

Heart of the South West Local Enterprise Partnership Digital Investment Programme

Build Back Better Call Specification

1. Introduction

This Call Specification document summarises the LEP's new Digital Investment Programme, outlines how this will be achieved through one or more Projects, and details the requirements that project bidders need to address in their bid submissions.

2. Summary

The aim of the Digital Investment Programme is to take a comprehensive approach that addresses the digital challenges faced by businesses and communities whilst also realising the digital opportunities available to the Heart of the South West. This call is specifically targeted at tackling economic and societal challenges through data analytics and digital innovation, to enable us to Build Back Better.

Delivery will be through one or more Projects. Proposals are invited from Project Bidders and the one or more successful Project Owners will enter into a funding agreement, which will provide funding according to outputs achieved during the project delivery.

3. Background

The Heart of the South West LEP has identified Digital as the highest priority for future investment. £10 million is currently being invested in Connecting Devon and Somerset (CDS) delivery to directly support digital connectivity and a further £4 million is being invested in improvements to mobile connectivity, modernisation of the area's FE College ICT offer, and to establish a 5G pilot at Plymouth Smart Sound.

The pandemic has really highlighted the importance of digital connectivity and skills, with digital services playing a vital role in helping people stay in touch with friends and family members, enabling people to work and study from home, and providing access to key services. The Heart of the South West LEP is therefore stepping up its investment to support the area and its communities to be digitally equipped for the future.

In total, a further £8 million has been ringfenced to continue delivery of the Heart of the South West's Digital Strategy. This will enable further investment in digital skills, provision of a new targeted digital business advisory service, further infrastructure connectivity improvements for 'hard to reach' places that do not currently benefit from commercial roll-out programmes, and investment in transformational digital opportunities that will enable us to build back better. This is all fundamental to increasing productivity and levelling-up in areas like the Heart of the South West.

4. Build Back Better Priorities

The Heart of the South West has two national capability government labs with a focus on environmental and geospatial data (the Met Office and the UK Hydrographic Office), expertise in the universities of Exeter and Plymouth, and a growing commercial capability in the application of data and machine learning. These assets have attracted partnerships with global organisations such as Amazon Web Services, Microsoft, Google, IBM, the World Health Organisation and NASA, as well as talented academics from around the world.

This combination of assets, people and partnerships is playing a key role in the translation of foundational research into commercially viable solutions, catalysing the development of a multi-billion pound global market for big data, particularly in the environmental intelligence market and its application into AI.

Building on the robust evidence base that was developed for the Local Industrial Strategy which identified Digital as part of the dynamic heart of our local economy, our Build Back Better plan includes an ambition to apply the Heart of the South West's growing digital and analytical expertise to tackle key economic and societal challenges where digital approaches have the potential to deliver a transformative effect. The particular outcomes we are looking to achieve with our investment are:

- Growth in the environmental intelligence market, exploiting the area's data and research capabilities.
- Maximisation of clean growth applications from marine geospatial innovation.
- Reduced emissions from agriculture through the acceleration of development, commercialisation and dissemination of data analytics and AI technologies.
- Increased innovation through 5G, with a particular focus on delivering net zero ambitions.

This call for applications is specifically targeted at accelerating delivery of this ambition and the LEP hopes that it will lead to support for one or more Projects.

5. Geographic Constraints

Bids should address the following points in the Digital Investment Programme Business Case Section 4 – The Commercial Case:

Funding is only available for Projects within the Heart of the South West LEP area covering the administrative areas of Devon, Plymouth, Somerset and Torbay.

6. Investment

Bids should address the following points in the Digital Investment Programme Business Case Section 5 – The Financial Case:

LEP has up to £2 million of capital funds to invest in one or more Projects under this call.

Projects are not required to provide match funding, although this could help a Project's value for money.

Capital and revenue cost of the Project is required, alongside an outline of how bidders will finance the revenue sustainability of the Project.

LEP will make payments to the project after validation of evidence of defrayment.

LEP will charge a 2% management fee for monitoring and evaluation, which should be included in Project costs.

Bidders are expected to meet any legal costs associated with the funding agreement.

7. Timescales

Bids should address the following points in the Digital Investment Programme Business Case Section 6 – The Management Case:

Funds from the LEP cannot be paid to the Project Owner after 31 December 2024.

Projects may deliver some elements of the Project after the end December 2024. To be agreed between the parties and specified in the funding agreement.

8. Project Bidders

Bids are invited from private sector, research sector, voluntary sector and public sector organisations.

Bidders need to demonstrate a track record of project implementation.

Bidders need to demonstrate their understanding of digital projects.

Bids will comprise the attached Expression of Interest form. A shortlist of bids will then be invited to submit a Digital Investment Programme Business Case in the attached Green Book format, plus any appendices. No other submissions will be considered.

9. Award Process

The LEP will manage the award process. See timetable below.

Launch of Call	10 January 2022
EOI Closing Date	9 February 2022
Shortlist Agreed	4 March 2022
Detailed Business Case Closing Date	29 April 2022
Award(s) Decision	10 June 2022
Implementation Complete	31 December 2024
Financial Completion	31 December 2024

Information about the process can be found at website

<https://heartofswlep.co.uk/understanding-our-economy/digital/>

10. Commitments

Approved Projects will be governed by a Funding Agreement.

The Funding Agreement will include funding payment points, with their respective evidence of defrayment, as agreed between the Project Owner and the LEP.

It will also require the Project Owner to evidence match funding, commit to adhere to prevailing subsidy control regulations and commit to adhere to LEP requirements such as appropriate project branding.

The Funding Agreement will also deal with project completion and with project failure.

A sample Funding Agreement will be made available to shortlisted bidders.

11. Complementary Documents

Call Specification

Expression of Interest Form

Green Book Business Case for Shortlisted Bids