CONTRACT NHMF 288

TITLE **INNOVATION ACCELERATOR: DISCOVERY & DESIGN PHASE**

**Organisation National Heritage Memorial Fund**

**Department** Business Innovation and Insight

**Title of procurement** **Innovation Accelerator: Discovery & Design Phase**

**Brief description of supply**

In recognition of the inevitable impact Covid-19 will have on long ranging funding objectives, the National Lottery Heritage Fund wants to explore how we can best proactively work alongside organisations both within and beyond the heritage sector to support the development, testing and adoption of the new approaches required for heritage to continue to deliver positive impact for people, places and communities across the UK at a time of volatile and shifting operating contexts.

**Estimated value of tender** £75K (inclusive of VAT & EXPENSES)

**Estimated duration** 6 Months

**Name of Heritage Fund Contact** Alexandra Roberts, Head of Innovation & New

Business

**Timetable** Response deadline: 7th January 2021 (NOON)

Email Clarification Questions 14th December 2020

Clarification Answers posted on Contract Finder 18th December 2020. Email Alexandra Roberts

Alexandra.Roberts@heritagefund.org.uk

Confirmation of contract: 29th January 2021

Commencement of project: w/c 1st February 2021

Completion of project: 30th July 2021

# Introduction

The National Lottery Heritage Fund (NLHF), formerly the Heritage Lottery Fund (HLF) was set up in 1994 under the National Lottery Act and distributes money raised by the National Lottery to support projects involving the national, regional and local heritage of the United Kingdom. We operate under the auspices of the National Heritage Memorial Fund (NHMF).

1. **Background**

NHMF invests in the full breadth of the UK’s heritage and, through our funding, we aim to make a lasting difference for heritage and people. This is reflected in the outcomes for heritage, people and communities which underpin our grant-making and the objectives set out in our Strategic Funding Framework: <https://www.heritagefund.org.uk/sites/default/files/media/attachments/Heritage%20Fund%20-%20Strategic%20Funding%20Framework%202019-2024.pdf>

In recognition of the inevitable impact Covid-19 will have on long ranging funding objectives, the National Lottery Heritage Fund wants to explore how we can best proactively work alongside organisations both within and beyond the heritage sector to support the development, testing and adoption of the new approaches required for heritage to continue to deliver positive impact for people, places and communities across the UK at a time of volatile and shifting operating contexts.

From 2021/22 we are seeking to prioritise the following strategic funding objectives, in recognition of their importance to a sustainable long-term Covid-19 recovery response:

* 1. **Resilience:** Support the organisations we fund to be more robust, enterprising and forward looking
  2. **Inclusion:** Ensure that heritage is inclusive
  3. **Wellbeing:** Demonstrate how heritage helps people and places to thrive
  4. **Economy:** Grow the contribution heritage makes to the UK economy

1. **The Commission & Project Scope**

The development of new services, technologies and approaches to areas such as visitor experience, education programming, volunteering, skills development and income generation, all underpin and are central to the achievement of the above objectives and are areas where there is significant scope & need for further innovation at this time. Given the inability to rely on pre-Covid-19 forecasting with any accuracy and the extent to which even established organisations are having to shift to a start-up mode of thinking, we are looking to work with a partner to further scope and co-design with organisations how innovation programme models could best be adapted & tailored for use in this unique context, and deployed by the Fund to:

* 1. Impact at an ecosystem level
  2. Facilitate access to expertise above and beyond direct funding as part of a defined programme of support
  3. Encourage peer learning and strategic collaboration across and between individual organisations through offering a framework within which these can systemically happen
  4. Incentivise and pump-prime development, testing and/or scaling of a pipeline of potential new service offers or business models

With the significant financial and operational pressures organisations are currently facing, balancing the focus on new products and services with creating the conditions and space for engagement with innovation will be a key part of the design challenge.

1. **Project Objectives**

It is proposed that the initial project is structured around two phases to ensure that form follows function and the design of any delivery vehicle is the right mechanism for addressing the prioritised innovation challenge(s) that are to be surfaced and refined through phase 1 of Discovery.

* 1. **Objectives for the Discovery Phase**

1. To co-identify the most pressing and promising innovation challenges faced by different types of organisations across the breadth of the sector. These should relate to and under pin the 4 prioritised SFF objectives detailed above and be those where there is appetite & value in exploring further collectively (e.g. new income generation models, new audience engagement & workforce models, skills preservation and development, socially distant visitor experiences)
2. To research and review these innovation challenges in relation to existing evidence and emerging technologies to identify where there are existing solutions (either from outside or within the sector) that can be tested or scaled as well as the specific gaps where new ideas and insights are needed to be generated and potential new sector entrants encouraged
3. To research and review the evidence base and learning from recent innovations and developments in new funding models for both scale-up and incubation and the opportunities these potentially present to harness going forward, including wider cross-sector collaboration.
4. To support the appraising and prioritising of challenges in relation to desirability (level of potential strategic impact), feasibility (right level & type of resource) and viability (it is the right time to be addressing the issue) in partnership with the Fund
5. To make recommendations on where the targeting of any bespoke funding innovation could have most value (e.g. audience, focus, model) on the basis of a synthesis of collated insights and evidence from different stakeholders
   1. **Objectives for Design Phase** 
      1. To co-design the specification for the funding intervention required to effectively facilitate and drive innovation in the selected challenge areas & prioritised audience groups
      2. To work closely with the NLHF to develop the overarching theory of change, business model and budget for the proposed initiative, building directly on the insights from the discovery phase and further targeted audience engagement
      3. To present a proposed roadmap to implementation including key interdependencies

NB: This contract does not encompass any on-going support for any subsequent delivery phase.

# Methods & Outputs

We are leaving the method open to organisations to propose in relation to how they would respond to the brief and design a methodology to meet the objectives set out at each phase of the project, in line with the indicative timelines provided. We are keen to encourage creative ideas and responses to the brief that engage with the need for continued virtual engagement at this point in time.

In structuring their response to the above objectives, respondents should be mindful of the following internal milestones/timelines that may have a bearing on approach to and methodology for these tasks.

**Discovery Phase (February -May)**

* **Initial Discovery Phase Findings**: by w/c 22 March

Early insights and initial scoping are needed for this date for a potential initial Board presentation by the team on 30th March.

* **Findings of Discovery Phase:** by 3rd May (for update to Board on 12th May)

Recommendations from the Discovery phase are needed for this date to inform decisions for moving forward with prioritisation for the Design phase of the project

**Design Phase (May-July)**

* **Draft Design Phase Proposals:** by 14th June (for update to Board on 29th June)
* **Final Design Phase Outputs:** by 30th July

Please detail your approach, any partnerships you would deploy and any rapid prototyping or testing you would look to run across the different phases of the project.

As such the below top-level outputs are intended as illustrative only, with specific outputs to be agreed with the successful contractor on appointment :

* 1. **Indicative Outputs for Discovery Phase:** 
     1. Qualitative research with external & internal stakeholders, including facilitated design workshops to co-develop innovation problem statements
     2. Evidence Review & horizon scan on new alternative funding models and mechanisms
     3. Gap analysis and deep dives on innovation challenge areas
     4. Options Appraisal of different value propositions
     5. Discovery Phase Findings report and presentation
  2. **Indicative Outputs for Design Phase:** 
     1. Design & Prototyping sessions with external and internal stakeholders
     2. Audience analysis and user testing
     3. Financial model and business plan
     4. Theory of change and roadmap
     5. Design phase final presentation

# Contract management

We expect the project to begin by 1st February 2021 and be completed by the end of July.

The anticipated budget is £75k to include all expenses and VAT. The contract will be let by the National Heritage Memorial Fund.

The payment schedule will be agreed on appointment on the basis of the successful contractors proposal but is anticipated to be in accordance with the following milestones:

* + 1. % upfront
    2. % at the end of phase 1
    3. % at the end of phase 2

NB: Commencement of second phase to be dependent on successful performance of phase1

# Award Criteria

# Tender responses submitted will be assessed by the Fund against the following Quality Criteria

1. **60% of the total marks will be awarded to Quality**

A proposal for undertaking the work should include:

* + 1. your understanding of the overall project and objectives

weighted at 20%

* + 1. a detailed methodology for undertaking both phases of the project

weighted at 20%

* + 1. details of staff allocated to the project, together with experience of the contractor and staff members in carrying out similar projects. The project manager / lead contact should be identified;

weighted at 20%

* + 1. the allocation of days between members of the team and activities;

weighted at 20%

* + 1. a timescale for the proposed activities carrying out the project;

weighted at 20%

Please also ensure you comment on the following in your responses:

* Availability/timelines – what start dates and availability you have.
* Use of any third-party products or providers – to be explicitly detailed in the proposal along with any associated support costs and arrangements.
* Any interdependencies/risks that might occur and have an impact on the one-time/on-budget delivery of the project.
* Any in-kind support you will be bringing to the delivery of the project

## Quality Questions scoring methodology

| Score | Word descriptor | Description |
| --- | --- | --- |
| 0 | Poor | No response or partial response and poor evidence provided in support of it. Does not give the Fund confidence in the ability of the Bidder to deliver the Contract. |
| 1 | Weak | Response is supported by a weak standard of evidence in several areas giving rise to concern about the ability of the Bidder to deliver the Contract. |
| 2 | Satisfactory | Response is supported by a satisfactory standard of evidence in most areas but a few areas lacking detail/evidence giving rise to some concerns about the ability of the Bidder to deliver the Contract. |
| 3 | Good | Response is comprehensive and supported by good standard of evidence. Gives the Fund confidence in the ability of the Bidder to deliver the contract. Meets the Fund’s requirements. |
| 4 | Very good | Response is comprehensive and supported by a high standard of evidence. Gives the Fund a high level of confidence in the ability of the Bidder to deliver the contract. May exceed the Fund’s requirements in some respects. |
| 5 | Excellent | Response is very comprehensive and supported by a very high standard of evidence. Gives the Fund a very high level of confidence the ability of the Bidder to deliver the contract. May exceed the Fund’s requirements in most respects. |

1. **40% of total marks will be awarded for Price.**

The evaluation of price will be carried out on the Schedule of charges you provide in response to **Table A**

* 1. an overall cost for the work
  2. the daily charging rate of individual staff involved;

## Price Model at 40%

40 marks will be awarded to the lowest priced bid and the remaining bidders will be allocated scores based on their deviation from this figure. Your fixed and total costs figure in your schedule of charges table will be used to score this question.

For example, if the lowest price is £100 and the second lowest price is £108 then the lowest priced bidder gets 40% (full marks) for price and the second placed bidder gets 36.8% and so on. (8/100 x 40 = 3.2 marks; 40-3.2 = 36.8 marks)

The scores for quality and price will be added together to obtain the overall score for each Bidder.

1. **Partner Selection will be made on the basis of:**

Previous experience in developing and managing comparable scale product development

Track record of partnership working on complex multi-stakeholder projects

A proven record of delivering similar projects on time and on budget

Understanding of and ability to meet deliverable requirements and overall objectives

Value for money

Timescales for delivery

**8 Table A - Schedule of Charges**

Please show in your tender submission, the number of staff and the amount of time that will be scheduled to work on the contract with the daily charging rate.

Please complete the table below providing a detailed breakdown of costs against each capitalised description, detailing a total and full ‘Firm Fixed Cost’ for each element of the service provision for the total contract period. Bidders may extend the tables to detail additional elements/costs if required.

VAT is chargeable on the services to be provided and this will be taken into account in the overall cost of this contract.

As part of our wider approach to corporate social responsibility the National Heritage Memorial Fund/Heritage Fund prefers our business partners to have similar values to our own. We pay all of our staff the living wage (in London and the rest of the UK) and we would like our suppliers and contractors to do likewise. Please highlight in you proposal/tender/bid whether you do pay your staff the living wage.

Bidders shall complete the schedule below, estimating the number of days, travel and subsistence costs associated with their tender submission.

**TABLE A: (firm and fixed costs)**

| **Cost** | **Post 1 @cost per day**  **(No of days)**  *e.g. Project Manager/ Director*  *@ £2* | **Post 2 @cost per day**  **(No of days)**  *e.g. Senior Consultant/manager/researcher*  *@£1.5* | **Post 3 @cost per day**  **(No of days)**  *Junior*  *Consultant/equivalent*  *e.g. £1* | **Total days** | **Total fees** |
| --- | --- | --- | --- | --- | --- |
| Inception meeting to agree plans and finalise requirements with the Fund | *Example 0.5* | *1* | *1.5* | *3* | *£4* |
| *[Add as necessary]* |  |  |  |  |  |
| *[Add as necessary]* |  |  |  |  |  |
| *[Add as necessary]* |  |  |  |  |  |

| Cost Type | Value (£) |
| --- | --- |
| Sub - Total |  |
| VAT |  |
| Total\* |  |

(This must include all expenses as well as work costs; this figure will be used for the purposes of allocating your score for the price criterion and must cover the cost of meeting all our requirements set out in the ITT)

**Notes: The Fund reserves the right to clarify quality and prices and to reject tenders that demonstrate an abnormally low quality response. The Fund also reserves the right to amend the timetable of work where required.**

You should not submit additional assumptions with your pricing submission. If you submit assumptions you will be asked to withdraw them. Failure to withdraw them will lead to your exclusion from further participation in this competition.

**9**  **Procurement Process**

The Fund reserves the right to reject abnormally low scoring tenders. The Fund reserves the right not to appoint and to achieve the outcomes of the work through other methods.

We reserve the right to carry out clarifications if necessary; these may be carried out via email or by inviting bidders to attend a clarification meeting.  In order to ensure that both the Fund’s and Bidder’s resources are used appropriately, we will only invite up to three (the ultimate number will depend on the closeness of the scores) highest scoring bidders to attend a clarification meeting.  Scores will be moderated based on any clarifications provided during this meeting.  You are responsible for all your expenses when attending such meetings.

Your tender proposals must be sent electronically via e-mail before the tender return deadline of 7th January 2021 at noon to the following contact:

Alexandra Roberts

National Heritage Memorial Fund

Mezzanine North

International House

1 St Katharine’s Way

London

E1W 1UN

Email Alexandra Roberts

Alexandra.Roberts@heritagefund.org.uk

[www.heritagefund.org.uk](http://www.heritagefund.org.uk)

**Appendix: Accessibility and formatting guidance**

The Fund is committed to providing a website that is accessible to the widest possible audience. Our site is annually tested by accessibility auditors and we must meet a AA compliance level. Our accessibility testing encompasses not just site functionality and design but all of our content, including downloadable documents.

Reports and other documents created for the Fund (**including the tender submissions**) need to be clear, straightforward to use and ready to circulate internally, externally and online, as well as suitable for use by screen reading software. Best practice in accessibility is summarised below:

**Readability**

In the final report, and all other documents that may be published online including the tender application consultants should ensure that:

The size of the font is at least 11pt;

There is a strong contrast between the background colour and the colour of the text. Black text on a white background provides the best contrast. This also applies to any shading used in tables and/or diagrams;

Italics are only used when quoting book titles for citations and items on the reference list should be arranged alphabetically by author

Colour formatting and use of photos should be of a resolution size that is easily printable and does not compromise the printability of the document.

For further guidance on ensuring readability of printed materials, please refer to the RNIB Clear Print guidelines. These can be found on the [RNIB website](http://www.rnib.org.uk/Pages/Home.aspx).

**Accessibility**

Reports should adhere to the following guidelines:

**Formatting**

Headings and content in your document should be clearly identified and consistently formatted to allow easy navigation for users. Heading Styles should be used to convey both the structure of the document and the relationship between sections and sub-sections of the content. Heading styles should follow on from each other i.e. Heading 1 then Heading 2.

**Spacing**

Screen readers audibly represent spaces, tabs and paragraph breaks within copy, so it is best practice to avoid the repetitive use of manually inserted spaces. Instead, indenting and formatting should be used to create whitespace (e.g., use a page break to start a new page, as opposed to multiple paragraph breaks).

**Alternative text**

Alt text is additional information for images and tables. This extra information is essential for both document accessibility (screen reading software reads the Alt text aloud) and for the web. Alt text should be concise and descriptive, and should not begin with ‘Image of’ or ‘Picture of’.

**Images**

These should be formatted in-line with text, to support screen readers. Crediting pictures may be necessary, usually in response to a direct request from a third party.

**Tables**

These should be for used for presenting data and not for layout or design. They should be simple and include a descriptive title. The header row should be identified and there shouldn’t be more than one title row in a table. There should be no merged or blank cells.

**Additional documents**

Any additional information, separate to the report, for example proformas and transcripts which may be used as standalone documents must be fully referenced to the piece of work being submitting and therefore dated, formatted and numbered appropriately.

**Further resources**

Please refer to the WCAG 2.0 article on [PDF techniques](https://www.w3.org/TR/2014/NOTE-WCAG20-TECHS-20140408/pdf.html) for further information.

**Submitting your report to THE FUND**

Please check the accessibility of your document using the Word accessibility checker before submitting: File – Info – Check for Issues – Check Accessibility.

Please submit your document as a Word file.

The Fund retains the right to amend documents in order to create accessible versions for publishing.