexibility-enabling services; and
 - A new use case (and demand for) non-domestic smart metering (especially SMETS metering, the data from which can be accessed via the DCC).

1.3.3 Programme Scope

This Programme will consist of three Phases broadly following a typical design process of initial Feasibility Phase, followed by Alpha Phase and Beta Phase, with accompanying user testing throughout.

We are expecting this Programme to develop the technology to at least a Technology Readiness Level (TRL) of 7 by the end of the Project, including a demonstration of technical functionality at scale via user testing. See [Appendix 1](#) for further details.

The Authority recognises that the Feasibility Phase 1 activities will enable activities to identify the requirements of a Tool in this context but, as a minimum, functionality should include:

Across the Programme:

- Multiple (feasibility) projects to develop a diversity of prototype tools or services with functionality tailored to different small non-domestic users (consumers, Third-Party Intermediaries (TPIs) or other key parties) and/ or business sectors.
- Functionality for as much of the smaller non-domestic market as possible ranging from microbusinesses up to medium-sized businesses and including public sector organisations.
- Comparison of tariffs that currently exist and tariffs that are likely to exist in the future, or the ability to integrate these tariffs in the future.

Within projects:

- Maximised coverage across market meter types, ideally utilising both SMETS and AMRs meters, with the former being an essential requirement.
- Different tailoring required for audiences and contexts – there may even be different requirements with functionality tailored to different users and/ or sectors.
- Prototype solutions that include energy tariffs (standard tariffs, time of use tariffs, and/ or tariffs bundled with flexibility technologies or services).

The following applications are in scope:

- Development will focus on tools or services for smaller non-domestic consumers e.g., sites who have annual gas consumption below 732 MWh a year, or electricity profile classes 1-4. Here, 70% of businesses falling under this definition in the smart metering mandate are microbusinesses²²²³.

The following applications are out of scope:

- Development will not focus on comparison services for large consumers (e.g. those who have annual consumption in excess of 50,000KW, consume more than 100kw per half-hour, or profile classes 5-8) as these are served by the existing market. The prototype may be adapted by providers of services to these customers following Project completion, but it is not a focus of the development within the scope of this Project.

The Authority recognises that there may be some overlap in the outputs of this Programme and the domestic STSC project, as the prototype developed in the latter includes similar functionality to what these projects might develop (especially the integration of SMETS data into a comparison model). The major difference in this Programme is that the focus is on developing consumer engagement products that; can be utilised in the non-domestic market; are near commercialisation following project completion; and with potential inclusion of AMR

²² Sites are classed as a microbusiness in licence conditions if they meet any one of the following criteria: a) They use no more than 100,000 kWh of electricity per year, b) They use no more than 293,000 kWh of gas per year, c) They have fewer than 10 employees (or their full time equivalent) and a turnover or annual balance sheet total not exceeding 2 million Euros.

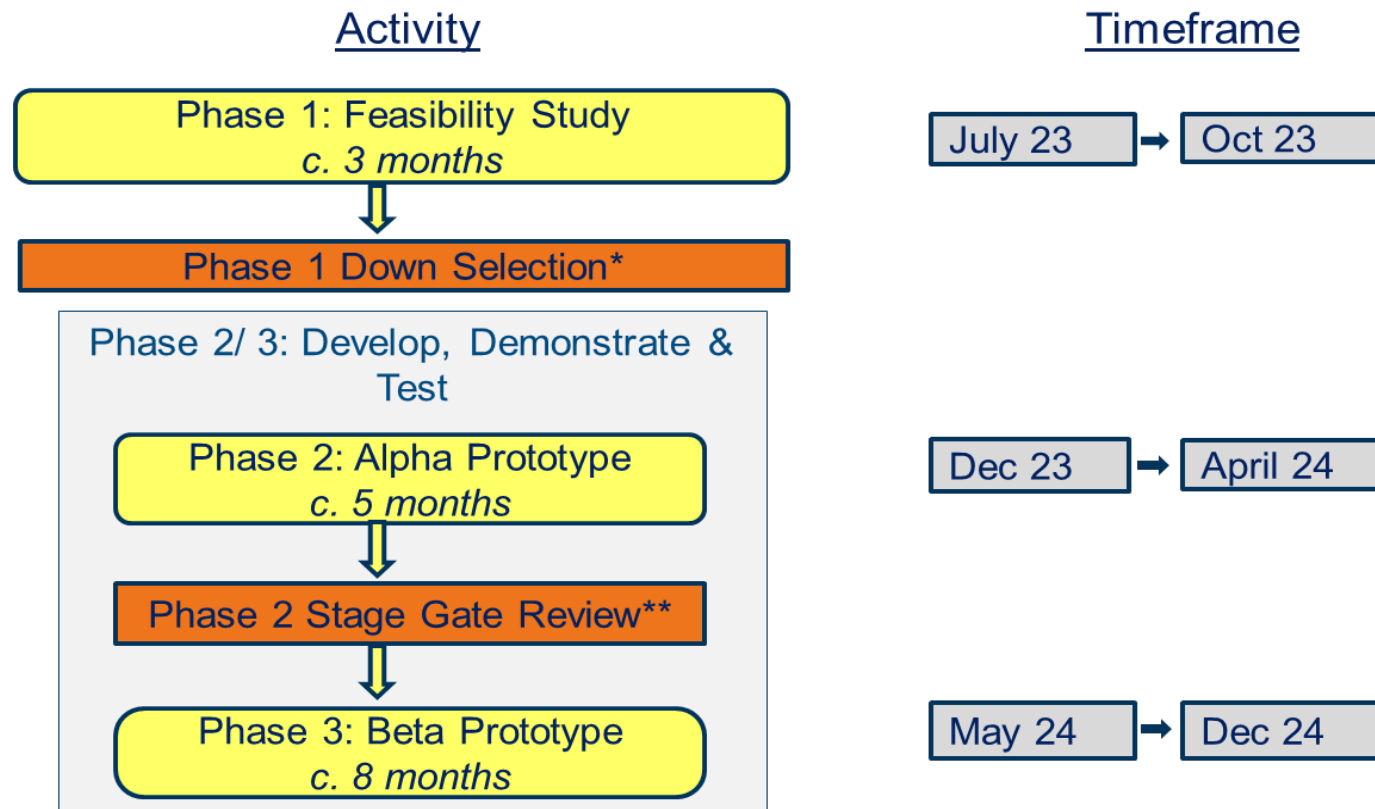
²³ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/920211/non-domestic-smart-metering-guidance.pdf

metering. Note that there is no requirement for bidders to use the outputs from the domestic STSC project, and the Authority will not fund duplication of work already conducted. However, if relevant, bidders should explain how their project builds on the outputs from that project.

2. Delivery Approach

The diagrams below summarise key dates, activities and outputs across the three interlinked Competition Phases. Further detail is set out at **Section 3**. Dates are indicative and will be agreed between successful Applicants and the Department prior to Contract award.

Figure 1- Non-Domestic Smarter Tariff Comparison Innovation Programme - Overview.



*After Phase 1 a Down Selection process will take place to identify 1 project to advance to Phase 2/ 3- subject to meeting relevant eligibility and quality thresholds.

**A Stage-gate review will be held between Phase 2 and 3 to provide reasonable assurance to the Authority that the requirement of the Innovation Programme is being delivered to time, budget and quality.

Programme 'Stop:Go' Assessments

There are two critical 'Stop:Go' assessments embedded within the indicative Programme timeline.

Down selection Period- November 2023:

- In September 2023, the Authority will confirm the Down-Selection Evaluation process as indicatively outlined (see Section 8) and issue Phase 1 projects with relevant Down-Selection Assessment documentation to complete.
- Phase 1 projects will then submit their Down-Selection Programme applications end of October 2023.
- The Down-selection process will take place in November, with the expected announcement of successful project late November 2023.
- The updated Cost Spreadsheet and Project Plan as submitted by the successful projects will be inserted as schedules to the Contract.

Phase Stage Gate Review- April 2024

- The Authority will complete a formal Stage Gate Review at the end of Phase 2 (Alpha). This is currently anticipated to occur in April/ May 2024. The Authority will engage with the Phase 2 Supplier throughout Phase 2 delivery period to ensure a 'no surprises' approach to the format and requirements of the Stage Gate process, the final requirements for which will be confirmed less than two weeks before the review begins.
- If a project taken through to Phase 2 is deemed not to have adequately satisfied Stage Gate requirements, then no further SBRI funding will be awarded for Phase 3 Delivery.

3. Programme Requirements and Deliverables

3.1 Phase 1 – Feasibility Studies

Overview

A Feasibility Study Phase will allow for consideration of the complexities of developing the Prototype Tool, including technical requirements and external dependencies (e.g., energy consumption data, tariff information). It will also serve as a feasibility study to assess technical and commercial viability to firm up proposals for prototype development.

Section 3 sets out the detailed Competition requirements – and linked Deliverables – for the Phases and Stages around which the Non-Domestic Smarter Tariff Comparisons Innovation Programme will be structured.

At Phase 1, Projects will be expected to deliver a Feasibility Study along with a costed proposal for the design, development and testing of prototype tool which would go on to be built if selected to progress to Phase 2.

3.1.1 Technical Challenges

Some initial exploratory work by the Authority indicates that there are several technical challenges that will need to be further explored and addressed in order to develop the prototype and achieve the envisioned impacts. At Phase 1, the Authority expects these to be explored in full detail including other challenges identified by the projects.

Table 3.1 – Technical challenges to be explored.

Technical Challenge	Detail
Changing Market Context	<p>Broader market reforms (e.g. market-wide half hourly settlement) and changes mean that the future market will likely operate differently to how it does today.</p> <p>The current market conditions are also a challenge as there are limited benefits from switching between currently available (non-smart) tariffs.</p>
Complex customer and tariff landscape	<p>The ‘smaller non-domestic’ energy customer segment is highly heterogenous with highly variable needs. Tariffs are similarly complex. No one size fits all, as SMEs have varying needs by sectors.</p>
Nascency of TOU tariffs and other tariffs that support flexibility	<p>TOU tariffs are nascent in this market and it is difficult to predict what these tariffs may look like as the market develops. The Supplier will need to test comparisons for current and likely realistic tariff offers if it is to be successful in driving innovation in the market.</p>
Mixed metering landscape	<p>There are two types of smart metering available for most smaller non-domestic consumers: SMETS meters²⁴ and AMR meters²⁵. Whilst SMETS meter data can be accessed via the central smart metering communications system²⁶, there is no central system for accessing data from AMR meters. This issue is also complicated by the fact that it is possible for organisations with multiple meters to have both types of metering at the same time (or a mix with traditional meters).²⁷</p>
Consent to access data	<p>There can be complexities in evidencing consent and authentication for accessing non-domestic consumption data. For instance, the process itself may differ by data access route and meter type (e.g., procedures which meet the requirements of the Smart Energy Code for SMETS vs letter of authority requirements for advanced meters). In addition, evidencing consent may be complicated by the fact that the decision maker may not be on the person on-site, or may be challenging to identify (e.g., a multi-site business or local authority that makes decisions on behalf of several schools).</p>

Phase 1 Requirements are set out below.

²⁴ Smart Metering Equipment Technical Specifications (SMETS) meter.

²⁵ Automated Meter Reading (AMR) meter.

²⁶ Or over Wi-Fi via a Consumer Access Device (CAD) installed the customer’s home.

²⁷ The issue of mixed metering is however more likely in larger consumers.

Table 3.2 – Feasibility Studies – Detailed Requirements and *Deliverables*

Sub-Category	Requirements	<i>Deliverables</i>
Mobilisation and ongoing reporting	<p>Projects shall:</p> <ul style="list-style-type: none"> • Organise a start-up meeting to discuss and agree detailed approach in relation to: <ul style="list-style-type: none"> ○ Project engagement with delivery partners, the Authority and other relevant stakeholders ○ Project Plan – as submitted as part of Application Stage – to inform population of Monthly Project Updates proforma – <i>see below</i> ○ Confirming arrangements for collection and monitoring of NZIP KPIs (see Section 11.2) ○ Other relevant issues as raised by Project or departmental personnel. • Provide Monthly Project Updates via a standardised proforma which will be agreed at the Contract Award Stage. As a minimum this will include: <ul style="list-style-type: none"> ○ Summary overview of progress against key work packages ○ Progress against milestone Deliverables ○ Risks, and approach to mitigation. • Participate in Monthly meetings during which you must provide an update in accordance with the key themes outlined in the proforma. These meetings will be 1 hour in length. You may also be required to attend bi-weekly meetings if requested, these will be between 15-30min in length. Meetings will be on-line/ virtual. • Produce a Delivery and Payment Milestone Schedule with evidence requirements, agreed in consultation with the Authority. • Production of Technical Challenges and Risk Log which captures and builds upon the technical challenges identified by the Authority to date, and clearly sets out the proposed actions to address/ mitigate each technical challenge, along with proposed timings across Phase 1, 2 and 3. 	<p>Monthly Project Updates – <i>ongoing requirement.</i></p> <p>Technical Challenge Risk Log</p>

Sub-Category	Requirements	Deliverables
Feasibility Study Report	<p>Projects shall ensure that the Feasibility Study includes:</p> <ul style="list-style-type: none"> • Identification of the key requirements in the chosen sectors; • Evidence throughout of Project scope to achieve overarching Programme aims and objectives, and the overall aims of the NZIP and the Flexibility Innovation Programme. • Evidence of assessments and insights of consumer needs, market including key stakeholders/ experts, and tariff review. • Evidence of engagement with relevant consumers and stakeholders in the wider market (i.e. including those that will be involved in Phase 2/ 3 user testing) in order to identify requirements, functionality, and support pathway to market adoption and commercialisation. • Production of a Summary Feasibility Report which: <ul style="list-style-type: none"> ○ Consolidates key findings and learnings from Phase 1. ○ Assesses the technical feasibility and provides a framework for how a smart meter-based tariff comparison tool could work. ○ Assesses the commercial feasibility and whether a plausible route to market has been identified, with outline of a realistic pathway for the prototype to achieve commercial adoption, including any Phase 2 and 3 activities required to achieve this (e.g. market insights, industry engagement and communications activities) and external dependencies. ○ Outlines development priorities in respect to consumer needs and requirements and technical considerations. • Sets out a detailed costed proposal for prototype tool to be developed (Phase 2/3), including: <ul style="list-style-type: none"> ○ How the proposed solution meets identification of key requirements in chosen sector. 	Feasibility Study Report

Sub-Category	Requirements	Deliverables
	<ul style="list-style-type: none"> ○ Evidence of how the proposal addresses key challenges (including consumer engagement, diversity in customer base, relationship between customers and TPIs, and complexities in the non-domestic metering landscape). ○ Technical challenges and solution, including functionality. ○ Technical development plan for Phases 2 and 3; ○ Proposal for energy consumption data access and data flows; ○ Proposal for user testing (and recruitment) and industry engagement. <p>The proposed Report structure above is indicative with final firm requirements to be agreed as part of Phase 1 mobilisation.</p> <p>It is anticipated that there will be two deliverable outputs of the Summary Feasibility report: i) a detailed internal report to the Authority; ii) a publishable summary version of the report (with removal of any commercial sensitivities).</p> <p>Reports may require formatting according to Authority publication guidelines, and with utilisation of a reporting template, to adhere to accessibility requirements for all publications on GOV.UK. This will be provided by the project manager in advance of report writing commencement.</p>	

3.2 Phase 2 – Alpha Prototype

Overview

At Phase 2, the Alpha stage, the Authority expects technical development to commence with development of a simple prototype that implements core functionality and integrates continuous feedback from regular end user testing.

Table 3.2 – Phase 2 – Detailed Requirements and *Deliverables*

Sub-Category	Requirements	<i>Deliverables</i>
Reporting and Risks	<p>Projects shall:</p> <ul style="list-style-type: none"> • Organise a start-up meeting to review and agree detailed approach in relation to: <ul style="list-style-type: none"> ○ Project engagement with delivery partners, the Authority and other relevant stakeholders ○ A detailed Project Plan – as submitted as part of Application Stage – to inform population of Monthly Project Updates proforma – <i>see below</i>. ○ Confirming arrangements for collection and monitoring of NZIP KPIs (see Section 11.2). ○ Other relevant issues as raised by Project or departmental personnel. • Provide Monthly Project Updates via a standardised proforma which will be agreed at the Contract Award Stage. As a minimum this will include: <ul style="list-style-type: none"> ○ Summary overview of progress against key work packages ○ Progress against milestone Deliverables ○ Risks, and approach to mitigation. • Participate in Monthly meetings during which you must provide an update in accordance with the key themes outlined in the proforma. These meetings will be 1 hour in length. You may also be required to attend bi-weekly meetings if requested, these will be between 15-30 min in length. 	<p><i>Delivery and Payment Milestone Schedule – ongoing update</i></p>

Sub-Category	Requirements	Deliverables
	<ul style="list-style-type: none"> • Produce a Delivery and Payment Milestone Schedule with evidence requirements, agreed in consultation with the Authority. This Schedule will use the Project Plan as submitted by Projects at the Down Selection Phase as a key source document (see Section 8.2 Assessment Criterion 3). Progress against this Schedule will be monitored continuously throughout Phase 2 by successful Applicants and communicated to the Authority on a monthly basis. <p>Key milestones against which Projects should track progress include – but are not limited to:</p> <ol style="list-style-type: none"> a. Production of prototype b. User development testing c. Quality assurance d. Wider Industry/ Stakeholder Engagement e. Demonstration of Alpha Prototype <ul style="list-style-type: none"> • Production of updated Technical Challenges and Risk Log which captures and builds upon the technical challenges identified by the Authority to date, and clearly sets out the proposed actions to address/ mitigate each technical challenge, along with proposed timings across Phase 2 and 3. 	<p>Monthly Project Updates– ongoing requirement</p>
<p>Alpha Prototype-Solution Development and Testing</p>	<p>Projects Shall:</p> <p>Develop a simple prototype that:</p> <ul style="list-style-type: none"> • Implements core functionality as developed at Phase 1 Feasibility Stage. The Authority anticipates that this functionality will include as a minimum: <ul style="list-style-type: none"> ○ Uses actual consumption data; SMETS meter data (essential requirement) via the DCC and also, where relevant, AMR data (highly desirable); ○ Comparison of (either real and/ or simulated) simple and complex tariff type structures e.g. smart meter-enabled tariffs, dynamic and static TOU tariffs) that currently exist or are likely to exist in the future. 	<p>Alpha Prototype</p>

Sub-Category	Requirements	Deliverables
	<ul style="list-style-type: none"> • Includes a suitable user interface to enable use and testing that will yield realistic and useful findings; • Integrates continuous feedback from regular end-user testing with consumers and the wider market (if relevant), where the wider market is deemed to include; <ul style="list-style-type: none"> ○ Third party intermediaries (TPIs) or others who might adopt the Tool; ○ Energy suppliers offering TOU tariffs; and ○ Organisations with product offerings relevant to the tool (e.g. smart technologies). • Engage with relevant stakeholders in the wider industry to support development of prototype and to encourage eventual adoption and with viable pathway for readiness for commercialisation; • Carry out on-going quality assurance of the technical solution, in line with the department's guidance and standards for modelling. 	
Phase 2 Alpha Prototype Development Report	<p>Projects Shall produce:</p> <ul style="list-style-type: none"> • A Phase 2 Alpha Prototype Development Report to support the Phase 2 Stage Gate decision covering: <ul style="list-style-type: none"> ○ Reporting on technical development progress against Phase 2 plans and Phase 1 findings. ○ Evidence of technical performance (supported by test reports; and outputs from quality assurance of the solution and model); ○ Confirmation of final Phase 2 costs – compared to initial budget and explanation for key variances. ○ Outcomes from user testing on usability and impact. ○ Outcomes from any market engagement. ○ Lessons learnt and key successes. 	Phase 2 Alpha Development Report

Sub-Category	Requirements	Deliverables
	<ul style="list-style-type: none"> ○ An assessment of feasibility for Phase 3 activities (e.g. technical development, user testing, market engagement) and an outline plan; and ○ A detailed Phase 3 budget using a standard proforma to be provided by the Authority. <ul style="list-style-type: none"> ● A <i>Phase 2 Development Summary Presentation</i> to support the Phase 2 Stage Gate decision summarising key findings and outputs from the Phase 2 Alpha Development Report. 	<p><i>Phase 2 Summary Presentation - PowerPoint</i></p>
Phase 2 Stage Gate	<p>Project shall:</p> <ul style="list-style-type: none"> ● Provide relevant information to the Authority to enable a timely and efficient Phase 2 Stage Gate process, exact requirements to be finalised ahead of the Stage Gate process. This will include a demonstration of Alpha prototype during a <i>Phase 2 Development Summary Presentation</i> to support the Stage Gate decision. 	<p><i>Phase 2 Development report, presentation and demonstration.</i></p>

3.3 Phase 3 – Beta Prototype

Overview

Subject to a successful demonstration of core functionality at Alpha stage, the Authority envisions a third Beta Prototype phase incorporating ongoing iterative testing, and wider industry engagement. It is anticipated that the prototype tool or service will be ideally ready (or near ready) for commercialisation and ready for market by the end of project.

Table 3.3 – Phase 3 –Detailed Requirements and *Deliverables*

Sub-Category	Requirements	<i>Deliverables</i>
Reporting and risks	<p>Projects shall:</p> <ul style="list-style-type: none"> • Work with the Authority’s appointed monitoring officers to provide Monthly Project Updates via a standardised proforma, agreed at the Contract Award Stage. Please see Section 11 of this Programme document for further detail on expected reporting requirements. As a minimum this will include: <ul style="list-style-type: none"> ○ Summary overview of progress against key work packages ○ Progress against milestone Deliverables ○ Risks, and approach to mitigation. • Participate in Monthly meetings during which you must provide an update in accordance with the key themes outlined in the proforma. These meetings will be 1 hour in length. You may also be required to attend bi-weekly meetings if requested, these will be between 15-30 min in length. • Production of updated Technical Challenges and Risk Log which captures and builds upon the technical challenges identified by the Authority to date, and clearly sets out the proposed actions to address/ mitigate each technical challenge, along with proposed timings across Phase 3. 	Monthly Project Updates– ongoing requirement
Beta Prototype-	Projects shall:	Beta Prototype

Sub-Category	Requirements	Deliverables
Solution Development and Testing	<p>Develop a Beta Prototype that:</p> <ul style="list-style-type: none"> • Continues to develop to introduce new functionality over time, building on the core functionality of the Alpha prototype. We expect this development to be iterative and continue throughout the Beta phase with several significant development milestones/ releases. • Utilises actual consumption data; • Includes key features of the technical solution, including user interfaces and retrieval of tariff type or tariff price information (with either real or simulated tariffs); • Integrates continuous feedback and testing from regular, at-scale end user testing, assessing impacts over time. • Integrates continuous feedback and testing from regular end-user testing with consumers and the wider market (if relevant), where the wider market is deemed to include; <ul style="list-style-type: none"> • Third party intermediaries (TPIs) or others who might adopt the Tool; • suppliers offering TOU tariffs; and • product offerings relevant to the tool (e.g. smart technologies). • Engage with relevant stakeholders in the industry/ conduct a wider market assessment to support development of prototype with readiness for commercialisation (and/ or with a viable pathway to take forward to commercialisation). • Continue to carry out on-going quality assurance of the technical solution, in line with the department's guidance and standards for modelling. • Identifies key metrics for evaluating success of Beta Prototype, including success in achieving desired long-term impacts. 	

Sub-Category	Requirements	Deliverables
<p>Phase 3 Final Outputs</p>	<p>Projects Shall produce:</p> <ul style="list-style-type: none"> • <i>A Prototype Tariff Comparison Tool</i> or service to support microbusiness, SME and public sector engagement in the future energy market. • <i>A Final Report</i> for dissemination which includes: <ul style="list-style-type: none"> ○ Details of solution, the methodology underpinning it and rationale behind development, including outcomes from user testing and the implications of this. ○ Assessment and demonstration of technical performance (and development against phase 1 findings and phase 2 plans). ○ A summary of findings and conclusions from the user testing and wider market industry engagement activities that supported development and commercialisation plans. ○ Analyses of outcomes and data. ○ Final assessment of TRL level and readiness for commercialisation, with viable commercialisation proposals. ○ Recommendations for future development and commercialisation (including how the tool can be sustained commercially in the non-domestic market). ○ Summary of key achievements, key successes and Lessons Learnt. • Participate in up to two anticipated showcase demonstration events or meetings with wider stakeholders, to be held on-line/ virtually. <p>It is anticipated that there will be two deliverable outputs of the Final Report:</p> <ul style="list-style-type: none"> i) a detailed internal report to the Authority. 	<p><i>Final Beta Prototype, Final Report and Show Case Demonstration</i></p>

Sub-Category	Requirements	<i>Deliverables</i>
	<p>ii) a publishable summary version of the report (with removal of any commercial sensitivities).</p> <p>Reports may require formatting according to Authority publication guidelines, and with utilisation of a reporting template, to adhere to accessibility requirements for all publications on GOV.UK. This will be provided by the project manager in advance of report writing commencement.</p>	

4. Programme Timetable, Application and Assessment Process

The Programme funding will be awarded using the Small Business Research Initiative (SBRI) approach²⁸. SBRI is a well-established pre-commercial procurement process that enables the development of innovative products and services in response to specific challenges faced by government departments and public sector bodies. Successful business partners receive the finance to develop their innovative ideas, generating new business opportunities and routes to market.

4.1 Programme Timetable

The Programme is expected to run from May 2023 until December 2024. Indicative key dates applicable to the Programme are shown in Table 4.1 below. Please note, the Authority reserves the right to vary this timetable:

Table 4.1: Programme timetable

Stage	Activity	Target Date
Phase 1 – Up to 5 Projects awarded SBRI funding		
Launch	Prior Information Notice (PIN) issued	20 March 2023
	Briefing events for potential Applicants	4 April 2023
	Competition Guidance documents issued	4 May 2023
	Submit Applicant clarification questions via e-mail ²⁹	14:00 23 May 2023
	Publication of Applicant clarification questions and answers	14:00 31 May 2023
Apply	Submit Smart Survey registration online ³⁰ : -by	14:00 31 May 2023
	Submit Smart Survey Application Deadline	14:00 15 June 2023

²⁸ <https://www.gov.uk/government/collections/sbri-the-small-business-research-initiative>

²⁹ Applicants should use 'Non-Domestic SMTC Programme ' as the header) to flexibilityinnovation-smartmeterndt@beis.gov.uk

³⁰ Applicants are encouraged to complete the registration by this date in order to assist the Authority with resource planning for assessment and moderation. However, in practice registration will be kept open until the close of the Competition. Please be further advised that on-line registration is required to request a password, required to complete your on-line application form.

Assess/ Award	Eligibility check, technical assessment and moderation:	June and July 2023
	Notification of award:	July 2023
Contract Delivery	Phase 1 Contract Start / End Date	End July/ End October 2023
Phase 2/ 3 – 1 Phase 1 Project awarded further SBRI funding		
Issue	Confirmation of Down-Selection assessment process and issue of Down-Selection submission documentation	September 2023
Apply	Submit Down-Selection documentation online	End October 2023
Assess	Further Eligibility check, technical assessment and moderation	November 2023
Award	Confirmation of subsequent SBRI Award	December 2023
	Phase 2 Contract Start Date	December 2023
Contract Delivery	Phase 2- Alpha Prototype Start/ End Date	December 2023/ April 2024
	Phase 3- Beta Prototype Start/ End Date	May 2024/ December 2024

4.2 Phase 1 Application

The Application process is as follows:

1 – Accessing application documentation

- Applicants are required to access and complete the online Competition Smart Survey Application form. The online Registration Form is available [here](#):
- Upon receipt of the Registration Form, the Authority will issue a confirmation e-mail to the Applicant, with a password to log into the online application system and submit a subsequent application.
- Potential Applicants can also find information from the On-line Information Event that took place on 4 April, documentation from the event is published on the [Competition website](#).

2 – Completion of online application including clarification stage

- On receipt of the unique password, Applicants can then complete the online application form and submit supporting information outlining their proposal.
- To inform their application, Applicants are able to submit clarification questions to flexibilityinnovation-smartmeterndt@beis.gov.uk. Applicants should state in the e-mail header that the clarification question(s) relate to the ‘**Non-Dom SMTC Programme**’. The deadline for submitting clarification questions is **14:00 23 May**. **Questions submitted after this deadline may not be answered.**
- The Authority will publish replies to any questions which, in our judgement, are of material significance through an online anonymised FAQ sheet, on or before **14:00 31 May 2023**.
- All Applicants should consider the answers to the clarification questions and this Competition Guidance when preparing their own applications. The Authority will evaluate applications on the assumption that they have done so.
- Applicants should ensure they have read this Competition Guidance document before starting to complete the application form.
- Applicants can save their application at any time by clicking “Save and Continue Later.” You will then be e-mailed a link which you can use to return to your application and complete it, logging in with the same password.
- Applicants are encouraged to use the offline word version of the application supplied to build their application, and to transfer over to Smart Survey once completed. This is easier for the applicant, as Smart Survey does not allow applicants to jump to a specific question – instead, they must go through the form sequentially.
- Any queries with the online application should be e-mailed to flexibilityinnovation-smartmeterndt@beis.gov.uk. Applicants should state in the e-mail header that the clarification question(s) relate to the ‘**Non-Dom SMTC Programme**’.

3 – Submission of Proposal

- The full proposal including uploads of all required supporting documents (see ‘Submission Content’ bullet below) must be submitted online by **14:00 15 June 2023**. Please note that each supporting document cannot exceed the size limit as set out within the application form.
- **The Authority will NOT accept any late applications or supporting documentation received after the application deadline.** As advised, applicants are encouraged to use the offline word version of the application supplied to build their application, and to transfer content over to Smart Survey once completed. Please ensure you allow sufficient time for submission and uploading of your on-line application and supporting documentation.

Submission Content: Each proposal must include the following:

- Completed application form (online) including responses to relevant Assessment Criteria as set out at **Section 7** to this document.

- The following signed declaration forms. Applicants must download through the online application form, sign, and re-upload to their application:
 - Declaration 1: Statement of non-collusion
 - Declaration 2: Form of Bid – agreeing to the terms of the Programme application process
 - Declaration 3: Conflict of Interest
 - Declaration 4: Code of Practice for Research
 - Declaration 5: The UK General Data Protection Regulation Assurance Questionnaire for Contractors
 - Declaration 6: Standard Selection Questionnaire
- The following application documents, (for which you will not be provided a template for these uploads) Project Plan, e.g., detailed project Gantt chart and description of work packages, CV's, Organogram, high level resource plan.
- The following application documents (for which you will find a downloadable template to use through the online application form; Applicants must sign and re-upload to their application) Completed Cost Breakdown Form, [downloadable through the online application form; Applicants must sign and re-upload to their application].

You should answer all questions on the application form in full. Incomplete applications will likely be rejected, although the Authority may, at its discretion, request clarification or additional data before making a final decision.

Submission Costs: You **will not** be entitled to claim from the Authority any costs or expenses that you incur in preparing your application, whether or not your proposal is successful.

Consortium Applications: Applications may be submitted by project teams (consortia). Only one application should be submitted but all consortium partners are required to sign the completed declaration form for their application (Form of Bid).

Your bid response must set out who in the consortium will be the project manager lead contact for this Project and associated organisation governance arrangements. Bidders must also provide details as to how they will manage any sub-contractors and what percentage of the tendered activity (in terms of monetary value) will be sub-contracted.

If a consortium is not proposing to form a separate legal entity, the project partners will need to complete a Consortium Agreement and funding will not be provided by the Authority until a signed consortium agreement has been finalised between all the members of the project consortium. A satisfactory Consortium Agreement must be signed within one (1) month of SBRI Funding Agreement signature. Please note that the Authority reserves the right to require a successful consortium to form a single legal entity in accordance with Regulation 19 of the Public Contracts Regulations 2015 (as amended by the Public Procurement (Amendment etc.) (EU Exit) Regulations 2020).

The Authority recognises that arrangements in relation to consortia and sub-contractors may (within limits) be subject to future change. Applicants should therefore respond in the light of the arrangements as currently envisaged and are reminded that any future proposed changes in relation to the consortium must be submitted to the Authority for approval.

Tender Validity. Tenders shall be valid for a minimum of 90 calendar days from the submission deadline.

Information Sharing. The Authority may share information from applications with other UK Government departments, UKRI or with Ofgem for evaluation of the programme against broader decarbonisation efforts.

4.3 Assessment

Applications will initially be assessed against the Eligibility Criteria in **Section 6** below.

Applications which fail to satisfy the Eligibility Criteria will not be assessed further, so it is essential to ensure that your Project meets these criteria before you submit your Programme application. Ineligible applications will receive brief feedback on the reason for their ineligibility. The Phase 1 and Down Selection assessment processes are described at **Sections 7 and 8 respectively.**

4.4 Award

The Programme contract agreements are expected to be signed in **July 2023**. Please note that the Authority reserves its right to not award any Contract agreements under this Programme.

Contract terms: The Contract Agreement will be based on the DESNZ pre-commercial procurement contract. The terms and conditions for this agreement are provided in Annex 1. These terms and conditions are final and non-negotiable: by applying to the Programme, you are agreeing to these terms and conditions.

Whilst no changes to the Contract will be permitted, there will be an opportunity for successful Applicants, prior to contracts being signed, to discuss the Contract at a meeting with official(s) from the Department. The department's official(s) will explain the contractual terms and conditions and respond to any queries which the Applicant may have at this stage. It is crucial that all Applicants review the terms and conditions prior to the submission of their Programme application and ask any questions prior to submitting the application. Departmental officials will also discuss any risks raised through the assessment process and finalise the formal project milestones with the project team before issue of the Contract.

Consortium applications: For consortium applications, the lead company (project coordinator) will be the recipient of the Contract (the Supplier) and will be responsible for managing payment to the other project partners as well as sub-contractors.

5. Contract Size and Restrictions on Funding

5.1 Programme budget and availability

The total budget available for this Programme covering Phase 1 is up to **£250,000** although the Authority may, at its discretion, choose not to make an award, increase the available budget, or allocate an award that is less than the total budget depending on the quality of applications. The Authority anticipates funding up to five (5) Projects with a maximum value of **£50,000** per Project. Funding will be allocated based on the assessment process as set out at **Section 7**.

A maximum of £550,000 of Phase 2/ 3 funding will be available. The Authority anticipates funding one (1) Project at Phase 2 /3 with a maximum value of **£550,000**, with funding to be allocated based on the assessment process as set out at **Section 8**.

Should further budget become available, the Authority may, at its discretion, choose to award funding to additional projects in order of total scores achieved in line with the process as set out at **Sections 7.3 and 8.3**.

When bidding, all costs should be provided **excluding VAT**³¹.

IMPORTANT INFORMATION - No Reliance

Nothing in this funding call requires the Authority to award any Applicant a contract of any particular amount or on any particular terms. The Authority reserves the right not to award any contracts.

Applicants apply for funding in this Programme at their own risk and expense. The Authority will not, under any circumstances, be liable or nor make any contribution to the costs of participation, preparing proposals and taking any professional or specialist advice. Applicants accept the risk that they may not be awarded a contract. **The Authority gives no guarantee or warranty as to the nature, or number of projects funded.**

5.2 Eligible Costs

Applicants are instructed that the Project costs quoted must reflect actual costs at a 'fair market value' and for this Competition, suppliers' profit must not be included. Your application must have at least 50% of the Contract value attributed directly and exclusively to research and development services.

³¹ SBRI funding is within the scope of VAT so you can charge output VAT on top of your submitted costs (maximum £50,000 for Phase 1). If you incur non-recoverable input VAT costs, you can pass this on to DESNZ but these irrecoverable VAT costs will be included within the maximum £50,000 cost.

Applicants are required to complete the Project Cost Breakdown Form (attached to the online application form) to provide the necessary cost information for the assessment process. With the Programme requiring production of desktop reports, the Authority anticipates that Applicants costs are likely to relate to people costs and linked overheads.

Project costs quoted must meet the requirements linked to eligible and ineligible costs as set out in [Appendix 2](#). Further itemisation of costs and methods of calculation may be requested to support the Programme application.

6. Eligibility for Funding

6.1 Programme Eligibility Criteria

To be eligible for funding, proposed Projects must meet all the following eligibility criteria. These will be listed in the online application form as the Yes/ No questions exemplified below. Unless otherwise stated all criteria will apply to both this Phase 1 Programme, and the Down Selection process ahead of Phase 2.

1. Project Location

Over 50% of Project activities (as measured by eligible project costs) must be conducted in the UK, unless this can be justified.

2. Technology Scope and Applications

The following are the minimum requirements for the Non-Domestic Smart Meter Tariff Comparison Programme:

- *Development will focus on tools or services for smaller non-domestic consumers e.g., sites who have annual gas consumption below 732 MWh a year, or electricity profile classes 1-4. Here, 70% of businesses falling under this definition in the smart metering mandate are microbusinesses^{32 33}.*

Within projects:

- *Maximised coverage across market meter types, essentially using SMETS meters.*
- *Prototype solutions that include energy tariffs (e.g., standard tariffs, time of use tariffs, and/ or tariffs bundled with flexibility technologies or services).*

3. Project Status

The Authority cannot provide funding for retrospective work on projects or provide funding to projects which have already begun.

4. Project Timescales

Target dates for key project milestones will be agreed between the successful Applicant and the Authority prior to awarding the contract. Awarded contracts cannot fund retrospective work.

³² Sites are classed as a microbusiness in licence conditions if they meet any one of the following criteria: a) They use no more than 100,000 kWh of electricity per year, b) They use no more than 293,000 kWh of gas per year, c) They have fewer than 10 employees (or their full time equivalent) and a turnover or annual balance sheet total not exceeding 2 million Euros.

³³ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/920211/non-domestic-smart-metering-guidance.pdf

5.Additionality

Projects can only be funded where evidence can be provided that innovation would not be taken forwards (or would progress at a much slower rate) without public sector funding.

6. Terms and Conditions

Applicants must agree to the published Terms and Conditions.

7.Contract size

Funding will be awarded for up to five (5) Projects at Phase 1.

As detailed at **Section 5.1**, the indicative maximum award per Project is **£600,000** (this must cover 100% of project costs).

This comprises:

- the £50,000 (maximum) funding to be awarded under this Phase 1 Programme for up to five (5) Projects; and
- the £550,000 (maximum) funding to be awarded to one (1) Project for subsequent Phase 2/ 3 activities following the Down-Selection process.

Funding will be awarded under two separate contracts, one for Phase 1 and one for Phase 2 /3 – see **Annex 1**.

8.Eligible project costs

The Authority will fund 100% of eligible project costs through this Programme, no match or in-kind funding is allowed.

SBRI is aimed at organisations working on research and development (R&D) of an innovative process, material, device, product, or service prior to commercialisation. Projects requesting funding for commercialisation activities are not eligible. Project teams are not permitted to include profit or contingency costs in the eligible project costs.

Further information on eligible project costs is set out in [Appendix 2](#).

9.Risk-Benefit Sharing

The sharing of risks and benefits is an important aspect to the SBRI approach. Projects receive financial support and retain any intellectual property generated, with certain rights of use retained by the Authority (see **Section 12**). Project outputs are also expected to be shared widely and publicly and project teams are not permitted to include profit in the eligible project costs.

10. Applicants and project team composition

Based on anticipated skills and expertise requirements, delivery of the Project is likely to be drawn from the following organisations (noting that this list is not exhaustive and that some organisations may combine some of these attributes):

- Third Party Intermediaries (TPIs)*
- Price Comparison Website (PCW) providers*
- Flexibility Providers*
- Energy Suppliers*
- Energy Management Service Providers*
- Smart Energy Technology innovators*.

** Depending on use cases and applications to be addressed. The Authority notes that some applicant organisations may combine two or more of these functions; such entities would be expected to take the lead in a consortium.*

Special Purpose Vehicles are permitted to lead consortia only if they are constituted as legal entities.

For consortium applications, a single project application must be submitted by the lead project member (the project co-ordinator) on behalf of the consortium (please note that all consortium members will be required to sign the declaration form for their application).

Applicants (sole Applicants and lead project members of consortium applications) must be able to demonstrate that they are financially viable. Applicants based in Northern Ireland, or with significant interests or subsidiaries in Northern Ireland, will also be subject to scrutiny from the European Commission in accordance with Article 10 of the Northern Ireland Protocol to the UK/EU Withdrawal Agreement.

11. Multiple Applications

If project consortium members or subcontractors are part of multiple successful applications, they must be able to demonstrate how they can deliver and commit resources on these multiple projects. Furthermore, they must not have applied for funding for the same piece of work more than once.

6.2 General DESNZ Conditions

Applicants must not meet any of the DESNZ grounds for mandatory rejection, and as a general rule they should not meet any of the DESNZ grounds for discretionary rejection (see [Appendix 3](#)). Applicants will be required to declare this as part of completing the Standard Selection Questionnaire.

Conflicts of interest

The Authority's standard terms and conditions of contract include reference to conflict of interest and require Suppliers to declare any potential conflict of interest to the Secretary of State.

For research and analysis, conflict of interest is defined as the presence of an interest or involvement of the Supplier, subcontractor (or consortium member) which could affect the actual or perceived impartiality of the research or analysis.

Where there may be a potential conflict of interest, it is suggested that the consortium or organisation designs working arrangements such that the findings cannot be influenced (or perceived to be influenced) by the organisation which is the owner of a potential conflict of interest. For example, consideration should be given to the different roles which organisations play in the research or analysis, and how these can be structured to ensure an impartial approach to the project is maintained.

This is managed in the procurement process as follows:

- During the Programme application process, Applicants may contact DESNZ to discuss whether or not their proposed arrangement is likely to yield a conflict of interest.
- Applicants are asked to sign and return Declaration 3 (this is embedded in the online application form and is included for reference in Annex 2) to indicate whether or not any conflict of interest may be, or be perceived to be, an issue. If this is the case, the Programme Applicant or consortium should give a full account of the actions or processes that it will use to ensure that conflict of interest is avoided. In any statement of mitigating actions, Applicants are expected to outline how they propose to achieve a robust, impartial and credible approach to the research.
- When applications are scored, this declaration will be subject to a pass/fail score, according to whether, on the basis of the information in the proposal and declaration, there remains a conflict of interest which may affect the impartiality of the research.
- Failure to declare or avoid conflict of interest at this or a later stage may result in exclusion from the SBRI Programme, or in DESNZ exercising its right to terminate any contract awarded.

Applicants will be subject to financial viability checks, as described in **Section 9**. DESNZ will make a decision as to the eligibility of projects based on the results of these checks.

6.3 Ways of Working

6.3.1 Acceleration Support for SME Applications

The Departments Acceleration Support Scheme is available to Small & Medium Enterprise (SME) Applicants who successfully make it to Phase 2/ 3: Develop, Demonstrate and Test.

This support is 100% funded by the Authority and will focus on supporting SMEs during Phase 2/ 3 to prepare commercial plans and actions that will increase the chance of successfully bringing the innovation to market or reduce the time to market. More detail on this scheme, including eligibility, is included in [Appendix 5](#).

6.3.2. Change in team composition

The lead project member must immediately inform the Authority when they become aware of a likely change in project team composition. Where a new project team member is proposed as replacement, the lead project member must provide the same information for the proposed replacement team as would have been required at the initial application stage.

The Authority will review the proposed change and linked implications and raise clarification questions as required for any identified areas of risk associated with the proposed change. The Authority reserves the right to withhold future SBRI funding where it does not believe these clarification questions have been adequately addressed and mitigated.

7. Assessment Process and Criteria – Phase 1

Section 7 sets out the assessment process and criteria for the initial Phase 1 Feasibility stage contract award under the Non-Domestic Smarter Tariff Comparison Programme. The assessment process will be conducted as follows:

- Applications will be considered initially against the Programme eligibility criteria as set out in **Section 6**.
- Applications which meet all relevant eligibility criteria as detailed at Stage 1 will be further assessed against a number of Assessment Criteria by a minimum of three assessors (Departmental or appointed assessors). The Assessment Criteria and linked scoring approach are set out at **Sections 7.1** and **7.2** respectively.
- Project scores will then be moderated to determine a ranking list that will be used to allocate the funding in line with guidance at **Section 7.3**.

Each Bidder shall identify one named point of contact through whom all enquiries can be filtered. A Departmental project Manager will be assigned to the Project and will be the central point of contact.

Successful Applicants at the Feasibility stage will then have the opportunity to take part in a subsequent Down-Selection Assessment process on the basis of which further SBRI funding will be awarded to three Applicants at the end of the Feasibility stage. The planned Down-Selection Assessment Process and Criteria are set out at Section 8.

Applicants should only respond to questions set out in Section 7 for this Programme.

7.1 Assessment Criteria

Applicants will be assessed against their response to the Assessment Criteria as set out below. Each criterion will be scored independently and will be given a score between 1 and 5 consistent with the guidance at **Section 7.2** below. Applicants should ensure that their responses specifically address the requirements as set out in the 'Guidance' section linked to each Assessment Criteria.

Assessment Criterion 1 – Proposed innovative solution and alignment with Programme aims

Weighting	30%	Maximum Word Count	2,500
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Guidance

Applicants will be assessed based on their Project’s scope to deliver an innovative solution for smarter tariff prototype tool or service for smaller non-domestic market that utilises consumer data (including consumption data) to provide energy tariff comparisons (including standard tariffs, time of use tariffs, and tariffs bundled with flexibility technologies or services products) along with supporting advice and recommendations. Your response must include:

- Demonstration of a clear understanding of the key Programme aims and objectives (section 1.3), including clear relation of proposed solution to these, along with the overall aims of the NZIP and the Flexibility Innovation Programme.
- A broad outline of the proposed Prototype solution, highlighting the innovative nature of this, the scope (including audience/ context/ chosen sector, meter types, tariff types), and an initial qualitative assessment as to what extent this is both technically feasible and commercially viable (with a plausible route to commercial adoption).
- The main challenges, including technical challenges to be explored in Phase 1.
- Detail, how at Phase 1 Feasibility Stage the Project will satisfy the detailed requirements and deliverables as set out at Section 3 to include:
 - Identification of the key requirements in chosen sector;
 - Development of a detailed proposal for technical solution to develop, demonstrate and user test;
 - Proposal for firming up data access and data flows, to include your approach to utilising SMETS data (essential requirement) and also, where relevant, AMR data (highly desirable);
 - Proposal for user testing (and recruitment) and industry engagement.
 - Addressing the key challenges, including Technical challenges;
 - Demonstrating a solution that is commercially viable.

Assessment Criterion 2 - Project Team, Composition and Expertise

Weighting	25%	Maximum Word Count – <i>not including</i> CVs as additional attachments (max 1 page per person), organogram (max 1 page) and high-level resource plan (max 1 page).	2,000
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Guidance

Applicants should use their responses to detail how their organisation and proposed project team can offer the relevant skills, capabilities and expertise required to meet the Programme Requirements.

Your response must include:

- An organogram and high-level resource plan clearly detailing the roles of all key Project team members across the three Project Phases, including governance arrangements across any consortium partners and/ or sub-contractors.
- Where team members are part of multiple successful applications or other projects within the department or HMG, to provide evidence that the named individuals have the appropriate resources to commit to and delivery on this project.
- Details of any additional support that would be needed and from whom in order to undertake and complete the Project.
- Narrative on how the Project team will be agile and flexible to handle the uncertainties around the development of the methodology and Prototype and to ensure all necessary activity is conducted and concluded within the timescale.
- A description of the Project team's quality management standards, including:
 - a description of how the Project team will quality assure their phase 1 and phase 2/3 work (both technical outputs and report writing).
 - Any relevant external QA accreditation.
- The relevant skills, qualifications, and expertise of main Project team members mapped against key requirements (see Section 3) including development of digital tools/ services). Summary CVs for relevant personnel – maximum one side per person – may be attached to your application.
- Details of projects/ similar mandates completed in the last five (5) years that you consider of relevance to this Programme including key lessons learnt.
- Evidence of provision of suitable equipment and facilities in order to conduct the work and meet the objectives and requirements of the Contract, including the equipment for modelling, Prototype development and testing with users.

Assessment Criterion 3 – Project Management and Risk

Weighting	20%	Maximum Word Count – <i>Not including A3 Gantt Chart or similarly detailed Project Plan</i>	1,500
		Risk Proforma – Maximum Page Count	4 pages – Arial font 11

Guidance

Applicants should set out their proposed approach to project delivery and management,

including risk management to ensure successful delivery of the project.

Your response must include:

Project Management

- An A3 Gantt Chart – or similarly detailed Project Plan attachment which:
 - Is structured on a monthly basis for Phase 1 and then quarterly for Phases 2 and 3:
 - For **Phase 1**:
 - Sets out detailed key monthly tasks and milestones associated with the production of Project Deliverables as set out in Section 3.
 - Highlights critical dependencies – with accompanying narrative to be provided within main body response.
 - Includes plans to detail and finalise the delivery plan for Phase 2/ 3.
 - For **Phases 2 and 3***:
 - Outlines high level key quarterly tasks and milestones to meet subsequent Programme Deliverable requirements for Phase 2/ 3.
 - Identified any critical dependencies to achieving overall Programme Requirements – with accompanying narrative to be provided within main body response.
- Accompanying narrative to the Gantt Chart analysis providing a high-level overview of key work packages, and clearly detailing how you will ensure effective and appropriate Project management throughout all Project Phases.
- The processes you will adopt in relation to governance, reporting, change control and monitoring approach for the Contract (which includes detail on how you will manage efficient working arrangements with your consortium partners and/or Sub-contractors, where applicable).
- An outline of the approach to arising matters of Conflict of Interest and the proposed mitigation plan, where applicable.

Risks and Risk Management

- A summary of the approach to risk management that would be adopted on the Project, including:
 - Cybersecurity (see section 16.3) and privacy protocols around the collection, handling and storage of data.
 - A clear, comprehensive and realistic plan for the identification, prioritisation, mitigation, management and communication of Project risks
- Completion of the **Risk Proforma** provided as an electronic Annex 4 with what you regard as the five (5) key risks to successful delivery of Project Requirements and Deliverables as set out at **Section 3**. The Risk Proforma should be populated with:
 - Provide a detailed risk register for phase 1 and a summary of the risks for phase 2/3 – including dependencies.

- The potential risk impact; and
- Proposed approach to risk mitigation.

For the avoidance of doubt, the 5 key risks identified within the Risk Proforma:

- Should not duplicate the ‘Technical challenges to be explored at Phase 1.

**We understand that following the Phase 1 Feasibility Study, Phase 2 and 3 plans may change. At the completion of Phase 1, Projects will be required to provide updated and detailed proposals in their phase 2/ 3 application.*

Assessment Criterion 4 – Social Value

Weighting	10%	Maximum Word Count	1,000
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Guidance

Applicants are required to provide commentary on how and why they believe the Project for which they are seeking SBRI funding support can positively contribute to the following ‘Tackling Economic Inequality’ Policy Outcomes as set out in HMGs, Social [Value](#) model:

- Creating new businesses, jobs and skills.
- Increasing supply chain resilience and capacity.

Assessment Criterion 5 – Value for Money

Weighting	15%	Maximum Word Count, not including ‘Project Cost Breakdown Form’	1,000
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Guidance

In addition to costs (see [Appendix 4](#) for Completion of Project Cost Breakdown form), applicants are required to provide overarching commentary (max 1,000) words) to accompany the detailed breakdown of their project costs for all phases. The commentary should include:

- Detail how you have satisfied yourself that all costs and overheads are realistic, robust, justified and fair market value;
- Demonstrate Project additionality, clearly setting out why SBRI funding is necessary for the project to be taken forward*, and why, without funding the project would either not go ahead as planned, go ahead but on a reduced score, or go ahead over a longer timescale;
- Set out how you will maximise benefit whilst minimising resources.
- *Where relevant, for example if the project utilises outputs from the domestic STSC project, detail how this work is unique and builds upon these outputs (and is not a

duplication of work already funded).

Applicants should also note that the Authority will not normally pay overheads of over 50% and overheads above this amount will need to be fully justified.

7.2 Scoring Guidance

Applicants' Assessment Criteria 1 – 5 responses will be scored system outlined below.

Table 7.1: Scoring Guidance

Score	Description
1	Not Satisfactory: There is no evidence to very little evidence that the question has been satisfactorily answered and major omissions are evident.
2	Partially Satisfactory: There is little evidence that the question has been satisfactorily answered and some omissions are evident. Much more detail is needed.
3	Satisfactory: There is reasonable evidence that the question has been satisfactorily addressed but some omissions are still evident and further detail is needed.
4	Good: The question has been well addressed with a good evidence base, with only minor omissions or lack of detail.
5	Excellent: There is clear evidence that the question has been completely addressed in all aspects, with questions answered clearly, concisely with a strong evidence base.

7.3 Selection Approach

The Authority will select those applications that offer the best overall value for money, based on their assessment against the criteria outlined in **Section 7.1**. Applications will be assessed by a minimum of three assessors, which could include representatives from the Department and /or their independently appointed assessors (technical and commercial experts). A moderation meeting will be held at the end of the assessment process to agree the overall weighted scores for each of the applications.

Applications responses to Assessment Criteria 1-5 will be scored using the scoring system outlined at Table 7.2. To be eligible to receive funding, a Project application must achieve the following Minimum Threshold Scores:

- Achieve a score of at least 2 out of 5 for Assessment Criteria 1-5.

- Achieve an overall minimum weighted score across all 5 Assessment Criteria of 50%.

The Authority anticipates providing SBRI funding for up to five (5) Projects at Phase 1. In the event that two or more eligible applications receive the same overall weighted score, then the funding will be awarded to the Applicant with the highest score for the highest weighted criteria. In the event that two or more eligible applications receive the same scores across each criterion, then the assessors will reconvene for a further moderation session to agree a consensus position around who should receive funding.

Successful Applicants at the Feasibility Stage will then be invited to take part in a subsequent Down-Selection Assessment process on the basis of which further SBRI funding will be awarded to up to three applicants at the end of the feasibility stage. The indicative Down-Selection Process and Criteria are set out at Section 8.

8. Down-Selection Assessment Process and Criteria

Applicants should note that the Down-Selection Assessment Process and Criteria presented in Section 8 are indicative and subject to additional detail and further iteration ahead of issue to successful Phase 1 Applicants.

The Authority will use the Down-Selection Assessment process with intention to select one (1) Project awarded funding at Phase 1 to advance to Phase 2/3.

To enable a timely and efficient Down Selection Process, towards the end of Feasibility Phase 1, all Phase 1 Projects will be invited to complete an application form for Phase 2/ 3.

The process to select the Phase 1 Project to progress to Phase 2/ 3 will interrogate the technical, cost and commercial viability of the Projects' Prototype tool for development, demonstration and testing as set out in their Feasibility Studies.

As part of the Down-Selection assessment, Projects will also need to provide updated Project Plans, cost projections and risk assessment. Please see further details (Assessment Criteria) below.

The Down-Selection Assessment process is set out below:

- Applications will initially again be considered against the Programme eligibility criteria as set out in **Section 6** to ensure ongoing compliance.
- Applications which meet all relevant eligibility criteria as detailed at Stage 1 will then be further assessed against a number of Assessment Criteria by a minimum of three assessors (representatives from the Department or their independently appointed assessors). The Assessment Criteria and linked scoring approach are set out at **Sections 8.1** and **8.2** respectively.
- Project scores will then be moderated to determine a ranking list that will be used to allocate the funding in line with guidance at **Section 8.3**.
- The Feasibility Study, the Project Cost Breakdown Form and Project Plan as submitted by the successful Phase 1 Project -and updated as required in line with the Authority clarification– will be added as Contract Schedules and form the basis of SBRI payments over the Phase 2/ 3 period.

8.1 Down-Selection Assessment Criteria

Applicants will be assessed against their response to the Assessment Criteria as set out below. Criteria 1-5 will be scored independently and will be given a score between 1 and 5 consistent with the guidance at **Section 8.2** below. Criterion 6 will be assessed based on submitted capped price.

Applicants should note that:

- Assessment Criteria **1-5** will require completion of an Application Form for Phase 2/ 3 (at the end of Phase 1) which will draw upon key evidence from the Phase 1 Feasibility Report.
- Assessment Criteria **2-5** will also require Applicants to update or newly populate spreadsheets, Gantt charts or proformas previously populated as part of Applicants' Phase 1 responses.

Applicants should ensure that their responses specifically address the requirements as set out in the 'Guidance' section linked to each Assessment Criteria.

Table 8.1 – Phase 2 – Assessment Criterion

Assessment Criterion 1 –Proposal (Phase 2/3)			
Weighting	30%	Maximum Word Count	Phase 1 Deliverable-Application Form
<p>Guidance</p> <p>The assessment will evaluate the extent to which the Phase 1 Supplier's application (drawing on key evidence from their Feasibility Study), provides a robust and credible prototype tariff comparison tool that meets the overarching aims, objectives and scope of the Programme.</p> <p>Specific area of assessment will include:</p> <ul style="list-style-type: none"> • How the proposed solution meets identification of key requirements in chosen sector: • Demonstrating that the proposed technical solution provides a framework for how a smart meter-based tariff comparison tool could work; • Demonstrating that the proposed solution is commercially viable with an outline of a realistic pathway to commercial adoption. • Evidence of how the proposal addresses key challenges (including consumer engagement, diversity in customer base, relationship between customers and TPIs, and complexities in the non-domestic metering landscape). • Technical challenges and solution, including functionality. 			
Assessment Criterion 2 – Delivery Plans Phase 2/ 3			
Weighting	25%	Maximum Word Count	Phase 1 Deliverable-Application Form
<p>Guidance</p> <p>Applicants will be assessed on the scope and quality of their Phase 2 and 3 plans (Alpha and Beta) for the design, development and user testing of the Prototype tool, as developed as part of the Phase 1 Contract.</p> <p>Specific areas of assessment will include:</p>			

- Detailed proposals for the technical development of Prototype tool solution, including core functionality and features, design and configuration;
- Updated Project Plan for Phase 2 / 3; including setting out detailed key monthly tasks and milestones, highlighting critical dependencies with accompanying narrative within main body response.
- Identifying and updating the Technical Challenge and Risk Log with proposed actions and timings to help mitigate;
- Plans for energy consumption data access and data flows, including your approach to accessing and utilising SMETS data (essential requirement) and also, where relevant, AMR data (highly desirable).
- Plans for user testing and recruitment with relevant users and wider stakeholders.

Assessment Criterion 3 – Value for Money (Phase 2/ 3)

Weighting	15%	Maximum Word Count – <i>not including words in Project Cost Breakdown Form</i>	1,500
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Guidance

Applicants will be asked to complete a further, updated and more detailed version of the Project Cost Breakdown Form- Phases 2 and 3. (Alpha and Beta). (See [Appendix 4](#) for completion of project cost breakdown form),

In addition, Applicants will be required to provide overarching commentary (max 1,500 words) to accompany the detailed breakdown of their Project costs for Phases 2 and 3, as set out in the Project Cost Spreadsheet. This commentary should:

- Detail how Applicants are satisfied that all costs and overheads are realistic, robust, justified and fair market value.
- Demonstrate Project additionality, clearly setting out why SBRI funding remains necessary for the project to be taken forward.

Applicants should also note that the Authority will not normally pay overheads for over 50% and overheads about this amount will need to be fully justified.

Assessment Criterion 4 – Project Management (Phase 2/3)

Weighting	20%	Maximum Word Count – <i>not including A3 Gantt chart or similarly detailed Project Plan</i>	1,500
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Guidance

Applicants' responses should include:

- A separate A3 Gantt Chart- or similarly detailed Project Plan attachment which:

- Is structured on a monthly basis.
- For Phases 2 and 3:
 - Summarised key monthly tasks and assumed milestones to meet subsequent Programme Deliverable requirements including task owners for consortia;
 - Identified any critical dependencies linked to achieving overarching Programme requirements.
- Accompanying narrative detailing how you will ensure effective and appropriate Project management throughout Phase 2 and 3. This should factor in lessons learnt during Phase 1.
- Summary of each project team’s role and output obligations;
 - Any required contractual or collaboration agreements.
 - Status of discussions with any new project team members not utilised during the phase 1 contract.

Applicants should note that any proposed new Project Team members will be subject to the same standard eligibility and Financial Standing checks as set out elsewhere in this document.

Assessment Criterion 5 – Project Risks (Phase 2/3)

Weighting	10%	Maximum Word Count	n/a – Completion of Risk Proforma – Max 4 pages Arial font 11
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Guidance

Applicants should use their responses to detail in the provided Risk Proforma what they regard as the five (5) key risks to successful delivery of the Phases 2 and 3 Requirements. Your response should include:

- A summary of the risk- including dependencies.
- The potential risk impact; and
- Proposed approach to risk mitigation to include lessons learned during the Phase 1 Feasibility Stage process.

8.2 Phase 2/ 3 - Scoring Guidance

Applicants' Assessment Criteria 1 – 5 responses will be scored based on the system outlined below:

Table 8.1: Scoring Guidance

Score	Description
1	Not Satisfactory: There is no evidence to very little evidence that the question has been satisfactorily answered and major omissions are evident.
2	Partially Satisfactory: There is little evidence that the question has been satisfactorily answered and some omissions are evident. Much more detail is needed.
3	Satisfactory: There is reasonable evidence that the question has been satisfactorily addressed but some omissions are still evident and further detail is needed.
4	Good: The question has been well addressed with a good evidence base, with only minor omissions or lack of detail.
5	Excellent: There is clear evidence that the question has been completely addressed in all aspects, with questions answered clearly, concisely with a strong evidence base.

8.3 Phase 2/ 3 - Selection Approach

The Authority will select the Application that offers the best overall value for money, based on their assessment against the criteria outlined in **Section 8.1**. Applications will be assessed by a minimum of three assessors, which could include representatives from the Department and/ or their independently appointed assessors (technical and commercial experts). A moderation meeting will be held at the end of the assessment process to agree the overall weighted scores for each of the projects.

Applications responses to Assessment Criteria 1-5 will be scored using the scoring system outlined at Table 8.2. To be eligible to receive funding, a Project application must achieve the following Minimum Threshold Scores:

- Achieve a score of at least 2 out of 5 for Assessment Criteria 1-5.
- Achieve an overall minimum weighted score across all 5 Assessment Criteria of 50%.

The highest-scoring eligible application which satisfies the relevant Minimum Threshold Scores will be put forward for funding of **up to £550,000 at Phase 2 / 3** (subject to meeting relevant Phase 2 Stage Gate Review requirements).

In the event that two or more eligible Applications receive the same highest ranking overall weighted score, then the assessors will reconvene for a further moderation session to agree a consensus position around who should receive funding.

8.4 Down Selection – Contract conditions

The Standard Ts and Cs as set out at Annex 1 will form the basis of the new Phase 2 and 3 Contract. The only anticipated changes relate to required insurance levels and the attachment of completed Feasibility Studies and Down Selection cost breakdown submissions as additional Contract Schedules. Please see Schedule 1 to Annex 1 for a more detailed summary.

9. Financial Eligibility and Viability

9.1 Financial Eligibility

Applicants are required to complete the relevant tabs of the Project Cost Breakdown Form Contracts (the 'Project Cost Breakdown Form') which is provided as **Annex 3** setting out their capped funding requirement to carry out the project. Applicants should only input in the specified light blue input cells and should consult guidance on completion which is embedded within the Form and can be accessed by clicking on the relevant cell.

The Authority reserves the right to exclude applicants from the Programme where they cannot satisfactorily evidence the eligibility of costs and overheads in line with guidance provided at [Appendix 2](#). Financial information should include costs for the entire project, detailing labour (including personnel day rates), material and capital equipment costs, and any travel and subsistence requirements.

The Authority can only provide funding for eligible costs and overheads incurred up to the end of the Contract.

9.2 Financial viability checks

Economic and Financial Assessment of Applicants

The Authority will undertake financial viability checks on all provisionally successful Applicants and Consortium partners as appropriate. Where there is more than one organisation in the Applicant group, the required financial information (see below) should be provided for any entity who is forecast to deliver at least 25% of the Contract by value – including sub-contractors. Applicants may be asked to respond to clarification questions linked to these financial viability checks and, where relevant asked to provide satisfactory evidence of how identified financial risks are being actively managed and mitigated.

The assessment of financial viability will take into account (amongst other things) whether the Applicant is able to demonstrate a robust business plan and financially sustainable business model in respect of the relevant Project. Tests of financial viability will be conducted in line with industry best practice. They may include (but are not limited to):

- whether an Applicant/Project/ultimate parent company has sufficient liquidity (it is capable of covering its short-term commitments);
- whether an Applicant/Project/ultimate parent company is financially autonomous (it is capable of covering its debt costs); and

- whether an Applicant/Project/ultimate parent company is solvent (it is capable of covering its medium and long-term commitments).

Checks will include reviewing the latest independently audited accounts filed on the Companies House database. Where a company or organisation is not required to file accounts with Companies House, other financial information will be requested to enable an appropriate financial viability review to be undertaken. This might include:

- A copy of last two years accounts as filed with Companies House; or
- A copy of last two years accounts – if not obliged to file with Companies House; or
- A statement of the turnover, Profit and Loss Account/Income Statement, Balance Sheet/Statement of Financial Position and Statement of Cash Flow for the most recent year of trading for this company or organisation; or
- Alternative means of demonstrating financial status if any of the above are not available (e.g., forecast of turnover for the current year and a statement of funding provided by the owners and/or the bank, charity accruals accounts or an alternative means of demonstrating financial status).

If you are bidding as a new Project company, we will review letters of support from Project partners / investors and may also review the financial statements of each partner.

Parent Company Guarantees and other potential mitigations.

Where an Applicant is a special purpose vehicle (SPV), the Authority will require a parent company guarantee(s) (PCG(s)) from relevant companies or organisations. The Authority shall accept this as satisfying the Applicant's financial viability checks subject to the necessary financial viability checks being performed on the parent company to the Authority's satisfaction.

The Authority may also, at its discretion require PCGs or other satisfactory mitigations to be put in place in relation to other provisionally successful Applicants, ahead of Contract award. Acceptable mitigations may include, but are not limited to those set out in Section 3 to the Government and Commercial Function's'

[Assessing and monitoring the economic and financial standing of suppliers guidance note May 2021.pdf \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/90202/Assessing_and_monitoring_the_economic_and_financial_standing_of_suppliers_guidance_note_May_2021.pdf).

Where provisionally successful Applicants are unable to provide mitigations to the Authority's satisfaction they will be excluded from the Programme.

Financial Viability checks Post-Contract Award

During both the Phase 1 and Phase 2/ 3 Contracts period, successful Applicants must provide to the Authority all subsequent year end accounting data – audited or alternative as set out above – within 30 days of accounts being issued, and this will be subject to the same scrutiny

as set out above. Successful Applicants should also immediately notify the Authority, in writing, where they believe, on the balance of probabilities, that they will not be able to access sufficient match funding to complete the Project.

The Authority reserves the right to cease payment of allocated SBRI funding where it has reasonable grounds to believe that the successful Applicant is unlikely to be able to complete delivery of the Project.

Contractual payments

The Authority will not make payments in advance of need and typically makes contract payments in arrears on satisfactory completion of agreed milestones and deliverables. The Authority therefore anticipates making payment after delivery of Feasibility Studies that meets all relevant quality content and format requirements as detailed at **Section 3** to this document.

The Authority understands, however, the difficulties which small businesses may face when financing this type of project. The Authority will explore cash flow issues with the Applicant as part of developing the financial and milestone profile during the Contract Award process. The Authority will offer flexibility in terms of profiles and payments, within the confines of the requirements for use of public money within which it operate.

10. Notifications and Publications of Results

10.1 Notification

Applicants will be informed by email whether their application has been successful.

The Authority may wish to publicise the results of the scheme which may involve engagement with the media. At the end of the application and assessment process, the Authority may issue a press release or publish a notice on its website. These public documents may, for example, outline the overall results of competitions and describe some of the projects to be funded.

Confidentiality request: Some organisations may want their activities to remain confidential and you will be given a chance to opt out of any involvement in media relations activity and further case study coverage of Projects, should you see this as being absolutely necessary. However, the public description of the Project you provide in your application will be made available in the public domain if your application is successful, and you are not able to opt out of the project description being published. As such, you must provide a short description (Maximum 500 words) of your proposed Project.

In addition, all funded Projects must include reporting and dissemination milestones – agreed with the Authority - as part of their Project Deliverables, determined after the award of the Contract (see **Section 3** for further information on Deliverables). Information about all Contract awards will also be published on Contracts Finder.

Any organisation that wishes to publicise its project, at any stage, must contact the Programme Project Manager or their Project Monitoring Officer at the department and obtain written permission before doing so.

10.2 Publication of results

SBRI involves a high degree of risk-benefit sharing. In return for provision of funding and non-financial support during project activities, the Authority expects to be able to use and share the results and outputs of the project activities with other Government Departments, industry and other stakeholders to further understanding and progress technology development and deployment.

The Authority also wishes to publicise details of the award recipients. Therefore, on or after issuing the SBRI contract agreement, the Authority will publish the following information:

- Identity of the participant and its partners.

- Project summary information including aims and expected outcomes of the Project and technology area.
- Total award value.

Following completion of the funded Projects, the Authority will publish on its website a summary of the funded activities and the outcomes achieved. This will include a final summary report from each Project.

The Authority may also revisit Projects at a later date and publish an evaluation report for the scheme as a whole.

The Authority however recognise the need to maintain confidentiality of commercially sensitive information. The Authority will consult Applicants regarding the nature of information to be published, in order to protect commercially sensitive information. The notice of the award on Contracts Finder will also include the value of the contract.

11. Reporting

11.1 Reporting, Knowledge Sharing and Evaluation Requirements

Project monitoring and reporting is required to track project progress and ensure payments are made according to a schedule of milestones to be agreed with selected projects. This reporting will be in confidence to the Authority and its technical advisers and will not be published. Any proposed changes to schedules or project plans will need to be discussed with the Authority and Applicants should expect significant interaction with the team during the project.

Project teams will be required to meet with their Monitoring Officer at least once per month to discuss project progress and highlight successes, issues and risks.

Project teams will also be asked to attend fortnightly briefing calls with the Authority and its technical advisers, though no formal reporting will be required at these sessions.

11.2 Key Performance Indicators

The Department requires all funded projects under the Net Zero Innovation Portfolio (NZIP) to report on key performance indicators (referred to as NZIP KPIs) to provide a consistent approach to reporting evidence, and to track and measure key outputs, outcomes and impacts. The evidence collected is used to demonstrate the impact of the NZIP on achieving the government's Net Zero ambitions and is necessary to be able to run future competitions.

Project lead organisations will be required to report on KPIs at various intervals for each project, including at the start of the project, during project delivery, at project closure and for three years after project closure. The Department will supply funded projects with a reporting template to complete at set intervals, and recipients are expected to return the template to their Monitoring Officer upon completion, who will review and quality assure it. Projects will only be required to report on KPIs that are relevant to their project. At project start, your Monitoring Officer will provide further details about the calculation of these KPIs, support in the selection of relevant KPIs, and assist with the initial completion and measurement.

Please note that it may at times be necessary to make changes to the NZIP KPIs, data collection modes or frequencies. We will endeavour to keep all changes to a minimum and communicate any implications to you via the Monitoring Officers in advance of collection.

Beyond these NZIP KPIs, the Department conducts independent evaluations of many of its programmes. The funded project organisation will be required to collaborate in reasonable evaluation activities, including, but not limited to, providing programme-specific KPIs, completing questionnaires or surveys, participating in interviews and workshops, communicating the learnings from the project, providing costs/sales data and elaboration of any of the measures covered in the NZIP KPIs.

The Department will be collecting the following KPIs, with data provided by Monitoring Officers marked in italics. Not all data will be collected annually.

Table 11.1: NZIP KPIs

KPI	KPI description	Metrics
<i>KPI 1</i>	<i>Number of NZIP projects supported</i>	<ul style="list-style-type: none"> • <i>Project start and completion.</i>
<i>KPI 2</i>	<i>Number of NZIP projects that have met objectives</i>	<ul style="list-style-type: none"> • <i>Extent to which project objectives have been met to date</i> • <i>Change in objectives and reasons for change</i>
<i>KPI 3</i>	<i>Number of organisations supported to deliver the project</i>	<ul style="list-style-type: none"> • <i>Lead partner delivering the project: name, organisation size and number and type of jobs supported within the organisation to deliver the project.</i> • <i>Other partner organisations involved in delivering the project as named on the Contract or Grant: name, organisation size and number and type of jobs supported within the organisation(s) to deliver the project.</i>
KPI 4	Number of active contractual and non-contractual business relationships supported	<ul style="list-style-type: none"> • Number of contractual relationships: name and type of contractual relationship. • Number of informal non-contractual business relationships: name and type of non-contractual relationship • Extent to which your organisation expanded its network of business relationships as a result of the project
KPI 5	Technology Advancement	<ul style="list-style-type: none"> • Technology Readiness Levels (current and anticipated) • Other technology improvement indicators: patents applied for or granted; academic, technical or non-technical publications generated and knowledge exchange events attended (such as conferences)
<i>KPI 6i</i>	<i>Initial Financial Leverage to deliver project</i>	<ul style="list-style-type: none"> • <i>Project funding structure: Amount in £m of The Authority Other Public Sector and Private Funding.</i>
6ii	Follow-on Funding secured	<ul style="list-style-type: none"> • Amount of follow-on funding raised and the source (public or private).
KPI 7i	Reduction in energy costs**	<ul style="list-style-type: none"> • Scope and scale of impact on reducing energy costs • Route to reducing energy costs
7ii	Increased energy efficiency/ Reduced energy demand**	<ul style="list-style-type: none"> • Scope and scale of impact on reducing energy demand/ increasing energy efficiency
7iii	Increase in energy system flexibility**	<ul style="list-style-type: none"> • Scope and scale of impact on energy system flexibility

		<ul style="list-style-type: none"> • Route to increasing energy system flexibility
KPI 8	Commercialisation advancement**	<ul style="list-style-type: none"> • Commercial readiness levels (current and anticipated) • Steps towards commercialisation incl. licensing agreements, commercial partnerships, product certifications etc.; national/ international standards passed • UK and International sales secured and their value (£m)
KPI 9	CO2 emissions reductions**	<ul style="list-style-type: none"> • Scope and scale of project impact on carbon emissions • Route to achieving carbon emissions reductions
KPI 10	Policy impact**	<ul style="list-style-type: none"> • Whether, how, and to what effect evidence from the project has informed policy development • Whether projects have engaged in activities with industry or civil society

* The Department expects successful Projects to take the existing technology to at least TRL 7 by the end of the Project. A full description of TRL levels can be found at [Appendix 1](#).

** The Department will measure KPIs 7i, 7ii, 7iii 8 9 and 10 over the longer term – but related targets and attainment will not form part of the assessment of the application, nor of satisfactory completion of the contract itself. The Department will expect the successful contractor to fulfil an obligation however, to submit an update of progress on this KPI at least annually, for a period of three to five years following completion.

11.3 Evaluation requirements

Successful Applicants will also be required to participate in and facilitate an evaluation of this programme, which will be delivered by an external contractor commissioned by the Department. The specific role of the external evaluator and scope of the evaluation is yet to be confirmed, though it is likely to include qualitative and quantitative data collection and analysis in order to assess programme delivery, impact and value for money and identify learnings. Projects will be required to participate in and contribute to the evaluation activities, both during and after final contract payments, including by providing relevant primary and secondary data to the evaluation contractor and by participating in research interviews.

12. Intellectual Property

The proposed arrangements for intellectual property rights (IPR) and exploitation of IPR are set out in the contract terms and conditions for this Programme, in **Annex 1**

Subject to the requirements of **Conditions 27 and 28** of the standard terms and conditions (Annex 1) Applicants will retain ownership of the intellectual property generated from the project. Applicants are required to identify and record any such intellectual property and to protect patentable knowledge in accordance with **Condition 28** of the standard terms and conditions. If within five years of its creation Applicants have not commercially exploited intellectual property generated from the work, then in line with **Clause 28 (5)** of the standard terms and conditions, the Department may request the intellectual property be assigned to the Department.

Consistent with the good management of Intellectual Property Rights and the continued agreement of the Authority, successful Applicants shall be expected to promote the dissemination of the arising Intellectual Property.

13. Feedback, Re-application and Right of Appeal

A short summary of key feedback regarding the applications will be provided to all applicants. This feedback will be based on the comments of technical assessors. The Authority will provide comments where an applicant is considered ineligible in light of financial viability checks. No additional feedback will be provided and there will be no further discussion on the application.

The feedback from the assessors is intended to be constructive. Comments are not a checklist of points which must be answered or argued in a resubmitted application as the assessors/requirements may be different and it is your decision as to whether you act on the suggestions made.

The Authority's decision regarding any application is final and no appeal process is in place, so it is important that you make any points you wish to make clearly and concisely in the Application Form.

14. Confidentiality and Freedom of Information

The Freedom of Information Act 2000 (“FOIA”) and the Environmental Information Regulations 2004 (“EIR”) apply to the Department.

You should be aware of the Department’s obligations and responsibilities under FOIA or EIR to disclose, on written request, recorded information held by the Department. Information provided in connection with this procurement exercise, or with any contract that may be awarded through this exercise, may therefore have to be disclosed by the Department in response to such a request, unless the Department decides that one of the statutory exemptions under the FOIA or the exceptions in the EIR applies. Where any request is made to DESNZ under the FOIA for the release of information relating to any project or Applicant, which would otherwise be reasonably regarded as confidential information, DESNZ will notify you of the request as soon as we become aware of it.

If you wish to designate information supplied as part of your application as confidential, or if you believe that its disclosure would be prejudicial to any person’s commercial interests, you must provide clear and specific detail as to the precise information involved and explain (in broad terms) what harm may result from disclosure if a request is received, and the time period applicable to that sensitivity. Such designation alone may not prevent disclosure if in the Department’s reasonable opinion publication is required by applicable legislation or Government policy or where disclosure is required by the Information Commissioner or the First-tier Tribunal (Information Rights).

As part of the application process all applicants are asked to submit a public description of the project. This should be a public facing form of words that adequately describes the project but that does not disclose any information that may impact on Intellectual Property (IP), is confidential or commercially sensitive. The titles of successful projects, names of organisations, amounts awarded, and the description of the project may be published once the award is confirmed as final.

Additionally, the Government’s transparency agenda requires that tender documents (including competition guidance such as this) are published on a designated, publicly searchable web site. The same applies to other tender documents issued by the Department (including the original advertisement and the pre-qualification questionnaire (if used)), and any contract entered into by the Department with its preferred supplier(s) once the procurement is complete. By submitting a tender, you agree that your participation in this procurement may be made public. Aside from the public description of your project (see above), the answers you give in this response will not be published on the transparency web site (but may fall to be disclosed under FOIA or EIR (see above)). Where tender documents issued by the Department or contracts with its suppliers fall to be disclosed the Department will redact them as it thinks necessary, having regard (inter alia) to the exemptions/exceptions in the FOIA or EIR.

15. Terms and Conditions

The Department's Standard SBRI Terms and Conditions of Contract as amended for the purposes of this Programme will apply to this contract (**see Annex 1**).

16. Further Instructions to Applicants

The Authority reserves the right to amend the enclosed Competition Guidance documents at any time prior to the publication of Applicant questions and answers on **31 May 2023**. Any changes are most likely to include editorial errors and include FAQs from questions asked from stakeholders/applications before **14:00 23 May 2023**. Any such amendment will be numbered, dated and issued on the [Programme Website](#) as well as on the [Contracts Finder Website](#). Where amendments are significant, the Authority may, at its discretion, extend the deadline for receipt of tenders.

The Authority reserves the right to withdraw this contract opportunity without notice and will not be liable for any costs incurred by contractors during any stage of the process. Applicants should also note that, in the event a proposal is considered to be fundamentally unacceptable on a key issue, regardless of its other merits, that proposal may be rejected. By issuing this Competition Guidance document, the Authority is not bound in any way and does not have to accept the lowest, or any, proposal and reserves the right to accept a portion of any proposal unless the tenderer expressly stipulates otherwise.

16.1 Application checklist

To submit an application for this Programme, you must complete the online registration form, available [here](#), and use the resulting password to complete your online application form.

Please answer all questions on the application form fully.

Please complete and upload the following application documents. All these documents are also available on the [Programme Website](#).

- Project Cost Breakdown Form
- Risk proforma
- Signed Declarations:
 - Declaration 1: Signed Statement of Non-Collusion
 - Declaration 2: Signed Form of Bid
 - Declaration 3: Signed Conflict of Interests statement
 - Declaration 4: Signed Code of Practice for Research
 - Declaration 5: UK GDPR Assurance Questionnaire
 - Declaration 6: Signed Standard Selection Questionnaire, including addressing the DESNZ Exclusion Grounds

16.2 Definitions

Please note that references to the "Department" throughout these documents mean The Secretary of State for Department for Energy Security and Net Zero acting through his representatives in the Department. Please see Glossary for further details.

16.3 Data Protection and Security

Successful Applicants must comply with all relevant Data Protection Legislation, as defined in the terms and conditions applying to this Programme. A guide to the UK General Data Protection Regulation published by the Information Commissioner's Office, can be found [here](#).

Annex 2 contains a "The General Data Protection Regulation Assurance Questionnaire for Contractors" (Declaration 5) to evidence the extent of readiness. The Authority may ask successful Applicants to provide evidence to support the position stated in the questionnaire. The Authority may require successful Applicants to increase their preparedness where the Authority is not satisfied that the Applicant will be in a position to meet its obligations under the terms and conditions. If the Applicant fails to satisfy the Authority that it will be in a position to meet its obligations under the terms and conditions in the event that the Applicant is successful, the Authority reserves the right to exclude the applicant from this procurement.

In line with HM Government's Cyber Essentials Scheme - <https://www.gov.uk/government/publications/cyber-essentials-scheme-overview>, the Supplier must hold valid Cyber Essentials certification by the time of Contract award. Evidence of the certification must be provided to the Authority in order for the Contract to be awarded.

Evidence of renewal of certification must then be provided to the Authority on each anniversary of the first applicable certificate obtained by the Supplier for the duration of the Contract. In the event the Supplier fails to comply, the Authority reserves the right to terminate the Contract for material breach in line with the Standard Terms and Conditions of Contract.

If the Supplier already holds ISO27001 accreditation, no further Cyber Essentials certification will be necessary provided that the certification body carrying out this verification is approved to issue a Cyber Essentials certificate by one of the accreditation bodies.

17. Non-Collusion

No application will be considered for acceptance if the Applicant has indulged or attempted to indulge in any corrupt practice or canvassed the tender with an officer of the Department.

Annex 2 contains a "Statement of non-collusion" (Declaration 1); any breach of the undertakings covered under items 1 - 3 inclusive will invalidate your tender. If a Supplier has indulged or attempted to indulge in such practices and the tender is accepted, then grounds shall exist for the Authority to terminate the contract and claim damages from the successful contractors. You must not:

- Tell anyone else what your capped price is or will be before the time limit for delivery of tenders.
- Try to obtain any information about anyone else's application or proposed application before the time limit for delivery of applications.
- Make any arrangements with another organisation about whether or not they should apply, or about their or your capped price.

Offering an inducement of any kind in relation to obtaining this or any other contract with the Department will disqualify your tender from being considered and may constitute a criminal offence.

Appendix 1 – Technology Readiness Levels (TRLs)

Technology readiness levels are an indication of the maturity stage of development of a technology on its way to being developed for an application or product. The table below defines TRLs 1 to 9.

TRL	Description
Research and Development	
TRL 1 – Basic Research	Scientific research begins to be translated into applied research and development.
TRL 2 – Applied Research	Basic physical principles are observed, practical applications of those characteristics can be 'invented' or identified. At this level, the application is still speculative: there is not experimental proof or detailed analysis to support the conjecture.
Applied research and development	
TRL 3 – Critical Function or Proof of Concept Established	Active research and development is initiated. This includes analytical and laboratory studies to physically validate analytical predictions of separate elements of the technology. Examples include components that are not yet integrated or representative.
TRL 4 – Laboratory Testing/Validation of Component(s)/Process(es)	Basic technological components are integrated to establish that the pieces will work together.
TRL 5 – Laboratory Testing of Integrated/Semi-Integrated System	The basic technological components are integrated with reasonably realistic supporting elements so it can be tested in a simulated environment.
Demonstration	
TRL 6 – Prototype System Verified	Representative model or prototype system is tested in a relevant environment.
TRL 7 – Integrated Pilot System Demonstrated	Prototype near or at planned operational system, requiring demonstration of an actual system prototype in an operational environment.
Pre-commercial deployment	
TRL 8 – System Incorporated in Commercial Design	Technology is proven to work -actual technology completed and qualified through test and demonstration.
TRL 9 – System Proven and Ready for Full Commercial Deployment	Actual application of technology is in its final form -technology proven through successful operations.

Appendix 2 - Eligible and Ineligible Costs

General Requirements

Timing: The Authority will only provide the funding to cover eligible costs incurred and defrayed in the period between the Project start date specified in the contract, and the deadline specified in the contract for completion of the project.

Who can incur eligible costs: The definition of eligible costs includes the applicant's own costs, eligible costs incurred by consortium members and eligible costs incurred by companies sub-contracted to the applicant or consortium members as defined in the application or subsequent agreements between the successful applicant and the Authority.

Non-sterling costs: Costs must be denominated in GB pounds. If relevant, applicants should indicate where conversion has been made to GB pounds from other currencies and indicate the conversion rate and assumptions used.

Research and development costs Your application must have at least 50% of the Contract value attributed directly and exclusively to research and development services.

Eligible Costs

Directly incurred costs:

These are costs that are specific to the project that will be charged to the project as the amount spent, fully supported by an audit record justification of a claim. They comprise:

- Labour costs for all those contributing to the project, broken down by individual
- Material costs (including consumables specific to the project)
- Capital equipment costs*
- Sub-contract costs
- Travel and subsistence

*Under SBRI rules, the Authority will only pay full capital equipment costs for equipment that is specialised and bespoke enough that it only has a value for the duration of the project. For capital equipment that has a value at the end of the contract, the Authority will only pay depreciation costs for the duration of the project, in line with your accounting policy for depreciation. For example, if a project budget includes the cost of purchasing six new laptops, it is highly likely that these will still have value at the end of the project. As such, the Authority would only pay depreciation costs on these laptops across the duration of the project.

Indirect costs:

Indirect costs should be charged in proportion to the amount of effort deployed on the project. Applicants should calculate them, using their own cost rates. They may include:

- General office and basic laboratory consumables
- Library services / learning resources
- Typing / secretarial
- Finance, personnel, public relations and departmental services
- Central and distributed computing
- Overheads

The Authority will not normally pay overheads of over 50%, and any overheads above this amount will need to be fully justified.

Ineligible Costs

Under no circumstances can costs for the following items be claimed:

- Commercialisation activities
- Profit (i.e., applicants should not include profit for themselves or the other Project team members within indirect costs or include it as a separate Project cost)
- Profit on contractors (i.e., where contractors are used in key posts, these contractors should be paid at the standard market rate)
- Contingency / Contingent costs
- Protection of IPR (including patent costs)
- For activities of a political or exclusively religious nature
- In respect of costs reimbursed or to be reimbursed by funding from other public authorities or from the private sector
- In connection with the receipt of contributions in kind (a contribution in goods or services as opposed to money)
- To cover interest payments (including service charge payments for finance leases)
- For the giving of gifts to individuals, other than promotional items with a value no more than £10 a year to any one individual
- For entertaining (entertaining for this purpose means anything that would be a taxable benefit to the person being entertained, according to current UK tax regulations)
- To pay statutory fines, criminal fines or penalties
- In respect of VAT that you are able to claim from HM Revenue and Customs.

Appendix 3 - Exclusion Grounds

Mandatory Exclusion Grounds

Public Contract Regulations 2015 R57(1), (2) and (3)

Public Contract Directives 2014/24/EU Article 57(1)

Participation in a criminal organisation

Participation offence as defined by section 45 of the Serious Crime Act 2015

Conspiracy within the meaning of

- section 1 or 1A of the Criminal Law Act 1977 or
- article 9 or 9A of the Criminal Attempts and Conspiracy (Northern Ireland) Order 1983

where that conspiracy relates to participation in a criminal organisation as defined in Article 2 of Council Framework Decision 2008/841/JHA on the fight against organised crime;

Corruption

Corruption within the meaning of section 1(2) of the Public Bodies Corrupt Practices Act 1889 or section 1 of the Prevention of Corruption Act 1906;

The common law offence of bribery;

Bribery within the meaning of sections 1, 2 or 6 of the Bribery Act 2010, or section 113 of the Representation of the People Act 1983;

Fraud

Any of the following offences, where the offence relates to fraud affecting the European Communities' financial interests as defined by Article 1 of the convention on the protection of the financial interests of the European Communities:

- the common law offence of cheating the Revenue;
- the common law offence of conspiracy to defraud;
- fraud or theft within the meaning of the Theft Act 1968, the Theft Act (Northern Ireland) 1969, the Theft Act 1978 or the Theft (Northern Ireland) Order 1978;
- fraudulent trading within the meaning of section 458 of the Companies Act 1985, article 451 of the Companies (Northern Ireland) Order 1986 or section 993 of the Companies Act 2006;

- fraudulent evasion within the meaning of section 170 of the Customs and Excise Management Act 1979 or section 72 of the Value Added Tax Act 1994;
- an offence in connection with taxation in the European Union within the meaning of section 71 of the Criminal Justice Act 1993;
- destroying, defacing or concealing of documents or procuring the execution of a valuable security within the meaning of section 20 of the Theft Act 1968 or section 19 of the Theft Act (Northern Ireland) 1969;
- fraud within the meaning of section 2, 3 or 4 of the Fraud Act 2006;
- the possession of articles for use in frauds within the meaning of section 6 of the Fraud Act 2006, or the making, adapting, supplying or offering to supply articles for use in frauds within the meaning of section 7 of that Act;

Terrorist offences or offences linked to terrorist activities

Any offence:

- listed in section 41 of the Counter Terrorism Act 2008;
- listed in schedule 2 to that Act where the court has determined that there is a terrorist connection;
- under sections 44 to 46 of the Serious Crime Act 2007 which relates to an offence covered by the previous two points;

Money laundering or terrorist financing

Money laundering within the meaning of sections 340(11) and 415 of the Proceeds of Crime Act 2002

An offence in connection with the proceeds of criminal conduct within the meaning of section 93A, 93B or 93C of the Criminal Justice Act 1988 or article 45, 46 or 47 of the Proceeds of Crime (Northern Ireland) Order 1996

Child labour and other forms of trafficking human beings

An offence under section 4 of the Asylum and Immigration (Treatment of Claimants etc.) Act 2004;

An offence under section 59A of the Sexual Offences Act 2003

An offence under section 71 of the Coroners and Justice Act 2009;

An offence in connection with the proceeds of drug trafficking within the meaning of section 49, 50 or 51 of the Drug Trafficking Act 1994

An offence under section 2 or section 4 of the Modern Slavery Act 2015

Non-payment of tax and social security contributions

Breach of obligations relating to the payment of taxes or social security contributions that has been established by a judicial or administrative decision.

Where any tax returns submitted on or after 1 October 2012 have been found to be incorrect as a result of:

- HMRC successfully challenging the potential supplier under the General Anti – Abuse Rule (GAAR) or the “Halifax” abuse principle; or
- a tax authority in a jurisdiction in which the potential supplier is established successfully challenging it under any tax rules or legislation that have an effect equivalent or similar to the GAAR or “Halifax” abuse principle;
- a failure to notify, or failure of an avoidance scheme which the supplier is or was involved in, under the Disclosure of Tax Avoidance Scheme rules (DOTAS) or any equivalent or similar regime in a jurisdiction in which the supplier is established

Other offences

Any other offence within the meaning of Article 57(1) of the Directive as defined by the law of any jurisdiction outside England, Wales and Northern Ireland

Any other offence within the meaning of Article 57(1) of the Directive created after 26th February 2015 in England, Wales or Northern Ireland

Discretionary exclusions

Obligations in the field of environment, social and labour law.

Where an organisation has violated applicable obligations in the fields of environmental, social and labour law established by EU law (as retained in UK law in accordance with Section 4 of the EU Withdrawal Act 2018 (as amended by the EU (Withdrawal Agreement) Act 2020)), national law, collective agreements or by the international environmental, social and labour law provisions listed in Annex X to the Directive (see copy below) as amended from time to time; including the following:-

Where the organisation or any of its Directors or Executive Officers has been in receipt of enforcement/remedial orders in relation to the Health and Safety Executive (or equivalent body) in the last 3 years.

In the last three years, where the organisation has had a complaint upheld following an investigation by the Equality and Human Rights Commission or its predecessors (or a comparable body in any jurisdiction other than the UK), on grounds of alleged unlawful discrimination.

In the last three years, where any finding of unlawful discrimination has been made against the organisation by an Employment Tribunal, an Employment Appeal Tribunal or any other court (or incomparable proceedings in any jurisdiction other than the UK).

Where the organisation has been in breach of section 15 of the Immigration, Asylum, and Nationality Act 2006;

Where the organisation has a conviction under section 21 of the Immigration, Asylum, and Nationality Act 2006;

Where the organisation has been in breach of the National Minimum Wage Act 1998.

Bankruptcy, insolvency

Bankrupt or is the subject of insolvency or winding-up proceedings, where the organisation's assets are being administered by a liquidator or by the court, where it is in an arrangement with creditors, where its business activities are suspended or it is in any analogous situation arising from a similar procedure under the laws and regulations of any State;

Grave professional misconduct

Guilty of grave professional misconduct

Distortion of competition

Entered into agreements with other economic operators aimed at distorting competition

Conflict of interest

Aware of any conflict of interest within the meaning of regulation 24 due to the participation in the procurement procedure

Been involved in the preparation of the procurement procedure

Prior performance issues

Shown significant or persistent deficiencies in the performance of a substantive requirement under a prior public contract, a prior contract with a contracting entity, or a prior concession contract, which led to early termination of that prior contract, damages or other comparable sanctions.

Misrepresentation and undue influence

The organisation has influenced the decision-making process of the contracting authority to obtain confidential information that may confer upon the organisation undue advantages in the procurement procedure, or to negligently provided misleading information that may have a material influence on decisions concerning exclusion, selection, or award.

Additional exclusion grounds

Breach of obligations relating to the payment of taxes or social security contributions.

ANNEX X Extract from Public Procurement Directive 2014/24/EU

LIST OF INTERNATIONAL SOCIAL AND ENVIRONMENTAL CONVENTIONS REFERRED TO IN ARTICLE 18(2) —

- ILO Convention 87 on Freedom of Association and the Protection of the Right to Organise;
- ILO Convention 98 on the Right to Organise and Collective Bargaining;
- ILO Convention 29 on Forced Labour;
- ILO Convention 105 on the Abolition of Forced Labour;
- ILO Convention 138 on Minimum Age;
- ILO Convention 111 on Discrimination (Employment and Occupation);
- ILO Convention 100 on Equal Remuneration;
- ILO Convention 182 on Worst Forms of Child Labour;
- Vienna Convention for the protection of the Ozone Layer and its Montreal Protocol on substances that deplete the Ozone Layer;
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention);
- Stockholm Convention on Persistent Organic Pollutants (Stockholm POPs Convention)
- Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade (UNEP/FAO) (The PIC Convention) Rotterdam, 10 September 1998, and its 3 regional Protocols.

Consequences of misrepresentation

A serious misrepresentation which induces a contracting authority to enter into a contract may have the following consequences for the signatory that made the misrepresentation: -

- The potential supplier may be excluded from bidding for contracts for three years, under regulation 57(8)(h)(i) of the PCR 2015;
- The contracting authority may sue the supplier for damages and may rescind the contract under the Misrepresentation Act 1967.
- If fraud, or fraudulent intent, can be proved, the potential supplier or the responsible officers of the potential supplier may be prosecuted and convicted of the offence of

fraud by false representation under s.2 of the Fraud Act 2006, which can carry a sentence of up to 10 years or a fine (or both).

If there is a conviction, then the company must be excluded from procurement for five years under reg. 57(1) of the PCR (subject to self-cleaning).

Appendix 4 – Completion of Project Cost Breakdown Form

Overview

The Project Cost Breakdown Form is a standard template used to capture costs and overheads to inform multiple procurement competitions of varying size and scope. As a result, whilst it contains multiple green input tabs, not all will require completing, particularly for lower value or less complex procurements.

Flex Non-Domestic Smarter Tariff Comparisons – Mandatory input tabs for all applicants.

Based on project requirements as detailed at **Section 1.3** and **Section 3**, applicants must as a **minimum**, complete the following tabs:

Labour & Overhead Costs tab

For all project team members for whom the applicant wishes to recover costs or overheads they must complete all light blue input cells (columns C,E,G,I and M) following the example format provided at Row 18.

Project Quarterly Breakdown tab

At columns **G and H (2022-23) P – S (2023-24) and AA - AC (2024-25)** Bidders should provide a quarterly profile for each Cost or Overhead category where £ amounts have been entered.

Please note the **‘All Years’** Totals at column **AL** must equal the equivalent total on the ‘Summary’ tab – Thus the ‘Total Labour costs’ figure at cell **AL10** of the Qtly Breakdown tab must equal the ‘Total Labour Costs’ figure at cell **E15** of the ‘Summary’ tab.

Flex Non-Domestic Smarter Tariff Comparison Programme – Other potential input tabs

Applicants intending to claim eligible Travel and Subsistence Costs must complete the relevant blue input fields in the **Travel & Subsistence tab**.

Applicants intending to utilise one or more Sub-Contractors must complete the relevant blue input fields in the **Sub-Contract Costs tab**.

For consortia applications, each Partner must complete the relevant light blue input cells in the **Partner Breakdown tab**.

Applicants intending to claim for other costs should complete the relevant light blue input cells in either the **Material Costs, Capital Equipment or Other Costs tab.** light blue. Given the anticipated desktop nature of work associated with production of the Feasibility Reports, this should include full justification for costs being claimed.

For Phase 1, in completing the Cost Breakdown Form, applicants must:

- Ensure that total Phase 1 costs and overheads do not exceed **£50K per project** (excluding VAT);
- Ensure that total estimated Phase 2 + Phase 3 costs and overheads do not exceed **£550K per project** (excluding VAT);
- Overall, ensure that their Total estimated Project costs Phase 1 + Phase 2 + Phase 3 costs and overheads do not exceed **£600K per project** (excluding VAT)- check total at cell AA18 on the 'Qtly Breakdown' tab.

Subject to not exceeding the price caps as detailed above, Bidders will be assessed on their submitted application as per Section 7.1.

For Down Selection, in completing the Project Cost Breakdown Form, applicants must:

- Ensure that their Total Phase 2 and 3 Costs, does not exceed **£550K per project,** (excluding VAT).

Appendix 5 – Accelerator Support for SMEs

Overview

The Accelerator Support for SMEs offers acceleration support to Applicants that successfully progress to Phase 2/ 3: Develop, Demonstrate and Test, and meet the definition of Small & Medium Enterprise (SME) (Table A5.1). This is highly recommended for SME SBRI awardees to help develop their business. This Acceleration Support is 100% funded by the Authority . This support will focus on helping the Applicant to prepare commercial plans and actions that will increase the chance of successfully bringing the innovation to market or reduce the time to market.

Table A5.1 Categories for business size definitions - Summary

Company Category	Staff Headcount		Turnover		Balance Sheet Total
Medium	<250 people	AND	≤£45m	OR	≤£39m
Small	<50 people	AND	≤£9m	OR	≤£9m
Micro	<10 people	AND	≤£2m	OR	≤£2m

Carbon Trust will lead a consortium (Energy Systems Catapult, Eigen Ventures, Mott Macdonald and KPMG) to deliver the Acceleration Support Services on behalf of DESNZ. Specialist support will also be provided by clean tech investor Sustainable Ventures, technical consultancy E4tech, product development specialists High Value Manufacturing Catapult, international patent and trademark consultancy Novagraaf, marketing and communications experts Greenhouse and legal specialist dwf.

Nature of support offered

The starting point for acceleration support is to consider the current stage of commercial preparation and identify (with the Applicant) critical next steps, business strengths and gaps, benchmarked for the stage of the individual business across all key Acceleration Support focus areas:

- Market engagement and proposition
- Strategy and sales
- Team and board
- Funding and investment
- Product-service design, development and launch
- Business processes and controls

Specialist advisers from Carbon Trust and its consortium will be assigned to support the company in the development of the appropriate knowledge and skills. Three types of support will be available dependant on company need:

1. Tailored support, including coaching and specialist support across the six focus areas

2. Group training and learning resources, including sector specific masterclasses and techno-market workshops
3. Access to industry and finance networks, providing companies with investor engagement opportunities, pitch training sessions, facilitated market engagement and networking opportunities.

All SME-led proposals that are awarded funding and wish to receive Acceleration Support will need to participate in an Acceleration Support Planning meeting. This planning session will be conducted by The Carbon Trust who have been appointed to deliver Acceleration Support Services on behalf of the Department. Following the planning meeting an acceleration plan will be created outlining the task delivery plan. These plans will be bespoke and based on company needs identified.

Participants will also be asked to collaborate in monitoring and evaluation activities and to provide feedback on support provided through the programme.

This publication is available from: <https://www.gov.uk/government/publications/non-domestic-smarter-tariff-comparisons-innovation-programme>

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