

## **Draft Project Specification: Develop an Evaluation Framework and Initial Process Evaluation for the Big Nature Impact Fund**

### **Summary**

- The Big Nature Impact Fund (BNIF) is a public-private blended impact fund. It aims to accelerate the market and increase total private sector investment in domestic nature recovery projects – particularly woodland creation, peatland restoration and habitat banks to support Biodiversity Net Gain (BNG) implementation - increasing finance available for nature's protection and restoration while also providing investors with financial returns.
- The aims of this contract are to:
  - design a robust yet proportionate evaluation framework in line with HMT Magenta Book guidance and relevant supplementary guidance to enable us to understand the success of BNIF as a policy intervention; and
  - undertake the initial process evaluation to explore the initial set up of the fund and collect and present baseline data to enable us to track progress on tackling market failures, for example around investor confidence.

### **Background to Defra**

Defra is a ministerial department, supported by [33 agencies and public bodies](#). The department is responsible for improving and protecting the environment. We aim to grow a green economy and sustain thriving rural communities. We also support our world-leading food, farming and fishing industries.

### **What is the context?**

The Big Nature Impact Fund (BNIF) is a public-private blended impact fund. It aims to increase private sector investment in domestic nature recovery projects – particularly woodland creation, peatland restoration and habitat banks to support Biodiversity Net Gain (BNG) implementation. It will also develop a track record for private investment in nature.

There is a gap between required spending and committed spending associated with the delivery of nature-related outcomes across England (£21 - £53 billion over 10 years<sup>1</sup>) which public funding alone will not fill. This impact fund aims to accelerate private investment in high-integrity nature-based projects; increasing the private finance available to create, restore and maintain natural capital. By increasing private finance flows into nature this will improve the impact and value for money of public investment in nature, allowing public funding to focus on areas of market failure where private finance cannot be attracted.

BNIF's fund manager was announced as Federated Hermes and Finance Earth in November 2022<sup>2</sup> with Defra committing £30m seed capital to act in a 'first loss' position. The Fund Managers will invest the blended public-private capital, on a repayable basis, into a portfolio of nature projects that can generate revenue from ecosystem services and green enterprises that support the development and delivery of such projects. By investing on a repayable basis into a private sector fund along with other investors, Defra will show market actors that government is committed to scaling up nature-based investment and demonstrate the potential for achieving a financial return on investment.

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<sup>1</sup> [Finance Gap for UK Nature Report \(greenfinanceinstitute.co.uk\)](https://www.greenfinanceinstitute.co.uk)

<sup>2</sup> [Update on the Big Nature Impact Fund - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

The first five years of BNIF will be the investment period. During this time the fund manager will be sourcing and evaluating potential investments, conducting due diligence, structuring and finalising transactions.

Key terms	
Fund Term	15-years from the First Close, which may be extended subject to Investor Advisory Committee consent.
First Close	£100 million Q1 FY 2023/24 including the Defra Contribution with Final Close 12 months thereafter.
Investment Period	5 years (from First Close) plus 2x1 year extensions subject to Advisory Committee consent.
Target Fund Size	Aspiration of £370 million (This target is for the wider UK fund that BNIF will sit as part of, this evaluation contract however will only focus on BNIF) First Close: Defra contribution £30m; Private Capital minimum £60. Final Close: Further fundraising to up to £367.5m). Final fund close expected 12 months after First Close or such later date as may be approved by the Advisory Committee.

Table 1. Key terms

### Rationale for Government intervention through BNIF

Defra analysts identified a number of theoretical reasons as to why an investment fund in natural capital would not be established without government support. The market failures which justify this government action include:

- a. **Information Failure:** Lack of an institutional investment track record in specific ecosystem service asset classes or parts of asset classes means that these investors will be excessively risk averse and avoid these investments:
  - a. Some of the ecosystem markets are immature and brand new as assets classes.
  - b. Higher quality ecosystem services have no track record.
- b. **Excessive Risk Aversion / Loss Aversion:** early stage high growth high risk companies developing innovative ecosystem service solutions often are at the stage of business development where they are making significant losses, making them difficult asset classes for investment.
- c. **Under-priced positive externalities:** ecosystem service market prices do not reflect the true environment benefit attached to their production. This undervaluation of the natural environment leads to underinvestment by the private sector.
- d. **Existence of Positive Externalities:** companies developing innovative ecosystem service solutions are unlikely to be able to monetise the entirety of their innovations as some of the benefits from their innovations, for example, will go to ecosystem project developers which will use those innovations to make better ecosystem service projects. As the innovative service provider is unlikely to be fully rewarded, there is a role for government to play to increase innovation to a higher level to benefit society.

- e. **Supply chain market barriers:** a small part of the BNIF portfolio is investing directly in businesses (Green Enterprises) that will develop innovations to enable ecosystem services to be developed in new markets. Investment in Green Enterprises helps to unblock the supply chain issues which are acting as a barrier.
- f. **Co-ordination Failures:** the ecosystem service market is made up of many players; there is strong evidence in the market that there is a mismatch between the skillsets of project developers in being able to provide the information and in the form that large investors can invest in.
- g. **Specific woodland creation barriers:** there are both skill shortages and a lack of land available to grow saplings in the sector.

The evaluation programme needs to be able to assess the degree to which each of these market failures are present, and the degree to which the fund is able to overcome them.

Special attention should be given to the excessive risk aversion market failure under bullet point (a) as it was the theoretical existence of this, preventing institutional investors investing in the comparatively new asset class of natural capital, that was a key economic rationale in the business case for the government to take a first loss position. This could involve looking at whether the level of return for this asset class declines vis a vis other comparable asset classes.

If risk aversion does decline, it would help demonstrate that a first loss fund is an appropriate policy tool to tackle this type of market failure and have powerful implications for future government interventions involving new asset classes including new nature based solutions.

Please see the Theory of Change in Annex A for further information on the long term aims and objectives for BNIF.

### **Benefits Realisation Map**

The below benefits map demonstrates Defra's intended priority outcomes and the measurable benefits which we are keen for the overall evaluation to focus on. We need the evaluation to critically assess whether our envisioned benefits had been realised and to what extent the identified effects of the policy intervention were directly responsible for this.

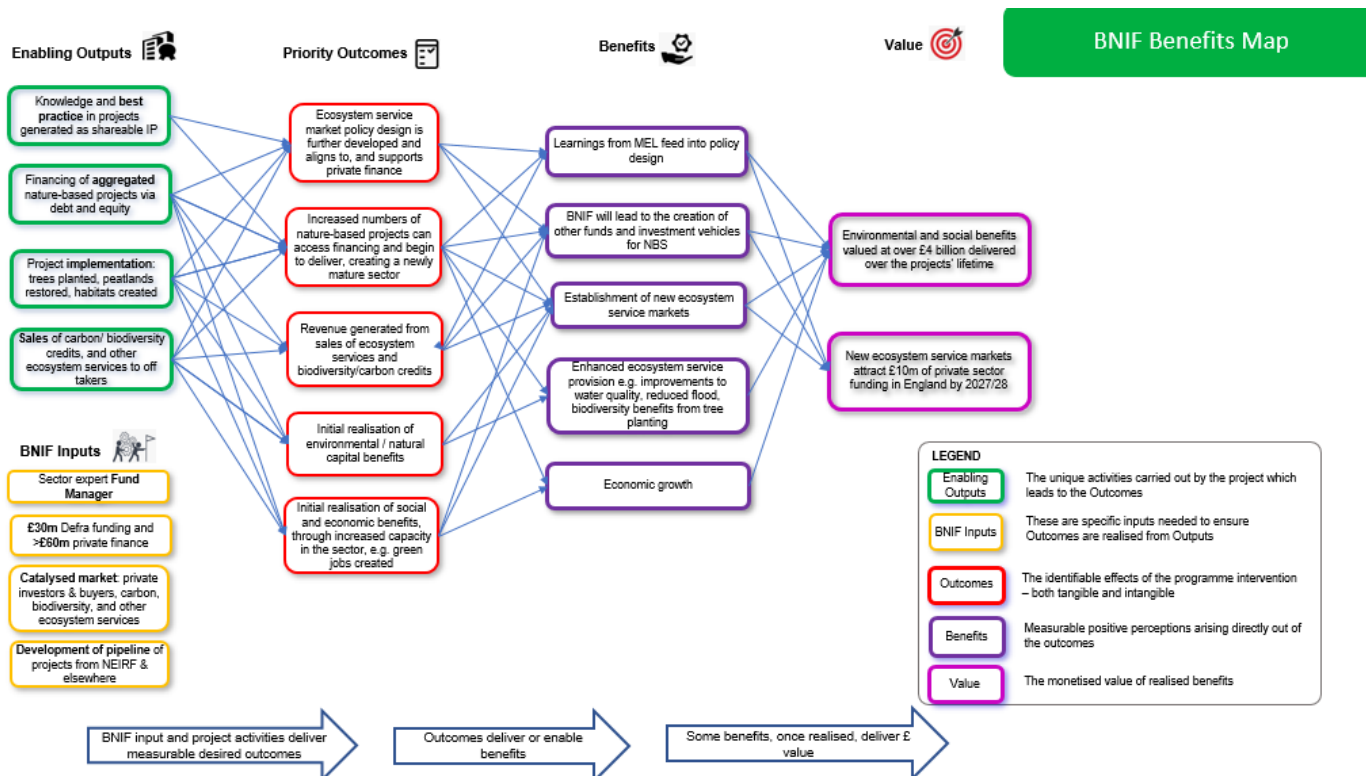


Figure 1. BNIF benefits map

### **Purpose of a BNIF evaluation**

The purpose of the evaluation is to determine whether BNIF, as a policy intervention, is a success and if it is sufficient in realising our long-term goals of natural capital market transformation. We want to understand whether it has been successful in achieving its policy objectives and if so, how and why:

- a. **Environmental outcomes:** BNIF will enable additional private sector investment, and therefore will increase total delivery of natural environment projects in line with the 25 YEP.
- b. **Financial sustainability of natural environment sector:** BNIF will develop a track record for private sector investment in natural capital assets, increasing private investment in the longer-term and the size of natural environment ecosystem service markets. BNIF will have a policy legacy of increasing the value for money of future public investment in the natural environment, decreasing sole reliance on public funding for public goods, as monetizable natural capital assets and revenue streams will be capable of investment by the private sector.
- c. **Knowledge sharing:** intellectual property, knowledge and data from investment models to be replicated by other projects.

An evaluation framework will be needed to deliver the BNIF evaluation over the lifetime of the fund, supporting policymakers to make decisions and inform them on the effectiveness of the intervention and whether the inputs are sufficient to realise the desired priority outcomes and benefits (as set out within Annex B).

### **What are the key evaluation questions?**

We are interested in exploring the extent to which BNIF can deliver market transformation, environmental benefits and socio-economic benefits. This will be captured by questions focusing on whether:

1. Was BNIF able to achieve expected delivery outcomes and to what extent can these outcomes be attributed to BNIF?
2. Did we understand the failures correctly and did these failures justify government action?
3. Have we effectively tackled the perceived market failures to realise our anticipated benefits?
4. Have external factors influenced the delivery and functioning of BNIF and whether these factors influenced the attitudes and behaviors of targets groups.
5. Has the fund led to real increases in environmental outcomes removing what would have happened anyway?
6. Has this novel funding mechanism been more successful than a traditional grant scheme in realizing our outcomes?

We want the evaluation to enable us to learn from this process of delivering environmental outcomes through a managed Fund, the results of interventions and whether we efficiently used our resources. This is critical to feed into future policy design and could also lead to the creation of other funds and investment vehicles for nature-based solutions.

We have created a list of indicative evaluation questions to show some of the areas that we would like the evaluations to focus on (Annex C). We would like to refine these with the successful contractor (as part of work package 1).

## **Aims of this contract**

The aims of this contract are to:

- i. design a robust yet proportionate evaluation framework in line with HMT Magenta Book guidance and relevant supplementary guidance to enable us to understand the success of BNIF as a policy intervention; and
- ii. undertake the initial process evaluation to explore the initial set up of the fund and collect and present baseline data to enable us to track progress on tackling market failures, for example around investor confidence.

**The contract is made up of the following 2 work packages.**

### **Work Package 1: Developing the Evaluation Framework**

The evaluation framework will be the blueprint needed to understand the success of BNIF as a policy intervention. It will be critical to understand why and how any detected changes have taken place.

It will use the Theory of Change, amongst other documentation, as the starting point to analyse the effectiveness of BNIF as a policy intervention. As part of this work package, we expect contractors to revisit the Theory of Change to support us in continually testing our assumptions.

The evaluation framework will be the foundation for an ongoing evaluation, enabling a long-term analysis on the effectiveness of this policy intervention. It should establish whether BNIF is positioned to deliver Defra's policy objectives, then measure progress towards those objectives once operational. It will be used to set out the methodology for future process, impact and value for money evaluations over the 15 years of the Fund's durations supporting policymakers to make decisions and inform them on whether interventions, emphasis and funding in place are sufficient to achieve our policy goals.

We anticipate the evaluation framework will set out the following timeline for evaluations during the fund's lifespan:

- Initial process evaluation of the set-up of the fund (finalised report within 12 months of fund launch) [also included within this contract under work package 2]
- Two impact evaluation reports after 5 and 10 years (likely to include some process and value for money considerations)
- Value for money and impact evaluation on the close down of the fund with a report in 2037/8.

We are open to exploring different timeframes for the impact and final evaluation to happen but would like the initial process evaluation (work package 2) to have concluded by April 2024, i.e., within a year of the launch of the fund.

### **Work Package 2: Carry out an initial process evaluation**

The [Magenta Book](#) defines process evaluations as assessing whether a policy is being implemented as intended, what is working well and whether it is delivering expected outputs and outcomes.

We expect the contractor to undertake the initial process evaluation (as set out within the evaluation framework) to explore the setup of the fund up to the point of launch (April 2023). We will also want the evaluation to collect and present baseline data to enable us to track progress

on the market failures that we are seeking to address, such as those around investor confidence.

We encourage the contractor to consider opportunities to look at impacts or proxies for impacts. We anticipate the final progress report by April 2024.

## Methods

Proposals should be consistent with the guidance set out in the Government's Magenta Book 2020 and related annexes (specifically [Handling Complexity in Policy Evaluation](#)). Key principles around the requirement for scoping and designing an evaluation include:

- Understanding the intervention and its evidence base
- Understanding the type of evaluation required
- Understanding the appropriateness of the evaluation methods
- Agreeing the most appropriate evaluation approach and identifying the most suitable evaluation methods
- Identifying data needs and availability

We anticipate that the evaluations will be a mixed-methods approach, for example using quantitative surveys, thematic analysis of management information, stakeholder interviews, case studies and VFM/econometric analysis.

Tenderers should propose an approach to the development of the framework which meets the objectives and requirements set out in this specification. The approach that is proposed should be evidence-based and we are not prescriptive in terms of the content of the evaluation framework, but we would envisage it may include the following elements:

- **Development of evaluation questions** (Indicative evaluation questions are displayed in Annex C) – this be important in identifying knowledge gaps. Evaluation questions will need to be developed in close collaboration with Defra policy and operational personnel.
- **Review data requirements and sources** – this involves undertaking a data mapping exercise to understand data requirements to meet evidence needs and options for how these can be met. More detail on data requirements is set out in Data requirements and sources, below.

Beyond this, Defra does not wish to be prescriptive in terms of the methods used and suggested in the evaluation framework and baseline evaluation and welcomes ideas from tenderers. Different methodologies, including mixed methods are expected for each sub-question that make up the evaluation framework. Proposals should ensure that the methods themselves, and the rationale for the chosen methods, are clear and explicit.

## Data requirements and sources

As part of this contract, we require an assessment of the suitability of current data and requirements for new data collection, set against the evaluation questions developed as part of this framework. Data requirements will be driven by the programme Theory of Change, focusing on key evidence gaps, and evaluation questions that are to be developed as part of this project.

In developing data requirements, proposals should be consistent with existing monitoring commitments in the Nature for Climate Fund Programme and 25 Year Environmental Plan.

should be taken into consideration. We would like the contract to recommend the level and nature of data needed to effectively evaluate the success of the Big Nature Impact Fund and how to make best use of data already collected through existing monitoring.

Key issues to consider in identifying and defining data sources apply to biodiversity, social and economic data:

#### **Use of existing data**

- Opportunities to better define the type and nature of data that could, reasonably and proportionately, be collected going forward.
- Consider the costs vs benefits of undertaking approaches to the collection and/or onward storage and sharing of any new data, balancing the burden on participants and the benefits for evaluation and reporting.

#### **Additional data collection**

Data could be collected through:

- Analysis of Defra documentation
- Analysis of Fund Manager Information
- Qualitative interviews with key Defra programme managers
- Qualitative interview with the Fund Manager
- Desk based analysis of investment trends to establish how early-stage investment has evolved over time, considering fundraising, total commitments to funds, number of deals, size of investments, sector focus of fund portfolios etc, to provide context for the investee-level case studies.

Data could be also collected through:

- Analysis of Fund Management Information and secondary data sources to provide information about investments made, including baseline investee information, the number of awards etc. Secondary data analysis will provide information on performance over a longer period (where available) and wider economic data.
- Qualitative Interviews with Defra staff
- Qualitative interviews with Fund Managers, Scientific Investment Advisory Committee and investees.
- Investee and comparator (innovators considered by the Fund Manager who have not received funding at the time of the evaluation to act as a counterfactual group) case studies research. Case study research would involve a review of relevant documentation and 3-5 interviews exploring the perspectives of investees, collaborators, land managers, business owners and farmers to explore how the capital received from the Fund was deployed, access to alternative private and public funding, the impact of the funding and long-term impacts on 'benefits realised'. This will help us to understand the success of this policy intervention.

**Timescales** (and methods of forecasting/projection)- the long-term nature of some of the anticipated outcomes needs to be considered. You should consider whether models or proxy data should be used to estimate outcomes. In determining suitable proxy data, issues such as different failure rates for different interventions will need to be considered.



**Consistent standards, methods and approaches:** As a first preference, outcome measures from the suite of measures from the Nature for Climate Fund should be considered. New data collection should use consistent standards, methods and approaches, which could be potentially shared with the evaluation of other major policy interventions that contribute to strategic conservation goals (such as the Nature Recovery Network and Environmental Land Management Scheme).

## **Outputs**

Below is a summary of the expected outputs for each objective. All reports must be produced in accordance with Defra's templates for publications and accessibility standards.

### **Work Package 1 – Evaluation framework**

1. Evaluation framework scoping workshop and outline (discussing approach to designing evaluation framework)
2. Interim evaluation framework workshop(s)
3. Interim evaluation framework report
4. Evaluation framework report
5. Evaluation framework presentation/teach-in
6. Slide pack summarising the evaluation framework approach and questions, the slide pack will be easy to navigate and be in an impactful style

### **Work Package 2 – Process evaluation**

1. Process evaluation plan
2. Interim process evaluation report
3. Final process evaluation report
4. Dissemination event/teach-in summarising process evaluation findings.
5. Slide pack summarising baseline evaluation approach and findings, the slide pack will be easy to navigate and be in an impactful style

## **Who are the key users?**

This evaluation will help Defra understand the effectiveness of this intervention and whether it has delivered the envisioned benefits. The learning from this will feed into further policy design and support the setup of other funds and investment vehicles to support nature-based solutions.

## **Project Management**

It is crucial that the supplier can provide an evaluation framework and baseline evaluation whilst maintaining contact and working with the Defra project team, the Fund Manager and beyond to ensure that the outputs meet our requirements.

Defra will nominate a project manager for this project, who will be responsible for the day-to-day management of this contract, the relationship with the supplier, and will coordinate an internal Project Board to review the work and ensure it meets the projects aim and objectives. The Supplier will be expected to appoint a Project Manager who will act as the principal point of contact for Defra and who will be responsible for the day-to-day management of the evaluation.

Appropriate escalation routes to senior managers must be included in the project bid to mitigate risk of delivery issues. The Contractor will be required to regularly update the Project Manager on project progress via fortnightly meetings arranged by the Contractor, via regular progress

reports, and updates when there are any significant issues (as early as convenient or a maximum of 3 days' notice). Ways of working will be agreed at the inception meeting and the frequency of meetings/updates will be reviewed throughout the course of the evaluation. The Fund Manager has agreed to facilitate any evaluations (within reason) which Defra wants to procure in order to understand the success of policy intervention.

Tenderers must cost for meetings in the Programme of Work. Costings must include travel time, preparation and producing outputs from the meetings for the Project Team. The meetings will usually be held over the communication platform Microsoft Teams and, if necessary, the Contractor may organise face to face meetings at their offices or other agreed premises. Meetings may need to include breakout rooms (including if virtual) dependent on number of attendees and content of the meeting.

### **Contractor Project Team**

Tenders will be assessed to ensure the chosen supplier has all the appropriate skills and expertise to successfully carry out the project and deliverables. We anticipate that the contractor should have experience in carrying out successful, complex, evaluations, with knowledge and expertise of impact funds, the financial market and nature-based solutions. We would like the contractor to have a track record of working collaboratively with the key stakeholders in the environmental and green finance sector.

In particular, tenderers should be able to:

- Demonstrate methodological expertise in evaluation of **complex** programmes – including process, impact and value for money evaluations
- Demonstrate experience and expertise in evaluations involving complex systems/dealing with complexity (ideally familiar with the Magenta Book and relevant annexes)
- Demonstrate a track record in managing and successfully completing research, including references
- Demonstrate understanding and experience of evaluations using an adaptive management approach
- Demonstrate understanding of England's biodiversity and policy environment, including a high level of expertise (breadth and depth of knowledge) in the ecological, economic and social contexts - tenderers should be clear on how much time team members with these areas of expertise will be giving to the project and how this will be split up across the three objectives and project lifetime
- Name the key members of the proposed team for delivering the project
- Outline the respective roles of all key project team members, their relevant experience and skills that will support the work, and the expected amount of time they will dedicate to the project
- Outline how any data collected will be processed in line with Data Protection Regulations
- Any sub-contractors or associates who may be employed to undertake any sections of the project, should be separately identified along with their respective roles and how they will be managed. The main contractor will be responsible for the delivery of any sub-contractors

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.

### **Project governance and stakeholders**

The contractor is expected to work closely with Defra who will provide support, as required, throughout. A steering group, including representatives from Defra, Finance Earth and Federated Hermes, should be involved at key points throughout the project to provide steer and sign off.

The day-to-day management of the contract will be the responsibility of Defra's project manager, who will coordinate and be guided by the Steering Group. They, in turn will review the work and ensure it meets the project aims and objectives. The contractor is expected to appoint their own Project Manager who will act as the principal point of contact and who will be responsible for the day-to-day management of the contract.

Formal meetings and key workshops should be accounted for in tenderers responses. In addition, we suggest weekly calls be held between the successful contractor and a member of the steering group to provide additional support, guidance and address any potential issues. Longer bi-weekly meetings may also be held between the contractor, a member of the steering group and the Senior Responsible Officer (SRO).

We expect the awarded contractors to engage with a range of different stakeholder groups to gather the evidence needed to better understand how best to evaluate and monitor the progress of the Fund.

Awarded contractors are not expected to necessarily engage with *all* stakeholders listed and are encouraged to propose engagement methods that are appropriate and purposeful. Proposals that outline in their approach/methodology which stakeholders they intend to engage with, how, and to what end will be scored more highly than those that do not. Considerations for engagement timings, acknowledging the Christmas break, will be important.

### **Reporting requirements**

Regular reporting will be in form of meetings between Defra and the contractor, these are to occur at least fortnightly in the first year of the project (unless agreed otherwise between Defra and the contractor) and should identify progress, challenges to completion within the contract deadline as well as any additional future responsibilities required by the Potential Provider e.g. access to additional documents or teams.

The project outputs are to be produced in a written final report in Microsoft Word format, as well as any accompanying visuals/graphics, spreadsheets and models. All reports will be clearly presented, concise, written in plain English.

Prior to the Contractor concluding the final report, it will be sent by the steering group to be peer reviewed. The Contractor will need to consider and satisfactorily address any comments received and agree with the Authority where they will not be considered further. Tenderers must therefore accommodate in their proposals, time for peer review and time to respond to peer review comments.

It is Defra policy to publish all final project reports according to the principles set out in the Government Social Research (GSR) publication protocol. Defra requires the opportunity to comment on draft final reports. The appointed contractor will be responsible for ensuring both the quality of the work as well as the presentation of the material (e.g. proof reading, ensuring

clear English). The draft final report will be peer-reviewed in line with Defra's Quality Management Standard.

Contractors are expected to meet government requirements for:

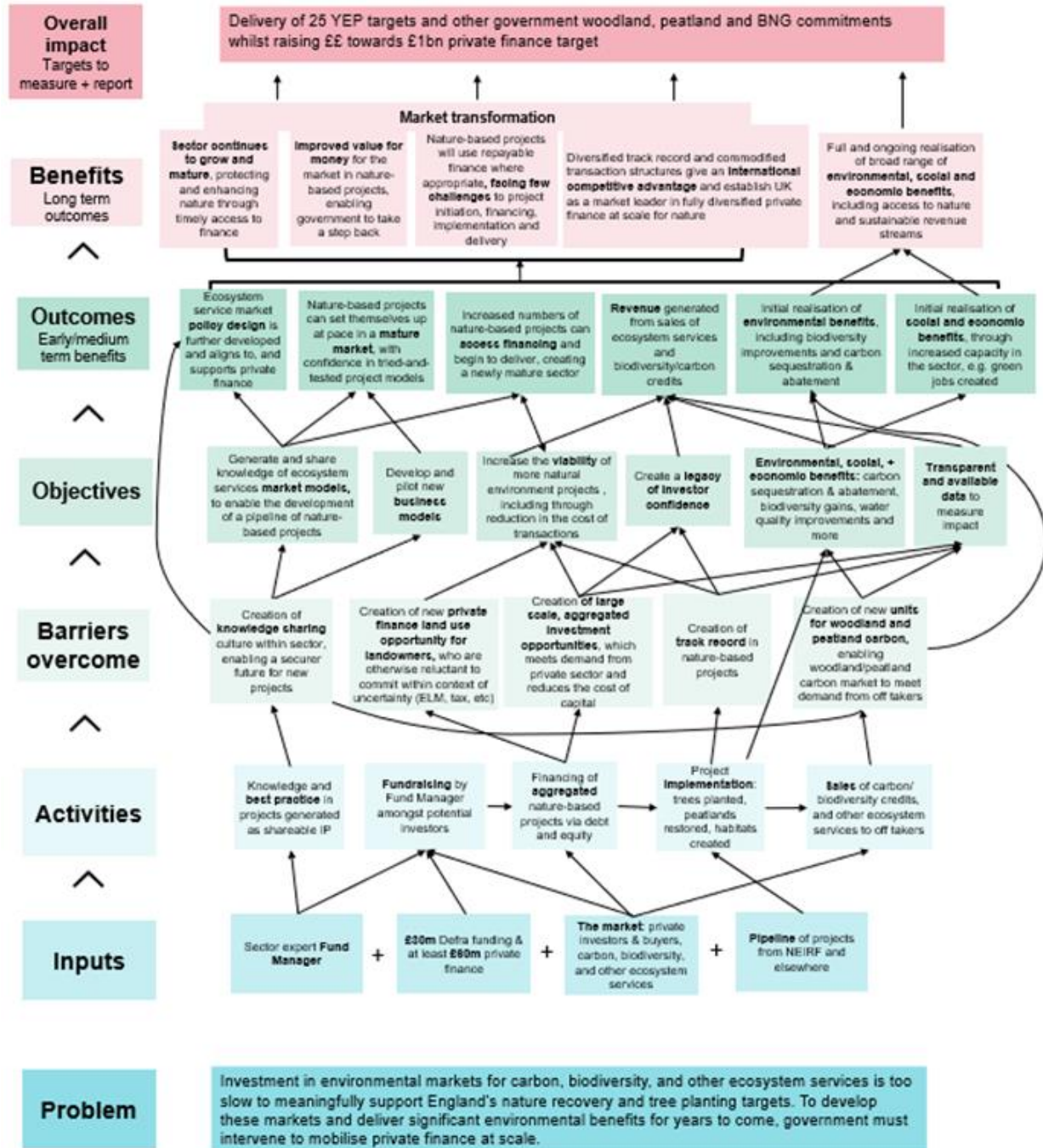
- accessible reports (guidance is available here<sup>1</sup>).
- GOV.UK style requirements<sup>2</sup>

This includes, but is not limited to, consideration of:

- font (size, style and justification)
- titles, headings and sub-headings to structure reports
- alternative text (alt-text) for images, charts or graphs
- table captions and summaries in all tables
- describe images, charts and graphs
- colour combinations: colours that are suitable for those with colour-blindness

For every commission, Tenderers are expected to outline how they will meet accessibility and style requirements and what processes they have in place to assure this. The exact outputs must be discussed with Defra, but accessibility should be considered in all outputs (e.g., MS Word, MS PowerPoint, CSV data files or PDF documents).

## Annex A: Theory of Change



## Annex B: Benefits Realisation Plan

Description of the Benefit	Benefit Category
Environmental and social benefits valued at over £4 billion delivered over the lifetime of the ecosystem service projects. Includes benefits to lower climate heating from carbon capture, recreation benefits from woodland creation and biodiversity, improvements to water quality and reducing the cost of flooding from natural flooding solutions.	Environmental Benefits
Leasehold woodland planting in England – approximately 25,000 hectares by end of 2027/28	Environmental Benefits
Leasehold peatland restoration in England – approximately 18,500 hectares by end of 2027/28	Environmental Benefits
Hectares of BNG - approximately 1,375 by the end of 2027/28.	Environmental Benefits
Investment in approximately 15 projects in England in other NBS projects by the end of 2027/28 including investment in water quality, saltmarsh and blue carbon and Natural Flood Management	Environmental Benefits
Creation of 400 Full Time Equivalent Posts over the 15-year investment period.	Social Benefits and Distributional Benefits
Demonstrator project effect – BNIF will lead to the creation of other funds and investment vehicles that invest in high quality nature-based solution activities to deliver environmental and social benefits over the next 15 years. Currently there are none attracting any scale of investment.	Sustainability
Establishment of new ecosystem service markets – new markets including saltmarsh carbon, NFM and water quality and attract £10 million of private sector funding in England by 2027/28 (Doubling of market size compared to BNIF investment).	Innovation
Lessons learnt from the MEL are fed back into future policy design.	Policy

## Annex C: Indicative Evaluation Questions

<p>Process <i>What can be learned from how the intervention was delivered?</i></p>	<ol style="list-style-type: none"> <li>1. Was the Request for Proposals designed in the optimum manner? <ol style="list-style-type: none"> <li>a. Did we have the right evaluation criteria to select the best bidder?</li> <li>b. Did the negotiation lead to a better outcome?</li> <li>c. Could the intervention have been procured and delivered for less cost?</li> <li>d. Did Defra have the right expertise in the project team?</li> <li>e. What can be learned from the delivery methods used?</li> <li>f. Was BNIF launched as intended? <ol style="list-style-type: none"> <li>a. Were there enough resources?</li> <li>b. Were there any unexpected or unintended issues in the launch of the Fund?</li> <li>c. What worked well, or less well, for whom and why?</li> <li>d. What could be improved?</li> <li>e. What can be learned from the delivery methods used?</li> </ol> </li> </ol> </li> <li>2. Did Defra select the right environmental markets to deliver Defra's policy aims?</li> <li>3. Was Defra's first loss position the right amount?</li> <li>4. How has the political, economic and social context influenced delivery? <ol style="list-style-type: none"> <li>a. How did external factors influence the attitudes and behaviours of target groups?</li> </ol> </li> <li>5. What are the types and characteristics of projects being financed by BNIF? E.g. sector, size, scale of investment, barriers to investment addressed? Are there any gaps emerging?</li> <li>6. What have BNIF projects used financing to achieve? Why would they not have been able to do this otherwise?</li> <li>7. What types of financing have BNIF projects accessed from the Fund? E.g. debt/equity</li> </ol>
<p>Impact <i>What difference did the intervention make?</i></p>	<ol style="list-style-type: none"> <li>1. Did BNIF achieve Defra's expected outcomes? <ol style="list-style-type: none"> <li>a. To what extent?</li> <li>b. Would the outcome have been achieved without the policy intervention?</li> <li>c. Are there any trade-offs in delivering the outcomes?</li> <li>d. Did Defra achieve their expected benefits realisation?</li> </ol> </li> <li>2. To what extent can the outcomes be attributed to the intervention? <ol style="list-style-type: none"> <li>a. How confident can we be that BNIF caused the observed changes?</li> <li>b. What causal factors resulted in the observed impacts?</li> <li>c. How much can be attributed to external factors?</li> <li>d. What would have happened anyway?</li> </ol> </li> <li>3. How has the context influenced outcomes? <ol style="list-style-type: none"> <li>a. Has the intervention resulted in any unintended outcomes?</li> <li>b. Have the outcomes been influenced by any other external factors?</li> </ol> </li> <li>4. To what extent have different groups been impacted in different ways, how and why?</li> <li>5. Can the intervention be reproduced?</li> <li>6. What generalisable lessons have we learned about impact?</li> </ol>

<p>Value for money <i>Was this a good use of resources?</i></p>	<ol style="list-style-type: none"> <li>1. How cost-effective was BNIF?</li> <li>2. Cost per unit (outcome, participant, etc.)</li> <li>3. What were the costs of delivering the intervention?</li> <li>4. Has the intervention been cost-effective (compared to alternatives and compared to doing nothing)?</li> <li>5. What is the most cost-effective option?</li> <li>6. What was the value-for-money of BNIF?</li> <li>7. What are the benefits?</li> <li>8. What are the costs?</li> <li>9. Do the benefits outweigh the costs?</li> <li>10. What is the ratio of costs to benefits? <ol style="list-style-type: none"> <li>a. Was BNIF the best use of resources?</li> <li>a. How does the ratio of costs to benefits compare to that of alternative interventions, such as a more traditional grant scheme?</li> <li>b. What was the ratio of £ in investment unlocked per £ of programme spent?</li> <li>c. Has the fund let to a step change in investors attitudes to investing in high quality NBS such that there will not be a need for a future fund?</li> <li>d. To what degree has the fund led to real increases in environmental outcomes removing what would have happened anyway?</li> <li>e. How do the environmental benefits stack up against the costs for the fund taking account of adjustments for what would have happened anyway including the Benefit Cost Ratio for spend?</li> <li>f. To what extent has the fund led to a sharing of business models that has led to an increase in projects – an externality of the fund?</li> </ol> </li> </ol>
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