**DPS FRAMEWORK SCHEDULE 4: LETTER OF APPOINTMENT AND CONTRACT TERMS**

* 1. **Letter of Appointment**

Dear Sirs

**Letter of Appointment**

This letter of Appointment dated Thursday 26th November 2020, is issued in accordance with the provisions of the DPS Agreement (RM6018) between CCS and the Supplier.

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

|  |  |
| --- | --- |
| Order Number: | TBC by Customer. |
| From: | Department for Transport with at offices at Great Minster House, 33 Horseferry Road, London, SW1P 4DR ("Customer"). |
| To: | Ipsos Mori, a company registered in England and Wales, whose registered office is 3 Thomas More Square, London, E1W 1YW ("Supplier"). |

|  |  |
| --- | --- |
| Effective Date:  | 27th November 2020 |
| Expiry Date:   | End date of Initial Period 26th November 2021.End date of Maximum Extension Period: Not Applicable.Minimum written notice to Supplier in respect of extension: Not Applicable. |

|  |  |
| --- | --- |
| Services required:   | Set out in Section 2, Part B (Specification) of the DPS Agreement and refined by:The Customer’s Project Specification attached at Annex A and the Supplier’s Proposal attached at Annex B. |

|  |  |
| --- | --- |
| Key Individuals: | REDACTED – Department for Transport. |
| [Guarantor(s)] | Not Applicable. |

|  |  |
| --- | --- |
| Contract Charges (including any applicable discount(s), but excluding VAT): | REDACTED  |
| Insurance Requirements | No additional requirements.  |
| Customer billing address for invoicing: | Invoices are to be submitted to:REDACTED |

|  |  |
| --- | --- |
| Alternative and/or additional provisions (including Schedule 8(Additional clauses)): | Not Applicable.  |

**FORMATION OF CONTRACT**

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

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

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

**For and on behalf of the Supplier: For and on behalf of the Customer:**

Name and Title: REDACTED Name and Title: REDACTED

Signature: Signature:

 REDACTED REDACTED

**Annex A**

**Customer Project Specification**

# INTRODUCTION

## The Department for Transport (DfT) wishes to commission an evaluation of the local economic performance impacts of road investment schemes.

# PURPOSE

## To inform DfT’s future discussions and recommendations concerning road investment decisions, this project aims to fill an existing evidence gap in ex-post road scheme evaluation. The project should deliver a retrospective and predominately quantitative evaluation of Local Major, Local Growth Fund and Highways England road schemes impacts on local economic performance.

# BACKGROUND TO THE CONTRACTING AUTHORITY

## DfT is the government department responsible for the English transport network and a limited number of transport matters in Scotland, Wales and Northern Ireland that have not been devolved. Its objectives are to:

### Support the creation of a stronger, cleaner, more productive economy

### Help to connect people and places, balancing investment across the country

### Make journeys easier, modern and reliable

### Make sure transport is safe, secure and sustainable

### Prepare the transport system for technological progress and a prosperous future outside the EU

### Promote a culture of efficiency and productivity in everything we do.

## DfT’s responsibilities include:

### Providing policy, guidance, and funding to English local authorities to help them run and maintain their road networks, improve passenger and freight travel, and develop new major transport schemes.

### Investing in, maintaining and operating around 4,300 miles of the motorway and trunk road network in England through Highways England.

### Setting the strategic direction for the rail industry in England and Wales – funding investment in infrastructure through Network Rail, awarding and managing rail franchises, and regulating rail fares.

### Improving English bus services through funding and regulation.

### Working to make our roads less congested and polluted by promoting lower carbon transport, including cycling and walking.

### Encouraging the use of new technology such as smart ticketing and low carbon vehicles.

### Maintaining high standards of safety and security in transport.

### Supporting the maritime sector by producing the overall strategy and planning policy for ports in England and Wales.

### Setting national aviation policy, working with airlines, airports, the Civil Aviation Authority and NATS (the UK’s air traffic service).

## Through its investment, DfT seeks to:

### Create a more reliable, less congested, and better connected transport network that works for the users who rely on it.

### Build a stronger, more balanced economy by enhancing productivity and responding to local growth priorities.

### Enhance our global competitiveness by making Britain a more attractive place to trade and invest.

### Support the creation of new housing.

# BACKGROUND TO REQUIREMENT/OVERVIEW OF REQUIREMENT

## DfT wishes to commission an evaluation of the local economic performance impacts of road investment schemes.

## The objectives of the research are to:

### Learn from completed road schemes in order to inform future policy decisions and appraisal.

### Address evidence gaps through improved understanding of what economic effects (accessibility, firm level impacts, labour market impacts, and development impacts) have emerged from different types of schemes and in what different situations and contexts.

### Improve our understanding of the practicalities of undertaking such an evaluation, helping to develop future evaluation strategies.

## Evidence on the economic performance effects of investments in the road network is thought to be limited in the UK context. While some studies have demonstrated a causal link between investment in the road network and local economic performance, these effects are thought to vary across different types of areas and sectors.

## Recent reviews have brought together evidence on the economic impacts of road investments. Some of these are summarised below to offer some support for theories of how road investment can support the economy. However, the limited volume of studies of direct relevance to the UK limits our confidence here. This material hints at the complexity of effects, with places, groups and sectors responding to investments very differently.

### A 2013 Melo, Graham and Brage-Ardao meta-analysis[[1]](#footnote-1) estimated the average relationship between transport investment and output across 33 studies – showing that ‘on average, an increase of 10% in public investment in transport infrastructure is associated with an increase in output of about 0.5%’. Although, it should be noted that there were a range of positive and negative results within that. Compared to other modes, road investment was found to be associated with a stronger effect on productivity.

### A 2015 What Works Centre for Local Economic Growth[[2]](#footnote-2) comprehensive review noted key limitations in the evidence base around productivity effects, comparing the effects of larger and smaller schemes, and critically limited assessment of additionality - we do not know if local employment and firm entry effects are additional at a national level, or if they reflect a redistribution of activity. It did find, linked to roads investment:

### Positive local employment effects in some but not all cases

### Increasing local rates of firm entry

### Increasing property prices, but heavily dependent on distance

### Varying effects on the size of local populations

### Some evidence of local wage, income and productivity effects

### A 2017 review for the Department by Frontier Economics[[3]](#footnote-3) concluded from the relatively limited, but growing evidence base, that investments in strategic roads can often be a “necessary but not sufficient condition for enhancing local economic performance” - that the scope for economic performance impacts from roads investments are highly case specific and context dependant. They found that the “limitations in the available evidence suggest that there is scope for better, more robust research on the economic impacts of roads, and in particular more quantitative ex-post evaluation work”.

### One academic study (Gibbons et al 2017[[4]](#footnote-4)) is of particular note as it takes a sophisticated approach to assess effects of investments in UK motorways and major roads between 1998 and 2008. They found positive effects on local employment and number of plants following investments but negative effects on employment in existing firms.

## Existing monitoring and evaluation arrangements for DfT and Highways England road enhancements are also not expected to produce substantial additional evidence to help demonstrate these linkages in the short term.

### Highways England undertakes Post Opening Project Evaluations (POPEs) of all major schemes one and five years post opening. However, these do not directly measure economic performance impacts beyond journey time benefits.

### Local scheme promotors are required to undertake monitoring and evaluations of major local schemes, but these do not typically offer a robust assessment of economic effects.

## Addressing this evidence gap is an increasingly important strategic issue for DfT. It can also add significant value by providing a standardised methodology to help inform both DfT and Highways England evaluation strategies going forward.

## This evaluation follows on from a feasibility study commissioned to Ipsos MORI, the Institute of Transport Studies and George Barrett by DfT in August 2018. This study, published in October 2019[[5]](#footnote-5):

### Identified a set of relevant road schemes that could be included in the evaluation. (List of schemes reviewed is available on request)

### Assessed the data requirements for the evaluation.

### Explored alternative impact evaluation options.

### Considered the scope and value of case study research.

## It is expected that the evaluation will build on the framework set out in the feasibility study. It will define appropriate outcome measures and consider engagement with key stakeholders. It will also develop a detailed work plan including key research questions and outputs for each stage. It is expected that findings from each stage will be disseminated to the project board.

# SCOPE OF REQUIREMENT

## **Overview**

### The Supplier will carry out an ex-post evaluation of Local Major, Local Growth Fund and Highways England road schemes in relation to local economic impacts.

### The scope of the evaluation is to assess the impact road enhancements have on a range of local economic outcomes including:

#### Firm level impacts – e.g. employment, productivity, firm entry and exit, fixed capital investment.

#### Labour market impacts – e.g. wages, unemployment.

#### Development impacts – e.g. planning permissions, housing starts and completions, land use change, house prices.

### The project will also aim improve to our understanding of the practicalities of undertaking such an evaluation, helping to inform future evaluation strategies and methods both within DfT and Highways England.

### It is expected that this will be a predominately quantitative evaluation. It should include a combination of portfolio level econometric analysis and scheme level case study research (where there may be scope for both quantitative and complementary qualitative research).

### The approach set out by Ipsos MORI in the feasibility study is the recommended approach for this piece of work. However, suppliers are invited to propose alternate methods to those outlined below if they think they would better answer the research questions. In such an instance, the supplier is expected to explain why their proposed methodology is more appropriate for the project.

### The supplier will present their proposed methodology in their bid. Key information will include how the method will control for other factors and develop a clear counterfactual, whilst highlighting any limitations. The suitability of the proposed method will be one of the criteria that tenders are evaluated against. The chosen supplier must demonstrate that the method is transparent and replicable.

### It should be noted that there will be a breakpoint after the data testing and assembly stage. This will be used to assess whether the data that has been collected enables the project to proceed as originally planned and whether there are any impacts to the planned method. A decision will be made at this point whether to progress further.

## **Evaluation Research Questions**

### This section outlines a set of key evaluation questions in order to give the suppliers a sense of the scope of the evaluation. However, the list is not exhaustive and suppliers are invited to suggest amendments or additional questions that would contribute to the core objectives of the research. The supplier will be expected to work with the project board following commissioning in order to finalise the evaluation questions, and identify more specific, detailed questions within those already identified, if necessary.

### **High Level Research Questions**

#### What has been the impact of road enhancements on local economic performance?

##### To what extent can changes in economic performance be attributed to the intervention?

##### How do impacts differ in different contexts?

##### How do different features of a scheme affect its impact?

### **Portfolio Level Research Questions**

#### What has been the impact of road enhancements on development outcomes? For example:

##### Commercial and industrial development

##### Land use change.

##### Planning permissions, housing starts and completions.

#### What has been the impact of road enhancements on firm level outcomes? For example:

##### Employment.

##### Firm formation.

##### Firm entry and exit.

##### Productivity.

##### Fixed capital investment.

#### What has been the impact of road enhancements on labour market outcomes? For example:

##### Unemployment.

##### Wages.

### **Scheme Level Case Study Research Questions**

### A more detailed set of research questions to be considered are set out below. These will be more relevant for the case study research as they focused on determining the character of economic performance outcomes associated with individual schemes, the mechanisms through which these changes arose, and the extent to which they are additional at a local and national level. It should be noted that the importance of individual research questions and the scope to address these might vary depending on the specifics of each scheme.

#### **Transport Outcomes**

##### What were the nature of the transport outcomes brought about by the schemes?

##### Which key geographical areas, communities, and development sites benefitted from enhanced accessibility?

#### **Development Outcomes**

##### What levels of development of residential and employment land have come forward in the areas affected (and did this come forward at the scale and in the locations expected?). How did the transport outcomes brought about by this scheme influence development outcomes?

#### **Firm Level Outcomes**

##### What types of firms have been attracted to or have been relocated from the areas affected? How did the road enhancement influence those outcomes?

##### How have firm start-ups, productivity, capital investment, output and employment been affected by the road enhancement?

##### How did the road enhancement influence firm performance?

#### **Labour Market Outcomes**

##### How has the composition of the local population changed since the completion of the scheme, and how has this been influenced by the road enhancement?

##### How have commuting patterns, skills supply, economic activity rates, wages and unemployment rates been influenced by the road enhancement?

#### **Procedural Issues**

##### What steps were taken by scheme promoters to maximise the local economic impacts of the road enhancement? How did these enable (or act as barriers to) the realisation of anticipated economic outcomes?

#### **Local Context**

##### How aspects of local context (e.g. local infrastructure, productivity, political environment) influence the results observed?

## **Lesson Learnt and Practical Application of Methods to Future Road Scheme Evaluation Research Questions[[6]](#footnote-6)**

### Beyond the evaluation itself, it is expected that suppliers will consider the lessons learned from the study in order to help DfT and Highways England inform future evaluation strategies for road schemes. It is particularly important to set out how the methods used in the evaluation might be applied as part of road scheme evaluation going forward. This section outlines a set of key questions to be considered throughout the project:

### ***Lessons Learnt***

#### What were the strengths and limitations of the adopted approach?

#### Were there any major practical issues (e.g. data, modelling etc.) encountered during the project? Were these able to be overcome, and how?

#### Were certain types (e.g. size, new road v enhancement of existing road etc.) of schemes more difficult to evaluate than others?

#### To what extent was the study able to achieve its aims? What evidence gaps are still outstanding? How might this research be developed further in the future?

### ***Practical Application of Methods to Evaluation***

#### How might the evaluation methodology chosen for this project be replicated in future road scheme evaluation at both a scheme and portfolio level?

##### How might the evaluation methodology be replicated or adapted as part of Highways England evaluation approaches?

##### What would a representative sample of for an evaluation of the first Road Investment Strategy look like? What would the parameters be for sampling projects?

##### What resources (funding, skills, data) would be required to achieve this?

#### What monitoring data should be collected following road scheme implementation, in order to track economic impact for future schemes?

##### What baseline data which should be gathered for complex infrastructure schemes to enable an effective evaluation of the economic impacts?

#### What time periods beyond scheme implementation are most appropriate for data collection to track progress towards and realisation of economic impact?

# The requirement

## **General Requirement**

### The Supplier will carry out an ex-post evaluation of Local Major, Local Growth Fund and Highways England road schemes, building on the approach set out in the feasibility study.

### The required outcomes from the project are:

#### Independent research and analysis which meets our research objectives and answers the research questions.

#### An approach that adheres to evaluation best practice in terms of quality of methods, analysis and reporting, as well as ethics and GDPR compliance.

#### An agreed and followed quality assurance plan, involving DfT in the design and sign off at agreed milestones.

#### Timely delivery that meets our final deadlines.

#### A clear account of confidence in the conclusions, and limitations in the data and analysis.

#### Application of lessons and delivery to future monitoring and evaluation of road schemes.

### The Supplier is expected to produce the following outputs:

#### A written report to publishable standard which outlines the research objectives, approach and findings. This should include findings relating to economic impacts (as set out in 5.2) as well as the lessons learnt, especially regarding the practicality of applying the methods used to future road scheme evaluations (as set out in 5.3). The supplier will be expected to share interim findings, including a draft report, with DfT throughout the project.

#### A quality assurance report.

#### A face-to-face presentation (where possible) to DfT and Highways England on the findings from the evaluation.

#### A few tailored outputs are also to be provided to Highways England (in line with research questions 5.3.1.5a, 5.3.1.5b, 5.3.1.5c and 5.3.1.6 and 5.3.1.7). This will include training and guidance on how to proportionately apply/implement the method for future evaluation at a scheme and portfolio level and to help define a representative sample for the first Road Investment Strategy. It will also include a recommendation about the baseline data which should be gathered for complex infrastructure schemes to enable an effective evaluation of the economic impacts and indicate resource requirements.

### The supplier will be responsible for the development of a project plan and timetable, to meet the needs of the DfT (indicative timescales are set out in Section 7.2 below).

### For reference, the list of road schemes that were reviewed as part of the feasibility study is available to suppliers on request. This portfolio of schemes will need to be revisited by the supplier as part of the preparatory stages of the evaluation.

## **Methodology**

### The approach set out by Ipsos MORI in the feasibility study is the recommended approach for this piece of work. However, suppliers are invited to propose alternate methodologies to those outlined below for answering the research questions. In such an instance, the supplier is expected to explain why their proposed methodology is more appropriate for the project.

### The supplier will present their proposed methodology in their bid. Key information will include how the methodology will control other factors and develop a clear counterfactual, whilst highlighting any limitations. The suitability of the proposed methodology will be one of the criteria that tenders are evaluated against.

### The chosen supplier must demonstrate that the methodology is transparent and replicable.

### It is expected that this project will produce two sets of analytical outputs:

#### Portfolio level analysis.

#### Scheme level (case study) analysis.

### For the portfolio level analysis, the feasibility study for this work highlighted two methods for defining the extent to which areas are potentially impacted by road transport improvements: **distance decay** from sites of improvement; changes in network **accessibility** arising from these changes. These methods should be considered for the purpose of evaluation.

#### A key component of the recommended accessibility modelling methodology is the construction of accessibility indices. This will be used to measure the amount employment reachable from a given location per unit of travel time. The index should be constructed based on (1) observed changes in journey times (2) observed changes in traffic speeds after one year, and (3) expected changes in journey times expressed in the Business Case. DfT currently produces annual journey time statistics, which provides estimates of travel times from the centre of each lower super output area to eight different types of destination (primary schools, secondary schools, further education providers, centres of employment, town centres, food stores, GPs and hospitals). These statistics provide an approximate measure of how far road enhancements have resulted in improved accessibility and should provide a basis for creating the relevant indices for the purposes of the evaluation. Bids should clearly state the tenderers plan for creating these indices.

### The feasibility study also stressed the need for robust methods to establish causality between road improvements and local economic outcomes. Among these, bidders should consider the potential for **generalised propensity score** methods applied to changes in accessibility, road length or other continuous measures of treatment intensity.

### It is recommended that multiple evaluation methods be used to maximise opportunities to validate any results produced.

### The Supplier’s choice of methods should be informed by those where appropriate data is available for the chosen methodology, and where bidders believe the results provide meaningful insight into the economic performance impacts associated with road enhancements.

### Research methods that aim to establish causality should score a level 3 or above on the Maryland Scientific Methods Scale[[7]](#footnote-7).

### Portfolio level analysis should exclude evaluating transport outcomes; however, it should be used for the scheme level (case study) analysis. Furthermore, this work should seek to build upon the evidence produced through existing scheme evaluations, such as Highways England’s POPE reports.

### In addition to the portfolio level analysis, case study research will be required to develop a body of evidence that helps demonstrate the economic performance impacts of individual schemes and how and why they came about. Case studies should look to build on the data used and the results of the portfolio analysis by providing contextual information on the chosen scheme and by undertaking additional analysis.

### To meet the needs of stakeholders, case studies should seek to:

#### Assess whether schemes have resulted in any changes to local economic performance, whether anticipated or not.

#### Understand and demonstrate the mechanisms by which economic performance changes occur.

#### Assess the effectiveness and efficiency of processes deployed by scheme promotors to maximise the economic impacts of schemes.

#### Facilitate demonstrating and communicating evaluation results to a range of audiences, including policy makers and analysts.

### As per the recommendations set out in the feasibility study, suppliers should consider the use of both light touch and detailed case studies:

#### Light touch case studies: To illustrate the results of the econometric analysis. This approach provides some indication about the types of effects that might be produced, but does not provide any analytical insight into how or why effects may have risen.

#### Detailed analytical case studies: In addition to the light touch, this approach supports an understanding of the mechanisms that result in economic performance, if any, and how they might vary by context.

### A suggested approach for the detailed analytical case studies is set out below:

**Suggested Case Study Approach**

The following approach should be considered for the purpose of the case study research.

|  |  |  |
| --- | --- | --- |
| No. | Task | Description |
| Design | 1 | Case selection | Select cases that cover range of scheme characteristics and expected outcomes. |
| 2 | Desk review and consultations  | Understand schemes, identify target areas and refine their objectives. |
| 3 | Evaluation Framework development  | Conceptual framework for the evaluation. This should align with the framework developed for the portfolio analysis. |
| Data collection | 4 | Review and analysis of secondary data  | Assess any changes in local economic performance. |
| 5 | Stakeholder consultations | Assess and validate scheme context, additionality and mechanisms. |
| 6 | Business surveys | Collect more focused outcomes measures, only for schemes with significant associated costs.Note: The suitability of a retrospective business survey will vary from scheme to scheme. Such surveys might be more useful for recently completed schemes. |
| Analysis | 7 | Analysis of individual schemes  | Within-case analysis to provide overall assessment of scheme performance. |
| 8 | Comparative analysis across schemes | Cross-case analysis to provide general assessment of performance/mechanisms and how they vary by context. It is recommended that this considers the use of synthetic control analysis to provide a quantitative ‘backbone’ that directly addresses the problem of attrition with statistical methods. |

Source: Ipsos MORI (2019)

### The number of case studies chosen for the study should be sufficient to ensure that a full range of scheme types and impacts are analysed. It is recommended that bids contain a minimum of ten case studies.

### Bids should take a modular approach to pricing the cost of the case studies. In particular, bids should state the per unit cost for each type of case study (light touch v detailed case study analysis).

## **Data Sources and Outcome Measures**

### As part of this evaluation, data will need to be collected and analysed to evaluate the impacts of road enhancements on economic outcomes. Suppliers are invited to consider how relevant datasets could be used for this purpose.

### The table below set out a list of outcome measures and relevant data sources for suppliers to consider:

**Suggested Outcome Measures and Data Sources**

The following table sets out outcome measures and relevant data sources that should be considered for the purpose of the evaluation. The Supplier’s choice of outcome measures and data sources should inform the chosen methodology (see section 5.3).

|  |  |  |
| --- | --- | --- |
| Outcome Area | Outcome Measure | Data Source |
| Accessibility Outcomes  | Journey time statistics  | DfT; evaluation contractor  |
| Firms Level Impacts | Employment | Business Structure Database / Annual Business Survey |
| Firm entry and exit  | Business Structure Database / Annual Business Survey |
| Firm formation  | Business Structure Database / Annual Business Survey |
| Productivity  | Business Structure Database / Annual Business Survey |
| Fixed capital investment | Business Structure Database / Annual Business Survey |
| International competitiveness  | HMRC; DfT Freight Statistics |
| Labour Market Impacts | Population growth | Census of Population |
| Wages | Annual Survey of Hours and Earnings |
| Unemployment | DWP Benefits Database |
| Development Impacts | Planning Permissions | MHCLG; Glenigan |
| Housing Starts and Completions  | MHCLG; Glenigan |
| Commercial and Industrial Development | Glenigan / Costar |
| Land use change | Ordnance Survey |

Source: Ipsos MORI (2019)

### The logic model below identifies the intended outcomes of road enhancement schemes, and suppliers may find this useful in considering data sources when preparing their bids:

### **Logic Model**

### Suppliers are invited to propose alternative outcome measures and data sources to those outlined above for answering the research questions.

### DfT are the owners of the journey time statistics dataset. This is a key dataset that is required to assess accessibility. To the support the project, the DfT Buses and Local Transport Statistics team will be able to assist with data queries of which contact points will be provided to the successful provider.

### Access to datasets not owned by DfT will need to be obtained by the chosen supplier.

### Bids should clearly state assumptions that have been made in regard to gaining access to data owned by DfT or other parties for the purpose of the project. This should include any cost implications.

### In view of likely or possible access limitations to certain desired data, tenderers are encouraged to consider alternative strategies for gathering such data at the tender stage wherever possible. Further enquiries from suppliers in this regard should be channelled through the tendering portal and the questions and responses will be made available to all bidders during the tender process.

### In light of Covid-19, there is a risk that bidders may not be able to access some datasets until rules on social distancing are relaxed.[[8]](#footnote-8) Suppliers should consider how this might impact upon the planned scope and deliverability of the project.

### There will be a breakpoint after the data testing and assembly stage. This will be used to assess whether the data that has been collected enables the project to proceed as originally planned and whether there are any impacts to the planned method. A decision will be made at this point whether to progress further.

# KEY MILESTONES AND DELIVERABLES

## It is expected that the evaluation be delivered in a twelve-month period, as per the Gantt chart shown below:

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Task / Month** | **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** | **12** |
| Inception  |   |   |  |  |   |   |   |   |   |   |   |  |
| Familiarisation  |   |   |  |  |   |   |   |   |   |   |   |  |
| Data Assembly |  |  |  |  |  |  |  |  |  |  |  |  |
| Finalising evaluation plan |   |   |  |  |   |   |   |   |   |   |   |  |
| Econometric Analysis |   |   |  |  |   |   |   |   |   |   |   |  |
| Case studies |   |   |  |  |   |   |   |   |   |   |   |  |
| Triangulation, synthesis and reporting  |   |   |  |  |   |   |   |   |   |   |   |  |

## The following Contract milestones/deliverables shall apply:

|  |  |  |
| --- | --- | --- |
| **Milestone/Deliverable** | **Description** | **Timeframe or Delivery Date** |
| 1 | Project inception meeting with DfT to include draft inception report to be provided, and agreed by DfT, clarifying the approach to be taken, along with a plan setting out key milestones and dates for deliverables, risks and how these will be managed. | Within 2 weeks of Contract Award. |
| 2 | Inception report submitted to DfT outlining the methodology, set milestones, deliverables, quality assurance plan, risks and mitigation. | Within first month of Contract Award  |
| 3 | Weekly meetings/phone/email correspondence to discuss findings and progress | Weekly |
| 4 | First draft of evaluation plan shared with DfT  | Within 2 months of contract award |
| 5 | Update on data testing and assembly.This should include a written assessment on whether the data that has been collected enables the project to proceed as originally planned and whether there are any impacts to the chosen methodology. A decision will be made at this point whether to progress with the project [Break Point]. | Within 4 months of contract award |
| 6 | Final evaluation plan shared with DfT | Within 5 months of contract award |
| 7 | Preliminary econometric results shared with DfT | Within 6 months of contract award |
| 8 | DfT Review of Preliminary Results | Within 7 months of contract award |
| 9 | Update on case study research  | Within 8 months of contract award. |
| 10 | Preliminary findings of case study research shared with DfT.  | Within 9 months of contract award. |
| 11 | Draft final reports (including QA report & tailored HE outputs) to be submitted to DfT/HE | Within 10 months of contract award |
| 12 | DfT/HE and Peer Review of Final Results | Within 11 months of contract award |
| 13 | Final report(s) to be submitted to DfT/HE | 4 weeks after the draft report. |
| 14 | Supplier to present final findings in a presentation to DfT stakeholders. |  Within 4 weeks of final report. |

##

## Bids should consider the impact of Covid-19 on deliverability when setting out project plans.

# MANAGEMENT INFORMATION/REPORTING

## DfT will work with the Supplier to put in place regular meetings between project leads to track progress, resource needs and budget.

## On top of weekly progress meetings/phone/email correspondence, it is expected that there will be formal project meetings at key stages of the project. This is likely to include as a minimum an inception meeting, a discussion of the preliminary econometric results, a discussion of preliminary case study findings, discussion of draft final reports and a project close out. As per 8.1, the Supplier will work with DfT to arrange these formal meetings upon award of the contract.

# CONTINUOUS IMPROVEMENT

## The Supplier will be expected to continually improve the way in which the required Services are to be delivered throughout the Contract duration.

## The Supplier should present new ways of working to the Authority during regular updates or project board meetings/phone calls.

## Changes to the way in which the Services are to be delivered must be brought to the Authority’s attention and agreed prior to any changes being implemented.

# SUSTAINABILITY

## Not applicable.

# QUALITY

## The expectation is that the key outputs and related materials will be of publishable standard.

## All outputs must be clearly written, and written in such a way that it makes them easily accessible to a non-technical audience. All technical jargon and terminology must be fully explained and plain English used throughout the reports.

## All facts, figures and analysis, must be correctly sourced, appraised and referenced and subject to internal peer review. DfT will also organise external expert reviewers, which the supplier must engage with and respond to.

## The Supplier must have a peer review and quality assurance process included as part of their proposal. This should include a quality assurance plan demonstrating what will be done at each stage of the project and for each deliverable. For the purpose of the bid, this need only be an outline plan with the expectation that a final plan will be part of the inception report.

## The supplier should deliver a quality assurance report alongside the main report.

## All assumptions that feed into a piece of analysis, as well any risks and limitations related to the results of the analysis should be recorded and shared with DfT. DfT’s Project Manager will communicate regularly with the external provider to ensure they are consulted on all assumptions and important decisions.

## A clear audit trail must be provided at each stage of analysis. This includes data assembly, econometric analysis and case study research.

## Where a model is used by the Supplier, it should have clear documentation that sets out the model’s scope and specification; all data sources used; the purpose, limitations and risks; and the quality assurance undertaken. This documentation should be made available for internal and external peer review and shared with DfT.

## DfT will also seek views from expert external stakeholders, which may include members of the DfT’s analytical and technical panels, on the work and findings of this research. Any advice or comments will be fed back to the Supplier via DfT.

## Circulated drafts and final versions of all outputs should be thoroughly proof-read prior to submission. There is a need to build sufficient time in to your timetable for DfT to comment on any draft and final outputs (at least 2 weeks required for comment), and for these comments to be fully addressed (several drafts of a report may be required before a final version is agreed).

## The final report will be published on DfT’s website in the Supplier’s name, for the purposes of transparency and ensuring ownership of the work. It should be noted that documents published on GOV.UK or other [public sector websites must meet accessibility standards](https://www.gov.uk/guidance/accessibility-requirements-for-public-sector-websites-and-apps).

# PRICE

## Prices are to be submitted via the e-Sourcing Suite Attachment 4 – Price Schedule excluding VAT and including all other expenses relating to Contract delivery.

### All costs should be included in and funded from the overall contract cost, including any cost required to acquire data.

### It is expected that the Supplier will provide a full breakdown of the relevant costs, particularly to distinguish between those relating core DfT outputs and additional Highways England outputs.

# STAFF AND CUSTOMER SERVICE

## The Supplier shall provide a sufficient level of resource throughout the duration of the Contract in order to consistently deliver a quality service.

## The Supplier’s staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Contract to the required standard.

## Contractors should clearly set out the experience and expertise provided by each member of the proposed project team to meet the requirement. The following skills are considered particularly important for this work:

### Experience project managing a study of this size and nature.

### Experience in the appraisal and evaluation of transport infrastructure projects.

### Experience of using transport modelling software in the context of road scheme appraisal.

### Understanding of the wide range of economic impacts associated with transport infrastructure projects.

### Understanding of the econometric methods outlined in section 5.3.

## Contractors should propose named members of the project team, and include the tasks and responsibilities of each team member. This should be clearly linked to the work programme, indicating the grade/seniority of staff and number of days allocated to specific tasks.

## Contractors should identify the individual(s) who will be responsible for managing the project.

## The Supplier shall ensure that staff understand the DfT’s vision and objectives and will provide excellent customer service to DfT throughout the duration of the Contract.

# SERVICE LEVELS AND PERFORMANCE

## DfT will measure the quality of the Supplier’s delivery by:

|  |  |  |  |
| --- | --- | --- | --- |
| **KPI/SLA** | **Service Area** | **KPI/SLA description** | **Target** |
| 1 | Attendance at project update meetings | The Supplier will attend all project update meetings. If the Supplier is unable to attend a scheduled meeting they will alert the Authority and reschedule with at least 1 days’ notice. | 98% |
| 2 | Responding to queries | The Supplier will respond to any query from the Authority within 48 hours. | 98% |
| 3 | Amendments to drafts | Following comments from the Authority, the Supplier will make minor amendments to drafts within 1 week and major amendments within 2 weeks. | 98% |

# The Supplier’s performance will be monitored and assessed through project update meetings with DfT’s Project Manager, review of progress against the agreed project timeline and through review of deliverable products as set out in Section 7.

# Where DfT identifies poor performance against the agreed SLA’s, the Supplier shall be required to attend a performance review meeting. The performance review meeting shall be at an agreed time no later than 5 working days from the date of notification, at the Authority’s premises.

# The Supplier shall be required to provide a full incident report, which describes the issues and identifies the causes. The Supplier will also be required to prepare a full and robust ‘Service Improvement Action Plan’, which sets out its proposals to remedy the service failure. The Service Improvement Plan shall be subject to amendment following the performance review meeting and agreed by both parties prior to implementation.

# SECURITY AND CONFIDENTIALITY REQUIREMENTS

## The successful Supplier will be accessing details of a large volume of official sensitive materials, including business cases and these are not to be shared with, or made accessible to, anyone outside the project team agreed with the DfT.

## At no point during or after the contract, is the successful Supplier permitted to share, reveal, publish or in any way make available commercially sensitive information, which have been provided by DfT or other stakeholders for the purposes to undertake the required work. At the conclusion of the contract, the consultants should securely destroy any such materials.

## The Supplier will also ensure their IT security systems are sufficiently robust to prevent confidential and sensitive material being made available in the public domain.

# PAYMENT AND INVOICING

## Payment can only be made following satisfactory delivery of pre-agreed certified products and deliverables.

## Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.

## Invoices should be submitted to:

DfT Shared Services Centre

5 Sandringham Park

Swansea

SA7 0EA

# CONTRACT MANAGEMENT

## It is expected that there will be five formal project meetings at key stages of the project, in addition to weekly progress calls. These are expected to be face-to-face (where feasible to do so). Where it is not feasible to do so, e.g. due to Covid-19, it is expected that a virtual meeting (e.g. via Skype or Microsoft Teams) will take place instead.

## Expenses occurring from attendance at project update meetings can only be claimed at standard DfT travel rates.

# Location

## The location of the Services will be carried out at the offices of the Supplier.

## The Contracting Authority is located at:

Floor 3

Great Minster House

33 Horseferry Rd

London

## SW1P 4DR

**Annex B**

**Supplier Proposal**

REDACTED

**Annex C**

**Contract Charges**

REDACTED

1. <https://ac.els-cdn.com/S0166046213000537/1-s2.0-S0166046213000537-main.pdf?_tid=10ae115a-dffd-11e7-a716-00000aab0f26&acdnat=1513166554_3847de5f02a137b7d6433275cf3723e6> [↑](#footnote-ref-1)
2. <http://www.whatworksgrowth.org/public/files/Policy_Reviews/15-06-25_Transport_Review.pdf> [↑](#footnote-ref-2)
3. <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/824176/Exploring_the_economic_benefits_of_strategic_roads.pdf> [↑](#footnote-ref-3)
4. <http://www.spatialeconomics.ac.uk/textonly/SERC/publications/download/sercdp0214.pdf> [↑](#footnote-ref-4)
5. <https://www.gov.uk/government/publications/scoping-study-evaluating-economic-performance-impacts-of-road-enhancements> [↑](#footnote-ref-5)
6. It should be noted that where there are a subset of questions, these are additional to the high level question asked. Within the high-level question, there are specific questions that Highways England would like to understand the answers to. [↑](#footnote-ref-6)
7. The Maryland Scientific Methods Scale is a commonly used measure of robustness. More information is available at <https://whatworksgrowth.org/resources/the-scientific-maryland-scale/> [↑](#footnote-ref-7)
8. <https://ukdataservice.ac.uk/covid-19> [↑](#footnote-ref-8)