



## Pre-Tender Market Engagement

### UK Shared Prosperity Fund Intervention Impact Evaluations

**Authority:** Department for Levelling Up, Housing and Communities (DLUHC) (“the Authority”).

**Date Response required:** 12:00pm (Midday) Wednesday 1<sup>st</sup> June 2022

## 1. PURPOSE

- 1.1 This Pre-Tender Market Engagement (PTME) seeks information in preparation for the potential procurement of Supplier/s (from herein referred to as a “**Potential Supplier**”) to lead the intervention level UKSPF evaluation. The purpose of this PTME is to:
  - 1.1.1 Make the market aware that this sizeable programme of work will soon go to tender;
  - 1.1.2 Help provide a better understanding of the feasibility of the requirement;
  - 1.1.3 Understand the capacity of the market to deliver and possible risks involved; and
  - 1.1.4 Provide the market with an opportunity to ask questions, raise queries and any issues to be addressed at an early stage.
- 1.2 The Authority shall maintain commercial confidentiality of information received during the PTME.

## 2. INTRODUCTION

- 2.1 The UK Shared Prosperity Fund (UKSPF) is being launched in 2022 as a successor to the EU structural funds programmes such as the ERDF, following the UK’s departure from the EU, and ramps up as European funds come to an end.
- 2.2 As part of the fund, places (Local Authorities, Mayoral Combined Authorities and Strategic Geographies) will be allocated funding (determined via an allocation formula<sup>1</sup>) to spend on interventions that contribute to the primary UKSPF goal of building pride in place and increasing life chances under the investment priorities ‘Communities and Place’, ‘Local Businesses’ and ‘People and Skills’<sup>2</sup>. Places will outline how they propose to use their allocation to deliver interventions that contribute to these objectives in their investment plans, which we are expecting to have received by August 2022.
- 2.3 We are seeking a supplier to deliver impact evaluations (as well as possibly process evaluations) for a set of interventions in order to contribute to the evidence base on what works for local pride and local growth interventions. The exact set of interventions to be evaluated will depend on the investment plans received in August and this project will include initial scoping work to understand the evaluation opportunities.

## 3 HIGH LEVEL OUTLINE PROJECT OUTCOMES REQUIRED

<sup>1</sup> <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/ukspf-allocations>

<sup>2</sup> <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus>

- 3.1 Our approach to evaluation for UKSPF comprises three levels: programme level, place level and intervention level. This project is focused on the intervention level with an objective to expand the evidence base on what works for local pride and local growth interventions.
- 3.2 The ultimate objective of UKSPF is building pride in place, although interventions may have intermediate outcomes that align with the published investment priorities. The interventions may align with one or more of missions 1, 2, 7, 8, 9 outlined in the *Levelling Up* white paper<sup>3</sup>.
- 3.3 The UKSPF prospectus notes to local places that experimental and quasi-experimental methods may be used for the intervention evaluations, with places asked to cooperate with evaluators where necessary (by, for example, supplying data)<sup>4</sup>. It is also important, however, that the impact of any evaluative activity upon the delivery of the interventions is kept to a minimum and as such randomised control trials are not likely to be within scope, although we do not rule out any methodologies at this stage. The prospectus also notified places that they may be asked to stagger the implementation of certain interventions, which may provide the opportunity for stepped-wedge design (although a constraint may come from the fact that in England, Scotland and Wales funding will be allocated on a yearly basis, and any in-year underspend will be returned to the department<sup>5</sup>).
- 3.4 The appropriate methodology will depend upon the intervention in question, but is expected that quasi-experimental design will mostly be used to evaluate impact, with appropriate matching techniques to identify suitable place comparators (for interventions designed to benefit whole places/communities such as public realm improvements) or comparison groups of individuals/organisations (for interventions that are specifically targeted at people, businesses, or organisations such as employment or business support).
- 3.5 In order to measure the impact of interventions, baselines will need to be established early and preferably prior to interventions being implemented (funds will be awarded from October 2022 onwards, but it should be noted that it is possible for the fund to support investment interventions that started as early 1 April 2022<sup>6</sup>).
- 3.6 There will be a role for the supplier to play in identifying the interventions most amenable to evaluation. This will take the form of an initial scoping exercise (**Phase 1** of the project), identifying and categorising the interventions proposed by places in their investment plans. The supplier will create a shortlist of interventions from which to choose a selection to evaluate, as well as proposing methods to be used.
- 3.7 Phase **2** of the project will involve carrying out evaluations of the chosen set of interventions, with the ultimate decision on the make-up of this set resting with DLUHC (informed by input from a range of stakeholders). We are anticipating at least 10-15 interventions to be evaluated, but dependent upon the conclusions of the scoping exercise we may decide to evaluate considerably more – which will likely be dealt with through a contract extension.
- 3.8 A list of example interventions, outputs and outcomes was provided alongside the prospectus<sup>7</sup>.

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<sup>3</sup> <https://www.gov.uk/government/publications/levelling-up-the-united-kingdom> (see technical annex)

<sup>4</sup> <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus#how-we-will-measure-performance> (see 9.3 Monitoring and Evaluation requirements for local places)

<sup>5</sup> <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus#how-we-will-pay-places-and-projects>

<sup>6</sup> <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus#the-funds-parameters> (see 7.2 When can Fund investment start?)

<sup>7</sup> <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-interventions-outputs-and-indicators>

- 3.9 The list of questions that places will answer in their investment plans was also published alongside the prospectus<sup>8</sup>.
- 3.10 We expect the set of interventions evaluated to span different types of interventions and different geographies, and also to take into account the existing evidence base for the interventions.
- 3.11 The period over which impact should be evaluated will depend on the intervention and the time taken for impacts to be realised.
- 3.12 We will be defining the monitoring data (output and outcome) requirements of places before investment plans are submitted. In addition, the supplier may make any other reasonable data or information requests, through for example custom surveys to measure the impact on pride in place. Suppliers will also be expected to make use of national datasets and admin data. The specific outcomes to be measured will differ by intervention and will be agreed between the Authority and the supplier.
- 3.13 To understand more about the interventions and their impact, the successful supplier is expected to propose a mixed-methods approach, making use of qualitative methods alongside quantitative impact evaluation. The evaluations should include a value for money assessment of the interventions, with benefit-cost ratios if practical.
- 3.14 Evaluation methods for each project will be reviewed by the project team and signed off by the Evaluation Steering Group. If necessary, external peer review of proposed methods will be undertaken.

## 4 SOCIAL VALUE

- 4.1 The Government must take account of Social Value in all of its procurement exercise. That is how a proposed contract might secure relevant and proportionate wider social, economic and environmental benefits. Those benefits are currently grouped into the following themes and outcomes:
- Covid-19 recovery (helping local communities to manage and recover from the impact of covid-19).
  - Tackling economic inequality (creating new businesses, jobs and skills, and increasing supply chain resilience and capacity) e.g. employment, training and work-experience opportunities for local people.
  - Fighting climate change (effective stewardship of the environment) e.g., local staff, local suppliers and local work reducing your carbon footprint.
  - Equal opportunity (tackling workforce inequality and reducing the disability employment gap risk of Modern slavery).
  - Wellbeing (improving health and wellbeing, as well as community integration) e.g. supporting local community initiatives e.g. charities, local amateur sports teams etc.
- 4.2 To help ensure that the Social Value aspects of the evaluation criteria that the Authority will apply to this procurement is fair and proportionate, the Authority would like Potential Suppliers to gauge:
- which of the policy themes and outcomes are most relevant to this procurement and could yield some potential benefits;

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<sup>8</sup> <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus> (see 'Investment plan questions')

- what they could offer as wider benefits of UKSPF under their chosen themes and outcomes;
- the level of risk of modern slavery in their supply chain; and
- whether modern slavery risks can be managed/mitigated within the service or not.

4.3 Please refer to the Social Value Model Quick Reference Table for details of the potential model evaluation questions, model award criteria, model response guidance and reporting metrics for each policy outcome to help in the assessment:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/940828/Social-Value-Model-Quick-Reference-Table-Edn-1.1-3-Dec-20.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/940828/Social-Value-Model-Quick-Reference-Table-Edn-1.1-3-Dec-20.pdf).

## 5 OUTPUTS/DELIVERABLES

5.1 A scoping exercise analysing investment plans submitted by places and providing recommendations on which interventions could be robustly evaluated and proposals for methodologies.

5.2 A set of evaluation reports, one for each intervention, with corresponding interim reports exploring medium term impact.

5.3 Any relevant datasets used as part of the impact evaluations.

5.4 A final publication that brings the results of the individual evaluations into one place.

5.5 The exact number of interventions will depend upon the investment plans submitted by places and will be discussed with the supplier after the contract is awarded. We are initially anticipating in the region of 10 to 15 interventions to be evaluated, although we may look to substantially increase the size of the project dependent on the conclusions of the scoping work.

5.6 The supplier will need to allow for an appropriate period of time for interventions to have achieved their impact

## 6 KEY DATES & TENDERING PROCESS

PTME Response deadline	Wednesday 1 June 2022
Register Interest for PTME online event	Tuesday 7 June 2022 (12:00 noon)
PTME online event	Friday 10 June 2022 (AM)
Issue of ITT	July/August 2022 (TBC)

6.1 If it is decided this service is required, the procurement will start as soon as possible with the intention of commencing the contract early enough to allowing the scoping work to be carried out and baselines established before interventions are implemented. Preferably a supplier would be in place as close as possible to the investment plans from places bring received by DLUHC, although the exact dates are subject to internal sign-off requirements and the procurement process. DLUHC reserve the right to amend these dates at any time, and Potential Suppliers rely on them entirely at their own risk.

6.2 The contract is expected to be for a period of four years (2022/23-2025/26), but may be extended if a longer time frame is required to observe the impact of interventions.

6.3 The project, if progressed, is likely to be procured through the Crown Commercial Service (CCS) Dynamic Purchasing System (DPS) - RM6126 Research and Insights. Suppliers are able to apply to join the DPS at any time. During application to join the DPS, suppliers indicate which services they may be able to provide under the DPS. Please note that new suppliers are able to register with the DPS via the following link and that this process can take at least two weeks: <https://supplierregistration.cabinetoffice.gov.uk/dps#research> . If you have any questions about the DPS and would like to contact a member of the CCS team please use the links provided on the website above.

## 7 RESPONSE

7.1 Please respond via email to the following mailbox: [commercial@levellingup.gov.uk](mailto:commercial@levellingup.gov.uk) with the following by 12:00 pm (noon) on Wednesday 1<sup>st</sup> June (the “Response Deadline”).

- Q1 Would you be interested in bidding for this project?
- Q2 Is this project deliverable in the timeframe proposed?
- Q3 Is what the Authority asking for clear?
- Q4 What, if anything, has the Authority missed or overlooked in setting out their requirement?
- Q5 Is there anything here which is irrelevant, outdated or unnecessary?
- Q6 Is this piece of work feasible to plan for, without at first knowing a) the number of interventions to be evaluated? and b) the exact set of interventions to be evaluated?
- Q7 How long do you anticipate the initial scoping work may take?
- Q8 What would the indicative cost be for this piece of work?
- Q9 How reliant on place-submitted data do you anticipate the evaluations to be? What information (such as business identifiers and national insurance numbers) do you envisage requiring from local places in order to satisfy data requirements?
- Q9 Are the proposed Social Value Themes, Policy Outcomes and Criteria appropriate for this requirement? Please elaborate on your reasons why and/or suggest alternatives that could be applied and why these alternatives would be more relevant?
- Q10 In your opinion, what is the level of risk of modern slavery in your supply chain? Can modern slavery risks be managed / mitigated within the service?

7.2 Additionally, DLUHC will be hosting an online event to provide further detail on the requirements and to obtain market feedback, in particular to the questions below. The event is due to be held on **the morning of 10 June 2022** Further information will be shared in advance of the event for those who express an interest and/or register to attend. To register for this event, please send an e-mail to the mailbox below. The deadline for the receipt of expressions of interest/registrations is **11.00am on Tuesday 7 June 2022**.

7.3 The purpose of the event is to allow DLUHC to understand the capacity and appetite of the market to deliver the various elements of this service and receive feedback about the proposed requirements. It will also be an opportunity for suppliers to raise any clarification questions.

## 8 QUESTIONS AND CLARIFICATIONS

- 8.1 Potential Suppliers may raise questions or seek clarification regarding any aspect of this PTME document at any time prior to the Response Deadline. Questions must be submitted by email to [commercial@levelling.gov.uk](mailto:commercial@levelling.gov.uk). DLUHC will respond to questions formally during the online event on 10 June. Questions may also be raised during the online event.
- 8.2 To ensure that all Potential Suppliers have equal access to information regarding this PTME exercise, responses to questions raised by Potential Suppliers will be published in a “Questions and Answers” document, which will also be circulated by email, with updates appearing at regular intervals (approximately two to three working days).
- 8.3 Responses to questions will not identify the originator of the question.
- 8.4 If a Potential Supplier wishes to ask a question or seek clarification without the question and answer being revealed, then the Potential Supplier must state this in their email and provide its justification for withholding the question and any response. If the Authority does not consider that there is sufficient justification for withholding the question and the corresponding response, the Potential Supplier will be invited to decide whether:
- 8.4.1 the question/clarification and the response should in fact be published; or
  - 8.4.2 it wishes to withdraw the question/clarification.

## 9 GENERAL CONDITIONS

- 9.1 This PTME will help the Authority to refine the requirements and to understand the potential level of interest in the delivering requirements. It will also aid Potential Supplier’s understanding of the requirements in advance of any formal competitive tender exercise.
- 9.2 The Authority reserves the right to change any information contained within this PTME at any time, and Potential Suppliers rely upon it entirely at their own risk.
- 9.3 The Authority reserves the right not to proceed with a competitive tender exercise after this PTME or to award any contract.
- 9.4 Any and all costs associated with the production of such a response to this PTME must be borne by the Potential Supplier.
- 9.5 Information contained within this document is confidential and must not be revealed to any third party without prior written consent from the Authority.
- 9.6 No down-selection of Potential Suppliers will take place as a consequence of any responses or interactions relating to this PTME.
- 9.7 The Authority expects that all responses to this PTME will be provided by Potential Suppliers in good faith to the best of their ability in the light of information available at the time of their response.
- 9.8 No information provided by a Potential Supplier in response to this PTME will be carried forward, used or acknowledged in any way for the purpose of evaluating the Potential Supplier, in any subsequent formal procurement process.