

# Brighton & Hove Strategic Energy Partnership

**Preliminary Market  
Engagement information**



## Introduction

Thank you for your interest in Brighton & Hove City Council's proposals to form a Strategic Energy Partnership. Our ambition is to enable energy decarbonisation for the whole city, whilst tackling inequality, generating economic benefit and providing a better Brighton & Hove for residents and businesses.

We're currently seeking feedback on our proposals and invite you to engage with us to help shape a partnership that can accelerate delivery, unlock innovation, and create long-term value for both the city and its investment partners.

## Purpose and aims of the partnership

The purpose of this Preliminary Market Engagement (PME) is to identify and explore market expectations regarding partnership models for a commercially viable Strategic Energy Partnership (SEP) that delivers on the following aims and objectives.

**Aim:** To accelerate the decarbonisation of energy and transport in Brighton & Hove, whilst generating value for local communities and the local economy. The partnership will aim to achieve net zero, meeting these outcomes:

1. **Carbon reduction** – The SEP will deliver priority energy decarbonisation projects at pace and scale, accelerating the whole city's progress towards net zero
2. **Economic opportunity** – The commercial activity of the SEP will support growth in local supply chains, fostering growth in green jobs and skills
3. **Community benefit** – The SEP will generate community benefit, including through its social value proposition

**Objectives:** To achieve these aims, the long-term partnership will need to support:

- **Scaled capital mobilisation** across a diversified project portfolio, including but not limited to council assets
- **Accelerated delivery models**, enhancing speed and efficiency of deployment
- **Strategic governance**, allowing the council to retain strategic direction while ensuring balanced risk/reward
- **Project development support**, bridging early feasibility gaps through pre-business case investment
- **Capacity building**, improving technical expertise and organisational capacity

- **Community value generation**, including tackling fuel poverty, increasing community support for and ownership of local energy projects, and generating funds for community projects
- **Robust financial returns**, in tandem with broader environmental and social outcomes
- **True decarbonisation**, ensuring projects reduce whole life carbon, with the capital carbon invested being lesser than the operational emissions reduced
- **Aggregation** of investment-grade and lower-return projects into integrated portfolios with distributed risk
- **Sustained commercial success**, contributing positively to the financial sustainability of partner organisations
- **Growth of the local supply chain**, supporting the local economy and our existing community energy organisations, and creating new opportunities for green skills and jobs
- **Innovation**, developing and implementing innovation projects exploring new technologies and proof of concepts
- **Compliance with public sector duties and obligations**, including procurement and statutory requirements

## Envisioned partnership model

Outlined below is a potential partnership model, provided for the purposes of obtaining structured feedback from potential partners and stakeholders. The council is open to alternative models, compliant with our public law duties and powers, which would achieve the aims and objectives set out above.

We are anticipating a partnership steered model. The preferred commercial structure is currently unknown, though the council would have a right to strategic control.

The contractual arrangements are anticipated to incorporate the following elements:

- **Project origination** would be from both the Strategic Partner or the council, and projects, or portfolios of projects, would be considered on a case-by-case basis.
- It is expected that **project delivery** would be by the Strategic Partner.
- It is anticipated that **capital investment** would be principally via the Strategic Partner, however the council would be able to invest (or contribute grant funding) in return for receiving financial return, where they chose to do so. Council decisions on investment would require Cabinet approval of business case.
- Mechanisms for enabling, and recognising contributions to, **blended finance**
- A mechanism for the Strategic Partner to have **“first refusal” or exclusivity** for defined project types, combined with gateway approvals that would also enable the council and Strategic Partner to independently deliver their own projects

where agreement could not be reached. All projects would need to meet the council's public sector obligations, including its best value duties.

- A mechanism for **sharing profit**. This could either be in proportion to the individual investment for each project (including investment of grant funding accessed by the council) or on a ratcheting scale.
- Allocation of **risk** to the party best able to control it. Project delivery risk would therefore largely sit with the partner, except for risks within the council's control, such as readiness of council assets. Details of financial risk allocation would be agreed as part of project/portfolio business case and approvals.
- A mechanism for providing **community value**, in addition to development of local supply chains. We envision this would take the form of a community value fund, with a "floor" partner contribution per year, linked to the value of capital projects above this floor.
- A similar mechanism for **funding low-carbon innovation**.
- A mechanism for covering **project development resource**. This is initially anticipated to take the form of dedicated project development capacity provided by the Strategic Partner, and reimbursement of associated council development costs. It is expected that over time, portfolio approaches to projects would be developed, allowing cross-subsidy between projects and for development costs.
- A commitment for **dedicated staff resource** from both the Partner and the council over the course of the partnership, with the majority of staff provided by the Partner.
- A fixed **term** of 10-20 years, extendable for an additional period.

## Engagement process

Market expectations and views will be sought primarily via <https://yourvoice.brighton-hove.gov.uk/en-GB/projects/sep-pem> in accordance with the timeline set out below. We ask that you read the <https://www.brighton-hove.gov.uk/net-zero/brighton-hove-strategic-energy-partnership-prospectus> and attend the <https://yourvoice.brighton-hove.gov.uk/en-GB/events/8d740664-898b-4bb4-b8c2-bcc7bd94f7ba>, or <https://www.brighton-hove.gov.uk/net-zero/strategic-energy-partnership-net-zero>, prior to submitting the feedback form.

We will not be answering questions during the webinar. The primary mechanism for submitting questions about the proposed partnership will be via the feedback form. We will endeavour to respond to your questions in follow-up engagement. You will need to indicate in the feedback form whether you would be willing to be contacted to schedule a more focused, **follow-up engagement session**.

An anonymised summary of questions and answers will be published alongside any subsequent contract procurement.

## Engagement timeline

The following timeline is anticipated for engagement, subject to alteration depending on the feedback received.

|                     |   |
|---------------------|---|
| Early February 2026 | <b>Publication of PME notice</b><br><a href="#">BHCC JB Strategic Energy Partnership - Find a Tender</a>  |
| 23 February 2026    | <b>Preliminary Market Engagement Webinar</b><br>Link to register: <a href="#">Event: Strategic Energy Partnership webinar   Brighton &amp; Hove City Council</a>  |
| 11 March 2026       | <b>Share your views</b> via the SEP Interested Parties Feedback Form: <a href="#">Project: Strategic Energy Partnership preliminary market...   Brighton &amp; Hove City Council</a><br>The form may remain open after this date at the council's discretion, for additional feedback to be submitted. However, respondents would be unlikely to be invited to attend a follow-up engagement session. |
| 16 – 27 March 2026  | <b>Follow-up engagement sessions</b> take place over the course of two weeks. Interested parties (as expressed in the feedback form) may be contacted for follow-up discussions   |

## Next steps

Procurement for the SEP, following the Preliminary Market Engagement, is expected to take place later in 2026. Interested parties can follow progress and changes going forward on the council's Strategic Energy Partnership website at: <https://www.brighton-hove.gov.uk/net-zero/strategic-energy-partnership-net-zero>. Official procurement notices will be issued via the [SE Shared Services eSourcing Portal](#).

