



Department
for Environment
Food & Rural Affairs

www.gov.uk/defra

Invitation to Tender

Monitoring and Evaluation of Solent Nutrient Trading Pilot Project

Project_33038

Tender Reference: 8765

June 2021

Important Notice

All references in this ITT to the Authority include, where appropriate and unless the context otherwise requires, references to the Authority's predecessors and successor(s).

The Information has been prepared to assist interested parties in deciding whether or not to submit a Response in relation to the procurement. It does not purport to be all-inclusive or to contain all of the information that a Tenderer may require. Any descriptions of existing and proposed contractual arrangements are of a general nature only. Where the Information describes any contractual arrangements which are not yet in force, those arrangements are subject to change. Any reference to a contract or other document is qualified in full by reference to the entire terms of the contract or document to which reference is made.

The issue of this ITT in no way commits the Authority to award the contract to any person or party. The Authority reserves the right to terminate the competition, to award a contract without prior notice, to change the basis, the procedures and the timescales set out or referred to in this ITT, or to reject any or all Responses and to terminate discussions with any or all Tenderers at any time. Nothing in this ITT should be interpreted as a commitment by the Authority to award a Contract to a Tenderer.

The Authority does not make any representation or warranty (express or implied) as to the accuracy, reasonableness or completeness of the Information. All such persons or entities expressly disclaim any and all liability (other than in respect of fraudulent misrepresentation) based on or relating to any such information or representations or warranties (express or implied) contained in, or errors or omissions from, this document or based on or relating to the recipient's use, or the use by any of its subsidiaries or the respective representatives of any of them, in the course of its or their evaluation of the service or any other decision. In the absence of express written warranties or representations as referred to below, the Information shall not form the basis of any agreements or arrangements entered into in connection with this procurement.

The Information has been provided in good faith and all reasonable endeavours have been made, and will be made, to inform you of the requirements of the Authority. However, the Information does not purport to be comprehensive or to have been independently verified. You should form your own conclusions about the methods and resources needed to meet these requirements. In particular, neither the Authority nor any of its advisers accept responsibility for representations, writings, negotiations or understandings in connection with this procurement made by the Authority (whether directly or by its agents or representatives), except in respect of any fraudulent misrepresentation made by it. Tenderers are expected to carry out their own checks for verification.

The only information which will have any legal effect and / or upon which any person may rely will be such information (if any) as has been specifically and expressly represented and / or warranted in the Contract or other relevant agreements entered into at the same time as the Contract is entered into or becomes unconditional.

Subject always to the provisions of the preceding paragraph, Tenderers considering entering a contractual relationship with the Authority should make their own investigations and enquiries as to the Authority's requirements beforehand. The subject matter of this ITT shall

only have any contractual effect when it is incorporated into the expressed terms of an executed contract.

The issue of this ITT is not to be construed as a commitment by the Authority to enter into a contract as a result of this procurement process. Any expenditure, work or effort undertaken prior to the execution of a Contract is accordingly a matter solely for the commercial judgement of the Tenderer. The Authority reserves the right to withdraw from the procurement at any time or to re-invite Responses on the same or any alternative basis.

Nothing in this ITT shall constitute legal, financial or tax advice. This ITT is not a recommendation by the Authority, nor any other person, to bid for, enter into or agree to enter into any contract in connection with this procurement, nor to acquire shares in the capital of any company that is to carry out any part of the service or in any parent company of that company. In considering any investment in the shares of any company or in bidding for the award of the service, each Tenderer, potential contractor, funder and investor should make its own independent assessment and seek its own professional financial, taxation, insurance and legal advice and conduct its own investigations into the opportunity of being awarded a contract in relation to this procurement and of the legal, financial, taxation and other consequences of entering into contractual arrangements in connection with this the procurement.

This ITT and the Information is confidential.

This ITT is subject to copyright. Neither this ITT, nor the Information, nor any other information supplied in connection with it, may, except with the prior written consent of the Authority, be published, reproduced, copied, distributed or disclosed to any person, nor used for any purpose other than consideration by each Tenderer of whether or not to submit a Response.

The Authority reserves the right at any time to issue further supplementary instructions and updates and amendments to the instructions and Information contained in this ITT as it shall in its absolute discretion think fit.

The Authority will not be responsible for the costs or expenses of any Tenderer in relation to any matter referred to in this ITT howsoever incurred, including the evaluation of the service opportunity, the award, or any proposal for the award of the contract or negotiation of the associated contractual agreements.

Each Tenderer's acceptance of delivery of this ITT constitutes its agreement to and acceptance of the terms set out in this Important Notice.

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SECTION 1: TENDER PARTICULARS

GLOSSARY

Unless the context otherwise requires, the following words and expressions used within this Invitation to Tender (except Appendix B: Authority's Conditions of Contract) have the following meanings (to be interpreted in the singular or plural as the context requires):

TERM	MEANING
“Authority”	the Department for Environment, Food and Rural Affairs acting as part of the Crown.
“Bravo”	the e-Tendering system used by the Authority for conducting this procurement, which can be found at http://defra.bravosolution.co.uk
“Contract”	the contract (set out in Appendix B) to be entered into by the Authority and the successful Tenderer.
“EIR”	the Environmental Information Regulations 2004 (as amended) together with any guidance and/or codes of practice issued by the Information Commissioner or any Government Department in relation to those Regulations.
“FOIA”	the Freedom of Information Act 2000 (as amended) and any subordinate legislation made under that Act together with any guidance and/or codes of practice issued by the Information Commissioner or any Government Department in relation to that legislation.
“Information”	means the information contained in the ITT or sent with it, and any information which has been made available to the Tenderer by the Authority, its employees, agents or advisers in connection with the [<i>insert name of lot</i>] procurement.
“ITT”	this invitation to tender and all related documents published by the Authority and made available to Tenderers.
“Pricing Schedule”	the form accessed via Bravo in which Tenderers are required to submit their pricing information as part of a Tender.
“Regulations”	the Public Contracts Regulations 2015.
“Response”	means the information submitted in response to the ITT via the online response forms on Bravo including the Tenderer's formal Tender.
“Tender”	a formal tender in response to this ITT.
“Tenderer”	anyone responding to this ITT and, where the context requires, includes a potential tenderer.
“Timetable”	the timetable set out in Part 2 of this Section.

References to a “Section” and to an “Appendix” are references to a section and to an appendix in the ITT.

Reference to a statute or statutory provision is a reference to such statute or statutory provision as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as amended or re-enacted.

PART 1: GENERAL

- 1.1 In September 2020, Her Majesty's Treasury (HMT) confirmed funding from the Shared Outcomes Fund (SOF) to trial market and nature-based solutions to unblock housing delivery whilst understanding nitrate pollution pathways and impacts on protected wildlife sites in the Solent area. This project will undertake a [realist](#) process, impact and economic [evaluation](#) to address the current lack of evidence on designing and delivering a nutrient trading process and platform in the Solent. The evaluation will also assess progress and produce learning for other areas of England facing similar challenges.
- 1.2 This procurement is **NOT** being carried out in accordance with the Regulations because it is below the relevant financial threshold. However, the Authority will conduct the procedure fairly, openly and transparently.
- 1.3 The Authority is using Bravo for this procurement which means the ITT and the forms for submitting a Tender are only available in electronic form. It can be accessed via your web browser at <http://defra.bravosolution.co.uk>.
- 1.4 Tenderers are required to submit their Tender in accordance with the instructions set out in Bravo and the ITT.
- 1.5 The information contained in the ITT is designed to ensure that all Tenders are given equal and fair consideration. It is important that Tenderers provide all the information asked for in the format and order specified so that the Authority can make an informed decision.
- 1.6 Tenderers should read the ITT carefully before submitting a Tender. It sets out:
 - the Timetable and process for the procurement;
 - sufficient information to allow Tenderers to submit a compliant Tender;
 - award criteria and evaluation criteria which will be used to assess the Tenders; and
 - the administrative arrangements for the receipt of Tenders.
- 1.7 Tenderers are responsible for ensuring that they understand the requirements for this procurement. If any information is unclear, or if a Tenderer considers that insufficient information has been provided, they should raise a query via the clarification process described in clause **Error! Reference source not found..**

- 1.8 Tenderers are responsible for ensuring they have submitted a complete and accurate Tender and that prices quoted are arithmetically correct for the units stated.
- 1.9 Failure to comply with the instructions set out in the ITT or the provision of false, inaccurate or misleading information (at any stage of this procurement) may result in the Tenderer's exclusion from this procurement.
- 1.10 If there is any conflict between the information set out in the ITT and the information displayed in Bravo, the information in the ITT shall take precedence over the information displayed in Bravo.
- 1.11 The copyright in the ITT is vested in the Crown and may not be reproduced, copied or stored in any medium without the prior written consent of the Authority, The ITT, and any document issued as a supplement to it, are and shall remain the property of the Crown and must be returned upon demand.

PART 2: PROPOSED TIMETABLE AND ADMINISTRATIVE ARRANGEMENTS

- 2.1 The Timetable below is subject to change by the Authority and Tenderers will be informed accordingly.

Procurement Activity	Anticipated Date	
Publish Contracts Finder Notice and Bidder Pack	01 st June 2021	
Clarification deadline	Date	Time
	18 th June 2021	12:00pm
Bidder Pack / ITT response date	Date	Time
	25 th June 2021	12:00pm
Compliance Checks	25 th June 2021	
Evaluation	25 th June – 01 st July 2021	
Moderation Meeting	02 nd July 2021	
Produce Contract Award Report and Draft Letters	03 rd – 12 th July 2021	

Approval of Contract Award Report	12 th July 2021
Issue Notification of Intention to Award letters	13 th July 2021
Self-Declaration Due Diligence	13 th July 2021
Finalise Contract and obtain approvals (if required)	21 st July 2021
Contract award / contract issued	26 th July 2021
Contract Start Date	02 nd August 2021
Publish Contract Award Notice and Redacted Contract	01 st September 2021
Contract End Date	30 th September 2022
Possible Extension	6 months

PART 3: COMPLETION OF TENDER

3.1 By submitting a Tender, Tenderers agree:

- to be bound by the ITT; and
- that if the Authority accepts the Tender in writing, the Tenderer will execute the Contract in the form set out in Appendix B or in such amended form as may be agreed in writing by the Authority.

3.2 The Authority may terminate or amend the procurement or the ITT at any time. Any such termination or amendment will be notified in writing to all Tenderers. In order to give Tenderers reasonable time in which to take an amendment into account in preparing their Tenders, the Authority may, at its discretion, extend the deadline for Tenders.

3.3 **Unless otherwise stated in the ITT or in writing by the Authority, all communications from Tenderers (including Tenderers' sub-contractors, consortium members, consultants, and advisers) during the procurement must be made using Bravo. The Authority will not respond to communications made by other means and Tenderers should not rely on communications from the Authority unless they are made through Bravo.**

Submission of Tenders

- 3.4 Tenderers must complete all parts of the Tender form in Bravo in accordance with the instructions therein.
- 3.5 Tenderers should print off the Form of Tender which must be signed by an authorised signatory. The signed Form of Tender must be uploaded and submitted via Bravo as part of a Tender in accordance with the instructions in Bravo.
- 3.6 The Tender and any documents accompanying it must be in English.
- 3.7 Prices must be submitted in £ Sterling exclusive of VAT.
- 3.8 Tenders will be checked for completeness and compliance with the requirements of the ITT and only compliant Tenders will be evaluated.
- 3.9 Tenderers must be explicit and comprehensive in their Tender as this will be the single source of information used to score and rank Tenders. The Authority will take into account only information which is specifically asked for in the ITT.
- 3.10 Where a length of response is stipulated, for example, a word count limit, only the information within the set limit will be evaluated.
- 3.11 Failure to provide the information required or supply documents referred to in the Tender within the deadline for Tenders may result in rejection of the Tender.
- 3.12 Tenderers should avoid reference to general marketing or promotional information/material (except where this is specifically required by the relevant question). General marketing or promotional brochures may not be accepted where these are not deemed to be specifically relevant to the question.
- 3.13 Different persons may be responsible for evaluating different responses to questions in a Tender. Therefore, Tenderers should not cross-refer to answers given elsewhere in a Tender but should answer each question so that it forms a stand-alone response. This may mean Tenderers need to repeat certain information in response to different questions if this is required by those questions.

Clarifications sought by Tenderers

- 3.13 Any request for clarification regarding the ITT should be submitted at the earliest opportunity via Bravo and in any event no later than the deadline for clarifications set out in the Timetable. The Authority is under no obligation to respond to queries raised after the clarification deadline.

- 3.14 The Authority will respond to all reasonable clarifications as soon as possible but cannot guarantee a minimum response time. The Authority will publish all clarifications and its responses to all Tenderers other than in exceptional circumstances.
- 3.15 If a Tenderer believes that a request for clarification is commercially sensitive or that publishing the same together with the Authority's response as set out above would reveal information, disclosure of which would be detrimental to the Tenderer, it should clearly state this when submitting the clarification request. However, if the Authority considers either that:
- the clarification and response are not commercially sensitive; and/or
 - all Tenderers may benefit from its disclosure,
- the Authority will notify the Tenderer of this (via Bravo), and the Tenderer will have an opportunity to withdraw the request for clarification. If the request for clarification is not withdrawn within 48 hours of the Authority's notification, the Authority may publish the clarification request and its response to all Tenderers and the Authority shall not be liable to the Tenderer for any consequences of such publication.
- 3.16 The Authority may not respond to a request for clarification or publish it where the Authority considers that the response may prejudice the Authority's commercial interests. In such circumstances, the Authority will inform the Tenderer of its view.

Changes to Tenders

- 3.17 Tenderers may modify their Tenders prior to the deadline for Tenders. No Tenders may be modified after the deadline for Tenders.
- 3.18 Tenderers may withdraw their Tenders at any time by submitting a notice via Bravo. Unless withdrawn, Tenders shall remain valid and open to acceptance by the Authority for 120 days from the deadline for Tenders.

Receipt of Tenders

- 3.19 Tenders must be uploaded onto Bravo no later than the time and date set out in the Timetable as the deadline for Tenders. The Authority will not consider Tenders received after the deadline. The Authority may, however, at its own discretion, extend the deadline and in such circumstances the Authority will notify all Tenderers of any change.
- 3.20 If a Tenderer experiences problems when uploading its Tender, it should contact the Bravo helpdesk for assistance and also inform the Authority.

Acceptance of Tenders

- 3.21 By issuing the ITT, communicating with a Tenderer or a Tenderer's representative or agents or any other communication in respect of this procurement, the Authority shall not be bound to accept any Tender or award any contract.

Costs of Tendering

- 3.22 Tenderers shall bear all their own costs and expenses incurred in the preparation and submission of their Tenders, site visits and presentations and the Authority will in no case be responsible or liable for those costs, regardless of the outcome of the procurement in relation to individual Tenders, even if the procurement is terminated or amended by the Authority.

Clarifications sought by the Authority

- 3.23 The Authority reserves the right (but is not obliged) to seek clarification of any aspect of a Tender and/or provide additional information during the evaluation phase in order to carry out a fair evaluation. Failure to respond adequately may result in the Tender being rejected.
- 3.24 Tenderers must give the names of two people in their organisation who can answer the Authority's clarification questions. The Authority will not contact any other persons. Tenderers must notify the Authority promptly of any changes.

Confidentiality of the ITT and related documents

- 3.25 The contents of the ITT and of any other documents and information published or provided by the Authority in respect of this procurement are provided on condition that they remain the property of the Authority, are kept confidential (save in so far as they are already in the public domain) and that the Tenderer shall take all necessary precautions to ensure that they remain confidential and are not disclosed, save as described below.
- 3.26 Tenderers may disclose information relating to the procurement to their advisers and sub-contractors in the following circumstances:
- disclosure is for the purpose of enabling a Tender to be submitted and the recipient of the information undertakes in writing to keep it confidential on the same terms as the Tenderer;
 - the Authority gives prior consent in writing to the disclosure;
 - the disclosure is made for the purpose of obtaining legal advice in relation to the procurement; or

- the Tenderer is legally required to disclose the information.
- 3.27 Tenderers shall not undertake any publicity activities in relation to the ITT without the prior written agreement of the Authority, including agreement on the format and content of any publicity. For example, no statements may be made to the media regarding the nature of any Tender, its contents or any proposals relating to it without the prior written consent of the Authority.
- 3.28 All Central Government Departments, their Executive Agencies and Non-Departmental Public Bodies are subject to control and reporting within Government. In particular, they report to the Cabinet Office and HM Treasury for all expenditure. Further the Cabinet Office has a cross-Government role delivering overall Government policy on public procurement, including ensuring value for money and related aspects of good procurement practice.
- 3.29 For these purposes, the Authority may disclose within Government any of the Tenderer's documents and information (including any that the Tenderer considers to be confidential and/or commercially sensitive) provided in its Tender. The information will not be disclosed outside Government during the procurement. Tenderers consent to these terms as part of the procurement.

Confidentiality: References and third-party evaluators:

- 3.30 When providing details of contracts as part of a Tender, Tenderers agree to waive any contractual or other confidentiality rights and obligations associated with these contracts.
- 3.31 The Authority may contact any named customer contact given as a reference or otherwise referred to as part of a Tender (and including any contacts or references given as part of the Tenderer's PQQ response). The named customer contact does not owe the Authority any duty of care or have any legal liability, except for any deceitful or maliciously false statements of fact.
- 3.32 Subject to clauses 3.34 to 3.38 the Authority confirms that it will keep confidential and will not disclose to any third parties any information obtained from a named customer contact, other than to the Cabinet Office and/or contracting authorities defined by the Regulations.
- 3.33 The Authority may use third parties in the course of its evaluation of Tenders. The Authority may disclose information contained therein to such third parties for the purposes of the Authority's evaluation of Tenders in accordance with the ITT. This right shall be in addition to the provisions of clauses 3.28, 3.29 and 3.34 to 3.38.

Commercially sensitive information and Freedom of Information

- 3.34 In accordance with the obligations placed on public authorities by the FOIA and the EIR, which provide a public right of access to information held by public bodies, the Authority may disclose information submitted to the Authority by the Tenderer.
- 3.35 If the Tenderer considers any information which it supplies to be commercially sensitive or confidential it should complete the schedule of Commercially Sensitive Information set out in Bravo and:
- clearly identify such information as confidential or commercially sensitive;
 - explain the potential implications of disclosure of such information; and
 - provide an estimate of the period of time during which the Tenderer believes that such information will remain confidential or commercially sensitive.
- 3.36 Where a Tenderer identifies information as confidential and/or commercially sensitive, the Authority will endeavour to maintain the confidentiality of that information, and will, where practicable, consult with the Tenderer before information relating to that Tenderer is disclosed pursuant to a request for information under FOIA and/or EIR to establish whether an exemption from disclosure may apply.
- 3.37 However, even where information is identified as being confidential or commercially sensitive, there may be circumstances in which the Authority may be required to disclose such information in accordance with the FOIA or the EIR (in addition to any other transparency obligations as set out in clauses 3.28 and 3.29). In particular, the Authority is required to form an independent judgment concerning whether the information is exempt from disclosure under the FOIA or the EIR and whether the public interest favours disclosure or not. Accordingly, the Authority cannot guarantee that any information marked “confidential” or “commercially sensitive” will not be disclosed and accepts no liability for any loss or prejudice caused by the disclosure of information.
- 3.38 If a Tenderer receives a request for information relating to this procurement under the FOIA or the EIR during the procurement, this should be immediately passed on to the Authority and the Tenderer should not respond to the request without first consulting the Authority.

Disclaimers

- 3.39 Whilst the information in the ITT and supporting documents have been prepared in good faith the Authority does not warrant that it is comprehensive or that it has been independently verified.
- 3.40 Neither the Authority nor its respective advisors, directors, officers, members, partners, employees, other staff, or agents:
- makes any representation or warranty (express or implied) as to the accuracy, reasonableness or completeness of the ITT or of any other written or oral communication transmitted (or otherwise made available) to any Tenderer;
 - accepts any liability for the information contained in the ITT or in any other written or oral communication transmitted (or otherwise made available) to any Tenderer, or for the fairness, accuracy or completeness of that information; or
 - shall be liable for any loss or damage (other than in respect of fraudulent misrepresentation) arising as a result of reliance on such information or any subsequent communication.

Any party considering entering into contractual relationships with the Authority following receipt of the ITT should make its own investigations and independent assessment of the Authority and its requirements for the goods and/or services and should seek its own professional financial and legal advice.

- 3.41 Neither the issue of the ITT nor any of the information presented in it should be regarded as a commitment or representation on the part of the Authority to enter into a contractual arrangement. Nothing in the ITT or in any other communication made between the Authority and any other party should be interpreted as constituting a contract, agreement or representation between the Authority and any other party (save for a formal award of contract made in writing) or as constituting a contract, agreement or representation that a contract shall be offered.

Canvassing

- 3.42 Any Tenderer which directly or indirectly canvasses any officer, member, employee, or agent of the Authority or its members or any other relevant body or any of its officers or members concerning the Contract or this procurement which directly or indirectly obtains or attempts to obtain information from any such officer, member, employee or agent concerning any other Tenderer or Tender will be excluded from this procurement and its Tender rejected.

- 3.43 The Tenderer shall not make contact with any employee, agent or consultant of the Authority which is in any way connected with this procurement during this procurement, unless instructed otherwise by the Authority.

Conflicts of Interest

- 3.44 The concept of a conflict of interest includes any situation where relevant staff members of the Authority, involved in this procurement have, directly or indirectly, a financial, economic or other personal interest which might be perceived to compromise their impartiality and independence in the context of the procurement procedure and/or affect the integrity of the contract award.
- 3.45 If the Tenderer is aware of any circumstances giving rise to a conflict of interest or has any indication that a conflict of interest exists or may arise you should inform the Authority of this as soon as possible (whether before or after they have submitted a Tender). Tenderers should remain alert to the possibility of conflicts of interest arising at all stages of the procurement and should update the Authority if any new circumstances or information arises, or there are any changes to information already provided to the Authority. Failure to do so, and/or to properly manage any conflicts of interest may result in a Tender being rejected.
- 3.46 Provided that it has been carried out in a transparent manner, routine pre-market engagement carried out by the Authority should not represent a conflict of interest for the Tenderer.

Changes to a Tenderer's Circumstances

- 3.47 The Authority may:
- reject a Tender if there is a subsequent change of identity, control, financial standing or other factor which may affect the Authority's evaluation of the Tender;
 - revisit information contained in a Tender at any time to take account of subsequent changes to a Tenderer's circumstances; or
 - at any point during the procurement require a Tenderer to certify there has been no material change to information submitted in its Tender and in the absence of such certificate, reject the Tender.

Sub-Contracting

- 3.48 Where the Tenderer proposes to use one or more sub-contractors to deliver some or all of the contract requirements, all information requested in the Tender should be given in respect of the prime contractor and a separate appendix should be used to provide details of the proposed bidding model that includes:

- members of the supply chain;
- the percentage of work being delivered by each sub-contractor; and
- the key contract deliverables each sub-contractor will be responsible for

3.49 The Authority recognises that arrangements in relation to sub-contracting may be subject to future change and may not be finalised until a later date. However, Tenderers should note that where information provided to the Authority indicates that sub-contractors are to play a significant role in delivering key contract requirements, any changes to those sub-contracting arrangements may affect the ability of the Tenderer to proceed with the procurement process or to provide the supplies and/or services required. If the proposed supply chain changes at any time after submission of its Tender, the Tenderer should inform the Authority immediately via Bravo. The Authority may deselect the Tenderer prior to any award of contract, based on an assessment of the updated information.

Pricing

- 3.50 Prices must be submitted in £ Sterling exclusive of VAT.
- 3.51 The Contract is to be awarded as a fixed price which will be paid according to the deliverables stated in the Specification of Requirements.
- 3.52 The Pricing Schedule sets out the minimum level of pricing information required for the Tender. The Authority may request a detailed breakdown of any tender.

Notification of Award and Standstill

- 3.53 The Authority will notify successful and unsuccessful Tenderers of its decision.

TUPE (Not Applicable)

PART 4: GOVERNMENT POLICY IN RELATION TO TRANSPARENCY

- 4.1 Tenderers should be aware that the Government has set out the need for greater transparency in public sector procurement. Tenderers should note that if they are awarded a Contract, the tender documents and Contract will be published on the Contracts Finder website <https://www.gov.uk/contracts-finder>. In some circumstances, limited redactions may be made to some contracts before they are published.

SECTION 2: TENDER EVALUATION

- 1.1. Evaluation comprises the stages set out in the table below. More information on evaluation criteria is set out in Bravo.

Stage	Section Reference	Evaluation Criteria	Question Scoring/ Weighting (%)
Stage 1	Form of Tender	This stage is not scored but if you do not upload a complete, signed and dated Form of Tender in accordance with the instructions in Bravo, your Tender will be rejected as non-compliant.	Pass/Fail
Stage 2	Selection stages 2 – 6 Organisation and Contact Details	This stage is not scored but you will be eliminated from the procurement if the information is not provided in full.	Pass/Fail
Stage 3	Grounds for Mandatory Rejection	This stage is not scored but if you answer “Yes” to any of the questions the Authority will reject your Tender.	Pass/Fail.
Stage 4	Grounds for Discretionary Rejection	This stage is not scored but if you answer “Yes” to any of the questions the Authority may reject your Tender.	Pass/Fail.
Stage 5	Financial & Economic Standing	This stage is not scored but you may be eliminated from the procurement if the Authority believes your organisation does not have the financial resources to provide the goods/services required.	Pass/Fail
Stage 6	Past Performance	This stage is not scored but you may be eliminated from the procurement if the information is not provided in full or if your past performance has not been satisfactory.	Pass/Fail

Stage 7	Technical & Professional Ability Project Specific Requirements (Technical Questionnaire)	This stage will be evaluated in accordance with the criteria set out in the Technical Questionnaire.	Scored E03 – E07 (See weighting criteria below)
Stage 8	Pricing Schedule	Prices will be evaluated in accordance with criteria set out in the Pricing Schedule.	Scored weighting 30%
Stage 9	Final score	<p>If you pass stages 1 to 6 your Tender will be evaluated in stages 7 to 8</p> <p>The final score is calculated as follows:</p> <p>Total Technical Quality Requirements will make up to a maximum of 70% of total score. (Stage 7)</p> <p>Total Price Requirements will make up to a maximum of 30% of total score. (Stage 8)</p> <p>The most economically advantageous Tender will be the Tender with the highest final score.</p>	

- 1.2. Tenders will be evaluated on quality and price using the evaluation criteria set out in Bravo to determine which Tender is the most economically advantageous. The Authority will award the Contract to the Tenderer which submits the most economically advantageous tender which will be the highest scoring Tender after the weightings in clause 1.3 are applied.
- 1.3. Each question will be scored separately, and no reference will be made between the questions.
- 1.4. To ensure that the relative importance of both sets of criteria is correctly reflected in the overall score, a weighting system will be applied to the evaluation:
 - The total quality scores awarded will form **70%** of the final score;
 - The score awarded for price will form **30%** of the final score.
- 1.5. Each scoring question in the quality evaluation is given a weighting to indicate the relative importance of that question in the overall quality score. Weightings for quality scores are provided with the evaluation criteria and are detailed on Bravo for each question in the response form. The evaluation criteria for price are set out in the Pricing Schedule.

- 1.6. Evaluation of Tenders will be undertaken by a panel appointed by the Authority. Each panel member will first undertake an independent evaluation of the Tenders applying the relevant evaluation criteria for each question. Then, a moderation meeting will be held at which the evaluation panel will reach a consensus on the marking of each question.
- 1.7. Questions asked by the Authority to evaluate submission's Technical Quality can be found on Bravo. These are listed below in the Technical Evaluation Questions and Criteria for information purposes.
- 1.8. The method for scoring price can be found on Bravo.
- 1.9. The submissions against the Technical Quality questions E03 – E07 will be evaluated using the following scoring criteria:
- For a score of 100: Excellent - Response is completely relevant and excellent overall. The response is comprehensive, unambiguous and demonstrates a best-in-class thorough understanding of the requirement and provides details of how the requirement will be met in full.
 - For a score of 70: Good - Response is relevant and good. The response demonstrates a good understanding and provides details on how the requirements will be fulfilled.
 - For a score of 50: Acceptable - Response is relevant and acceptable. The response provides sufficient evidence to fulfil basic requirements.
 - For a score of 20: Poor - Response is partially relevant and/or poor. The response addresses some elements of the requirements but contains insufficient / limited detail or explanation to demonstrate how the requirement will be fulfilled.
 - For a score of 0: Unacceptable - Nil or inadequate response. Fails to demonstrate an ability to meet the requirement.
- 1.10. If a Tenderer receives a 'Fail' in either question E01 or E02 they will be eliminated from the procurement. If a score of twenty (20) or less is awarded to a Tenderer's response to any scored question (E03-E07); the Authority may choose to reject the Tender.
- 1.11. The commercial evaluation will be based on a total price and bidders will be required to provide a full price breakdown of each work package, per year and matched against milestones.
- 1.12. The Authority is keen to receive tenders that are value for money. The project is for a fixed cost. Cost should reflect the scope and quality of the work. Competitive day rates for staff based on grades; and number of days should be provided; including a detailed breakdown for equipment, consumables; overheads and travel costs. In

summing up the price; bidders should focus on methods and approaches that are suited to the requirements set out in the specification.

- 1.13. Where subcontractors or joint contractors are used, a separate breakdown for each should be provided in addition to the overall project costs.
- 1.14. Day rates for all staff should be provided along with a general description of duties.
- 1.15. **Commercial Pricing Breakdown applicable to this ITT is on Bravo. This should be downloaded; completed and attached to the commercial envelope.**

***Please Note:**

- 1.16. Tenderers must be aware that all bids are submitted in acceptance of agreed Defra terms and conditions of contract. Any clarifications regarding terms and conditions must be discussed & agreed during the tender period. No discussion of terms and conditions of contract shall be held following tender submission. Failure to agree with the terms and conditions of contract post tender shall result in a bid being deemed non-compliant
- 1.17. **Tenderers should not include commercial values in their technical responses; all price information should be submitted in the commercial section only.**
- 1.18. **Commercial Evaluation (30%)**
Please complete the pricing schedule, providing prices excluding VAT. Detail any risks and assumptions made and what has been included in the prices. All expenses should be listed separately and included in the overall amount for your tender. Please indicate if VAT will apply to your services and at what rate. Applications are welcomed from individual organisations or from consortia.
- 1.19. Tenderers are required to submit a total fixed cost for completion of the project and include a breakdown of costs against each objective and against key personnel. Costs will need to be reasonable and competitive and offer value for money.
- 1.20. The calculation used is the following:

$$\text{Score} = \frac{\text{Lowest Tender Price}}{\text{Tender Price}} \times 30\% \text{ (Maximum available marks)}$$

- 1.21. For example, if three Tender Responses are received and Tenderer A has quoted £3,000 as their total price, Tenderer B has quoted £5,000 and Tenderer C has quoted £6,000 then the calculation will be as follows:

$$\begin{aligned}\text{Tenderer A Score} &= £3000/£3000 \times 30\% \text{ (Maximum available marks)} = 30\% \\ \text{Tenderer B Score} &= £3000/£5000 \times 30\% \text{ (Maximum available marks)} = 18\% \\ \text{Tenderer C Score} &= £3000/£6000 \times 30\% \text{ (Maximum available marks)} = 15\%\end{aligned}$$

SECTION 3: SPECIFICATION OF REQUIREMENTS

This Section sets out the Authority's requirements.

Term	Definition
CEF	Complexity Evaluation Framework
DWPP	Diffuse Water Pollution Plan
EA	Environment Agency
ELM	Environmental Land Management
MHCLG	Ministry for Housing Communities and Local Government
LPA	Local Planning Authority
NE	Natural England
LPAs	Local Planning Authorities
SOF	Shared Outcomes Fund

1. Background

- 1.1. Defra, working with agencies and MHCLG, is delivering an innovative nutrient trading pilot in the Solent area over two years (2020-2022).
- 1.2. The Solent is home to a range of nationally and internationally important habitats and bird species for which it has been designated. However, many of these sites are in unfavourable condition due to excess nutrients (particularly nitrate) in the water from a range of sources, including agriculture and wastewater. NE has advised local planning authorities that demonstrating 'nutrient neutrality' (i.e. zero net impact on nitrogen pollution of the protected sites for 80+ years) is a way of allowing development to proceed, while ensuring it does not further damage the condition of the protected site features. This can be achieved through various means, including by securing proportionate nitrogen reduction elsewhere in the catchment by taking land out of intensive agricultural use and creating habitat for wildlife. NE has published a ['nutrient neutral' method and calculator](#)¹ and actively advises local authorities and developers.
- 1.3. There is an estimated backlog of at least 5,500 houses (at least partly due to nitrate pollution) across the Solent catchment awaiting planning permission; a lack of offsite mitigation has meant some developments have struggled to demonstrate 'nutrient neutrality'.
- 1.4. The Authority is piloting a nutrient trading process to enable developers and local planning authorities in need of nitrogen pollution mitigation solutions to connect via

¹ www.push.gov.uk/2020/06/11/natural-england-published-nutrient-calculator-and-updated-guidance-on-achieving-nutrient-neutral-housing-development/

an online platform with farmers and land managers able to provide such solutions. For example, farmers who are willing to take some of their land out of intensive agricultural production and commit it to woodland or wetland for at least 80 years. The pilot, funded through Government's Shared Outcomes Fund, will test the feasibility and cost effectiveness of this approach, using a reverse auction process, and explore how multiple benefits for people and nature can be maximised. This approach will bring together relevant local actors - house builders and developers, local authorities, landowners (including farmers and wildlife organisations) - and statutory bodies (NE and EA).

- 1.5. If successful, the pilot will unlock housing delivery whilst delivering wider environmental benefits; the Authority would then look to roll out the approach to other parts of England.
- 1.6. The pilot project commenced in late 2020 and runs through to September 2022 (see project plan in Annex A). It consists of four key work packages:
 - I. Stakeholder engagement (including a recently completed rapid user research phase, see summary of results in Appendix D) – to understand user needs and inform the design of the trading process
 - II. Water quality modelling and opportunity mapping – to better understand pollution sources and pathways and opportunities to deliver wider benefits (e.g. natural flood risk management). Phase one of this ongoing work will be completed before successful contractor is in place.
 - III. Development and implementation of online nutrient trading platform and associated trading process/rules and governance – drawing on evidence from the two work packages above (ongoing/ contractor currently being procured).
 - IV. Monitoring and evaluation - the contract we are procuring here.

2. Project aim

- 2.1. The Authority is seeking a small arm's length evaluation team to monitor and assess the effectiveness of all parts of the Solent nutrient trading pilot project (work package four identified above). Monitoring and evaluation have a central role in the pilot. The Authority recognises it as essential in addressing the current lack of evidence on designing and delivering a nutrient trading process and platform to address the long-term mitigation needs of developers in contexts like the Solent catchment.
- 2.2. Monitoring and evaluation will inform design, delivery and adaptive management of this new innovative project, demonstrate accountability to HMT through project reporting, as well as providing learning for development of an updated Solent Diffuse Water Pollution Plan and related Defra policy development in related areas such as green finance and payments to land managers for environmental benefits.

3. Monitoring and Evaluation Requirements

- 3.1. The requirements for this M&E project consist of **two key elements**:
- a) A smaller, early element - a **rapid, 'light touch' evaluation of existing nitrogen mitigation solutions** to inform design of the pilot.
 - b) The main element - a **process and impact evaluation of the Solent nutrient neutral trading pilot**.

Further details of both elements are provided below.

3.2. **Element A: A rapid, 'light touch' evaluation of existing nitrogen mitigation solutions**

The successful contractor will need to:

- 3.3. **Undertake a rapid, 'light touch' evaluation to capture learning and environmental outcomes of nature based solutions already being implemented in the Solent area** e.g. recently launched mitigation schemes by Havant Council and the Hampshire and Isle of Wight Wildlife Trust and any other additional schemes brought forward by individual land owners (details can be provided to the selected contractor).
- 3.4. **The evaluation of nature based nutrient mitigation solutions already being implemented** (including as a minimum projects delivered by Havant Council at Warblington Farm, Hampshire and Isle of Wight Wildlife Trust on the Isle of Wight² in the Solent area and Entrade in Somerset³) should consider both process and impact and focus on **addressing practical questions** around what actions have been implemented, how (e.g. using what legal arrangements), at what cost and with what impacts. Impacts and costs should be compared to data in the existing literature and tested with experts (e.g. from Natural England and Environment Agency). Key data sources will be interviews and published information. **Lessons for the pilot project** should be drawn out and communicated.
- 3.5. To enable this learning from existing mitigation projects to inform the design and deliver of the Solent Nutrient trading project **this evaluation activity should be prioritised as a key early task.**

3.6. **Element B. Process and impact evaluation of the Solent nutrient neutral trading pilot**

The successful contractor will need to:

- 3.7. Undertake a **process and impact evaluation of the Solent nutrient neutral trading pilot** (including the supporting modelling and mapping work and stakeholder engagement), alongside assessing **affordability/value for money**.
- 3.8. **The process evaluation strand for the trading pilot will seek to:**

² For further details on these projects see: <https://havantcivicsociety.uk/2020/09/11/nitrate-mitigation/> and <https://www.havant.gov.uk/nutrient-neutrality-what-developers-need-know> and <https://www.hiwwt.org.uk/Nutrient-Reduction-Expression-Interest-Form>

³ <https://www.entrade.co.uk/news/somerset-levels-catchment-market--update>

- a. work closely with other contractors to understand and evidence what works and inform process design and overall delivery. For example, how the trading platform/process/rules are supported by modelling/mapping and stakeholder engagement activities.
- b. highlight positive and negative outcomes and risks as the scheme proceeds for the Authority to manage and mitigate within the timescales of the project (where practicable) or record for inclusion in further work beyond the pilot
- c. explore how effectively the project works for national and local partners

3.9. **The impact evaluation strand for the trading pilot will focus on:**

- a. primarily the environmental impacts using the metrics on Table 1 and evaluation questions (paragraph 4.4). For example, a focus on wider benefits beyond nitrogen mitigation, (carbon sequestration, public access to nature), facilitation of housing development, value for money (VFM) of mitigation solutions delivered, with possible further consideration of indicative impacts to health and wellbeing
- b. identifying and measuring the extent to which the project realises, and/or is projected to realise, impacts and shared outcomes including VFM.
- c. learning lessons to increase the efficiency and effectiveness of future nutrient trading schemes

Further details of the requirements for this element are set out in subsection 4 below.

4. Detailed Requirements for the process and impact evaluation of the Solent nutrient trading pilot:

- 4.1. The evaluation process and impact evaluation of the Solent nutrient trading pilot needs to assess progress and produce learning in relation to the project **investment objectives** and the activities and outputs identified in the **logic model** (see Annex B).
- 4.2. At the outset, the contractor will develop the initial theory of change (building on the logic model) to map out the logic of how the project is intended to meet its overall aims and demonstrate the policy mechanism and assumptions. This will provide a robust basis for co-developing a clear and comprehensive evaluation framework with delivery teams, ensuring the evaluation is embedded into service delivery.
- 4.3. The governance structure set up by the authority will support the contractor in conducting monitoring and evaluation activities, recognising that this is a key part of the project.
- 4.4. **Key questions that the evaluation of the pilot project should seek to address will include:**
 - i. Did the project achieve the investment objectives?

- ii. Can a nutrient trading/reverse auction process be effective for securing affordable⁴, long term nature-based Nitrogen mitigation measures to unlock housing delivery?
 - iii. What are the anticipated environmental impacts of the pilot project, based on projections?
 - iv. Are there any emerging, unanticipated impacts (environmental, social, economic) from this approach?
 - v. What worked well, in what circumstances, and why? What worked less well and why?
 - vi. What key lessons can be learned for future implementation of a trading process in the Solent?
 - vii. What key lessons can be learned for addressing similar challenges in other parts of England?
 - viii. Examine the market to determine whether, how and to what degree small developers are being disadvantaged.
- 4.5. A final list of evaluation questions for both the trading pilot evaluation and the evaluation of existing nutrient mitigation projects will be agreed with the selected contractor.
- 4.6. **Table 1 below shows a tentative draft list of potential metrics for impact and process** evaluation along with indicative information sources (the contractor will need to collect data from a range of sources); the final list of metrics will be developed with the chosen M&E contractor. The indicators will be refined with the successful contractor, ensuring that the final list reflects the rationale for the project and our SMART⁵ objectives (see Annex C), enabling a comprehensive post evaluation of the project.
- 4.7. The timeframe for the project (which runs to September 2022) will be a key constraint and consideration in developing the detail of the M&E approach as many of the project impacts/benefits will only be realised longer term, if the pilot project is successful.

Table 1: Draft list of potential metrics for impact and process evaluation

Indicator	Potential data sources
Impact indicators for nutrient trading pilot:	
Number and size of mitigation sites secured	Data captured through trading platform/ secured from platform operator
Proportion of required nitrogen credits delivered by above mitigation sites	Data captured through trading platform and LPA needs assessment
Reduction in nitrogen pollution anticipated	Using NE's nutrient neutrality method and/or pollution modelling outputs
Cost/value for money (VFM) of nitrogen mitigation delivered	Using cost data from trading platform and EA modelling of nitrogen pollution

⁴ Compared to other nutrient mitigation options.

⁵ Specific, Measurable, Achievable, Relevant and Time constrained.

	reduction and comparing to data on costs of alternative mitigation options (e.g. upgrades to wastewater treatment works) to enable assessment of VFM
Amount of housing unlocked as a result of sites secured	Using NE's nutrient neutrality method; consider scope to convert into value for economic impact
Construction jobs safeguarded/created as a result of development being unlocked	Interviews with developers of sites enabled
Wider environmental benefits anticipated to result from sites secured (e.g. biodiversity gains, carbon sequestration)	Expert analysis of sites secured, drawing on the opportunity mapping/modelling, and quantification of benefits/projected benefits where feasible
Value of scheme in helping developers demonstrate the environmental benefits of their proposals and local authorities demonstrate the environmental benefits of growth	Interviews with developers and LPAs
Pilot provides useful lesson learning for development of ELM, the wider market-based solutions work and for how housing and development can be built in a way that protects and where possible enhances the environment	Engagement with Defra ELM strategy and Green Finance teams; MHCLG and developers
Impact indicator for pollution modelling:	
Modelling informs guidance and advice provided by NE to platform users to target mitigation	Interviews with NE
Modelling provides useful evidence to inform updated Diffuse Water Pollution Plan (DWPP) for Solent, including targets/thresholds for nitrogen pollution reduction to meet restoration objectives for the protected sites	Engagement with NE and EA staff involved in developing the revised DWPP
Modelling helps to inform more refined approach to calculating nutrient neutrality that is more sensitive to spatial location	Interviews with NE
Impact indicator for opportunity mapping:	
Opportunity mapping provides useful tool for: spatial prioritisation of mitigation projects to maximise wider environmental benefits beyond nutrient mitigation; and informing ELM schemes in the region.	Engagement with LPAs and ELM strategy team
Process indicators for the trading process and platform:	
Number of developers and landowners engaged through the platform	Data captured through platform

Feedback on platform and process/rules from land managers and developers on what works and doesn't work effectively	Surveys and interviews, including online survey via platform
Feedback from LPAs on benefits and disbenefits of platform and process/rules, including legal agreements	Surveys and interviews
Process indicators for engagement activities including rapid user research phase:	
Number of different types of stakeholders engaged (e.g. landowners, developers, LPAs)	Surveys and interviews, including online survey via platform
Engagement activities provide useful data/insights to inform platform and process design	Interviews with platform/process design team and EA, NE, FC
Feedback on engagement process	Surveys and interviews with stakeholders

4.8. ***Evaluation approach***

- 4.9. The approach to development of the evaluation framework should be informed by the [Magenta Book⁶](#) 2020 including the key principles around the requirement for scoping and designing an evaluation.
- 4.10. The evaluation framework should take into account the latest thinking and guidance on complexity-appropriate methods and designs as set out in the Magenta Book 2020 supplementary guidance on handling complexity in Policy Evaluation and the Defra Complexity Evaluation Framework (CEF).
- 4.11. To meet the evaluation aims, including the need to answer both process and impact evaluation questions, the successful contractor must take a mixed methods approach⁷. For example, during the development of the trading platform the contractor could use a survey to gather quantitative data combined with open-ended questions to collect qualitative data. This would help assess and understand the problems users have and how the platform could be used to help them.
- 4.12. Data collection is anticipated to include:
- Review of existing evidence (on nitrogen pollution pathways, dynamics, thresholds etc) and evidence developed as part of this project (e.g. water quality modelling and opportunity mapping)
 - Engagement with key stakeholders (developers, Local Planning Authorities (LPAs), land owners/managers)

⁶https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/879435/Magenta_Book_supplementary_guide_Realist_Evaluation.pdf

⁷ See HMT Magenta book for an overview of evaluation techniques.

- c. Review of type, scope and cost of legal agreements for each party and the likely costs and achievability of ongoing monitoring and enforcement of sites covered by these agreements by LPAs
- d. Analysis of data collected through the trading platform (this will be designed to capture key information on users and their use of the platform including numerical data on numbers of users and numbers/size/type/location of bids)
- e. Through interviews and access to collected data, evaluate and capture learning and environmental outcomes of nature based solutions already being implemented (e.g. mitigation schemes already launched by Havant Council and the local Wildlife Trust) and compare to data in the existing literature/expert advice (noting constraints imposed by two-year timescale of project).

4.13. The Authority would like to assess impacts of both the trading pilot and existing solutions within the timescales and constraints of the project (noting that mitigation projects will not be delivered until spring/summer 2022). Within the scope of the theory-based approach for evaluation there may be opportunity to use some quasi-experimental methods to assess key environmental outcomes. The Authority is interested to hear suggestions from tenderers on options and feasibility for use of quasi-experimental methods (including collection of pre- and post- data), taking into account the project time constraints.

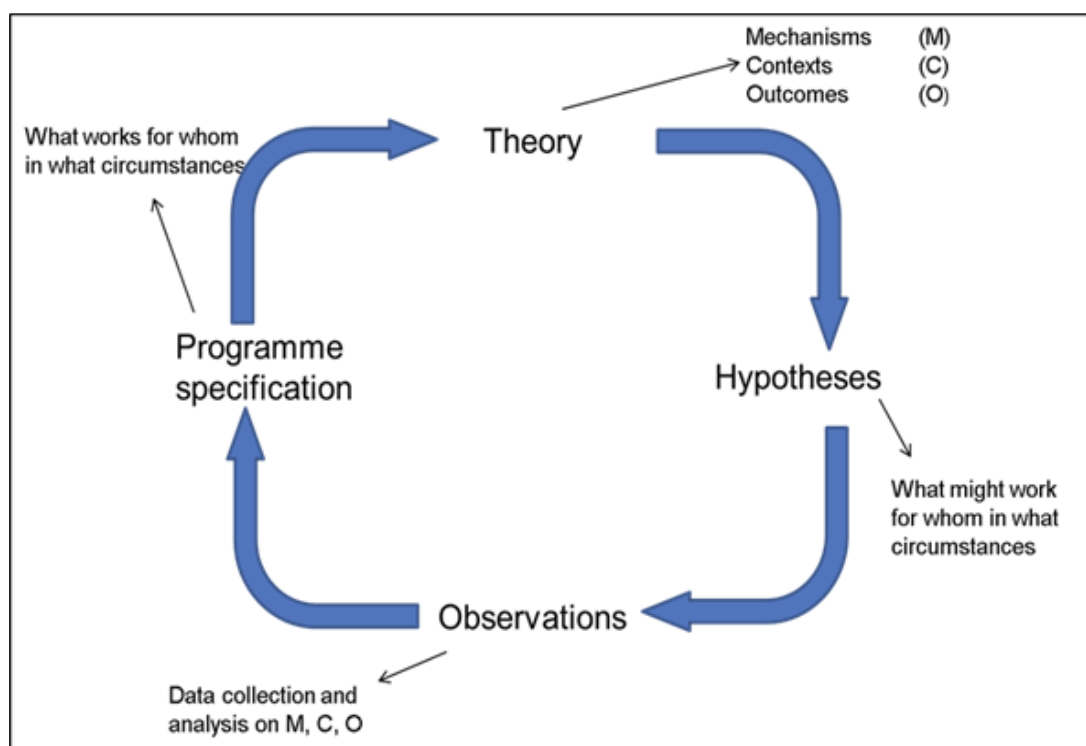


Figure 1: Realist evaluation cycle (HM Treasury, 2020)

4.14. The Authority proposes to use a **realist approach** to undertake the process and impact evaluation (including assessing affordability/value for money) to understand what works, for whom, and in what circumstance. The evaluation will be framed around the use of “context + mechanism = outcome” (CMO) configurations (Figure 1). In this case, the mechanism is the combination of trading platform pilot and

emerging market-based mitigation schemes, and an individual's response to them. The outcome being proof of concept of the trading platform.

- 4.15. Evaluation will need to be well integrated into project delivery, through sharing evaluation findings within the cross-government steering group for the project (at minimum through reporting emerging findings on a six monthly basis), ensuring that findings (including from sequenced engagement activities) are embedded into the approach as it is developed, informing delivery in an iterative manner.
- 4.16. Findings from the ongoing evaluation will also be shared with complementary policy initiatives, such as the development of the national roll out of Environmental Land Management scheme (ELM) and wider work by Defra on market-based solutions led by Green Finance team.
- 4.17. The evaluation approach will be developed alongside and as part of delivery, in order to iteratively inform the work and expand the evidence base. It is anticipated that the evaluation would adopt a theory-based approach, such as a realist approach, focussing on understanding what activities and circumstances lead to the outcomes and impacts achieved, to support the transferability of the findings to other locations.
- 4.18. Tenderers are encouraged to propose theory-based approaches such as realist evaluation, in order to provide the learning desired. However, tenderers are welcome to propose alternative approaches, as long as they can evidence that they will effectively meet the needs of the project.

5. Programme of work

- 5.1. Specific deliverables will be required from the successful Tenderer during the course of this project.
- 5.2. The Authority envisages that the tasks will be delivered as separate activities, but with the potential for elements of the different tasks to be undertaken in parallel.
- 5.3. Below are detailed the key, deliverables and milestones within the project. Although the Authority is happy to consider proposed variations by Tenderers on this:
 - **Deliverable 1:** Full M&E Plan (finalised following inception meeting and sharing of additional project information by Defra, including project plan, business case and key outputs from the project workstreams to date) - **early August 2021**
 - **Deliverable 2:** Summary of early findings from rapid evaluation of nature-based nutrient mitigation solutions already being implemented (important early deliverable to inform pilot design) - **August 2021**
 - **Deliverable 3:** Interim report and presentation (including evaluation of nature-based nutrient mitigation solutions already being implemented and stakeholder engagement to date) - **February/March 2022**

- **Deliverable 4:** Draft final report and workshop (covering evaluation of process and impact evaluation of the Solent nutrient neutral trading pilot, including the supporting modelling and mapping work and stakeholder engagement; and evaluation of nature based nutrient mitigation solutions already implemented) - **July/August 2022**
- **Deliverable 5:** Final Report and 2x PowerPoint presentations for disseminating the key findings - **August/September 2022**

6. Reporting Requirements

- 6.1. The successful contractor will work closely with the project governance structure within Defra to form part of and iteratively inform project delivery and management as part of deliverable 1. This will include regular meetings with the Authority to share information, update on progress and review/sign off deliverables. More formally, evaluation findings and progress updates (including deliverables 2 and 3) will be reported at monthly intervals and shared with the Authority. For example, the evaluation can monitor and evidence risks as well as unexpected consequences (both positive and negative) arising from the trading pilot and alternative mitigation solutions outside the pilot.
- 6.2. The final report (deliverables 4 and 5) must make clear recommendations on if and how the approach could be taken forward in the Solent and comment upon transferability to other contexts. This will include recommendations or lessons learned in terms of how M&E of longer term impacts and benefits realisation beyond the pilot project timescales could be taken forward, including by developers and local authorities to demonstrate the environmental benefits delivered by development.

SECTION 4: PROJECT GOVERNANCE AND CONTRACT MANAGEMENT

- 1.1. A Delivery Group and Project Board have been established for the Solent Shared Outcomes Fund (SOF) project by the Authority to direct the project and provide technical quality review. This monitoring and evaluation project will be overseen by the Defra Project Manager, working closely with a dedicated M&E project steering group (including Defra analysts), and reporting into the cross-government Delivery Group. Clear reporting lines must be established by the successful contractor to report on performance at regular intervals to the Authority.
- 1.2. The Authority will act as the main point of contact for matters relating to the delivery of this contract. Appropriate escalation routes to senior managers to be included in the project bid to mitigate risk of delivery issues. Meetings have been incorporated into the Programme of work to discuss progress and to ensure timely support and data provision as required. The project steering group will monitor progress and provide advice, support and guidance on project scope, methodology, policy focus and research outputs. Tenderers should cost (half days) for up to 10 meetings, including travel time (where necessary), preparation and producing outputs from the meetings. This will include an inception meeting and further meetings to coincide with key project outputs (e.g. as detailed in the deliverables). The meetings will usually be held over MS Teams (due to COVID-19), or in Defra offices in central London.
- 1.3. The quality of the service provided will be regularly monitored by the Authority against the elements outlined in Section 5 and Section 6 below.
- 1.4. The Supplier shall meet the agreed deadlines for delivery of the project deliverables and will notify the Authority without delay if there is a risk that they may be unable to meet this deadline. Tenderers should provide an assessment of risks and countermeasures in a risk management plan as part of their submission.
- 1.5. Close contract management will be undertaken which will include regular reporting. Progress meetings will be held at pre-agreed intervals to ensure adherence to the project plan, and costs and risks will be carefully monitored.
- 1.6. **Efficiencies and Continuous Improvement in Service Lifetime**
- 1.7. During the Contract, the Contractor shall look to develop, maintain, and improve efficiency, quality and where possible provide a reduction in charges to enhance the overall delivery of the Contract.
- 1.8. The Contractor shall have an ongoing obligation throughout the Contract to identify new and potential improvements to the Services which shall include, but are not limited to:
 - New or potential improvement which enhances the quality, responsiveness, procedures, methods and/or customer support services; and
 - Changes in business processes and ways of working that would enable the Services to be delivered at lower costs and /or at greater benefits to the Authority.

1.9. Travel and Subsistence

- 1.10. All Travel and Subsistence should be in line with Defra's Travel and Subsistence Policy. Claims should always be supported by valid receipts for audit purposes and must not exceed any of the stated rates below. Should the stated rate be exceeded, Defra reserve the right to reimburse only up to the stated rate.

1.11. Rail Travel

- 1.12. All Journeys – Standard class rail unless a clear business case demonstrating value for money can be presented. This includes international rail journeys by Eurostar and other international and overseas rail operators.

1.13. Mileage Allowance

Mileage Allowance	First 10,000 business miles in the tax year	Each business mile over 10,000 in the tax year
Private cars and vans – no public transport rate*	45p	25p
Private cars and vans – public transport rate	25p	25p
Private motorcycles	24p	24p
Passenger supplement	5p	5p
Equipment supplement**	3p	3p
Bicycle	20p	20p

*NB the 'no public transport rate' for car and van travel can only be claimed where the use of a private vehicle for the journey is essential e.g. on grounds of disability or where there is no practical public transport alternative. If the use of the vehicle is not essential the 'public transport rate' should be claimed.

** Under HMRC rules this expense is taxable.

1.14. UK Subsistence

Location	Rate (Upper Limit)
London (Bed and Breakfast)	£130
UK Other (Bed and Breakfast)	£75
Rates for specific cities (bed and breakfast)	Bristol £100 per night Weybridge £100 per night Warrington £90 per night Reading £85 per night

SECTION 5: PERFORMANCE MANAGEMENT FRAMEWORK

1. Overview of the PMF

- 1.1. As part of the Authority's continuous drive to improve the performance of all Contractors, this PMF will be used to monitor, measure and control all aspects of the Supplier's performance of contract responsibilities.
- 1.2. The PMF purpose is to set out the obligations on the successful Contractor, to outline how the successful Contractor's performance will be monitored, evaluated and rectified for performance.
- 1.3. The Authority may define any reasonable performance management indicators for the Contractor under the following categories:
 - Contract Management
 - Delivery and Support
 - Quality of Service
- 1.4. The above categories are consistent with all Contract awards allowing the Authority to monitor Contractor' performance at both individual level and at the enterprise level with the individual Contractor.

2. Management of the PMF

- 2.1. Key Performance Indicators (KPI's) shall be monitored on a regular basis and shall form part of the contract performance review. Performance of KPI's will be reported by the Contractor to the Authority on monthly basis. The Contractor shall detail performance against KPI's in Monthly Reports and at quarterly Contract Meetings with the Authority; who will review this and make comments if any.
- 2.2. The Contractor shall maintain their own management reports, including a Risk and Issues Log and present these as requested by the Authority at any meeting requested by the Authority.
- 2.3. Any performance issues highlighted in these reports will be addressed by the Contractor, who shall be required to provide an improvement plan ("Remediation Plan") to address all issues highlighted within a week of the Authority request.
- 2.4. Key Performance Indicators (KPIs) are essential in order to align Contractor's performance with the requirements of the Authority and to do so in a fair and practical way. KPIs must be realistic and achievable; they also have to be met otherwise indicating that the service is failing to deliver. The successful Contractor will ensure that failure and non-performance is quickly rectified.
- 2.5. The Authority reserves the right to amend the existing KPI's detailed in Section 5 or add any new KPI's. Any changes to the KPI's shall be confirmed by way of a Contract Change Note.

SECTION 6: KEY PERFORMANCE INDICATORS (KPI's)

KPI	What is required to make this measurable	KPI Measurement	KPI Rating		
KPI 1 – Project Deadlines	Deliverables will be presented by the Contractor(s) to the Authority at the agreed date and quality as outlined in the deliverables.	Quality deliverables are presented to the Authority on the day and or time (if appropriate) that has been agreed by both parties. The Authority's project officer deems the deliverable to be of sufficient quality.	Deliverables sent to the Authority greater than 5 (five) working days after the agreed deadline.	Deliverables sent to the Authority greater than 1 (one) working day after the agreed deadline, or less than one day but later than the agreed time if a restricted timescale.	Meets expectations - All deliverables sent to the Authority on time
KPI 2 – Invoices	Invoices to be received within three (3) working days of the end of each month.	Invoices quote the correct PO, Contract number, the Authority Contact, and qualitative description of the work being done.	Invoices received by the Authority which contains inaccuracies and/or greater than 10 (ten) working days after the agreed deadline.	Invoices received by the Authority greater than 5 (five) working days after the end of the month, and/or contains some inaccuracies.	Meets expectations - All invoices received by the Authority on time and accurately reflect agreed work
	Invoices and associated deliverables should be clearly linked.	Invoices must be clearly itemised: specific milestones and deliverables should be explicitly listed.			

	Note partial payment for milestones is not permissible: only completed milestones and deliverables are chargeable.	Associated reports should be clearly and explicitly linked to invoices to help financial tracking.			
KPI 3 – Quality of Deliverable: Error Free	Deliverables are accurate and free of errors.	Deliverables reviewed by the Authority for accuracy.	A significant error is identified that results in published documents or National Statistics being amended by Defra. Or an error is identified that results in Government incurring financial damages or significant reputational harm.	An error is identified that does not result in published documents or National Statistics being amended	Meets expectations – No errors within deliverables
KPI 4 – Check point risk Assessment	High quality, detailed and up to date project risk assessments in place.	Initial submission 1 month from commencement and kept up to date throughout the project. Evidence should be provided that risks are proactively managed.	Risk Assessment is not kept up to date and known risks are not communicated on the Risk Assessment	Risk Assessment is kept up to date but communication on the Risk Assessment is incomplete	Risk assessment is kept up to date and remains appropriate for use

KPI 5 – Monthly activity check-in with Authority	Contractor will give Authority monthly updates on project progression, any foreseen blockages or issues	Contractor will contact Authority at least monthly (email/phone/videocall) with relevant updates	Contractor goes more than 3 months without contacting Authority with relevant updates, OR without stating known future potential issues	Contractor goes more than 2 months without contacting Authority	Contractor contacts Authority at least monthly, stating project activities and any future potential issues
KPI 6 – Quality of Deliverable: Report QA	A credible QA development plan is in place with time bound deliverables to implement Defra Quality Assurance Guidelines for Reports. QA logs are implemented and accurately maintained for all Reports.	A credible and time bound plan to implement Defra QA Guidelines for Models is in place and adhered to. The guidelines are implemented within the lifetime of the Contract. QA logs are accurately maintained and annually updated.		Lack of a model QA development plan, a significant inaccuracy in the QA log or a failure to maintain the model to the required standard	Meets expectations

3. Required knowledge and expertise

- 3.1. The skills and experience required by the Contractor include, but is not limited to:
- Understanding of land management and water pollution issues.
 - Technical experience of cost-benefit analysis, data management, workshop design and facilitation, evidence reviews, and realist evaluation approach
 - Technical experience of designing and using logic models and other evaluation tools and techniques
 - Technical understanding of how to measure progress in risk/resilience
 - Project management skills to oversee the development and delivery of the project to time, cost and quality criteria
 - Clear verbal and written communication for discussions with key project staff and stakeholders. Innovative and varied communication approaches are expected to ensure stakeholders are well engaged during delivery and are readily able to use and embed outputs.
- 3.2. The Contractor shall only use people in delivery of the work who are suitably experienced. We recognise the specialist nature of the skills required and we encourage due consideration to the best way of providing the necessary expertise. We accept proposals from well-balanced consortiums.

4. Information to be returned

- 4.1. Your proposal should provide an appropriate level of detail and contain the following information:
- Proposed approach including details of your capability and capacity to undertake the project
 - Completed cost proposal
 - CVs of proposed members of team, including sub-contractors
 - Demonstrate experience in stakeholder engagement
 - Details of how you propose to manage the consortium (if applicable)
 - Details of your experience of carrying out similar contracts over the last 5 years
 - Gantt chart (or similar) illustrating the programme of work. Where appropriate, this should include all key tasks, deliverables, and occasions where meetings with Defra are envisaged
 - Details of how you propose to maintain continuity of personnel
 - A detailed table that identifies the number of person days allocated to each key task, their day rates and position held
 - Details of any conflicts of interest
- 4.2. Alternative offers will be considered if they constitute a fully priced alternative and are submitted in addition to a tender complying with the requirements of the tender Documents.

5. Audience

- 5.1. The main audience for this research is Defra, MHCLG, Natural England, and the Environment Agency.

APPENDIX A

FORM OF TENDER

(Print, Sign, Scan and Upload to Bravo)

To be returned by **12:00 Hours (GMT) (UK time) on 25th June 2021.**

Elizabeth James
Strategic Evidence Team
Department for Environment, Food and Rural Affairs
Procurement and Commercial Function
Nobel House
17 Smith Square
London, SW1P 3JR

TENDER FOR: Monitoring and Evaluation of Solent Nutrient Trading Pilot

Tender Ref: 8765

-
1. We have examined the invitation to tender and its appendices set out below (the **ITT**) and hereby offer to provide the services specified in the ITT and in accordance with the attached documents to the Authority commencing **02nd August 2021** for the period specified in the ITT.
 - Tender Particulars (Section 1)
 - Specification of Requirements (Section 3)
 - Form of Tender (Appendix A)
 - Authority's Conditions of Contract (Appendix B)
 - Pricing Schedule (Appendix C)
 - Staff Time in Days) Appendix D)
 - Examples Resilience Actions (Annex A)
 - Investment objectives and logic model (Annex B)
 2. If this Tender is accepted, we will execute the Contract and any other documents required by the Authority within 10 days of being asked to do so.
 3. We agree that:
 - a. before executing the Contract substantially in the form set out in the ITT, the formal acceptance of this tender in writing by this Authority or such parts as may be specified, together with the documents attached shall comprise a binding contract between the Authority and us;

- b. pursuant to EU Directive 1999/93/EC (Community Framework for Electronic Signatures) and the Electronic Communications Act 2009, the Contract may be executed electronically using the Authority's electronic tendering and contract management system;
 - c. we are legally bound to comply with the confidentiality provisions set out in the ITT;
 - d. any other terms or conditions or any general reservation which may be provided in any correspondence sent by the Authority in connection with this procurement shall not form part of this tender without the prior written consent of the Authority;
 - e. the Tender shall remain valid for 120 days from the closing date for Tenders specified in the ITT; and
 - f. the Authority may disclose our information and documents (submitted to the Authority during the procurement) more widely within Government for the purpose of ensuring effective cross-Government procurement processes, including value for money and related purposes.
4. We confirm that:
- a. there are no circumstances affecting our organisation which could give rise to an actual or potential conflict of interest that would affect the integrity of the Authority's decision making in relation to the award of the Contract; or
 - b. if there are or may be such circumstances giving rise to an actual or potential conflict of interest we have disclosed this in full to the Authority.
5. We undertake and it shall be a condition of the Contract that:
- a. the amount of our tender has not been calculated by agreement or arrangement with any person other than the Authority and that the amount of our tender has not been communicated to any person until after the closing date for the submission of tenders and in any event not without the consent of the Authority;
 - b. we have not canvassed and will not, before the evaluation process, canvass or solicit any member or officer, employee or agent of the Authority or other contracting authority in connection with the award of

the Contract and that no person employed by us has done or will do any such act; and

- c. we have not made arrangements with any other party about whether or not they may submit a tender except for the purposes of forming a joint venture.

- 6. I warrant that I am authorised to sign this tender and confirm that we have complied with all the requirements of the ITT.

Signed

Date

In the capacity of

**Authorised to sign
Tender for and on
behalf of**

Postal Address

Post Code

Telephone No.

Email Address

APPENDIX B
AUTHORITY'S CONDITIONS OF CONTRACT
Upload on Bravo

APPENDIX C

Technical Evaluation Questions and Criteria

If a Tenderer receives a 'Fail' in any of the questions E01 - E02 they will be eliminated from the procurement.

If a Tenderer scores 20 or less using the 'Scoring Criteria' in Section 2: Tender Evaluation (Paragraph 1.8); for any of the questions E03-E05 the Authority may choose to reject the Tender.

The technical evaluation will account for 70% of the total marks.

E01 Sustainability (Weighting - Pass/Fail)

The Authority has set itself challenging commitments and targets to improve the environmental and social impacts of its estate management, operation and procurement. These support the Government's green commitments. The policies are included in the Authority's sustainable procurement policy statement published at:

<https://www.gov.uk/government/publications/defra-s-sustainable-procurement-policy-statement>

Within this context, please explain your approach to delivering the services and how you intend to reduce negative sustainability impacts. Please discuss the methods that you will employ to demonstrate and monitor the effectiveness of your organisation's approach.

Evaluation Criteria:

Your response must:

- Demonstrate that there is a sustainable policy in-place.
- Provide evidence how you will reduce the environmental impacts of delivering this contract that may include the following;
- Using innovative sustainable tools, techniques and technologies
- The procedures and systems in place for communicating what needs to be done to improve sustainability to those engaged on this contract;
- Explain how you measure sustainability performance and be able to report to the Authority on progress if required.

A Fail will be allocated to those responses that are not able to demonstrate any evidence of addressing sustainability.

Please upload your response with filename 'Your Company Name_E01'. Your response must be no more than 2 side of A4, minimum font size 10. Your Sustainability Policy will be accepted in addition to this limit.

E02 Equality and Diversity Policy (Weighting - Pass/Fail)

The Authority is committed to promoting equality and diversity within its operations and service delivery. Please describe your organisation's commitment to equality and diversity and how you ensure that compliance with relevant legislation is achieved and maintained. Please describe how you will promote equality and diversity in relation to the delivery of this Contract. Please also provide a copy of your equality and diversity policy or an equivalent document.

Evaluation Criteria:

- Includes a copy of the Tenderer's equality and diversity policy or an equivalent document which shows their organisation's commitment to equality and diversity and confirms their compliance with relevant legislation.
- Describes how the Tenderer will promote equality and diversity in relation to the delivery of this Contract.

A Fail will be allocated to those responses that are not able to demonstrate any evidence of addressing equality and diversity.

Please upload your response with filename 'Your Company Name_E02'. Your response must be no more than 2 side of A4, minimum font size 10. Your Equality and Diversity Policy will be accepted in addition to this limit.

Questions E03 - E07 are scored as per the criteria outlined in Section 2: Tender Evaluation (Paragraph 1.8 above)

The Technical weighting of Bravo will be calculated at 100% of the total score available initially.

E03 is worth 10% of the technical score available

E04 is worth 15% of the technical score available

E05 is worth 40% of the technical score available

E06 is worth 25% of the technical score available

E07 is worth 10% of the technical score available

However, as the Technical weighting is worth 70%;

Tenderers should not include any commercial/pricing information in the responses to the technical questions.

All tenderers should be aware of the timescales set to deliver this requirement and only submit a response where they are fully confident of being able to deliver within these parameters.

Questions E03 – E07 will be scored using the following scoring criteria:

For a score of 100: Excellent - Response is completely relevant and excellent overall. The response is comprehensive, unambiguous and demonstrates a best-in-class thorough understanding of the requirement and provides details of how the requirement will be met in full.

For a score of 70: Good - Response is relevant and good. The response demonstrates a good understanding and provides details on how the requirements will be fulfilled.

For a score of 50: Acceptable - Response is relevant and acceptable. The response provides sufficient evidence to fulfil basic requirements.

For a score of 20: Poor - Response is partially relevant and/or poor. The response addresses some elements of the requirements but contains insufficient / limited detail or explanation to demonstrate how the requirement will be fulfilled.

For a score of 0: Unacceptable - Nil or inadequate response. Fails to demonstrate an ability to meet the requirement.

If a Tenderer receives a 'Fail' in either question E01 or E02 they will be eliminated from the procurement. If a score of twenty (20) or less is awarded to a Tenderer's response in respect of questions E03-E07 the Authority may choose to reject the Tender

The information received in your tender submission will be evaluated against the following weighting and scoring criteria:

E03 Organisational Experience, Capability and Resources (Weighting: 10%)

Please describe your organisation's capability in delivering research projects that are relevant or comparable to this specification. Please include a list of up to 5 references to relevant publications and or projects that your organisation has managed within the last 5 years. Please describe any resources that you think are relevant to delivery of the project such as sampling capabilities and data handling.

Evaluation criteria

Higher marks will be awarded to submissions which demonstrate:

- Significant and relevant recent experience and capability of effectively delivering comparable projects to those required for delivering these Services.
- Overview of relevant resources selected to deliver the previous projects including, sample preparation facilities, analysis systems and possession of or access to appropriate analytical equipment and facilities and how these apply to the method chosen to deliver these Services.

Your response must be a maximum of 2 side of A4, font size 12. Please upload a document with the filename: "E03 - Your Company Name"

E04 Understanding Project Objectives (Weighting: 15%)

Please provide an overview of your understanding of the project and the objectives of the research.

This section should demonstrate your understanding of the project, the key issues/challenges involved in carrying out the research and provide an overview of how your recommended approach and method will address the research questions posed. In this section you should describe your overall approach and how the elements of your proposed methodology link back to the research questions.

Evaluation Criteria

Higher marks will be awarded to submissions which demonstrate:

- An understanding of the rationale and context for the project.
- An awareness of the key issues and challenges in relation to carrying out the project and achieving the aims and objectives, and how these will be managed.
- Clearly show how your overall recommended approach will address each of the Tasks so that the research questions can be answered.

Your response must be a maximum of 2 sides of A4, font size 12 (including diagrams). Any responses exceeding 2 sides of A4 will not be evaluated beyond the last page. Links to other documents will not be considered as part of your response e.g. links to published documents online. Please upload a document with the filename: 'E04 Your Company Name'.

E05 Approach and Methodology (Weighting: 40%)

Please detail the methodology to be adopted in order to meet the project aims and objectives. The Tenderer should set out in detail each element of the methodology and how this will be carried out, including the approach, design, analytical strategy and any related risks. The Tenderer should demonstrate their knowledge of relevant research approaches that could be used to and suggest an appropriate methodology that will deliver the full scope of requirements in the specification. Any input required from the Authority should be outlined, as well as the approach to dissemination of the findings.

Evaluation Criteria

Higher marks will be awarded to submissions which demonstrate:

- A clear approach to each of the Tasks.

- Understanding of the research and analytical methods to be used, data collection and analysis requirements.
- Understanding of how the methodological elements will link together and answer the research questions.
- Knowledge of relevant research approaches that will deliver the full scope of requirements.
- How each element of the specification of requirements (SoR) outlined in section 3 will be fulfilled, including data protection.
- An awareness of appropriate co-working and information dissemination activities to be undertaken with Defra.
- An awareness of risks associated with the methodological approach, including risk rating and proposed mitigation measures.
- The level of input and guidance that the successful supplier will require from the Authority.

Your response can be a maximum of 6 side(s) of A4, font size 12. Links to other documents will not be considered as part of your response e.g. links to published documents online. Please upload a document with the filename: 'E05 Your Company Name'.

E06 Proposed Project Team (Weighting: 25%)

Please provide details of the proposed project team and team structure that you intend to use to deliver this project, including any sub-contractors and/or associates. CVs for key staff should be submitted to support your response (max 1 A4 side per CV).

In your response please include a table showing the staff days expected to be spent on the project per task, including both specialists and assistants.

Please identify the individual(s) who will have overall management responsibility for the research and/or identify the Project Director and nominate a representative for day-to-day contact with the Authority's Project Officer.

Evaluation Criteria

Higher marks will be awarded to submissions which demonstrate:

- Senior staff are putting sufficient time into the key phases of the project.
- The individuals who make up the proposed team have sufficient and relevant experience, influence/authority and capability to successfully deliver this project.
- The size and structure of the proposed project team is sufficient to ensure that adequate resources have been allocated for all of the required roles and responsibilities.
- The individuals who will fulfil key roles Project Director and Project Manager.
- The experience of the staff proposed is appropriate to the roles allocated.

- If there are proposals for consortium/sub-contracting arrangements, they are comprehensive and reasonable, and there are measures that are in place to effectively manage these arrangements throughout the Contract.
- Staff retention plans are in place to minimise turnover of key staff members.

Your response must be a maximum of 3 side(s) of A4 font size 12. Links to other documents will not be considered as part of your response e.g. links to published documents online. Please upload a document with the filename: 'E06 Your Company Name'.

E07 Project Management (Weighting: 10%)

Please detail the adequacy of the proposed project management arrangements including day to day working for the project, the proposed timetable for the project, risk log and mitigation actions and Gannt chart.

Evaluation Criteria

Higher marks will be awarded to submissions which demonstrate Your organisational approach to project management and how this is implemented.

- How you plan to keep the Authority informed of progress made and any difficulties encountered.
- How you plan deal with each of the risks associated with the methodological approach, including risk rating and proposed mitigation measures.
- A Gantt chart presenting timelines and inter-dependencies between work streams, particularly sequencing of work.

Your response must be a maximum of 2 side(s) of A4, font size 12 and 1 side A3, font size 10 for the Gannt chart. Links to other documents will not be considered as part of your response e.g. links to published documents online. Please upload a document with the filename: 'E07 Your Company Name'.

APPENDIX D
PRICING SCHEDULE
(Uploaded onto the Bravo Portal)

APPENDIX E

Commercially Sensitive Information (Attached)

Please re-produce and upload as an attachment on Bravo if applicable

TENDERER'S COMMERCIALLY SENSITIVE INFORMATION	POTENTIAL IMPLICATION OF DISCLOSURE	DURATION OF COMMERCIALLY SENSITIVE INFORMATION

Annex A: Project Plan – Solent Nutrient Trading Pilot Project

An initial overview of key tasks is provided below with an indicative split of tasks between year one and year two (financial years 2020/21, 2021/22 and 2022/23). Monitoring and evaluation activities would run across both years.

Year one (September 2020 to August 2021):

1. Project team and governance structures established (including SCS project board, working group, recruitment/allocation to project roles identified in Annex D)
2. Finalise key project documentation: detailed project plan and risk register, MoA between partners, communication and engagement strategy (NE engagement lead)
3. Procurement – of services being externally commissioned (e.g. biophysical modelling, opportunity mapping, nutrient trading platform, M&E), including development of procurement strategy and contract management plan (working with Defra Commercial team)
4. Further environmental system modelling of the Solent catchment co-developed with local stakeholders, in year 1 to address gaps in our understanding of different pollution sources/pathways. This will assess trends over time and help inform key targets/thresholds for pollution reduction to meet restoration objectives for the protected sites, as well as the most appropriate mitigation approaches. This work will involve:
 - additional biophysical systems modelling, building on existing work by our Agencies (e.g. diffuse water pollution plan; see Annex E);
 - opportunity mapping to identify where interventions should be prioritised to maximise pollution mitigation benefits as well as wider co-benefits, maximising value for money and informing emerging work on Local Nature Recover Strategies and a strategic environmental plan for Hampshire (see Annex E);
 - monitoring and evaluation of early attempts at mitigating N pollution through NBS (e.g. schemes commencing shortly from Havant Borough Council and local Wildlife Trust in Solent catchment) to assess mitigation actions, costs of delivery and practical lessons for future design/implementation of such measures (comparing findings to existing literature)
 - local stakeholder engagement, through a series of workshops (both internal and external) to test these outputs and build a shared problem definition (e.g. NE, EA, FC, LPAs, Partnership for South Hampshire Water Quality Working Group, etc)
5. Rapid user research phase - to test assumptions and behaviours of farmers/land managers (willingness to offer long term NBS solutions for Nitrogen mitigation)
6. Engagement events (joint with EA and NE) with NFU, LPAs in PfSH and all others whose catchments drain into the Solent (e.g. Isle of Wight), Countryside Land and Business Association, Catchment Sensitive Farming network - re pilot scheme design and operating process requirements for buyers, sellers and regulators
7. MoU in place for pilot between major developers and specific LAs involved

8. Price discovery/setting process agreed i.e. reverse auction approach
9. Trading processes and rules identified – including:
 - a. Standards, legal requirements (e.g. planning condition or obligation), additionality, verification and enforcement measures, register of sites
 - b. Feasibility of mechanism to ensure farmers are meeting existing regulations before they can offer services via trading platform
 - c. Feasibility of mechanism to build in preference for projects that plug gaps in ecological network or provide wider environmental benefits (i.e. spatial prioritisation based on opportunity mapping from stage 1 of project)
10. Nutrient trading platform procured
 - a. Requirement Specifications (including rules to maximise positive policy outcomes e.g. preference for schemes that will deliver wider benefits)
 - b. Vendor evaluation: cost, function
 - c. Development /reconfiguration of platform

Year two (September 2021 to September 2022):

11. Completion of tasks initiated in year one – so can inform the trading process
12. Appropriate on the ground interventions identified
 - a. Measures approved by NE and EA
13. Run reverse auctions for price discovery
14. Trial implementation of identified interventions to meet developer needs
 - a. Secure legal agreements e.g. agree Section 106 clause/condition/contract and secure funding from developer
 - b. Start implementation of measure
 - c. Post-implementation verification
 - d. Learn lessons for future opportunities for 'benefits stacking'
15. Full project report including evaluation of success and recommendations for next steps regarding delivery (e.g. if successful would want transition plan for private sector to take on operation going forwards, with appropriate oversight from Government), M&E and application to other areas across England.

Annex B: Investment objectives and logic model

Investment objectives

Swift action from Government is needed to progress a strategic response that:

1. Enhances the evidence on the different sources of pollution of protected sites and how to target nature based solutions for effective Nitrogen mitigation
2. Enables housing developments to achieve nutrient neutrality quickly and cost effectively by delivering a pipeline of costed off site mitigation projects with known mitigation value, thereby:
 - a. unblocking stalled housing (whilst avoiding harm to the protected sites)
 - b. facilitating future housing development, including that already in the pipeline
 - c. protecting and creating jobs linked to the above
3. Simultaneously delivers wider benefits for the environment and society, in line with the Government's environmental objectives (e.g. natural flood risk management, climate change mitigation, biodiversity gains, nature recover networks, increased access to nature)
4. Includes ongoing monitoring and evaluation, helping developers demonstrate the environmental benefits of their schemes and local authorities demonstrate the environmental benefits of growth and providing learning for development of policy, including ELM and wider market-based solutions work
5. Is scalable and replicable in other parts of England (and potentially also places beyond) facing similar spatially-specific challenges relating to water or air pollution impacts on internationally important protected sites

Table B1: The Authority's logic model

Inputs	<p>Approximately £3.9M funding for:</p> <ul style="list-style-type: none"> • Enhancing the evidence on the different sources of pollution of protected sites and on the effectiveness of NBS for Nitrogen mitigation • Developing opportunity mapping for NBS investment across the catchment, which will unlock development • Developing a nutrient trading process, including online platform, for long term N mitigation • Running reverse auctions using the platform for price discovery • Ongoing monitoring and evaluation of process and impact
Activities	<ul style="list-style-type: none"> • Evidence base work on i) system dynamics and what wider action is needed to improve the condition of protected sites, creating more 'environmental headroom' for development; ii) the efficacy, deliverability and cost effectiveness of NBS for N mitigation • Opportunity mapping to identify where NBS for N mitigation should be prioritised • Creation of trading process/rules and platform, developed through iterative design and stakeholder engagement process,

	<p>and running a reverse auction tailored to particular challenges in Solent</p> <ul style="list-style-type: none"> • Ongoing M&E
Outputs	<ul style="list-style-type: none"> • A clear understanding of pollution sources/trends and better evidence on the effectiveness of different NBS for N mitigation, so that we know more about the level of action required across the catchment and what the most effective measures are • Opportunity maps identifying priority locations for cost effective NBS (i.e. where will measures be effective and where will they maximise wider co-benefits e.g. for natural flood management) • We will discover if a nutrient trading process can be used to cost effectively meet developer needs to achieve 'nutrient neutrality' through NBS (i.e. price discovery and proof of concept) • If concept is proved, we will secure NBS commitments to address mitigation needs of specific developments from specific landowners • A strengthened evidence base on what works and how this approach could be used in other areas facing similar challenges relating to water or air pollution; and how this approach can align with and inform ELMS
Impact	<ul style="list-style-type: none"> • The enhanced understanding of pollution pathways and NBS will have informed policy recommendations for improving the condition of protected sites, helping to unlock housing and development. • At the end of the project, if the concept is proved, we will have established a trading process that facilitates 'nutrient neutral' development, unlocking development (and safeguarding associated jobs) whilst avoiding harm to protected sites and delivering wider environmental benefits – ongoing implementation of the process/competitive market could be taken forward by the private sector for continued facilitation of development • If the concept is proved, the project will have generated recommendations for roll out of this approach in other locations facing similar challenges (developers needing long term NBS for pollution mitigation) and will have directly informed new work on market-based solution across England • The opportunity mapping will have wider impacts - informing spatial targeting of investments in mandatory BNG (and potentially also tree planting investment to achieve net zero) and ELMS spatial prioritisation, informing and underpinning any future Local Nature Recovery Strategy (in line with emerging requirements in Environment Bill).
Shared outcomes	<ul style="list-style-type: none"> • If the concept is proved, then continued application will unlock stalled housing growth and enable new housing schemes to be

	<p>brought forward, whilst simultaneously delivering wider environmental and societal benefits (e.g. natural flood risk management, biodiversity gains, increased access to nature) that can contribute to delivery of Net Zero and Nature Recovery Networks</p> <ul style="list-style-type: none"> • Wider application of the concept in other areas facing similar challenges could enable similarly positive shared outcomes for society (including by informing new work on market-based solutions across England). • The project will inform the development of Environmental Land Management Schemes (ELMS, including how public and private sector investment can be blended and spatially targeted, thus increasing overall investment in environmental public goods and maximising value for money for the public purse) and wider work to develop market based solutions across England.
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Annex C: SMART Objectives

SMART Objectives – SOLENT SOF PROJECT, February 2021	
Headline objectives	
1.	To test the concept of an online catchment-wide nutrient trading process focused on meeting the needs of the development sector i.e. securing delivery of cost effective, off-site, long term (80+ years) nitrogen mitigation measures from farmers and land managers which meet the legal requirement for certainty of mitigation.
2.	If nutrient trading concept is proved, by September 2022 we will have secured commitments from multiple landowners to implement long term land use change to generate cost effective pollution mitigation credits for developers and/or LPAs, helping to unlock the housing backlog of ~5500 homes (at least partly due to the nutrient pollution issue), safeguard associated construction jobs and generate wider environmental benefits (e.g. biodiversity gains).
3.	If the concept is proved, by September 2022 the project will have generated recommendations for ongoing implementation of this approach in the Solent area and for roll out of this approach in other areas of England facing similar challenges related to nutrient pollution impacts on internationally important protected sites.
Operational objectives	
4.	Undertake rapid user research using webinars, surveys, interviews and/or small workshops (target of 40 interviews and 2-3 large surveys) to develop a comprehensive picture of developer, land owner and LPA needs for a nutrient trading process in the Solent area . This evidence will inform the design of the pilot project by March 2021. A final report will summarise the methods used and a clear analysis of what opportunities and implications exist for the design of the nutrient trading pilot.
5.	Complete water quality modelling and mapping to provide a better understanding of pollution sources and priority areas for land use change to reduce nutrient pollution and deliver wider environmental benefits, by September 2021. Key outputs will include: high resolution estimate of N losses from identified locations; high resolution estimates of source risk and transport risk for identified locations from surface water and groundwater; spatial mapping and decision tool for land use changes.
6.	Develop a nutrient trading process (including clearly defined trading rules) and online platform through an iterative design and stakeholder engagement process by October 2021
7.	Using the trading process and online platform developed in objective 5, run a trading process for the Solent area, bringing together buyers and sellers of nitrogen credits, enabling price discovery and proof of concept by September 2022

8. **Complete high quality monitoring and evaluation** of the process of developing and implementing a nutrient trading process and platform and the **outcomes and impacts achieved during the project for both housing and environmental policy objectives** - ongoing but completed and presented in a final report by September 2022.

9. **Engage with other policy teams** across Defra and agencies through the project lifecycle to ensure this pioneering project **informs future policy development**, particularly in relation to strategic solutions, including:

- spatial targeting of investments in Solent area in mandatory Biodiversity Net Gain (and potentially also tree planting investment to achieve net zero);
- ELM spatial prioritisation and approach to blending public and private funding;
- updates to the Solent Diffuse Water Pollution Plan;
- work on market-based measures in other areas by Defra's Green Finance team; and
- any future Local Nature Recovery Strategy covering the Solent area.

Annex D: Rapid User Research Summary Report

See attached PDF.



Summary Report -
Solent Nutrient Trad