

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

### Part 1: Letter of Appointment

**Technopolis Limited**  
3 Pavilion Buildings  
Brighton  
UK  
BN1 1EE

Dear Sirs

### Letter of Appointment

This letter of Appointment dated Tuesday, 6<sup>th</sup> October 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:	CR20085
From:	<b>Department of Business Energy and Industrial Strategy</b> , 1 Victoria St, Westminster, London, SW1H 0ET ("Customer")
To:	<b>Technopolis Limited</b> , 3 Pavilion Buildings, Brighton, UK, BN1 1EE ("Supplier")

Effective Date:	Wednesday, 7 <sup>th</sup> October 2020
Expiry Date:	Friday, 15 <sup>th</sup> October 2021

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.
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Key Individuals:	BEIS Project Manager – <span style="background-color: black; color: black;">[REDACTED]</span>
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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 £136,112.50 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	<b>Suppliers limitation of Liability</b> (Clause 18.2 of the Contract Terms);
Special Condition(s):	<b>Contract review point - After phase 1 A and before moving onto Phase 1 B, there shall be a break clause. At this stage BEIS reserves the right to terminate the project.</b>  <b>Contract review point - After phase 1 and before Phase 2, there shall be a break clause. At this stage BEIS reserves the right to terminate the project.</b>

GDPR	As per Contract Terms Schedule 7 (Processing, Personal Data and Data Subjects.
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## 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:**





Date: 7 October 2020



Date: 21/10/2020

## ANNEX A

### Customer Project Specification

#### 1. Background

This project is looking to evaluate Growth Hubs, which are local public/private sector partnerships led by Local Enterprise Partnerships (LEPs).

Growth Hub partners include Chambers of Commerce, Federation of Small Businesses and other business bodies, university/business schools, other private sector bodies (including local partners delivering national programmes), and national government.

Growth Hubs bring together public and private sector partners to promote, co-ordinate and deliver business support. They provide a mechanism for integrating national and local business support, so it is easy for businesses to access.

They are locally driven and locally owned. Government has actively supported their development through funding and creating the right environment for businesses to thrive.

There is now a complete network of 38 Growth Hubs, which has existed since 2015-16. This means that all registered businesses in England are now able to access business support from a local Growth Hub. More information on Growth Hubs can be found on the Growth Hub Network webpage.

Growth hubs are an important part of BEIS's plans to make it easier for businesses to start and grow; by ensuring business support is simpler, more joined up and easier to access.

**Simpler** - They are a single local access point for all public and private sector business support. Growth hubs and their partners will use information and tools from GOV.UK and use or promote the Business Support Helpline. This will ensure businesses get consistent information whether they look nationally or locally.

**More joined up** - They will align local support with national programmes so that businesses receive a seamless journey when seeking business support. Growth Hubs have a key management and strategic role and will work with partners to simplify the local business support offer. They aim to improve co-ordination and reduce duplication of business support, ensuring that the overall offer is simple and easy to understand.

**Easier to access** - Growth Hubs will promote business support locally through their own website/telephone number or utilise the national Business Support Helpline; assess a business's needs and connect them with the right support; and make it easy to contact other businesses for advice, support and mentoring. Growth Hubs have local brands and delivery arrangements. As well as the core features above, some will also provide targeted support to businesses tailored to local needs. Some Growth Hubs will have a physical presence in the local area for businesses to seek advice and network. All will offer diagnostic and signposting services, and plan to offer networking events and training opportunities to businesses via a range of channels.

Although some Growth Hubs have conducted or commissioned evaluations, no evaluation of the network has been completed to date. It is now important to understand how the policy is operating on the ground in order to identify delivery challenges, share best practice, and inform policy and delivery decisions at both Government and local level. The evaluation is likely to receive attention from ministers, academics, devolved governments and small business leaders, and local media. This evidence will be required to ensure fully informed decisions are made in terms of the future funding and/or operation of growth hubs.

An unpublished evaluation report commissioned by BEIS in 2016, along with findings from independent evaluations commissioned by some Growth Hubs, will be assessed as part of the project. An initial report reviewing existing evaluations and annual reports is being undertaken in-house by the policy team this summer, and will be made available to the contractor when available. The contractor will be expected to build on this work and undertake a more thorough and analytical review of this existing evidence as part of the scoping phase.

Business Link, the key business support infrastructure which the Growth Hub network has since replaced, was evaluated before its closure in 2011. Business Link had a very different operating model to the Growth Hub network, different resources/funding and a different market offer. The evaluation will still provide valuable insights, so will be reviewed as part of the scoping phase.

In 2016, the What Works Centre for Local Economic Growth conducted a systematic literature review of business support studies. The report concluded that a very small number of robust impact evaluations exist (around 23 out of nearly 700 studies reviewed), and of those studies mixed results were found. Furthermore, the studies included in this review focused on more intensive business support interventions (e.g. mentoring, peer to peer networking).

The Growth Hub network provides a unique intervention focusing on providing information, diagnostic and brokerage services (rather than providing intensive business support services directly).

The evaluation will explore the delivery of business support through Growth Hubs, assess their impact if possible, and provide evidence to inform their future design and funding. The evaluation is expected to build on a scoping desk review phase of existing evidence undertaken in house, including reviewing existing evaluations and annual reports submitted by Growth Hubs. The contractor will be expected to then develop the Theory of Change and use quantitative and qualitative evaluation methods to answer both impact and process evaluation questions.

The project will aim to:

- Evaluate the delivery of business support through Growth Hubs to offer insights into their effectiveness and promote best practice
- Assess the impact of Growth Hub activity using data collected by Growth Hubs (if feasible) and/or other methods as appropriate (e.g. theory-based methods).
- Provide evidence to inform the future design and funding of Growth Hubs, which has ministerial interest
- The project will produce a final, publishable evaluation report, in addition to an internal interim qualitative report. More specifically the evaluation will provide:

- Insights for BEIS policy evolution and support for LEPs in improving the effectiveness and efficiency of programme delivery
- Evidence of the effectiveness of Growth Hubs to support future business cases and spending decisions
- Evidence to help shape the design of business support delivery infrastructure when considering replacement of EU funding

This evaluation should meet the standards set out in the Business Support Evaluation Framework.

***Contract review point - After phase 1 a, there shall be a decision point (break clause). At this stage BEIS will decide whether to proceed with the quantitative impact evaluation work, on the basis of the recommendations from the contractors. At this stage BEIS reserves the right to terminate the project.***

***Contract review point - After phase 1 a and b, there shall be a break clause. At this stage BEIS reserves the right to terminate the project. Bidders must clearly signal this break clause within their pricing and proposed methodology.***

## **2. Aims and Objectives of the Project**

The aims of this research are to:

- Evaluate the delivery of business support through Growth Hubs
- Assess the impact of Growth Hub activity using Growth Hub data
- Provide evidence to inform the future design and funding of Growth Hubs

This research has four key objectives:

Objective 1 - To improve understanding of Growth Hub's activity. This includes for example improving our understanding of how Growth Hubs differ regionally, the types of businesses accessing growth hubs and for what types of support.

Objective 2 - To assess how far Growth Hubs are providing easy, quick and simple support for businesses. This includes self-reported impacts, supported by wider evidence (e.g. annual reports, admin data); the role of growth hubs in the wider business support landscape; challenges and barriers for growth hubs; potential improvements for the network.

Objective 3 – To collect and analyse Growth Hub data to further understand the business customer journey and further understanding impact. This will be done through a mixture of qualitative and quantitative research (e.g. interviews, case studies and growth hub data, data linking). The exact mix of methods applied will depending on the quality of the data, determined during phase 1.

Objective 4 – further understanding the role Growth Hubs play in the wider business support landscape. This will include gathering evidence to inform upcoming policy design and funding decisions through talking to a wide variety of stakeholders.

### **Research Questions**

There are three high level research questions which BEIS has developed with key stakeholders. The research questions will be refined during the scoping phase and theory of change development.

#### **How do Growth Hubs deliver business support? (Process evaluation question)**

- What is their model?
- Whether advice/support is external/internal and why
- How they meet geographic & local priorities
- Types of support and advice provided
- Do they have capacity, skills etc. to operate effectively?
- How this relates to funding they receive
- Whether productivity is considered in service provision
- Has COVID-19 impacted delivery of support?
- Other main challenges they face and how they respond to them (e.g. financial sustainability)
- How does support vary across GHs, e.g. by region, GH model?
- How does support vary across businesses e.g. sectors, types, size?

#### **Who do they reach?**

- How many (and as proportion of business population)
- Types of businesses
- The right businesses (i.e. businesses in need of support)?
- Does this vary across GH areas/over time?
- How were they recruited to GHs?
- What are the businesses needs and are they met by GH offer?

#### **How effective are Growth Hubs at providing simple, more joined up, easily accessible business support? (Impact evaluation question)**

##### **Self-reported outcomes:**

- Do GHs provide valuable business support (e.g. relevant, specific/tailored, high quality, timely)? Why/why not?
- Have Growth Hubs simplified local business support landscapes?
- Do businesses change their behaviour/act on the advice they receive from Growth Hubs e.g. implement new processes such as management practices, technologies, seek financial support, developing new products or services, marketing strategies?
- What would businesses have done without the Growth Hub? Would they have got the support or not? Or would they have accessed the support less efficiently/found it more difficult?
- Why do some businesses not use Growth Hubs?

##### **Impacts:**

- Do Growth Hubs improve firm level productivity?
- Do Growth Hubs improve firm level growth?
- Do Growth Hubs support businesses to adapt to the impacts of COVID-19?

#### **How do Growth Hubs fit in with the wider business support landscape and what value do they add? (Strategic question)**

- How effective are Growth Hubs at signposting to other business support available? Is the Growth Hub model the right one for this?
- Is the cluster model effective at disseminating best practice through the GH network?

- Are businesses receiving the right level of funding? What would they do with more or less money?
- To what extent are Growth Hubs contributing to the rebalancing of spending across the country/levelling up agenda?
- How do Growth Hub customers overlap with users of other (non-GH) business support schemes?
- What have been the benefits and challenges of Growth Hubs joining with other national business support programmes and how could this be improved?
- What are future plans for Growth Hub activity?
- What improvements would stakeholders like to see?

### 3. Suggested Methodology

**Total Number of Interviews (Qualitative):** Phase 1: 38, Phase 2: Approximately 30

The evaluation is proposed to last 12 months (the exact timings to be determined by the contractor, maximum time frame 18 months) and will consist of two phases (four main stages). Contractors should suggest sample sizes based on what they think will deliver a high quality evaluation.

**First phase (August 20 – March 21):**

#### **Scoping stage – 2 months**

The first stage of the evaluation will involve reviewing and building upon an in-house review of existing evidence. Some Growth Hubs have published independent evaluations which can be reviewed. Growth Hubs also submit annual reports to BEIS, following a standard template provided to them (included as an annex), which provide a broader insight into their operation (process questions) and self-reported/anticipated impacts. BEIS will have 3-4 years of these reports which will be synthesised and reviewed in the summer as part of the in-house report. This work will be built on by the contractor – these reports will need to be synthesised and reviewed systematically and analytically.

There are estimated to be 15 evaluations conducted by individual Growth Hubs that BEIS have access to. BEIS also commissioned an overarching evaluation in 2016 which was never published – this report will be assessed. Business Link, the key business support infrastructure which the Growth Hub network has since replaced, was evaluated before its closure in 2011, and this report can be reviewed. Other existing materials such as business cases, principles of funding agreements and existing logic models (which will be provided upon the project inception) can be reviewed to enable the Theory of Change development. Contractors are encouraged to find any other existing reports, review and incorporate them at this stage. They are also welcome to propose and justify other activities to be included in the scoping stage.

#### **Desk based review of existing evaluations:**

- BEIS and CLGU will be undertaking a light touch review of independent evaluations Growth Hubs have commissioned, Business Link evaluation and unpublished 2016 evaluation, and annual reports, drawing out key findings to inform funding decisions
- The contractor will be asked to build upon this review in the scoping stage
- Criteria will be determined and agreed up front to focus the review

### **Synthesis of Growth Hub Annual Reports:**

- Also as part of the scoping stage, the contractor will build upon CLGU's report to review and synthesise this information for all 38 GHs and develop more comprehensive typologies, drawing upon the initial theory of change.
- This synthesis will also provide a broader insight into their big successes, challenges, plans for the future and identify common and collaborative solutions to shared problems (strategic questions).

### **Theory of change development and revising evaluation questions:**

- The theory of change will be developed from existing materials (e.g. business cases, principles of funding agreements, existing logic models).
- Workshops with key stakeholders to refine the evaluation questions and develop a more comprehensive overarching ToC and specific typologies of GHs.
- This exercise will also be used to understand the broad typologies of GHs and how they vary.

*Deliverable - Revised evaluation plan; including updated theory of change, plan and evaluation questions.*

Stage 1 – Phases 1a and 1b occurring simultaneously - 4 months.

### **Phase 1a - Qualitative stream - In depth interviews:**

- To plug gaps from the annual report synthesis and to further answer the research questions, in-depth interviews will be carried with a lead from all 38 Growth Hubs.
- The findings from these interviews will also be used to illustrate the different Growth Hub typologies.
- Note that these findings will be summarised in an interim report with the descriptive stats (see below).

Contractors are expected to outline in detail their approach to this work and include their independent considerations of how best to answer the evaluation questions. The bidder will need to propose the indicative number of interviews, sample and proposed stakeholders. They will need to provide information on how the interviews will be analysed, quality assured and presented. They are also asked to specify how they are well-placed to carry out this qualitative stream.

### **Phase 1b – Quantitative stream - Growth Hub data**

In 2018 the Monitoring and Evaluation Framework for Growth Hubs was written and socialised with Growth Hubs, which outlines the data that Growth Hubs should collect, for example on intervention intensity, aggregated and non-aggregated data (see Annex 1). Contractors will collect, clean and analyse the Growth Hubs data (up to 4 years' worth from 2016 to 2020). The contractor will lead on the engagement and data collection from Growth Hubs. Contractors should outline how they are equipped to collect, clean, analyse and report the data and how they would approach the complete quantitative stream, with the exact roles and responsibilities to be finalised before the contract is signed.

The data will be used for two purposes:

**Descriptive statistics:** to enable a better understanding of Growth Hub operation and the businesses accessing support. E.g.

- The nature and profile of beneficiaries
- Types of support offered and taken up by businesses
- How access to business support has changed (or not) over time
- How their own local area is similar and/or different to the national picture

Data linking feasibility study: The contractors will be asked to:

- Liaise with Growth Hubs to obtain data (data collected in line with the M&E framework)
- Assess the quality and completeness of the data
- Work with Growth Hubs to improve the quality of the data, if there are significant gaps or inconsistencies
- Provide recommendations on how to improve the quality of the data where relevant (e.g. some growth hubs may have more accurate, advanced data collection that other growth hubs could learn from).
- Provide recommendations of further uses for the Growth Hub data to understand growth hub delivery and impact, e.g.:
- Attempt to match to other databases and administrative data, if possible.

### Impact evaluation

Depending on the results of the above feasibility study, contractors are asked to provide recommendations for quantitative impact evaluation.

These recommendations will need to be clearly justified on why they are feasible and appropriate. For example, providing a clear rationale for implementing quantitative impact evaluation, and what questions this work would and would not answer (e.g. unlikely to isolate the impact of the BEIS funded Growth Hub provision alone, but could answer wider impact questions). This is due to the fact that BEIS funding is only one part of Growth Hub funding and the Growth Hub core model is only a light-touch signposting service, so its impact will be difficult to isolate.

***Contract review point - After phase 1 a, there shall be a decision point (break clause). At this stage BEIS will decide whether to proceed with the quantitative impact evaluation work, on the basis of the recommendations from the contractors. At this stage BEIS reserves the right to terminate the project.***

This quantitative impact evaluation would:

- Where possible, use admin data to understand whether businesses going through a Growth Hub have higher turnover and productivity compared to those who don't.
- Where possible, allow an understanding of Growth Hub reach, by comparing to general business population (e.g. comparing to IDBR)

In the event that quantitative impact evaluation is not possible, contractors will be asked to provide recommendations of other ways in which impact can be robustly evaluated (e.g. theory-based methods).

*Deliverable - An interim evaluation report summarising the findings from phase 1a and the descriptives. The quantitative and qualitative data will be integrated at this stage. The impact feasibility will be summarised in a separate internal report with a clean data set. If the impact evaluation is conducted, the results of this will be included in the interim evaluation report.*

### ***Interim evaluation report – by end March 2021***

The contractor will provide BEIS with early findings report. They will also present the findings to the evaluation working and steering groups (see working arrangements section). This report will form a standalone product at the end of financial year 20/21.

***Contract review point - After phase 1 a and b, there shall be a break clause. At this stage BEIS reserves the right to terminate the project. Bidders must clearly signal this break clause within their pricing and proposed methodology.***

### Phase 2 (April – August 21)

#### Further in-depth interviews

25-30 (indicative) in-depth case studies will be carried out to further answer the research questions and validate the findings from phase 1. Contractors are welcome to suggest an alternative number of case studies, sample and focus, or alternative appropriate methodology as they see fit, with rationales. Contractors are again expected to describe how they would conduct, analyse and report the work in Phase 2. Depending on the outcome of the phase 1 data work, this phase could also include implementing some of the recommendations for further understanding impact.

The sample and focus of the case studies will be determined after phase 1 but could include:

- Businesses that have accessed a Growth Hub and taken up the signposted business support.
- Businesses that have accessed different typologies of Growth Hubs to understand how the customer journey differs.
- Businesses that have never accessed a Growth Hub to understand awareness and a broad comparison (e.g. did they access support anyway).
- Interviews with wider stakeholders working with Growth Hubs.

#### Synthesis and Reporting

This will include synthesis of the findings across all workstreams. Contractors are asked to provide information on how they would synthesise, report, and quality assure the findings.

#### Deliverables:

- A comprehensive final evaluation report to be published.
- Dissemination will also include a findings presentation to key stakeholders and a workshop with Growth Hubs to share lessons learned and suggestions for future data collection.

Further information will also be provided to or required from potential bidders:

- Data collection framework (i.e. what data Growth Hubs have been told to collect) (see Annex 1)
- Blank template of the annual report (see Annex 2)
- Information on the quality/completeness of the Growth Hub data
- The final evaluation report will go through BEIS's peer review group before publication.

- Governance - A list of key stakeholders will be provided in the ITT. Bidders will be asked to provide information on how and when they will consult them as part of the evaluation (e.g. ToC workshops) and how they will manage this relationship.
- Bidders are asked to provide a gantt chart, demonstrating what work streams will be carried out and when, and what workstreams are contingent.
- Bidders will be asked to provide a risk register with details of mitigations.
- As the evaluation requires different skill sets and simultaneous workstreams, bidders will be asked to demonstrate the skills of the team and their ability to deliver this work to a high standard.
- Confirm they are GDPR compliant with details (e.g. privacy notices, data storage).

### Quality Assurance

All deliverables are to be quality assured by the contractor before delivery. The contractor will also respond to comments by BEIS officials and undertake to improve outputs which do not meet BEIS standards.

Contractors are asked to provide information on their own quality assurance processes as part of their tender response.

The report will also go through BEIS's quality assurance processes, for example reviewed by multiple analysts and policy officials, with senior analyst and policy sign-off. Other external experts will be used for peer review throughout the project. Comments by peer reviewers will be published alongside the final report.

All research and outputs are required to meet standards set out in the Business Support Evaluation Framework, the GSR's code and the MRS Code of Conduct.

### Timetable

The indicative timings are that the project would last around 12 months. Phase 1 would be from August to March, and phase 2 from April to August.

Between Phase 1 A and B; **Contract review point - After phase 1 a, there shall be a decision point (break clause). At this stage BEIS will decide whether to proceed with the quantitative impact evaluation work, on the basis of the recommendations from the contractors. At this stage BEIS reserves the right to terminate the project.**

Between Phase 1 (A and B) and Phase 2; **Contract review point - After phase 1 a and b, there shall be a break clause. At this stage BEIS reserves the right to terminate the project. Bidders must clearly signal this break clause within their pricing and proposed methodology.**

- As indicated above, the initial scoping stage would last 2 months (estimated August - September 2020)

**Contract review point - After phase 1 a, there shall be a decision point (break clause). At this stage BEIS will decide whether to proceed with the quantitative impact**

## Part 2: Contract Terms



**Contract Terms v6.0**