

<b>Authority name:</b>	<b>Oxfordshire County Council</b>
<b>Service Area:</b>	<b>Energy &amp; Climate</b>
<b>Project timescales:</b>	<b>August 2022 – March 2024</b>
<b>Benefits:</b>	<b>Development of a Local Area Energy (LAE) Planning function, client-led procurement of LAE Plans, and the governance, capacity and capability required</b>

## **Introduction**

Oxfordshire County Council (OCC) works with the five Oxfordshire District Councils across various areas of service delivery, including Climate Action. The Climate Action Team at OCC works with District colleagues in Climate, Energy and Planning to progress decarbonisation policies and projects, with the [Future Oxfordshire Partnership](#) (a joint committee of the six councils of Oxfordshire together with key strategic partners) also providing a mechanism to align and coordinate activity. The County and the Districts have individual net zero targets, and while these differ in timing and scope it does mean that all have a commitment to decarbonise. The two strategies that direct this activity are [Pathways to a Zero Carbon Oxfordshire](#) (PaZCO, 2021) and the [Oxfordshire Net Zero Route Map and Action Plan](#) (RMAP, 2023). The RMAP includes Local Area Energy (LAE) Planning as a priority activity. The staff support accessed by OCC via APSE focussed on translating this priority into practice.

## **Objectives:**

With a countywide commitment to decarbonise, the objective was to develop a client-led understanding of Local Area Energy (LAE) Planning and assess the viability and practicality of procuring LAE Plans (LAEPs). This addressed the following

- What is the value to the County and Districts?
- What are the outcomes that LAE Planning is intended to unlock?
- Clarity regarding LAE Planning and LAE Plans; similarities, differences and relative benefits
- Are LAEPs a solution, and what are the implications (including capacity, capability, clienting, financing and eventual delivery)?

This created sub-objectives, such as development of governance, internal alignment and key partnerships to progress the main objective.

**Outputs:**

- Governance structure created with the Future Oxfordshire Partnership
- Client intent clarified, and benefits of LAE Planning vs Plans understood
- Capability, capacity gaps understood and key partnerships developed
- Early market engagement carried out to understand the marketplace, procurement options, benefits and likely costs of LAE Plans

**Benefits:**

- The client understood how LAE Planning and Plans could benefit them and how they could be used in relation to the challenges they were tackling.
- Governance structure established that meant engagement and decision-making could take place at the appropriate levels, including with external partners. This meant that activity could be amplified and OCC could benefit from related activity by other partners.
- Approach to the marketplace was client-led, there was a realistic understanding of how resources and intent could be balanced, and key areas of risk (eg internal management of decarbonisation pathways, misalignment with stakeholder engagement scope and resourcing, and the delivery gap) were mitigated.

**Project summary:**

Local Area Energy Planning and Local Area Energy Plans can be quite different. LAE Planning refers to the client's ability to understand cost, value and outcome in the context of decarbonisation, with LAE Planning principles providing a framework for this; LAEPs are specific documents that inform actual project and programme activity at a quite granular level. This project focussed on working with the client team to establish the LAE Planning function, including supporting new team members, and then working with those members to assist with value-based decision-making about the procurement of actual LAEPs. LAEPs can add a lot of value, but they are expensive, require considerable client capability, and need to have clear client intent: why is the client doing this, what are LAEPs going to do that otherwise wouldn't happen? They also need to be contextualised; there needs to be pre-work to ensure that the capability, capacity, alignment and partnerships on which the development of effective LAEPs will depend are in place. The client also needs to be pointing consistently towards delivery, ie what happens on day 1 after the LAEP is published? This wider work with OCC that surrounds LAEPs, as well as the LAEPs themselves, was the focus of this project.

## Recommendations:

- Understand the difference between LAE Planning and LAE Plans. Do your research, talk to your networks, talk to other LAs or Combined Authorities that have procured LAEPs, and talk to your regional Net Zero Hub. Consider using an APSE associate to challenge you on key areas of client intent so that you can have the internal discussions needed to come to a clear, client-led position;
- Understand the risks of LAEPs. These can be navigated but you need to be an active and informed client;
- You will need the capacity to clarify client intent, develop governance, build alignment, engage with peers and the market, and understand risk. There is a significant cultural element to these requirements – negotiating them and having discussions at the right level will take time and energy; is it clear where this is located, and where the accountability is?
- ... and you will need capability. Somebody on the client side needs to know what LAE Planning is, what good looks like, and be able to define success and drive this through procurement. You will need people who can manage the data element of LAE Planning because this is critical to LAEP quality, and because they will be the people that actively manage the decarbonisation pathways at the delivery stage;
- You will need to find a balance between the potential of LAEPs, the resources you have, what you want LAEPs to do, and elements such as stakeholder engagement that need to be carefully calibrated in terms of cost and value. This again stresses the importance of your internal, client-led capacity, as well as the need for a robust governance structure;
- LAE Planning and LAEPs are all about delivery; they are there to move decarbonisation forward. That delivery will require large-scale finance (£billions potentially) and active, professional clienting and management. Start thinking about delivery and finance on day 1. The initial structures might change over time, but you need to avoid a 'so what?' moment when an LAEP is published because that will cost you a lot of time, momentum and lost opportunity.