

DPS FRAMEWORK SCHEDULE 4: LETTER OF APPOINTMENT AND CONTRACT TERMS

Part 1: Letter of Appointment

To whom it may concern,

Letter of Appointment

This letter of Appointment dated Friday 12th February 2021, is issued in accordance with the provisions of the DPS Agreement (RM6018) between CCS and the Supplier.

Capitalised terms and expressions used in this letter have the same meanings as in the Contract Terms unless the context otherwise requires.

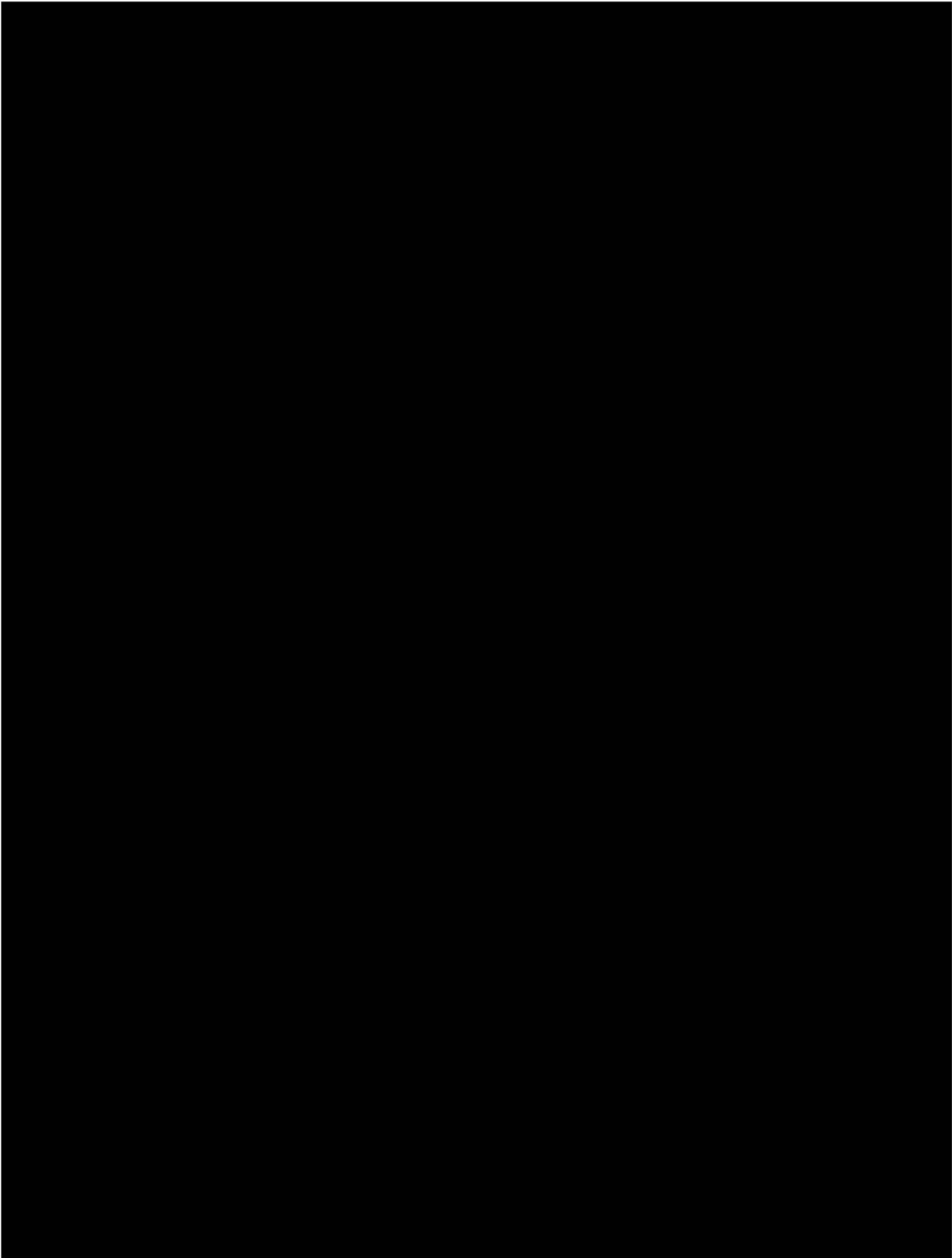
Order Number:	CR20125
From:	The Department for Business, Energy and Industrial Strategy (BEIS), 1 Victoria Street, London, SW1H 0ET ("Customer")
To:	Winning Moves Ltd, Baskerville House, Centenary Square, Birmingham, West Midlands, B1 2ND ("Supplier")

Effective Date:	Monday, 15 th February 2021
Expiry Date:	Friday 31 st March 2023

Services required:	Set out in Section 2, Part B (Specification) of the DPS Agreement and refined by: <ul style="list-style-type: none">· the Customer's Project Specification attached at Annex A and the Supplier's Proposal attached at Annex B; and
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Key Individuals:	<div>██</div> <div>██</div> <div>██</div>
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Contract Charges (including any applicable discount(s), but excluding VAT):	£484,764.75 excluding VAT in alignment with AW5.2 price schedule Contract. The payment schedule can be found in Contract Terms Schedule 6 Annex 1. Payment Milestones:
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Insurance Requirements	Public liability insurance to cover all risks in the performance of the Contract, with a minimum limit of £5 million for each individual claim employers' liability insurance with a minimum limit of £5 million indemnity professional indemnity insurance adequate to cover all risks in the performance of the Contract with a minimum limit of indemnity of £2 million for each individual claim. Product liability insurance cover all risks in the provision of Deliverables under the Contract, with a minimum limit of £5 million for each individual claim
Break Clause	There will be break clauses at the end of March 2021, the end of Phase 1 (in December 2021) and in March 2022 (which coincides with the end of Phase 2).
GDPR	Please see Contract Terms Schedule 7 (Processing, Personal Data and Data Subjects).
Liability Requirements	Suppliers limitation of Liability (Clause 18.2 of the Contract Terms);
Customer billing address for invoicing:	All invoices should be sent to should be sent to finance@services.ukpbs.co.uk or Billingham (UKPBS, Queensway House, West Precinct, Billingham, TS23 2NF).

FORMATION OF CONTRACT

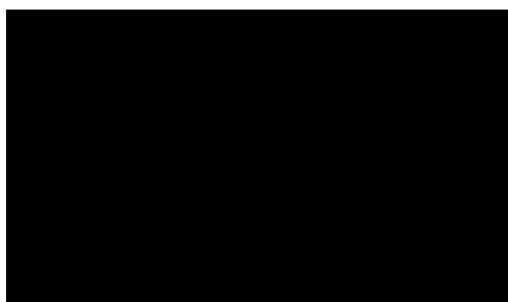
BY SIGNING AND RETURNING THIS LETTER OF APPOINTMENT (which may be done by electronic means) the Supplier agrees to enter a Contract with the Customer to provide the Services in accordance with the terms of this letter and the Contract Terms.

The Parties hereby acknowledge and agree that they have read this letter and the Contract Terms.

The Parties hereby acknowledge and agree that this Contract shall be formed when the Customer acknowledges (which may be done by electronic means) the receipt of the signed copy of this letter from the Supplier within two (2) Working Days from such receipt

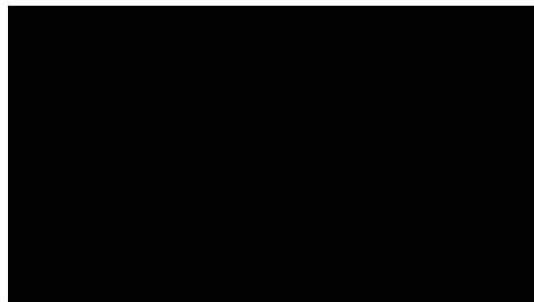
For and on behalf of the Supplier:

For and on behalf of the Customer:



Date:

17th February 2021



Date:

17 Feb 2021

ANNEX A

Customer Project Specification

1. Background

In July 2020, the Chancellor announced a £3.05bn package of Green Economic Stimulus schemes to support economic recovery through the delivery of energy efficiency and low carbon heating measures¹. The Public Sector Decarbonisation Scheme (PSDS)² represents £1bn of this funding and targets the delivery of energy efficiency measures and low carbon heating installations to public sector buildings in England. This also includes central government departments where their roles are reserved (i.e. not devolved to Scottish or Welsh Governments or the Northern Ireland Executive), where funding may be used for estates located anywhere within the UK.

The scheme is time limited. There are some important dates for all eligible bodies to be aware of in order to meet deadlines for submitting an application(s). The window for applications opened on 30 September 2020. Eligible bodies have until 11 January 2021 to submit application(s). Projects that can be completed by 31 March 2021 will be prioritized for funding, but if longer is required, all projects should be completed by 30 September 2021.

The £1bn Public Sector Decarbonisation scheme will provide critical economic support following the COVID-19 crisis, while aligning with net zero and clean energy goals. The £1bn investment strongly aligns with BEIS' new mission and priorities: fighting coronavirus, backing business, unleashing innovation, and tackling climate change.

The scheme will deliver the following objectives:

- Deliver stimulus to the energy efficiency and low carbon heat sectors, supporting up to 30,000 jobs
- Reduce non-traded carbon emissions from the public sector by up to 0.5MtCO₂e over each of CB4 and CB5

Organisations that are eligible to apply for the grant scheme include:

- Central government departments
- For central government departments where their roles are reserved (i.e. not devolved to Scottish or Welsh Governments or the Northern Ireland Executive), funding may be used for estates located anywhere within the UK
- Emergency services
- Institutions of further and higher education
- Local authorities
- Maintained schools within the state education system, including academies, Multi-Academy Trusts and free schools
- Nursery schools maintained by a local authority
- NHS Trusts and Foundation Trusts
- Non-departmental public bodies

¹ <https://www.gov.uk/government/publications/a-plan-for-jobs-documents/a-plan-for-jobs-2020>

² <https://www.gov.uk/government/publications/public-sector-decarbonisation-scheme-psds>

Delivering these projects will require activity in a range of sectors such as building services, engineering and design, low carbon heating, installation of renewable sources and energy efficiency and insulation.

Alongside the PSDS, there is the [Public Sector Low Carbon Skills Fund \(LCSF\)](#). The LCSF provides up to £32 million of grant funding to help public sector bodies to access the PSDS where needed. We expect all LCSF applicants to therefore apply to PSDS.

LCSF is available for eligible public sector bodies for:

- Project development support: to source and contract specialist and expert advice to identify and develop energy efficiency and low carbon heat upgrade projects, and prepare robust and effective applications to the PSDS;
- Project delivery support: to deliver projects that are funded by the PSDS (by contracting additional skilled resource);
- Heat decarbonisation plan support: to contract specialists to help develop a heat decarbonisation plan or improve an existing heat decarbonisation plan.

Applications for eligible public sector organisations opened on 30 September 2020. For those applying for LCSF funding to support project development, the application deadline was 4 December 2020. The scheme will close on 11 January 2021 for those eligible bodies applying for the LCSF to support project delivery and/or heat decarbonisation plans.

This scheme is also administered by Salix Finance and the LCSF, as far as it supports the delivery of PSDS, is in scope of this evaluation.

This ITT sets out the requirement for the delivery of an evaluation of PSDS. This includes a process, impact and economic evaluation. PSDS is being delivered in a complex policy environment and the appointed contractor is required to take account of the wider context and other schemes currently underway. To do this there are three main considerations:

- Inclusion of the LCSF within scope of the evaluation – LCSF is designed to support PSDS applications (either the design, delivery or heat decarbonisation plan aspects). All LCSF applicants are expected to apply to access PSDS funding, but not all PSDS applicants will have accessed LCSF. While LCSF is a stand-alone scheme the PSDS evaluation is required to assess the role that LCSF played in the delivery of PSDS.
- Interaction with the wider £3.05bn package of Green Economic Stimulus schemes – BEIS will be required to report on the success of the overall £3.05bn of funding. To do this the appointed contractors are expected to:
 - o Work with BEIS and contractors working on other scheme evaluations to, where possible, ensure consistency of evidence collection and reporting across the schemes. For example, this could include agreeing harmonised survey questions or consistent modelling assumptions and approaches;
 - o Carry out a scoping exercise which informs whether the PSDS impact evaluation, as it relates to jobs impacts, is conducted under this contracted evaluation or whether it is joined with an impact evaluation which covers the wider £3.05bn funding. All bids under this ITT should cost for the delivery of the PSDS jobs impact evaluation activities, however, the expectation is that a contract break point and contract variation will be put in place to remove the jobs impact evaluation activities from this contract if deemed appropriate.

The specification below sets out the requirements for the PSDS evaluation including process, economic and impact evaluations. Research questions for each form of evaluation have been developed and are

listed separately below, though the appointed contractor is responsible for reviewing the appropriateness and deliverability.

The overarching aims for the evaluation are as follows:

PSDS

The PSDS element of the evaluation aims to:

- Assess the extent to which the public sector decarbonisation scheme has effectively enabled the delivery of energy efficiency and low carbon heat measures in public sector organisations;
- Assess the impact of the scheme on jobs, skills and the supply chain for energy efficiency and low carbon heat measures; (subject to scoping study)
- Assess the impact of the scheme on carbon savings;
- Understand how the scheme has contributed towards its objectives.

LCSF

The LCSF element of the evaluation aims to:

- Assess the extent to which the low carbon skills fund has effectively supported the development and delivery of PSDS projects and the development of heat decarbonisation plans;
- Understand the resourcing and skills gaps the scheme has addressed and whether it was successful in addressing them;
- Understand how PSDS and LCSF work together to deliver scheme objectives.

Timings

It is anticipated that the evaluation will be divided into three phases:

- **Phase 1** - Process evaluation and early outcome evaluation (January 2020 to September 2021)
- **Phase2** - Further impact evaluation and initial economic evaluations (October 2021 – March 2022)
- **Phase 3** - Continuing impact and economic evaluation and emerging impacts (April 2022 – March 2023).

There will be break clauses at the end of March 2021, the end of Phase 1 (in September 2021) and in March 2022 (which coincides with the end of Phase 2).

Process Evaluation Aims and Questions

The process evaluation aims to understand what happens during the scheme implementation, how the scheme design and administration have supported delivery of the PSDS aims and what worked more or less well and why. The timings for the process evaluation are expected to run from evaluation start until September 2021 when all projects are due to be completed.

The process evaluation will need to include primary research and secondary analysis of scheme data. It is expected to involve quantitative surveys and qualitative research with the following groups:

- Salix representatives
- BEIS representatives
- Low carbon consultants
- Scheme participants
- Supply chain representatives
- Accreditation and training bodies
- Organisations that received LCSF
- Those contracted under LCSF
- Installers of energy efficiency and low carbon heat
- Eligible Non-Participants
- Unsuccessful applicants to scheme³.

The research questions set out below cover five main areas:

Scheme delivery

- What has been the awareness of the scheme and take up by public sector organisations under the scheme?
- How effective has the scheme been at encouraging grant applications by new organisations not previously involved with the loans scheme?
- How effective is the application process in facilitating applications and encouraging applicants?
- How did the application process encourage additional decarbonisation aspirations in public sector sites?
- What were the main skill gaps LCSF was used to address?
- How has LCSF been used to support the development of PSDS applications?
- How has LCSF been used to aid the delivery of projects funded by PSDS?
- How has LCSF been used to support the development of heat decarbonisation plans?

Grant applicants

- What were the enablers and barriers to applications? Which organisations did this affect?
- To what extent do organisations have a positive experience (engagement, assessment, installation and usage), and how is this influenced by the scheme design?
- To what extent is experience affected by Covid 19?

Installations

- What does the uptake of the scheme look like?
- Are specific technologies more commonly funded by the scheme?
- Are installations funded by the scheme high-quality and are they being used correctly?
- Are there other measures installed as a follow up to these installations?

Supply chain and economic recovery

³ The application window is currently still open. It will be confirmed after the applications window closes how best to target these interviews.

- Does the energy efficiency / low carbon heat installer market have the capacity/ willingness to participate in these projects? Are these new entrants?
- How is the scheme supporting the creation and preservation of energy efficiency and low carbon jobs across the supply chain?
- What are the characteristics of the non-domestic installer organisations engaging in the scheme and does this overlap with the domestic installer population? If yes, to what extent and how?

Cost effectiveness and future policy

- What are the costs incurred for installing measures in sites?
- What are the critical success factors and barriers behind the delivery of this scheme?
- How did the public sector schemes interact with other BEIS schemes or government funding mechanisms?

Impact Evaluation and Questions

After the process evaluation, an impact evaluation will be required to assess the extent to which scheme benefits have been achieved. It is expected that, while measures will be installed before 30 September 2021, the majority of the impacts will not be realised or measurable until after the scheme closes. This is primarily due to the need to access datasets which have a time lag to availability.

Phase 1 is expected to including scoping of the impact and economic evaluations with recommendations made for phases 2 and 3.

A key decision for BEIS to make following the impact and economic scoping study is whether this contract delivers the evaluation of job impacts. We anticipate the carbon impacts will be calculated as part of this tender but job impacts may be evaluated as part of a cross-cutting evaluation across all the stimulus schemes depending on the scoping activity findings (discussed below in more detail). All bids should assume both impacts will be delivered in this evaluation contract, if necessary BEIS will use contract break points to reduce the scope of this contract at the end of phase 1.

The contractor is expected to support the development of the evaluation questions for this impact evaluation as part of initial scoping work. However, the current impact evaluation questions are likely to be:

- How effectively has the scheme supported energy efficiency and low carbon jobs?
- How effectively has the scheme driven the development of skills needed to meet Net Zero?
- Did the scheme contribute to the creation and support of long-term growth in the energy efficiency supply chain? If so, which parts of the supply chain were impacted and what type of jobs were supported?
- How effectively has the scheme delivered carbon savings?
- To what extent did the scheme deliver energy efficiency and low carbon heat installations which were high quality and represented good value for money?
- To what extent were carbon and job impacts additional to that which would have occurred in the absence of the scheme?
- To what extent has the scheme influenced public sector attitudes or ambitions in relation to decarbonisation?
- How effective was LCSF in supporting the development of high-quality PSDS applications?
- How effective was LCSF in aiding the delivery of projects funded by PSDS?
- How effectively has LCSF supported the development of heat decarbonisation plans?

- How long term were the LCSF benefits in relation to the capacity and capability of the public sector to develop and deliver successful energy efficiency and decarbonisation projects?

Additional qualitative research will be required to gather evidence to address these questions.

Economic evaluation

An economic evaluation is included under this contract to be conducted alongside the impact evaluation. As with the impact evaluation, the scope will be confirmed after Phase 1 as to whether job impacts will be included or measured in the cross-cutting evaluation instead. We expect this to take the form of a cost-benefit analysis that aims to assess the cost-effectiveness of the scheme and calculate a social net present value if it appears to be the most appropriate methodology with the data available. At minimum, we expect to have spend, technologies installed, grant recipient

and project characteristics and changes in fuel consumption to inform this analysis.⁴ We invite the contractor to scope out the key questions that can be answered but we expected them to include:

- What is the average cost of installing measures in buildings and sites under the scheme? How does this vary by measure or organisation type?
- What costs are incurred by the different actors involved in the scheme (i.e. costs to governments, applicants, installers or society) and how much are the costs?
- What benefits have been achieved by the scheme? (i.e. jobs, carbon and energy savings)
- Have there been any co-benefits of the scheme (i.e. building comfort, air quality, improved quality of public services, culture of decarbonisation)?
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Phase and activity timings

Evaluation stage	Expected Timing	Key research methods	Analysis method/crossover	Reporting
Phase 1 – Initial responses and scoping	January – September 2021	Interviews and surveys with key subgroups	Data scoping for impact and economic evaluations	Interim reports July and September 2021
Phase 2 – follow up surveys and initial impact and economic analysis	October 2021 – March 2022	Follow up interviews with key subgroups Analysis of scheme and installer data	Outline of quasi-experimental analysis and cost-benefit analysis	Interim report March 2022
Phase 3 – Additional impact and economic analysis	April 2022 – March 2023	Follow up interviews with key subgroups	Finalisation of quasi-experimental analysis and cost-benefit analysis	Final report by March 2023

⁴ Changes in energy use may be used to estimate and monetise carbon savings, air quality impacts, energy savings using Green Book supplementary guidance: <https://www.gov.uk/government/publications/valuation-of-energy-use-and-greenhouse-gas-emissions-for-appraisal>

		Analysis of scheme and installer data	Crossover with cross-cutting impact evaluation	
Cross-cutting impact evaluation (if appropriate, detailed below)	Late 2022 - Early 2024 ⁵			Expected Autumn 2022 and Winter 2023/24

Outputs

We expect the main outputs from this evaluation to be:

- July 2021 – Project update and findings report focusing on qualitative findings to date and the impact scoping work – this timing is a priority to inform the cross-cutting evaluation and shape phase 3 of this evaluation.
- September 2021 – Phase 1 summary report setting out the evidence against all of the process evaluation questions and installer analysis
- March 2022 – Interim phase 2 report (follow up surveys and initial impact and economic analysis) - to feed into the successor scheme.
- March 2023 – Phase 3 summary report (additional impact and economic analysis and emerging impacts) - to feed into the successor scheme.

There are additional unpublished outputs and the potential for additional outputs set out in Section 4.

A contract break point will be included at the end of each financial year and after the September 2021 report. These break points allow BEIS to manage the contract and the spend which extends into two new spending review periods (from April 2021 and April 2022).

The monitoring and early evaluation evidence will be used to assess the initial success of the scheme. The scheme evaluation will provide learning to inform the development of the future public sector decarbonisation scheme. Learning across these evaluations will be used by other teams within the Energy Transformation and Clean Growth Group to inform decisions about the most effective and cost-effective delivery designs to meet non-domestic low carbon targets for net zero.

The wider impact evidence will ensure that BEIS can demonstrate progress against its key targets regarding clean energy and net zero commitments.

Plans for separate, future cross-cutting evaluation

To fully evaluate the £3.05bn package of Green Economic Stimulus schemes, BEIS is commissioning additional evaluation contracts. These are not in scope for this ITT, however, the contractor will be required to take account of the other evaluations when delivering the PSDS evaluation.

BEIS is commissioning the following additional evaluation contracts:

- Evaluation of the Green Homes Grant Vouchers scheme – GHGS(V)
- Evaluation of the Green Homes Grant Local Authority Delivery scheme – GHG-LAD
- Evaluation of the Social Housing Decarbonisation Fund Demonstrator – SHDF(D)
- Scoping study for a cross cutting impact evaluation of GHGS(V), GHG-LAD and SHDF(D)

BEIS also plans to commission a cross cutting impact evaluation of GHGS(V), GHG-LAD and SHDF(D).

⁵ Time scales dependent on outcome of cross-cutting scoping study.

The scoping study for the cross-cutting evaluation of the other short-term economic stimulus schemes is currently underway. The outcomes of the scoping study will inform the design and commissioning of the cross-cutting impact evaluation has the following aims:

- Develop an evaluation framework to assess the impacts across the stimulus schemes
- Confirm methodologies for demonstrating the impacts achieved across the stimulus schemes
- Provide early insight into the impacts achieved across the stimulus schemes

The PSDS scoping study provides additional evidence in determining the scope of the future cross-cutting impact evaluation contract. There is an option to include parts of the PSDS impact evaluation within the cross-cutting evaluation if appropriate..

To evaluate the PSDS, there are two main impacts we need to investigate, carbon savings and jobs supported. Domestic and non-domestic energy is modelled and recorded differently so this will be assessed under the current contract rather than including it in the cross-cutting evaluation. Job impacts may be assessed in this contract, or, if scoping work shows considerable overlap between the installer population carrying out installations under the PSDS and the installer population carrying out installations in domestic properties, job impacts may be included in the cross cutting impact evaluation.

As part of phase 1, the PSDS scoping activity and scheme data analysis will be conducted to investigate potential overlap between the two installer populations. There is also ongoing research in BEIS on the non-domestic building optimisation and retrofit supply chain which should help provide early insights.

Depending on the outcome of these activities, we expect one of two scenarios to occur:

- If the population does not overlap, the evaluation of job impacts remains part of the current tender;
- If the population has substantial overlap, analysis will be conducted under the cross-cutting evaluation to avoid duplication of efforts and ensure consistency. In this scenario, the contract would be amended after phase 1 to reflect the change in scope for phase 3 (in both impact and economic evaluations) and reduce the value of the contract (the current estimate is by approx. £25K but this is subject to the scoping activity).

In either scenario, the PSDS evaluation needs to collect job outcomes evidence, to ensure consistency across the evaluations and also to ensure that the correct data is being collected across all evaluation activity to feed into final impact and economic analyses. As such, we expect the contractor who wins this tender to collect data that may inform the cross-cutting impact evaluation and co-operate with the contractors delivering the scoping exercise (commissioned as part of the GHG-LAD evaluation) and any future contractors working on the final impact evaluation. This is expected to include activities such as:

- Comparing sample frames to reduce duplication of contacts
- Sharing summary data to support collation of outcomes across the stimulus schemes
- Sharing barriers and successes in engaging with any emerging hard-to-reach groups
- Implementing agreed questions or permissions processes to ensure consistency across the schemes.

The outputs expected from the work underway in a separate contract on the economic stimulus schemes cross-cutting scoping and early insight evaluation are:

- Evaluation framework – March 2021
- Early impact insights – June 2021 and June 2022

- Impact evaluation scoping report – September 2021

If possible, we anticipate combining outcomes evidence collected within this tender with the cross-cutting scoping outputs to help inform the cross-cutting impact evaluation. We expect the timings of this evaluation to roughly align with the cross-cutting scoping work which should help make this possible.

2. Suggested Methodology

Total number of Interviews (survey)	450 surveys in total: 300 participant surveys by September 2021. 150 installers surveys by September 2021.
Total number of Interviews (qualitative)	<p>Phase 1: By Mar 2021 - 95 interviews: 8 scheme grant administrators (Salix) 2 BEIS representatives 10 low carbon consultants (contracted by Salix) 30 scheme participants 10 supply chain representatives 5 accreditation and training bodies 15 organisations that received LCSF 15 specialists/consultants contracted under LCSF.</p> <p>By Jul 2021 - 30 interviews: 30 installers of energy efficiency and low carbon heat</p> <p>By Sep 2021 - 30 interviews: 15 eligible non-participants 15 unsuccessful applicants to the scheme.</p> <p>Phase 2: By Mar 2022: 80 Follow-up interviews: 10 scheme grant administrator (Salix) 10 low carbon consultants (contracted by Salix) 30 scheme participants 5 accreditation and training bodies 10 installers of energy efficiency and low carbon heat 15 organisations that received LCSF 1 workshop of those contracted under LCSF.</p> <p>Phase 3: By Mar 2023: 40 Follow-up interviews: 20 scheme participants, 10 installers of energy efficiency and low carbon heat and 10 supply chain representatives.</p> <p>Interviews will be approximately 45 minutes long.</p>
Any other specific requirements	Cost benefit analysis during Phases 2 and 3. Quasi-experimental analysis of impacts (scope to be determined). Additional scheme data analysis to support main research questions.

A suggested methodology is outlined below in order to highlight the range of methods that BEIS believe are appropriate and feasible to meet the aims set out above. However, BEIS would welcome bids which propose different methodologies or offer additional activities.

To deliver the aims set out above, it is expected that the evaluation will need to include the following workstreams: Process evaluation, Impact Evaluation and Economic Evaluation. We expect the research to be delivered in three phases.

Phase 1 will comprise of:

- A secondary data analysis workstream;
- a qualitative research workstream; and
- a quantitative workstream, including surveys with participants and installers.

Phase 2 will include:

- follow-up qualitative research;
- begin quasi experimental impact analysis (QEA) and the cost benefit analysis (CBA).

Phase 3 includes:

- further qualitative interviews;
- finalisation of the secondary analysis, QEA and CBA;
- synthesis of the findings of the evaluation.

As discussed in detail earlier, a cross-cutting impact evaluation of the short-term economic stimulus projects will also be conducted. Scoping activity as part of phase 1, as well as other ongoing research, will help to inform whether job impacts will be evaluated as part of this tender or as part of the cross-cutting evaluation.

Phase 1 (January 2021 – September 2021)

Secondary Data Analysis and Scoping

The key data source for use in the evaluation is scheme delivery data from the delivery partner, Salix. Provision of scheme data and (after GDPR compliant permissions) contact data for applicants and installers for the purposes of the evaluation has been agreed with Salix⁶. As part of the application process, installers must complete a contact and consent form and applicants are directed to email BEIS directly with a completed form before funds are issued. We anticipate this will feed into the installer research and support the development of the survey sample.

As part of this work strand, we would also want to investigate indicators of the overlap in installers with the other stimulus schemes (i.e. Trustmark registration).

This workstream, along with insights from qualitative interviews and other ongoing BEIS research, will support decisions around the scope of impact evaluation as part of this contract and the level of inclusion in the cross-cutting evaluation.

⁶ For further detail on the data that will be available from the scheme data, bidders are encouraged to refer to the application form that can be found on the Salix website:

<https://www.salixfinance.co.uk/sites/default/files/Public%20Sector%20Decarbonisation%20Scheme%20Application%20Form%20-%20September%202020%20V1.5%20%285%29.xlsx>

Additionally, in this phase bidders should consider scoping data matching of installer and applicant data to BEIS datasets, such as IDBR and NDNEED, which may need to be undertaken to support modelling of economic impacts and carbon savings.

Qualitative Interviews

We propose the successful contractor conducts qualitative telephone interviews lasting approximately 45 minutes with the following subgroups to evaluate the scheme launch, application process, the supply chain response, and project implementation:

Group	Sample	No of Interviews
Scheme participants*	Scheme Delivery Data - ensuring spread across government organisations, technologies	30
Salix representatives	Delivery Partner	8
BEIS representatives	Commissioning Body	2
Supply chain representatives	Approaching trade bodies and supplier networks	10
Low Carbon Consultants	Contracted to Delivery Partner	10
Accreditation and training bodies	TBD in scoping activity	5
Installers of energy efficiency and low carbon heat	Scheme Delivery Data	30
Eligible Non-Participants	To be scoped by contractor – proposed to use a commercial database organisation with contact detail matching	15
Unsuccessful applicants to the scheme*	Scheme Delivery Data	15
Participant sites that received LCSF funding	LCSF delivery data	15
LCSF contractors	LCSF delivery data	15
Total		155

*The scheme delivery partner will, as part of the application process and installer registration process, ask for consent for scheme participants to be re-contacted for research by the evaluation contractors.

Quantitative Participant Survey

We expect a quantitative survey of scheme participants will be conducted to support the process, impact and economic evaluations. The expected take-up of the scheme has not been robustly modelled. The previous PSEELs scheme had c.1100 uptake annually but it is important to note that the application window is shorter and that this is grant funding rather than loans so approved projects may be fewer but more ambitious.

The appointed contractor will be asked to determine the most effective sample design. We expect this will require further scoping early in phase 1 once the population size has been confirmed. For the purposed of procurement, we have assumed 300 scheme participant surveys. Bidders should consider how best to conduct and present robust analysis with small base sizes. Salix will provide contact details for applicants to BEIS and the appointed contractor after the applicant deadline has passed.

Questions that are relevant to the cross-cutting evaluation (i.e. around job impacts and supply chain) will need to be aligned with other stimulus scheme evaluations to aid comparability and analysis if the

PSDS is included. We anticipate the focus of this survey to be around participant experiences of the scheme, their decision-making processes, the projects they implemented and their perceptions of the impact of the projects and funding.

Quantitative Installer Survey

It is expected that a quantitative survey of low carbon installers will be required to feed into the impact and economic evaluations. The scheme modelling has estimated up to 30,000 jobs supported across the entire scheme. However, it does not specify the proportion of these that are installers. In 2018, ONS data showed approximately 93,900 construction FTE within low carbon and renewable energy economy.⁷ We currently do not have much information on the low carbon installer population working specifically in the non-domestic sector. As part of the application process, applicants are directed to send BEIS directly a form completed by their contractors with contact details and consent to be contacted. We expect this to form the sample frame of this survey. We expect the scale and scope of this survey to be finalised after the application window has closed (Jan 2021) and qualitative interviews with installers have been conducted. For the purposes of procurement, we assume 150 survey respondents, with the potential for more than one respondent per organisation.

We anticipate the focus of the survey would be around their response to the scheme, the nature and costs of the projects they have completed, changes to their work/organisation (including new roles created) and their plans going forward.

Phase 2 (October 2021 – March 2022)

Qualitative Interviews and Workshop

Qualitative telephone interviews are proposed with many of the same groups in phase 1 to understand the experiences of participants and those in the supply chain as the scheme comes to a close:

- Scheme participants: 30 interviews
- Scheme participants who also received LCSF: 15 interviews
- Salix representatives: 10 interviews
- Accreditation and training bodies: 5 interviews
- Installers of energy efficiency and low carbon heat: 10 interviews
- Low carbon consultants: 10 interviews

We also think it would be beneficial to have one workshop with c.20 individuals contracted as part of LCSF (for example, consultants specialists), which would focus on their experiences within the sites, what they found beneficial, what the key obstacles for sites are and how sites could be supported in future, in particular regarding issues relating to organisational capacity and capability.

Quasi-experimental Impact Analysis (QEA)

We expect QEA will be conducted to empirically assess the additional impact of the scheme on carbon savings and, depending on the outcome of scoping, job impacts. The QEA should also investigate any differences in additionality between characteristics, such as technology, organisation type etc. We assume a difference-in-difference approach will be taken with a viable counterfactual identified in scoping, such as matching with non-beneficiaries of the scheme, but we are open to appropriate alternative methodologies.

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<https://www.ons.gov.uk/economy/environmentalaccounts/datasets/lowcarbonandrenewableenergyeconomyfirstestimatesdataset>

We expect this work strand to draw data from scheme delivery data (see annex 1 for details), quantitative survey findings and potentially BEIS datasets, including IDBR, Subnational Energy Consumption⁸ and NDNEED, or other data available (i.e. Display Energy Certificates⁹, Ordinance Survey Data). We are currently exploring whether we will be able to collect gas and electricity meter numbers from the applicant sites to aid matching for carbon impact modelling. If this is possible, we expect the data to be available prior to the commencement of phase 2.

In phase 2, the QEA will need to be scoped, necessary matching conducted, a baseline established and initial outcome figures produced.

Cost-Benefit Analysis (CBA)

We anticipate a CBA will be conducted to determine the value for money of the scheme for the government, for society and for the participant organisations. It should also look at differences in value for money by the characteristics investigated in the QEA. We expect the CBA will draw on other workstreams, such as the QEA, quantitative workstream and insights from the qualitative research. For instance, secondary data analysis may be conducted on information around fuel use to estimate impacts on air quality; and job impacts may be estimated if there is evidence of labour market impacts from economic activity driven by the scheme.

The social CBA must be compliant with principles of the Green Book (government's guidance on how to appraise policies), such as the application of discounting to adjust for social time preference of when benefits are occurred. Green Book supplementary guidance on how to quantify and value energy use and changes to greenhouse gas emissions should also be followed, and any other relevant government guidance for quantifying and monetising impacts for which no market values exist, unless there are strong reasons why alternative valuations would be more appropriate.

As part of Phase 2, the CBA should be scoped, the assumptions refined and initial social net present values (NPVs) and benefit-cost-ratios (BCRs) produced for the overall scheme.

Phase 3 (April 2022 – March 2023)

Quasi-experimental Impact Analysis (QEA)

At this stage, we expect updated market data and scheme data will be included in the QEA to update and finalise impact figures.

Cost-Benefit Analysis (CBA)

In phase 3, the CBA should also be updated with additional data and the BCRs should be finalised.

Qualitative Interviews

⁸ <https://www.gov.uk/government/collections/sub-national-electricity-consumption-data>

⁹ <https://www.gov.uk/check-energy-performance-public-building>

In order to support the finalisation of the QEA and CBA by providing additional context, along with gathering longer term experiences of the scheme, we suggest 40 qualitative interviews, broken down as follows:

- Scheme participants: 20 interviews
- Supply chain representatives: 10 interviews
- Installers of energy efficiency and low carbon heat: 10 interviews

Evidence synthesis and reporting

The evaluation contractors will be responsible for the data collection described above, the associated analysis and the reporting. The reporting will include synthesis of evidence across the

different data sources, for example connecting evidence from the scheme data and applicant interviews to understand why the customer journey may differ from what was originally expected.

The current interim outputs are timed to provide emerging evidence during the scheme as well as ongoing evidence for benefits reviews.

3. Deliverables

Evaluation reports

Section 2 sets out the outputs required and expected timings. BEIS recognises that this is a challenging timeline and expect all bids to confirm proposed interim and final reporting dates, and strand reports that align with the proposed methodologies.

The bids should be clear about what content will be included within each report. All reports should be of a publishable standard, with technical annexes and data tables provided where appropriate. Reports should use the BEIS Microsoft Word reporting template for published reports. Bids will benefit from providing additional outputs that support dissemination across BEIS, for example presentations, slide packs, interactive dashboards or infographics.

Additional outputs

In addition to the evaluation reports, it is expected that raw datasets will be provided to BEIS to support further analysis. This will include fully disclosive data from surveys. This is especially important if the evaluation of job impacts of this scheme is deemed appropriate to be included in the cross-cutting evaluation which will be commissioned as a separate contract.

Workshops and Presentations

Each phase in the evaluation is expected to start with a workshop with BEIS and other stakeholders to agree the key elements in that phase. For phase 1 this will be part of the inception meeting. BEIS expects there to be presentations of findings alongside each of the reports outlined in Section 2. In addition, up to two presentations per year may be required at BEIS Programme Board meetings.

Quality Assurance

All bids should state the quality assurance processes that will be applied to different activities and outputs. Where necessary, deliverables that provide evidence of QA should be specified. Sign-off for quality assurance must be done by someone of sufficient seniority within the contractor organisation to be able to take responsibility for the work done. Acceptance of the

work by BEIS will take this into consideration. BEIS reserves the right to refuse to sign off outputs which do not meet the required standard specified in this invitation to tender and/or the contractor's QA plan. QA should cover all aspects of the project undertaken by the contractors, including data collection, data analysis and reporting.

To demonstrate an effective process to produce high quality reporting, the contractor/s must ensure that quality assurance is done by individuals who were not directly involved in that particular research or analysis.

Bidders should note that BEIS may appoint its own peer reviewer(s) to QA publishable outputs. Consideration should be given to how the external peer reviewer(s) will be included in the QA process.

Where complex or innovative methods are proposed, bidders should specify how additional quality assurance will be provided. Where necessary, this should include the use of external experts. A BEIS appointed peer reviewer will not be expected to provide detailed quality assurance, their role will be focused on higher level peer review.

Outputs will be subject to BEIS internal approvals, the more substantive the output the longer the approval time required. Published reports will require three rounds of comments, which should be factored into the timelines.

The successful bidder will be responsible for any work supplied by sub-contractors. For primary research, contractors should be willing to facilitate BEIS research staff to attend interviews or listen in to telephone surveys as part of the quality assurance process.

Project Management

All bids should include a summary of their project management approach, proposed frequency of project management meetings and how progress will be reported to BEIS.

The successful contractor will be expected to identify one named point of contact through whom all enquiries can be filtered. A BEIS project manager will be assigned to the project and will be the central point of contact.

Where a consortium or sub-contractors are in place, BEIS expects that they are included in relevant meetings, workshops and review points to ensure their full engagement in the project. All contractors and sub-contractors are responsible for the delivery of outputs to the appropriate time and quality. It is expected that the lead contractor takes an active role in oversight of all workstreams and bears the overall responsibility for the delivery of the evaluation activities and outputs.

Bids should assume that BEIS takes an active role in review and quality assurance of research materials, analysis and outputs, beyond external peer review. It should be expected that research materials and outputs go through at least three iterations (i.e. two rounds of comments from BEIS), dependent on the complexity of the product. Additional amendments may be required for published outputs.

The appointment offer will be confirmed by 18 January 2021. Note that bidders must be available to attend an inception meeting in the week commencing 25 January 2021.

We envisage the need for close interaction between the BEIS Project Manager and contractor throughout the process, to ensure that emerging issues are dealt with promptly and that BEIS fully understands the assumptions and approach taken. Bidders should assume that engagement with BEIS will include weekly project management phone calls, weekly progress update reports, steering group meetings (frequency to be confirmed), and if necessary, covid-safe face to face meetings as required to design and deliver the chosen methods. Throughout the research, BEIS

will be required to review and sign off all final data collection instruments, analytical approaches (including key assumptions) and outputs.

Data security

The successful tenderer must comply with the General Data Protection Regulation 2016 (GDPR) and any information collected, processed and transferred on behalf of the Department, and in particular personal information, must be held and transferred securely. Contractors must provide assurances of compliance with the GDPR and set out in their proposals details of the practices and systems they have in place for handling data securely including transmission between the field and head office and then to

the Department. Contractors will have responsibility for ensuring that they and any subcontractor who processes or handles information on behalf of the Department is conducted securely. The sorts of issues which must be addressed satisfactorily and described in contractors' submissions include:

- procedures for storing both physical and system data;
- data back-up procedures;
- procedures for the destruction of physical and system data;
- how data is protected;
- data encryption software used;
- use of laptops and electronic removable media;
- details of person/s responsible for data security;
- policies for unauthorised staff access or misuse of confidential/personal data;
- policies for staff awareness and training of Data Protection Act);
- physical security of premises; and
- How research respondents will be made aware of all potential uses of their data.

ANNEX B

Supplier Proposal

Part 2: Contract Terms



Contract Terms v6.0