DPS FRAMEWORK SCHEDULE 4: LETTER OF APPOINTMENT AND CONTRACT TERMS

Part 1: Letter of Appointment

Dear [redacted]

Letter of Appointment

This letter of Appointment dated 23rd December, 2021, 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:	PS21114
From:	**UK Research and Innovation (UKRI)** with offices at Polaris House, North Star Avenue, Swindon SN2 1FL, United Kingdom ("Customer")
To:	Market & Opinion Research International Limited t/a Ipsos MORI, 3 Thomas More Square, London, E1W 1YW ("Supplier")

Effective Date:	Monday, 3rd January 2022
Expiry Date:	Friday, 29th March 2024

Services required:	Set out in Section 2, Part B (Specification) of the DPS Agreement and refined by: the Customer's Project Specification attached at Appendix A and the Supplier's Proposal attached at Appendix B of this letter of appointment;

Key Individuals:	UKRI Project Manager – [redacted] Supplier Project Manager – [redacted]

Contract Charges (including any applicable discount(s), but excluding VAT):	As per AW5.2 Price Schedule response highlighted within the RM6018 Contract Terms, section; Annex 1 – Contract Charges. The total value of this contract shall not exceed £300,000.00 Excluding VAT.

Insurance Requirements	Additional public liability insurance to cover all risks in the performance of the Contract, with a minimum limit of £5 million for each individual claim Additional employers' liability insurance with a minimum limit of £5 million indemnity Additional professional indemnity insurance adequate to cover all risks in the performance of the Contract with a minimum limit of indemnity of £2 million for each individual claim. Product liability insurance cover all risks in the provision of Deliverables under the Contract, with a minimum limit of £5 million for each individual claim
Liability Requirements	**Suppliers limitation of Liability** (Clause 18 of the Contract Terms);
Special Condition	The contract will include a break point in October 2022 after the completion of the interim and process evaluation in September 2022 in order for the Contracting Authority to review the deliverables and to decide on the continuation of contract.
GDPR	Please see Contract Terms Schedule 7 (Processing, Personal Data and Data Subjects).

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 beh[redacted]

Name and Title: [redacted]

Signature: [redacted]

Date: 14/01/2021

For and on behalf of the Customer:

Name and Title: [redacted]

Signature: [redacted]

Date: **17.01.2022**

APPENDIX A

Customer Project Specification

Background

UK Research and Innovation (UKRI)
Operating across the whole of the UK with a combined annual budget of more than £7 billion, UK Research and Innovation brings together the seven Research Councils, Innovate UK and Research England.

Background to the Industrial Strategy Challenge Fund
The Fund is part of the greatest single increase in UK science and innovation funding for over 40 years. With around £3 billion of public money, plus industry co-investment, it represents a total of more than £5 billion additional spending on research and development in the UK. UK Research and Innovation leads the delivery of the fund.

UKRI and the Industrial Strategy Challenge Fund (ISCF) is committed to collecting evidence to understand the impacts and effectiveness of the ISCF Industrial Decarbonisation Challenge. Bids are invited for producing a process evaluation report, an interim progress report and an impact evaluation report which, combined, will assess the inputs, activities, outputs, outcomes and impacts against the Programme's approved Business Case and Delivery Plan.

The ISCF aims to improve the performance of our whole science and innovation system and is essential to realise the R&D ambitions of the UK. The industry-led approach of the ISCF will facilitate and accelerate the commercialisation of new technologies, increase productivity, create new export opportunities, and enable Challenge business models to flourish. It will enhance and capitalise on our world-class research base, supporting businesses to apply cutting-edge research in new, commercialised applications in global markets of the future.

ISCF Industrial Decarbonisation Challenge
The Industrial Decarbonisation Challenge (IDC) was launched by UKRI in July 2019 and will run until March 2024. During its implementation, the IDC is investing £210M of public money – paired with an anticipated £261M of industry funding – with the aim to accelerate cost-effective decarbonisation of industry by developing low-carbon technologies such as carbon capture and storage (CCS) and hydrogen fuel switching, at scale in the UK, across our industrial clusters.

The Industrial Decarbonisation Challenge supports delivery of the Clean Growth Grand Challenge, the Industrial Clusters Mission and the Industrial Decarbonisation Strategy. Since the inception of the IDC the government ambition has accelerated, moving from "establishing the world's first net-zero carbon industrial cluster by 2040, with at least one low-carbon industrial cluster by 2030", to "establishing CCUS in two industrial cluster by mid-2020's, and aim for four of these sites by 2030, capturing up to 10Mt of carbon dioxide per year".

With the above in mind, the scope of the Challenge includes laying the foundations for scalable and replicable industrial cluster decarbonisation, through coordinated investment in research, technology demonstration, development of shared infrastructure, cluster collaboration and supply chains. It will provide a platform for government, industry and business to progress large scale decarbonisation in UK clusters rapidly and cost-effectively, and de-risk opportunities for future cluster decarbonisation. The IDC does not address delivery and implementation of UK-wide industrial decarbonisation, demand for low carbon products, or policy creation – these are out of scope.

The challenge has three formal objectives, established in 2019:

1. Design, demonstration and/or deployment of decarbonisation technologies and shared infrastructure at industry-scale in at least one cluster by 2023/2024.
    a. Detailed designs and demonstration of industry-scale technologies and shared infrastructure for the cost-effective decarbonisation of at least one industrial cluster.
    b. Project proposals include a mix of engineering designs, simulations, commercial arrangements, impact assessments, baseline measurements and practical demonstrations of technology at industrial cluster scale.
2. Develop by 2022/2023, credible evidence and investable plans for decarbonising up to 5 industrial clusters in line with the Industrial Clusters Mission for net zero operation by 2040.
    a. Cluster Plans and feasibility studies for net zero industrial clusters.
    b. Project proposals include collaborative working and shared learning between clusters to support cluster plan development for national industrial cluster decarbonisation.
3. Ensure opportunities to decarbonise across all clusters are socialised, enabled and optimised for maximum take-up by 2024.
    a. Sustainable industrial clusters knowledge creation and sharing function, including the creation of a joint industry/government/academic-led research programme.
    b. The Industrial Decarbonisation Research and Innovation Centre's (IDRIC) remit is to widen and deepen stakeholder understanding of industrial decarbonisation and it will carry out multidisciplinary research into areas such as technology research and development, policy, economic, institutional and regulatory analysis, social policy and knowledge exchange on industrial decarbonisation.

The Challenge is being delivered through three workstreams:

1. **Deployment – industrial demonstrator and shared infrastructure:**
   The activities within the Deployment strand support the development of detailed designs and at scale projects to demonstrate and validate cost-effective decarbonisation in at least one industrial cluster. This includes the development of FEED studies, simulations, commercial arrangements, impact assessments, engagement with local stakeholders and with upstream and downstream supply chain, etc. By the end of the Challenge at least one cluster is expected to achieve a final investment decision and secure funding, evidencing an accelerated development and deployment of low carbon technologies and of infrastructure at scale.

2. **Cluster Plans:**
   The Cluster Plans will provide clear, evidence-based and attainable plans for decarbonising the cluster as a whole, including the deployment of proven low-carbon technologies and processes, while safeguarding jobs and attracting investment to the region. By the end of the Challenge further funding is also expected to be secured to progress the broader cluster decarbonisation plan set as part of the Cluster plan strand.

3. **Industrial Decarbonisation Research and Innovation Centre (IDRIC)**:
   IDRIC is a virtual research centre which will deliver research outputs which provide scientific evidence to feed into recommendations to policy makers and help overcome the technical barriers to the commercialisation of decarbonisation technologies, maximising the value of UK intellectual property. Effective knowledge sharing will be evidenced through new or strengthened partnerships being formed between industries, research institutions, investors and policy makers, which are likely to be sustained beyond the duration of the Challenge.

Current IDC Status

The three workstreams detailed previously can be broken down into two stages (see diagram):

IDC Strands	IDC Stage 1	IDC Stage 2
Deployment	Identification of most energy-intensive industries in the cluster regions ('anchor sites'), planning co-funding arrangements for Stage 2	Deployment of front-end engineering design (FEED) studies, development of business models, progression of permitting activities and commissioning of the low-carbon infrastructure
Cluster plans	Assessment of current decarbonisation position, decarbonisation options and engagement with key stakeholders, and planning for Stage 2	Detailing of the studies from Stage 1, to develop a credible evidence and investable plans for decarbonising the cluster
IDRIC	Establishment of a research consortia and of a research plan aligned with the IDC clusters' needs	Delivery of the research

The IDC successfully concluded all stage 1 deployment and cluster plan activities in August 2020 with IDRIC concluding its proposal submission in July 2020. Stage 2 activities commenced in May 2020 with the opening of the cluster plan competition, followed by the deployment competition in June 2020. Successful stage 2 cluster plan projects commenced in January 2021 with the deployment projects following in March 2021 and IDRIC April 2021. The IDC programme is now fully into its delivery phase in each of the three workstreams.

Successful Stage 2 Projects

The information detailed below provides bidders with high-level information on the projects funded by the IDC at stage 2.

Deployment:

£171m of public funding has been awarded for the development of detailed designs and at scale projects to demonstrate and validate cost-effective decarbonisation in at least one industrial cluster. The nine projects have been awarded funding will run until March 2024 and include:

1. HyNet (offshore) – hydrogen and CCUS
2. HyNet (onshore) – hydrogen and CCUS
3. Scotland's net zero infrastructure (offshore)
4. Scotland's net zero infrastructure (onshore)
5. Net zero Teesside (onshore)
6. Northern endurance partnership
7. Zero Carbon Humber partnership
8. Humber Zero
9. South Wales Industrial Cluster

For more information on the successful deployment applicants please visit:
https://www.ukri.org/news/ukri-awards-171m-in-uk-decarbonisation-to-nine-projects/

Cluster Plans

The £8 million cluster plans investment will produce a blueprint to achieve net-zero emissions for each industrial cluster. The six projects that have been awarded funding will run until March 2023 and include:

1. Net Zero Tees Valley – Decarbonising the Full Cluster: Roadmap Pathfinder (led by Tees Valley Combined Authority)
2. Scotland's Net Zero Roadmap (led by NECCUS)
3. Humber Industrial Decarbonisation Roadmap (led by Humber Local Enterprise Partnership)
4. North West Hydrogen and Energy Cluster: Route to Net Zero (led by Peel Environmental)
5. South Wales Industrial Cluster (led by CR Plus consultancy)
6. Repowering the Black Country (led by Black Country Consortium).

For more information on the successful applicants please visit:
https://www.ukri.org/our-work/our-main-funds/industrial-strategy-challenge-fund/clean-growth/industrial-decarbonisation-challenge/

IDRIC

£20m investment has been awarded to IDRIC, which is a virtual centre based in Heriot-Watt University. The centre will bring together new technologies and address the challenges faced by industrial areas, helping to provide solutions that reduce costs, risks and emissions. This centre will connect and empower the UK industrial decarbonisation community with over 140 partners, including industry and business, government and regulatory agencies and world-leading academics, working together to deliver an impactful innovation hub for industrial decarbonisation. The centre will run until March 2024.

For more information please visit: https://idric.org/

Future Projects

The IDC plans to procure a UK-wide cluster plan to support delivery of the cluster plan projects. This work will be carried out during 2022.

Evaluation activities to date

Phase 1 of the Evaluation has been completed with the following delivered by March 2021:

- Production of the challenge specific Evaluation Framework
- Data collation and production of a Baseline Report and benefits and evaluation measures
- Early Insights Process Evaluation

In determining whether the objectives of the programme and therefore intervention into industrial decarbonisation has been successful, the programme has identified intermediate and long-term benefits that have the potential to be realised as a result of this investment. The IDC has developed a benefits map and benefits realisation plan, which support the management and monitoring of the challenge. The benefits map details challenge inputs, activities, outputs, enablers, intermediate outcomes and benefits, and long-term outcomes and benefits. The IDC Benefits Map and Benefits Realisation Plan were used to inform the development of the theory of change for the evaluation framework. The theory of change can be found in Appendix A.

IDC's benefit's map and benefits realisation plan, together with the 3 phase 1 evaluation documents above, will be provided to the successful bidder.

Aims and Objectives of the Project

IDC Evaluation as a Whole

The scope of the evaluation overall is to assess the extent to which the Industrial Decarbonisation Challenge is on track to make, or has made impacts, taking into account its original aims, and the outcome and benefits. It will assess the extent to which the programme is on track to create, or has created, the stimulus required to design and prove integrative local system business models at adequate scale in the real world without risking lock-in to unpredictable pathways. It will also evaluate how local effects may also lead to nation-wide benefits, and that learnings are harnessed into effective investments, policies and regulations over time.

The Challenge requires evaluation specialists with specific expertise in the industrial decarbonisation/energy field and research evaluation to produce a robust process evaluation, interim evaluation and impact evaluation. The successful supplier will need to ensure the end product is fit for purpose and provides comprehensive and quality analysis of the impact of the IDC investment. UKRI is open to consortia applications where specialist knowledge of the industry may not be present within one company.

This procurement is for three pieces of evaluation deliverables, as described below:

1. **Process evaluation report**
   Assesses how the specific approach(es) adopted by the Challenge have enabled the delivery of expected benefits, outcomes and impacts. An early insights process evaluation has already been conducted and will be made available to the successful supplier.
2. **Interim progress report for evaluation including data collation of benefits and evaluation measures**
   Indicates if the challenge is on track to deliver the expected impacts. Review

and adjust evaluation approach to date as necessary in order to deliver impact evaluation report. The successful supplier is required to capture and analyse data against the challenge identified benefit measures and evaluation indicators see Appendix B and C respectively.

3. **Impact evaluation report including data collation of benefits and evaluation measures**
   Provides an assessment of the outcomes and impacts of the programme to date, providing comprehensive answers to each of the pre-agreed evaluation questions in turn. The successful supplier is required to capture and analyse data against the challenge identified benefit measures and evaluation indicators see Appendix B and C respectively. It is recognised that many of the impacts of the challenge will be longer term, the successful supplier should make recommendations within the reports and analysis for future evaluation activity and how these might be assessed passed the end of the Programme.

Further details of the requirements of these reports are in the Deliverables section of this document.
The successful provider will be encouraged to include visual elements across all three areas (charts, tables, graphs etc) where appropriate, and include the supporting data for any visual or written evidence. As part of their bid submissions, bidders are encouraged to propose additional areas of study/research that they believe will support the overarching objectives of the evaluation set out in all sections of the specification.
The challenge requires data to be collected on its' 33 benefit measures most of which directly relate or are comparable with the Challenge evaluation indicators. Bidders must consider that whilst some data are held on internal systems or through reporting mechanism within the challenge, it is the responsibility of the successful supplier to equip themselves with the necessary skills, resource, capabilities and information gathering systems/products to produce each of the reports and updated benefits.
All evaluation activity undertaken at the challenge level must provide evidence of the impact of the Challenge. It must contribute to the fund-level evaluation which will allow industry, and UKRI, to assess the value for money of the ISCF and ensure public money is being spent in accordance with the fund's stated aims, and to understand the impact of its activity on the UK's knowledge and learning, the economy and society. The evaluation will also need to inform ongoing and future improvements to programme design and delivery.

Suggested Methodology

The Evaluation Framework and baseline report (which will be available to the successful bidder) identified a variety of methods and approaches that should be implemented at interim and final impact evaluation stage. However, if bidders identify alternative method(s) or approaches that might be better suited to the IDC aims, we would welcome this insight as part of your submission.
Bidders should consider the following when providing their submissions:

- IDC will require a description of all caveats and assumptions surrounding the evidence that forms part of all reports (incl. definitions, sample size, response rate, collection method, caveats of data)

Quantitative evidence

- Relevant statistics capturing the state of the industry and research area of focus during the Challenge, including where appropriate, trends over the preceding few years
- An assessment of how the industry and research area of focus is likely to evolve during, and at the end of, the delivery of the Challenge
- For all indicators of impact/success selected to be used in the evaluation, evidence capturing the interim and final position against these indicators.
- Details of any sample frame are to be agreed with the IDC team and lessons learnt from the Baseline survey are to be considered with regard to the minimum achievable sample to provide a robust view.

Qualitative evidence

- Where qualitative indicators (e.g. views, opinions) will be used as part of the evaluations, evidence capturing the position for these indicators will be required. The successful supplier is also expected to provide evidence from key stakeholders and participants.

For clarity, it is not expected that the existing evaluation framework and baseline indicators would deviate significantly. All methodologies and approaches identified must evidence attribution, and the Industrial Decarbonisation Challenge's contribution to the sectors. The methods are expected to provide insights to the existing evidence and sector baselines, and a counterfactual baseline of comparative businesses.
Bidders are encouraged to think innovatively in terms of how they propose to address the evaluation aims, although innovation should not be to the detriment of robustness. The funding partners are keen to push boundaries in their evaluations, in order to improve the quality of their evidence base.

Resources Required

To conduct the evaluations proposed, the ISCF IDC team need to commission evaluators with expertise in both theory-based, quantitative and economic evaluation approaches. Pre-approved access to the ONS SRS would be an advantage, as would key skills in areas such as bibliometrics and patent analysis. The team would need to demonstrate knowledge and understanding of the role that R&D plays in industrial strategy and improving industrial competitiveness in the UK, an understanding of decarbonisation technologies and their uptake / barriers to uptake, the role different stakeholders play in industrial decarbonisation, as well as knowledge of other (non-IDC) activities promoting industrial decarbonisation (e.g. other decarbonisation initiatives).
The expectation is that the successful supplier will use the following methods and approaches to deliver the interim, process, progress and impact evaluation pieces of work.

1. Theory and case-based approaches – to understand progress towards longer-term impacts and whether barriers to effectiveness are being addressed and "what works"
2. Contribution Analysis – underpinned by the theory of change and enables assessment of the causal-chains that lead to the intended longer-term impacts of the challenge.
3. Case studies at a cluster level – The case studies should focus on the interim outcomes which will ultimately feed into the overarching contribution analysis.
4. Comparative case studies at cluster level – to be applied in combination with the counterfactual analysis.
5. Counterfactual assessment – through the creation of a synthetic control group. Other counterfactual assessments may be considered in consultation with the IDC Team.
6. Scenario analysis and emissions intensity for detecting change in Green House Gas emissions.
7. Cost benefit analysis – to quantify the impacts of an intervention, from a monetary perspective e.g. assessment of costs, assessment of economic benefits
8. Benefits map and realisation plan – to inform the extent to which these mechanisms are fit for purpose.
9. Interviews – to explore all relevant topics of interest and maximise opportunities to collect relevant evaluation evidence. Topic guides should be developed and signed off by the IDC Team.
10. Presentations – to convey detailed analysis in a more simple, easy to digest form at all hierarchies.

The appointed evaluator should use the following methodologies for data collection and analysis:

- Comprehensive analysis of monitoring information comprising of:
    - Portfolio Analysis - Details of projects awarded funding through each of the component strands of the Challenge. This would cover the number

and value of projects funded by programme strand, the spatial distribution of partners and subcontractors and project completion dates.
    - Nature and level of R&D technological barriers overcome by IDRIC and support provided to cluster plans and deployment.
    - Quantitative details of outcomes
    - Strategy documents
    - Minutes from Board meetings, competition guidelines, monitoring officers etc.
    - Financial data
- Analysis of secondary data
- Applicant datasheets
- Industry surveys
- In-depth consultation with participants, other industries outside IDC and the IDC programme team inclusive of:
    - Sampling and recruitment
    - Analysis and reporting
- Qualitative interview strategy considering:
    - Sampling – number, duration information to be collected.
    - Research tool development – using the interview topic guide.
    - Early engagement – endorsement letter for any interviews.
    - Analysis – identifying key findings
- Literature and secondary data review – using the data available to measure movement from the baseline.
- Bibliometric and patent analysis
- Baseline case studies – to measure movement from baseline
- Triangulation of evidence

Bidders should account for the data collection methodologies identified above. An indicative interview plan can be found below and must be used as a **guide only**. It is expected that bidders will use their expert judgement to determine a reasonable level of interviews to obtain quality and comprehensive information.

Interview group	Duration			
		Process	Interim	Final +
IDC Team	45-60min	6	6	6
ISCF and BEIS broader staff	45-60min	15	-	15
Deployment and Cluster Plan Leads	60min	12-15	12-15	12-15
Deployment and Cluster Plan Partners	30-45min	-	20-30	20-30
IDRIC participants	60min	10	10 – 15	10 – 15
Unsuccessful applicants (Deployment and Cluster Plans)	45-60min	5	5	5
Unsuccessful applicants to: IDRIC Champion call and research consortia calls	30 mins	5-10	5-10	5-10
Broader industry players within clusters	45-60min		20	20

Broader research community	60 mins		15	15

Data sources
It is anticipated that the following data sources will be drawn upon to deliver the interim, process, progress and impact evaluation pieces of work, although it is not exhaustive:

- Application forms
- Grant systems
- Competition documentation and authorisation forms e.g. funder panel outcome
- Aggregate project monitoring reports
- Monitoring information
- IDC participant datasheets, where possible
- Annual Business Survey
- Business Structure Database
- Gateway to Research
- Research Fish
- Private Finance databases, such as Pitchbook or Beauhurst
- HMRC Datalab

As part of achieving the requirements bidders are encouraged to:

- Outline the best methodology to respond to each of the three work packages and how they would go about achieving the desired outcomes.
- Showcase a good knowledge and understanding of the UK and global industrial decarbonisation markets and how the evaluation plan and suggested indicators will evidence the impact of the investment on these markets.
- Consider the stakeholders needing to be involved and at what point in the programme lifecycle.
- Consider how they will collaborate and engage with the Challenge team and wider stakeholders to inform their thought process.
- Ensure documentation and written narrative is backed up by robust accurate evidence.
- Ensure recommendations for any data, or measures, can actually be collected, with relative ease.
- Identify suggested responsibilities for future data collection.
- Consider how findings will be shared and disseminated and the audience of the findings.
- Provide recommendations for post-Challenge evaluation.

Evaluation Audience
It is anticipated that the whole evaluation programme will enable lessons learnt and accurate conclusions to be drawn on the impacts (forecast and actual) of the programme, in meeting the Challenge. This will improve programme management, communicating the progress and benefits of the programme, and enable lessons to be learnt for subsequent initiatives. The suggested audience for the evaluation therefore includes:

- ISCF Steering Board – Chaired by UKRI's CEO.
- The Challenge Director, UKRI Delivery Team, and the IDC Programme Board.
- ISCF and Industrial Decarbonisation stakeholders in UKRI, BEIS, HM Treasury and the wider public sector.
- Industrial Decarbonisation stakeholders in industry, local authorities in regional clusters, NGOs, and the research community.
- Other challenges across the ISCF portfolio who may have use for our findings.

The successful bidder will be required to engage with relevant stakeholders and subject experts to develop appropriate approaches to monitoring and evaluation within the context of the objectives of the programme.

Contract Management

The contract would be managed directly by one of the team at UKRI, but access to grant applicants, BEIS and other organisations may be granted, after discussion at an early stage, as required to complete the works. Given the current situation regarding COVID the requirement for having face to face meetings needs careful consideration. In normal circumstances the expectation would be to have at least 8 face to face meetings across the duration of programme. This is on top of virtual weekly progress meetings. However, the number and frequency will be mutually agreed with the successful supplier.

Several documents will be made available to support the successful supplier i.e. Business Cases, benefits map, internal management documentation, etc. If there are any specific documents that would assist in the preparation and completion of the work, then please detail these in your bid submission.

Bidders should also outline how they will bring in industry expertise and sector knowledge that are relevant to this challenge as part of the offering to evaluation.

Deliverables

The successful supplier will deliver all of the aspects identified in the IDC Evaluation Framework. The following paragraphs detail these deliverables.

Interim evaluation

The interim impact and economic evaluation will need to be conducted in 2022, concluding in September 2022. The interim evaluation must assess to what extent clusters have developed credible evidence that will support investible plans for decarbonising and what course-corrections in the challenge governance and delivery might help overcome any barriers to progressing towards the intended outcomes and optimising outcomes. The interim evaluation will need to provide responses and analysis of the evaluation questions and indicators identified in Appendix C.

This stage of the evaluation will need to include an assessment of early impacts of the Challenge, including indications as to whether the Challenge is on track to realise the intended outputs across all stands: Deployment, Cluster Plans and IDRIC. This includes an assessment of whether the activities foreseen are being implemented as planned, an overview of trends in emissions, and a prospective assessment of economic effects (employment and GVA).

This evaluation stage must include:

- Review of secondary data for the counterfactual and Cost Benefit Analysis;
- Primary data collection against the evaluation questions and indicators and benefit measures;
- In-depth interviews with project participants across the three strands:
  - Deployment and Cluster Plans: project leads, industry partners, other key partners, unsuccessful lead applicants and broader industries within and outside the clusters.
  - IDRIC: research champion, unsuccessful research champion applicants and members of the research consortium and broader research community.
- In-depth interviews with IDC delivery team on the progress of each cluster and of IDRIC.
- Bibliometric and patent analysis
- A Cost Benefit Analysis and assessment of early economic effects
- Case studies of the Clusters and IDRIC activity.
- Presentation of the findings.

The secondary data review will need to feed into the counterfactual analysis of the effect the Challenge on decarbonisation and economic parameters, to examine whether decarbonisation is advancing across the clusters, and whether the industries are sustaining their competitiveness in the market.

The successful supplier should use the evidence collection and analysis outlined to validate the Challenge theory of change and Contribution Analysis. For example, any stakeholder qualitative interviews should be used to examine whether the most relevant external factors or alternative routes to impact are being considered. At the interim (and also the final evaluation stage) the evaluation (mostly through gathering of views across the programme of in-depth interviews as well as a review of available market information) should consider the extent to which, and in which contexts, the theory of change has been realised.

Process Evaluation

An early insights process evaluation has already been conducted. This interim process evaluation will need to build on the work already undertaken. It will need to assess which of three strands of the challenge are working jointly as expected e.g. that IDRIC is supporting the Deployment and Cluster Plan strands, and that the Deployment strand is aligned with the Cluster Plan strand – and that the governance and challenge design as a whole remains fit for purpose. The process evaluation is to be conducted in 2022, concluding in September 2022.

The process study should focus on evaluating the processes which have taken place to this point, targeting the following: the Challenge governance, design and set-up; the application and appraisal process (including marketing and communications activities); contracting and due diligence processes; and the effectiveness of the network activities to promote exchanges across the strands and beyond.

The evaluation activities involved in this stage of the evaluation should include: desk-based analysis of programme documentation and literature on the industrial decarbonisation landscape and in-depth interviews with stakeholders, **as a minimum** this should include:

- ISCF IDC team members (N = 6-8)
- Project leads and participating organisations (N = 15 – 25)
- Unsuccessful applicants including IDRIC (N = 5-10)
- IDRIC stakeholders (N = 5)
- Industrial decarbonisation experts (N = 15-20)
- Wider industry representatives (N =10).

In addition to the report, a presentation outlining the findings must be delivered.

Final Impact Evaluation

The final impact evaluation should include a follow-up process evaluation (considering what has been learned about the implementation of the Challenge in the longer term, and how that relates to outcomes achieved) as well as the full impact and economic evaluation of the Challenge. The final impact evaluation will need to answer the evaluation questions identified in Appendix C, unless changes have been agreed with the successful supplier through the interim report.

The final evaluation will need to repeat the qualitative interviews covered in the process evaluation, as well as the primary and secondary data collection from the interim evaluation. Ideally, but not always, the same stakeholders interviewed at the prior evaluation stages will be engaged at the final stage, if they are still in the same organisations/positions. Additionally, this stage will need to include a bibliometric and patent analysis, case study analysis of the clusters and IDRIC, a final cost benefit analysis as well as the econometric analysis of the impact of the Challenge, using a synthetic control Cluster approach. A presentation to support the report will also be required.

The different strands of evidence gathering and analysis outlined above will need to be synthesised against the Challenge theory of change and in keeping with the Contribution Analysis approach.

Outputs:

- Interim evaluation and progress evaluation report, including case studies, data collection and presentations: **September 2022**
- Final Impact evaluation report and presentation: **March 2024**

All outputs may be subject to internal and external review.

Benefits Realisation

In consultation with the successful supplier but as a minimum, the successful provider will need to collate interim and final data on the below benefits. Identification of the measures against each interim and long-term benefit can be found in Appendix B.

	Interim Benefits	Long Term Benefits
1.	Increased cluster activity towards decarbonisation	Enabling reduced CO2 Emissions from industrial clusters
2.	Enhanced knowledge and awareness of decarbonisation technologies	Increased private sector investment in decarbonisation
3.	Increased R&D and a strengthened multi-disciplinary community advancing delivery of decarbonisation technologies at scale	Increased efficiency of and effectiveness in decarbonisation techniques
4.	Accelerated technology development at scale	Public sector support mechanisms are in place
5.	Increasing equality and diversity in cluster organisations	Increased sector GVA
6.		Economic growth in new low carbon industries
7.		High Value Workforce within Low Carbon Industries
8.		Enhanced positioning of and access to emerging global markets for industrial decarbonisation

Data Requirements

At the end of each stage of the evaluation, all datasets provided, compiled, or used, along with all analysis and reporting relating to them, must be provided to UKRI with a unique business identifier for further matching, such that it will be possible to hand over, in full, either to UKRI or another contractor, as appropriate. Bidders will also need to make all the code available to use econometric and survey data analysis. Proposals must state how this will be achieved, including how any data protection issues will be resolved.

It should be noted that as the programme is being delivered, changes to the programme may affect the design and delivery of evaluation. Hence bidders should note to allow for flexibility in the design and delivery of evaluation to ensure evaluation remains appropriate for the programme.

To allow for evaluation beyond the life of the programme, the successful bidder's evaluation deliverables must allow for future continuation of their work. This includes the provision of the methodology used, all data and contact lists to any potential future evaluators.

All data collected during the course of evaluation must be made available, on request, to contracting organisations or third parties under contract to them, for the purposes of additional research and evaluation. Data from programme participants must be collected

in such a way to enable this to happen. Proposals must clearly state how this will be achieved and any limitations to data sharing which may exist.

Additional Bidding Requirements:

1. Dependencies: Provide a comprehensive list of documents and access to individuals that IDC will need to provide to the successful supplier in order to complete the work.
2. Case studies for each of the cluster plan and deployment projects will be needed together with a case study of the work IDRIC is undertaking.
3. The comprehensive Interim, process and final impact evaluation reports should be in word and needs to address all of the requirements detailed in this specification and must meet the objectives of the whole evaluation piece and includes process, progress, impact and economic evaluation (plus any other proposed areas that have been agreed with UKRI). The work needs to be properly evidenced, with copies of relevant material (i.e. spreadsheets, charts, graphs, reports) supplied. Sources must be presented and clearly referenced. The reports must contain a proper index and glossary of terms.
4. The reports shall be accompanied with a set of presentation slides as a summary containing key messages for the evaluation.
5. The successful supplier must hold, as minimum, weekly progress reviews with the IDC client team and hold a planning meeting within the first two weeks of contract commencement.
6. The successful provider will be required to attend a minimum of eight face to face meetings, to discuss the progress of the work, risks, limitations and any other appropriate topics to deliver the requirements. This target is subject to the COVID regulations that prevail at that time and will be reviewed with the appointed evaluator at that time.

The successful provider must be able to complete the scope of work outlined within this specification for the interim reports and additional deliverables in its entirety by no later than September 2022 and March 2024 for the final impact evaluation and associated additional deliverables.

The successful provider will need to work to the following KPI's:

- 100% of the requirements (scope of work) for each of the three work packages detailed within this specification are responded to and are at an accepted quality level.
- 100% of statements are backed up by supporting evidence and data sources unless there are strong justifiable reasons that prevent this on a case by case basis.
- 100% of documentation provided is in an accessible format and available for editing should it be required.
- 100% of interviews mutually agreed by parties are concluded and link into the report, if appropriate.
- Remain within the tendered budget for the work.
- Delivery - Produce the reports and documentation by the timescales identified in this specification and to an accepted level of quality.
- Conclude the work to an accepted quality standard by no later than September 2022 for the Process and Interim Evaluations and no later than March 2024 for the final Impact Evaluation
- Resources working on the three packages of work to be available 95% of the time over the duration of the work. Allowing for the naturally occurring lower resourcing needs because of the timeframe over which the work will be carried out.
- Resourcing levels during key periods of work e.g. development of the interim report are to remain constant throughout with limited attrition (though reasonable staff holiday commitments are acceptable exceptions).
- 100% attendance, when required and subject to reasonable notice being given, at programme meetings or progress update sessions.

The quality criteria for responses will be determined by the IDC team with support from policy, sector, legal, internal economists, and internal evaluation experts. The quality level for the KPI's will revolve around the following questions although not exhaustive and will be in raised through discussions with the successful applicant before reaching the deadline date for each work package:

- Does the information provided sufficiently answer the question(s)?
- What information is missing from the response, how can it be improved?
- Where can the information be strengthened and what additional information needs to be obtained?
- Will the information provided enable a successful pathway through the evaluation process?

Timescales

Should bidders consider the timeline outlined unachievable or consider the quality to be impacted, please explain why it is unachievable and propose an alternative timeframe for the evaluation team to consider.

Indicative key milestone breakdown:

Milestones	**Date**
Process and Interim Evaluation Report	
Contract Start Date	3rd January 2022
Introduction meeting	w/c 10th January 2022
Detailed planning	10th – 25th January 2022
Kick off meeting	w/c 1st Feb 2022
Formal Progress update	w/c 1st March 2022
First draft of the Interim Evaluation work package	w/c 1st July 2022
First draft of Process Evaluation work package	w/c 1st August 2022
Formal Progress update	w/c 15th July 2022
Second draft of Process Evaluation work package	w/c 15th August 2022
Second draft of the Interim Evaluation work package	w/c 15th August 2022
Final version of the Process Evaluation	w/c 5th September 2022
Final version of the Interim Evaluation	w/c 5th September 2022
Final Impact Evaluation Report	
Impact Evaluation Report Kick off meeting	w/c 5th June 2023
Detailed Planning	12th – 26th June 2023
Formal Progress update	w/c 11th December 2023
First draft of the Final Evaluation report work package	w/c 29th January 2024
Formal Progress update	w/c 19th February 2024
Second draft of Impact Evaluation work package	w/c 26th February 2024
Final version of the Impact Evaluation	22nd March 2024
Project Close down	w/c 25th March 2024

APPENDIX B

Supplier Proposal