

DPS FRAMEWORK SCHEDULE 4: LETTER OF APPOINTMENT AND CONTRACT TERMS

Part 1: Letter of Appointment

Dear Sirs

Letter of Appointment

This letter of Appointment dated 07 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:	CCZZ21A40
From:	Department for Levelling Up, Housing and Communities (DLUHC) ("Customer")
To:	I.F.F Research Ltd ("Supplier")
Effective Date:	Tuesday 14 December 2021
Expiry Date:	Monday 13 June 2022 There is no extension period for this Contract
Services required:	Set out in Section 2, Part B (Specification) of the DPS Agreement and refined by: <ul style="list-style-type: none">· the Customer's Project Scope attached at Annex A; and,· the Supplier's Proposal attached at Annex B
Key Individuals:	The Contracting Authority; REDACTED The Supplier; REDACTED
Guarantor(s):	Not applicable to this requirement

Contract Charges (including any applicable discount(s), but excluding VAT):	£60,882.11 inclusive of all expenses. Overview: REDACTED Full breakdown detailed in Annex C; Supplier's price schedule REDACTED
Insurance Requirements	Please refer to Framework RM6018 Research Marketplace Dynamic Purchasing System terms and conditions.
Liability Requirements	Suppliers limitation of Liability (Clause Error! Reference source not found. of the Contract Terms); As per Clause 18 of RM6018 Terms and Conditions
Customer billing address for invoicing:	MHCLG FSSD CP2P Team, 4 th Floor, High Trees, Hillfield Road, Hemel Hempstead, HP2 4XN Invoices to be emailed to: REDACTED Only 1 invoice to be attached per email

GDPR	In Contract Terms (Attachment 5b) 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:

Name and Title:

Name and Title: **REDACTED**

REDACTED

Signature: **REDACTED**

Signature: **REDACTED**

Date: 10/120/21

Date: 15/12/21

ANNEX A

Statement of Requirements

As issued during the procurement.

1. PURPOSE

- 1.1 The Department for Levelling Up, Housing and Communities (DLUHC, here after referred to as 'the Customer') wishes to commission a suitably-skilled team to conduct the first phase of a process evaluation for the Housing Infrastructure Fund (HIF). The work will need to be completed by June 2022.
- 1.2 The first phase process evaluation will look retrospectively at the HIF Forward Funding (FF) process from the first Expression of Interest phase through to the point of contract. It will involve investigating the bidding, assessment and award process from both Local Authority and HM Government perspectives to understand the strengths and weaknesses of the process.
- 1.3 These understandings can then be used to inform future design. The work will involve a mixed-method approach combining surveys and qualitative interviews and will culminate in a single, standalone report evaluating the HIF-FF process, covering all phases of activity and all stakeholders.
- 1.4 The report will provide clear insights into the strengths and weaknesses of the bidding process, as well as any impacts these had on outcomes, and will provide recommendations for similar fund design in the future. A particular focus will be on the degree to which the process itself was collaborative and cross-government, and the impact of this on the process itself and final awards.
- 1.5 The Customer has previously published a HIF evaluation scoping study which established the methodology for this process evaluation. Suppliers should refer to the following document when preparing their bid: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/979263/HIF_Process_Evaluation_Scoping_Report.pdf as this is the methodology the Customer expects the supplier to follow.

2. BACKGROUND TO THE CONTRACTING AUTHORITY

- 2.1 The Customer's objective is to enable people and places to work and thrive, as the country recovers and rebuilds from COVID-19. The Customer's aims over the coming year and Spending Review period are to:
 - 2.1.1 Level up all parts of the country to create more opportunities, better jobs and boost living standards.
 - 2.1.2 Deliver more, better quality and greener homes – including introducing the biggest building safety changes in a generation, building more affordable homes and creating Generation Buy.
 - 2.1.3 End rough sleeping; and reducing homelessness.

- 2.1.4 Oversee a sustainable and resilient local government system that delivers the key services we all rely on.
- 2.2 As part of the plan to deliver more, better quality and greener homes, the Customer has a commitment to deliver 1m new homes by the end of this Parliament and increase building output to 300,000 homes a year by the mid-2020s.
- 2.3 The Customer is committed to developing the evidence base on the additionality of its housing interventions, and published its Housing Monitoring and Evaluation Strategy in January 2019. Together with Homes England, the Customer is driving forward a number of large, often complex and sometimes novel initiatives aimed at delivering greater housing supply (and a sustainable shift in market behaviour) and home ownership. In doing this we recognise the importance of strong evaluation in supporting delivery, and our published evaluation strategy seeks to provide a framework for that work and to strengthen it going forward.

3. BACKGROUND TO THE REQUIREMENT

- 3.1 The Government published a Housing White Paper in February 2017 which set out its plans to reform the housing market and boost the supply of new homes in England.
- 3.2 The Housing Infrastructure Fund is an important part of these plans for housing. In total, £4.35billion has been allocated from the fund to infrastructure projects that will unlock up to 325,000 homes in areas with the greatest housing need.
- 3.3 The broad aims of the Fund are as follows –
 - 3.3.1 Support ambitious local authorities who want to step up their plans for growth and make meaningful difference to overall housing supply;
 - 3.3.2 Deliver new physical infrastructure to support new and existing communities;
 - 3.3.3 Make more land available for housing in high demand areas, resulting in new additional homes that otherwise would not have been built; and
- 3.4 Enable local authorities to attract other private and public sector money, achieving more local growth and delivering new homes for the future.
- 3.5 The Fund is divided in two parts, Marginal Viability Funding (MVF) and Forward Funding. The focus of this evaluation is on the Forward Funding projects only. Local authorities were invited to submit bids for these funds in September 2017.
- 3.6 The Customer received FF bids in three bidding windows: September 2018, December 2018, and March 2019. Funding was awarded to local authorities on a highly competitive basis and bids were assessed based on how they met the following criteria:
 - 3.6.1 Strategic approach, including demonstrating that the project helps to meet local housing need, has local support, and meets Government's wider housing objectives.

- 3.6.2 Value for money, on the basis of an economic appraisal following the principles set out in HM Treasury's Green Book and the DLUHC Appraisal Guide.
- 3.6.3 Deliverability, demonstrating that both the infrastructure and the homes unlocked by the infrastructure can be delivered.
- 3.7 There are 31 Forward Funding projects in the programme. These schemes are large, strategic and high-impact infrastructure projects that will unlock new homes in the medium and longer term (in contrasts to Marginal Viability Funding projects, which will unlock housing in the shorter term). Projects are expected to spend largely between 2020 and 2025. For most projects, the gross housing is expected to start build-out in the early or mid-2020s, but most of the housing will be completed in the years beyond 2025. A number of projects are expected to deliver housing up to and beyond 2040, depending on the infrastructure and sites involved. Further details will be shared under confidentiality with the successful supplier.
- 3.8 Other grant conditions, specific to each scheme, are set out in the Grant Determination agreement.
- 3.9 Whilst no further bids will be received into HIF, the Customer requires a process evaluation to inform future policy design in infrastructure and housing.

4. DEFINITIONS

Expression or Acronym	Definition
DFT	Department for Transport
EOI	Expression of Interest
FF	Forward Funding
HE	Homes England
MVF	Marginal Viability Funding
The Customer or DLUHC	Department of Levelling Up, Housing and Communities

5. SCOPE OF REQUIREMENT

- 5.1 In February 2020, the Customer commissioned IFF Research and Belmana Ltd. to conduct an evaluation scoping study for HIF Forward Funding (FF) prior to commissioning a full evaluation. The scoping study provided recommendations and evaluation options for a process evaluation, an impact evaluation, and monitoring of HIF Forward Funding.
- 5.2 This Statement of Requirements sets out the Customer's requirement for a process evaluation. The Customer will expect the supplier to follow the approach proposed in the scoping study. Tenderers should familiarise themselves with this document:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/979263/HIF_Process_Evaluation_Scoping_Report.pdf.

- 5.3 An impact evaluation will be commissioned and run at a later date. Monitoring is already in place.

6. THE REQUIREMENT

- 6.1 The Customer would like to commission a suitably experienced supplier to deliver the first phase of a process evaluation of HIF Forward Funding. As stated in para 1.1, this phase should look retrospectively at the HIF FF process from the first expression of interest (EOI) through to the point of contract. It is intended to investigate the bidding, assessment and award process from both Local Authority and HM Government perspectives to understand the strengths and weaknesses of the process. These understandings can then be used to inform future design learnings. The evaluation approach is provided, in detail, in page 29 of the scoping study:
(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/979263/HIF_Process_Evaluation_Scoping_Report.pdf) and summarised below.

Phase 1: Process Evaluation to Contract

- 6.2 The first phase of the process evaluation will look retrospectively at the HIF-FF process from the first EOI phase through to the point of contract. The customer will expect the supplier to investigate the bidding, assessment and award process from both Local Authority and HM Government perspectives to understand the strengths and weaknesses of the process, which can inform future design learnings.
- 6.3 A mixed method approach is recommended combining quantitative surveys of local authorities and officials involved in bidding for HIF Forward Funding and around 50 qualitative interviews. The qualitative interviews can also take the form of mini focus group sessions, if the suppliers think this would be more efficient.
- 6.4 The supplier will be required to carry out between 20-30 interviews with Local Authorities and between 10-15 interviews with Other Government Departments.
- 6.5 The recruitment avenues for each audience are to be discussed with the supplier at initiation of the evaluation.
- 6.6 The output from this phase of the evaluation will be a single, standalone report evaluating the HIF-FF process from EOI design to award, covering all phases of activity and audiences.
- 6.7 The report will provide clear insights on the strengths and weaknesses of the bidding process, as well as any impact these had on outcomes (namely, those awarded funding) and recommendations for similar policy design in the future.
- 6.8 A particular focus is expected to be on the degree to which the process itself was collaborative and cross-government, and the impact of this on the process itself and final awards.

- 6.9 Should the research highlight any necessary changes to the existing process map and/or evaluation framework, these can be updated as part of final reporting.
- 6.10 Some of the learnings or considerations developed from this research may be relevant to the design, considerations and findings of the impact evaluation, and it is expected that the process report would be reviewed by those working on the parallel impact evaluation. Those conducting the process evaluation should take this into account in their analysis, highlighting any key implications of this nature accordingly to ensure any process learnings are taken into account.
- 6.11 To note: the numbers for interview included here are estimates taken from the HIF Process Evaluation Scoping Study document. These numbers are open to review, following discussion with the successful contractor, once they have been appointed.

7. KEY MILESTONES AND DELIVERABLES

- 7.1 An outline timetable for delivery of this contract is set out below. Potential Bidders should develop their proposals in the light of this guideline, providing a detailed timetable of how they will deliver within it.

Project Stage	Date
Contract Awarded	Thursday 9 December (this date is indicative and subject to change)
Draft project work plan submitted	Within 2 weeks of contract award
Meeting to agree project plan	Within 3 weeks of contract award
Quantitative Surveys conducted with Local Authorities and relevant individuals from HE, DLUHC, OGDs to understand opinions of bidding and assessment process	Within 10 weeks of contract award
Qualitative interviews – Interviews with 20-30 Local Authorities and 20-30 individuals from HE, DLUHC and OGDs to understand opinions of bidding and assessment process	Within 20 weeks
Draft Final Phase Report submitted	Within 22 weeks
Final version of Phase Report agreed by Customer and end of contract.	Within 26 weeks
NB: These indicative timelines are open to agreement between the Supplier and the Customer	

8. MANAGEMENT INFORMATION/REPORTING

- 8.1 The project will be supported by a technical group of evaluation experts.
- 8.2 The Supplier will be expected to participate in weekly virtual meetings with the Customer. In addition, the Supplier's Project Manager will give a weekly update on progress by phone to the Customer.

9. VOLUMES

- 9.1 This is a single contract of six (6) months duration.

10. CONTINUOUS IMPROVEMENT

- 10.1 The Supplier will be expected to continually improve the way in which the required Services are to be delivered throughout the Contract duration.
- 10.2 The Supplier should present new ways of working to the Authority during Contract review meetings.
- 10.3 Changes to the way in which the Services are to be delivered must be brought to the Authority's attention and agreed prior to any changes being implemented.

11. SOCIAL VALUE, SUSTAINABILITY AND POLICY THEMES

- 11.1 The Supplier will be expected to have in place appropriate internal sustainability policies and procedures; however, this will not be evaluated at this call-off, further competition level.
- 11.2 The Authority will apply the 'Public Services (Social Value) Act 2012' to secure wider social, economic and environmental benefits from the work conducted through this contract. Of the social value policy themes set out the Quick Reference Table¹, the Authority considers the following policy areas as the most relevant to this contract and expects the successful bidder to deliver social benefits related to them under the contract:
- 11.2.1 Theme 4: Equal opportunities
- 11.2.2 Theme 5: Wellbeing

12. QUALITY

- 12.1 The Supplier should take into account learning and good practice from the What Works Centre for Local Economic Growth, the NAO, the Green Book¹¹ and Magenta Book¹² techniques.
- 12.2 Where possible, there is a requirement to obtain evaluation evidence at higher than Level 3 on the Maryland Scale.
- 12.3 The Government Social Research (GSR) Publication Protocol requires that social research outputs must be published within three months of receiving the final report. All publications must continue to meet the six-month FOI deadline.
- 12.4 All reporting and guidance produced must be of publishable standard. Reports, papers and guidance are expected to have been proof read before submission to the Customer. Report templates will be provided post contract award.

13. PRICE

¹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/940828/Social-Value-Model-Quick-Reference-Table-Edn-1.1-3-Dec-20.pdf

- 13.1 The maximum budget for this Contract is £60,900 excluding VAT.
- 13.2 Prices are to be submitted via the e-Sourcing Suite Attachment 4 – Price Schedule excluding VAT and including all other expenses relating to Contract delivery.

14. STAFF AND CUSTOMER SERVICE

- 14.1 The Supplier shall provide a sufficient level of resource throughout the duration of the Contract in order to consistently deliver a quality service.
- 14.2 The Supplier's staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Contract to the required standard.
- 14.3 The Supplier shall ensure that staff understand the Authority's vision and objectives and will provide excellent customer service to the Authority throughout the duration of the Contract.

15. SERVICE LEVELS AND PERFORMANCE

- 15.1 The Authority will measure the quality of the Supplier's delivery by:

KPI/SLA	Service Area	KPI/SLA Description	Target
1	Engagement plan and advance papers	Advance papers to be delivered to timescales set out in Paragraph 7.1 of this Statement of Requirements. Provide the Customer and its partners opportunity to be consulted and to sign off reports and guidance.	100%
2	Quality of papers, reports and guidance	Provision of papers, reports and guidance in accordance with the Quality criteria detailed in Section 12 of this Statement of Requirements and meeting the requirements of this tender.	100%
3	Progress Reporting	The customer expects progress reports between Supplier project manager and Customer project manager every 2 weeks, or more frequently if required.	100%

16. PAYMENT AND INVOICING

- 16.1 The payment method for this call-off contract is by bank transfer. The customer will pay the supplier within 30 days of receipt of a valid invoice.
- 16.2 Payment can only be made following satisfactory delivery of pre-agreed certified products and deliverables. These products and deliverables shall be agreed between the customer and the supplier as part of contract discussions once a preferred supplier has been appointed.

- 16.3 Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs. All invoices must be specific to charges agreed at the end of each milestone: other information such as: Purchase Order Number, Project Reference, Period of work and number of days worked, invoiced amount, VAT shall also be included on each invoice.

17. CONTRACT MANAGEMENT

- 17.1 The supplier will be expected to participate in weekly virtual progress meetings and a monthly steering group meeting or if there are particular issues to be addressed.
- 17.2 There will be a final review once outputs have been completed, at which the Steering Group will assess overall progress including the final report.
- 17.3 The supplier will be required to produce a risk management plan and manage appropriately all associated Contract risks in alignment to the plan throughout the Contract duration.
- 17.4 Attendance at Contract Review meetings shall be at the Supplier's own expense.

18. LOCATION

- 18.1 The services will be carried out at the supplier's location.

ANNEX B
Supplier Proposal

REDACTED

Annex C
Price Schedule
REDACTED

Part 2: Contract Terms



Contract Terms v6.0