

Title: Summative Assessment for the ERDF funded Business Transformation programme at ReLondon

Reference: 2021/22 – 16 ERDF Interim and Final Summative Assessment

Invitation to tender

1. Overview

This invitation to tender is issued by ReLondon for the provision of evaluation services for the ERDF funded Business Transformation programme (previously named Advance London).

2. Background to ReLondon

ReLondon is a partnership of the Mayor of London and the London boroughs to improve waste and resource management and transform the city into a leading low carbon circular economy. The city's economic and environmental future depends on a transition to a low-carbon circular economy, and ReLondon works to ensure that London's businesses, local government and communities thrive by helping them make the very best use of resources and materials.

ReLondon is the operating name of the London Waste and Recycling Board.

3. Background to the ERDF Business Transformation Programme

a) Context

The London Infrastructure Plan identified the need to transition London from a 'take-make-dispose' economy to a more circular economy by 2050. The London Waste Recycling Board (LWARB, now training as ReLondon) was tasked with developing the route map to achieve this, targeting job creation and business growth within priority sectors in the capital. Despite this commitment and the predicted benefits to London of transitioning to a more circular economy, there was a gap in the market for a dedicated circular economy business support service in London.

The circular economy has the potential to create up to 12,000 net jobs in London, reduce unemployment and provide a net benefit of £7bn to the capital's economy annually by 2036. SMEs require support to overcome market failures and adopt circular business models to realise the forecast benefits of increased employment opportunities and the potential market innovation the circular economy promotes.

The Circular Economy SME Business Support Programme was designed as a 3 year programme (later extended to 6 years) to complement the development of the strategic agenda for London and was awarded a grant under priority axis 3: Enhancing the Competitiveness of Small and Medium Sized Enterprises, investment priority 3c: Supporting the creation and the extension of advanced capacities for products, services and development.

The programme is primarily targeted at five priority sectors – built environment, food, textiles, electricals and plastics – the focus areas identified within LWARB's circular economy route map published in 2017. The project would deliver three key elements, which together would work to

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achieve LWARB's core objective of promoting the adoption of circular economy business models amongst SMEs in London in order to allow them to adopt more efficient ways of operating, enabling growth and innovation and generating employment opportunities.

The key elements put forward in the application to ERDF were:

- One to one business support to SMEs in London to provide expertise tailored to each SME to address their barriers to adopting a more circular approach and how it will benefit their business.
- Establishing a peer-to-peer support network, initially facilitated by the team with the aim that it will continue to operate beyond the life of the programme, enabling businesses to support each other and share best practice and contacts across London.
- Increase knowledge and capacity of intermediary organisations, to promote circular economy business models, and associated benefits that are available to SMEs, amongst existing SME support providers in London to ensure a legacy for the service beyond the three year project.

The project sought to address a number of market failures, including information and co-ordination failures, externalities, and barriers to entry. The project closely aligned to the London Enterprise Panel's ESIF strategy which advocates boosting the capacity of London's SMEs, improving their resource efficiency and facilitating their access to finance. The project also sought to address market failures that SMEs face, which include knowledge and expertise, access to market and finance and time and resource.

b) Delivery

The programme started delivering direct support to SMEs from May 2017 and, having received a 3 year extension, is due to continue until December 2022¹.

The strategic objectives of the programme, as laid out in the original project application, include:

- Directly supporting SMEs to develop new circular economy products and services.
- Building the productivity, competitiveness, and growth capacity of SMEs within priority sectors in London, through access to networks, sector specific workshops and specialist business support.
- Increasing the growth and competitiveness of SMEs in London through improved access to finance and markets.
- Supporting SMEs within priority sectors to strengthen supply chain relationships through new business models or higher quality products, processes or services.
- Assisting priority sector SMEs to anticipate and respond to changing external factors related to the emergence of the Circular Economy e.g. changes to regulatory regimes and new technological developments.

The method of delivery of support has evolved over the duration of the project. Initially, all SMEs received 121 bespoke consultancy support but as the team's knowledge of SME needs developed, the programme moved to a model of support delivered in 'streams' made up of a combination of 121 and 12-many workshops providing at least 12 hours of support (per ERDF output requirements).

Since 2019, the support streams have been grouped under 3 categories (see website [here](#)):

¹ Note: Discussions are currently underway to extend this for a further 3-5 months. The end date may therefore move to March-May 2023.

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- **Redesign your business** – aimed at SMEs looking to make their business more circular, includes streams made up of 1-2-many workshops on a focus area such as packaging, and the pilot support stream.
- **Validate you model** – aimed at SMEs implementing a circular initiative (either a new start up or an initiative within an existing business). SMEs receive 121 support exploring the business and environmental model and are provided with a “Validation Report” detailing recommendations for strengthening the business.
- **Amplify your impact** – aimed at circular businesses looking to grow, SMEs receive a mix of 121 and 1-2-many support to strengthen their pitch before taking part in meet the buyer/investor events. This category also encompasses a regular investor newsletter, highlighting SMEs raising investment to our network of investors and facilitating introductions.

Support is delivered internally by a team of business advisors with the help of an engagement team that build the pipeline of new SMEs and maintain the relationship with SMEs after the main support package has been delivered. Once a business has completed a support stream, they remain within the programme network and are able to access further support on an ad hoc basis such as small research projects, brokerage, signposting to other support, workshops and networking events.

Additional support

It is worth noting that the Business Transformation team has been able to leverage the success of the ERDF-funded advisory support service to secure other sources of funding to support more SMEs through the ERDF programme:

- Grants

Funding from external sources has allowed us to offer circular pilot grants to SMEs which have been combined with a package of ERDF-funded advisory support to ensure that the SMEs get the most success from their grant funding.

- Matchmaking platform

We have also received funding to develop a directory and matchmaking platform for circular SMEs which will become part of the ERDF programme’s offerings, further facilitating the peer to peer and brokerage support.

c) ERDF outputs and targets

Specific ERDF output targets for the project are:

Output	Definition	Target	Progress as at Jun 21 (most recent claim)
P13	Number of enterprises receiving information, diagnostic and brokerage support	240	219
C1	Number of enterprises receiving support	192	154
C4	Number of enterprises receiving non-financial support	192	154
C29	Number of enterprises supported to introduce new to the firm products	75	48
C8	Employment increase in supported enterprises	120	76

C5	Number of new enterprises supported	18	16
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d) SMEs supported by the programme

The ERDF programme's portfolio of SMEs as at Dec 21 is made up of 281 registered SMEs (including approx. 40 that have since become inactive) made up of 55.2% start-ups (0-2 years). 63.7% of the entire portfolio are already circular businesses that are trying to scale. The spread of SMEs across our target sectors is as follows:

- Built Environment – 18.2%
- Food – 29.9%
- Textiles – 21%
- Plastics – 12.5%
- Electrical – 5.0%
- Other – 13.5%

The programme is able to make available a range of baseline data collected from each beneficiary at the date of registration to the programme including as required for the summative assessment data monitoring submissions such as number of employees, turnover, R&D spend, new products launched, equality data (optional).

As described above, once SMEs have completed a support stream, they remain in the programme and accumulate support time. The below tables should give you an idea of the sample size available for the programme as a whole and for the different support streams implemented from 2019

Hours of support provided as at Dec 2021

Hours of support	Number of SMEs	Type of support (guide only)
<12	116	Intro workshops and networking only (or stream in progress ~34)
12-20	75	Support streams
21-50	60	Support streams + supplementary support
51-100	26	Varying degrees of in-depth consultancy support
101+	4	

Number of SMEs completing support streams (since 2019)

Type of support	Number of SMEs*
Redesign Your Business (Sustainable packaging, Circular food businesses, circular pilots)	23 (34 pilots in progress)
Validate Your Model	23
Amplify Your Impact (Meet the investor/buyer)	20

*includes only SMEs joining the programme for the first time through a stream, SMEs already registered to the programme have the option of joining streams when it will provide value.

3. The Specific Requirements

The ERDF programme will soon enter its final year of delivery and we are seeking support to deliver the end-of-project summative assessment in three parts:

a) Define impact measurement and project plan

Bidders are required to submit their methodology and overall plan for the interim and final summative assessments as part of their tender. However, early on, we would like the contractor to work closely with the team to define and agree how best to measure the impact of the programme, using the original logic model created in 2017 as a starting point and expanding on it in such a way that meets the requirements of the ERDF summative assessment guidance and ReLondon's priorities and ambitions for the future.

In addition, having familiarised themselves with the programme, the successful contractor should provide a detailed plan of delivery so the team is fully aware of when activities will take place, and importantly, resourcing requirements from the team.

b) Interim assessment

The successful contractor will be required to carry out an initial light touch assessment of the impact of the project so far with identification of areas of good practice and recommendations on how to improve the project's delivery and impact. The interim evaluation will take place between January and March 2022 and should include the development and deployment of a questionnaire to a selection of SME participants, the results of which will be analysed by the bidder. The interim evaluation should be smaller than the summative assessment and should result in a report containing recommendations for improvements or continuance of good practices identified. These recommendations should enable the project to evolve between the close of the interim evaluation and the beginning of the final summative assessment.

c) Final summative assessment

The successful contractor will be required to carry out the final assessment of the impact of the entire programme from start to finish (including the period covered by the interim assessment). The bidder is required to develop a methodology for the summative assessment, based on the ERDF guidance documents, to be delivered during Jan-Mar 2023. The summative assessment should assess how well the project has performed against its objectives, to what degree the project has had an impact on the SMEs supported through its delivery and provide a summary of further improvements to be made should the project continue.

4. Project Deliverables

a) Written agreement on the approach to impact measurement

Guidance and recommendations should be discussed with relevant members of the BT team and shared with them via email for final sign off on the approach.

b) Summative assessment plan

The summative assessment plan should include:

- Overview of activities and deliverables
- Timeline of delivery
- Requirement for input from the BT team
- Best practice guidance for ensuring a successful assessment process

c) Interim assessment

- Questionnaire for SMEs registered to the programme, sample to be selected based on the approach to impact assessment. Sample size of SMEs to be recommended by bidder to ensure a representative sample, proportionate to a light touch interim assessment.
- Summary and analysis of the outcomes of the questionnaire
- Recommendations for improvements for the remainder of the project

d) Final summative assessment

The final summative assessment should follow and comply with the guidance published by ERDF. Appendix F of the guidance (attached as appendix to this brief) gives information of the report structure.

5. Methodology

Responses to this specification should outline the proposed methodology that will be used to achieve the deliverables of the interim evaluation and summative assessment. Bidders should show how their response complies with the official guidance provided by the ERDF. NB: Appendix C of that guidance deals with the possible impact evaluation methods proposed.

We have identified that a theory-based evaluation method would likely be the best option for the programme due to sample size and complexity of the interventions of the programme. However, we do not insist on this specific methodology, and are keen to consider the best methodology as suggested by the bidder. It is important to note that scoring will not be affected by the type of methodology suggested, only the quality of the tender put forward and evidence that the bidder is able to deliver.

It is important to reiterate that the programme is part-funded through the European Regional Development Fund (ERDF), and as such the methodology for the summative assessment has to follow the guidance published by MHCLG (now DLUHC) (see appendices).

The summative assessment will need to be delivered in accordance with the published ERDF guidance and will need to cover:

- **Relevance and consistency:** the summative assessments must explore the continued relevance and consistency of the project, in light of any changes in policy or economic circumstances during its delivery period.
- **Progress:** the summative assessments will set out the progress of the project against contractual targets, any reasons for under or over performance, and the expected lifetime results.
- **Delivery and management:** the summative assessment must explore the experience of implementing and managing the project and any lessons which have emerged from this.
- **Impacts:** the summative assessment, where possible, must show the economic impact attributable to the project, including both the intended and actual outcomes and impact.
- **Assessing value for money:** the summative assessments must analyse the cost-effectiveness of the project in light of its intended and unintended outcomes and impacts, and hence its value for money.

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We would also like the methodology suggested by the bidder to enable the capture of additional benefits - 'added value' - delivered through the project, such as the ability to leverage further support for circular SMEs off the back of the success of the advisory support programme.

6. Budget

Total budget available for the entire contract is £22,260 +VAT.

7. Timetable for procurement

The timetable below gives an indicative timeline for this project. Bidders are advised that, with the exception of the tender submission date, this timetable is not binding and may be changed if necessary.

Bidders are asked to note the timescale for delivery and in their tender submission they should set out how they propose to complete the work within this timescale and identify key dates where they would expect input from ReLondon.

Milestone	Date
Invitation to Tender issued	17 th Dec 2021
Deadline for clarification questions	7 th Jan 2022
Clarification question responses	12 th Jan 2022
Tender return deadline	21st Jan 2022
Award of contract	31 st Jan 2022
Inception Meeting	w/c 31 st Jan 2022
Estimated dates to be agreed with appointed contractor:	
Agree impact measurement	15 th Feb 2022
Interim assessment	15 th Feb – 15 th Mar 2022
Interim report	31 st Mar 2022
Final summative assessment	Jan-Mar 2023*
Final report	31 st Mar 2023*

*Final report date may change depending on extension awarded to the programme (no later than 31st May 2023)

8. Interface/ Contract management

The project will be managed by the bidder, who will work closely with the Business Transformation Project Manager during the contract.

The successful bidder will be required to attend progress meetings, and ensure strong and clear communication through close liaison with the Project Manager.

There will be an inception meeting at which we will agree the format and frequency of progress reporting, as well as content; likely to include activities underway, complete and planned as well as key risks, issues and decisions.

The Project Manager should have the opportunity to comment on all research instruments and reports, inviting comment from other ReLondon members as needed.

9. Quality of Service

The Service Provider shall provide the services in a competent, timely manner in accordance with recognised industry quality standards. The Service Provider shall ensure an adequate supply of suitably qualified and competent personnel are available to fulfil the requirements of the Contract.

10. Delivery Personnel

ReLondon requires Bidders to nominate key personnel with appropriate skills to perform the service for the duration of the contract.

Bidders shall provide a CV for all key personnel as part of their submission. The CV shall demonstrate the individual's experience, competence and capability and their role in the project and should be no more than 1 side.

The Service Provider shall ensure any changes to the key personnel be undertaken with minimal negative impact to the service and at no additional cost to ReLondon.

ReLondon may at, its discretion, request that the Service Provider remove and replace any Key Personnel from the service that ReLondon considers in any respect unsatisfactory in the delivery and performance of the contract. ReLondon shall not be liable for the cost of replacing any Key Personnel.

11. Submissions

Bidders are requested to submit:

- Details of their suitability to fulfil the contract, how the contract is to be managed and their approach to delivering the required specification within the timeline indicated above. This should include comprehensive method statement, including details of project scope and proposed methodology, delivery approach and milestone plan.
Maximum 8 sides of A4 (excluding project experience, examples and CVs which can be included as an Appendix).
- Please provide three examples of previous work carried out by suggested personnel included in the bid, that best demonstrate understanding of the brief and your ability to deliver high quality reports per its requirements.
- Details of the personnel comprising the Delivery Team, including CVs (should be no more than one side) and a description of their role in delivering the contract.
- A Pricing Schedule giving day rates and anticipated number of days for nominated personnel and showing the anticipated total amount for the project. All costs quoted are to **include VAT and expenses**. Please reference the 3 specific requirements of the contract:
 - a) Define impact measurement and project plan
 - b) Interim assessment
 - c) Final summative assessment

Any clarification questions must be submitted by email to Sarah Beaton at sarah.beaton@relondon.gov.uk by 12pm on 7th January 2022.

Bids must be submitted by email to business@relondon.gov.uk by 5pm on 21st January 2022
For both questions and bids, please use the reference “2021/22 – 16 ERDF Interim and Final Summative Assessment”.

12. Contract

The contract will be formally let by the London Waste & Recycling Board and LWARB’s standard terms and conditions will apply (see appendices).

Travel and Expenses

All fees shall be inclusive of any travel and subsistence incurred to locations in Greater London.

Where additional expenses* are incurred, the following rates will apply:

Hotel accommodation	Value for money must be sought at all times. Officers and Board Members should endeavour to keep costs below £200 per night in Greater London and £175 per night elsewhere. Extras such as newspapers, minibar costs and entertainments will not be reimbursed.
TRAVEL	
Public Transport (Train, tube, tram, bus, light rail)	Actual cost. NB you cannot claim travel from home to your normal place of work or vice versa. Rail travel will be standard class.
Taxis	Only to be used in exceptional circumstances. Actual cost.
Mileage	Private cars may only be used where reasonable public transport is not available and you have a valid business insurance cover. HMRC approved rates are applied.

**additional expenses to be agreed with ReLondon prior to being incurred.*

12. Evaluation

ReLondon must be satisfied that each potential contractor has the appropriate capabilities and resources available to undertake the work to our requirements and provide the necessary services. The process we use to select contractors is a competitive one. Your tender submission will be evaluated by us against the following criteria:

Evaluation criteria	Weighting
Total price as detailed in the Pricing Schedule provided. ²	20%

² This will be assessed by deviation from the lowest compliant tender

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Quality and rigour of the methodological approach	25%
Relevant experience in evaluating ERDF or other EU-funded programmes.	25%
Technical skills, experience and ability of delivery personnel to undertake this evaluation	20%
Understanding of the brief and ReLondon and ERDF requirements.	10%

Scoring	
Outstanding - cannot be faulted	100
Excellent	90
Very good	80
Good	70
Above average	60
Average	50
Below average	40
Poor	30
Very poor	15

13. Acceptance of bids

In issuing this invitation to bid, ReLondon is not bound to accept the lowest or any bid and reserves the right to accept the whole or any specified part of the bid unless the bidder expressly stipulates otherwise.

ReLondon will not enter into discussion with non-selected potential suppliers or justify its decision. Potential suppliers are deemed to have accepted these conditions by the act of submitting their quote. The selected preferred supplier cannot assume they have been granted the contract until a formal contract is signed.

14. Period for which bids shall remain valid

Unless otherwise stipulated by the bidder, bids shall remain valid for 30 days from the closing date for receipt of tenders.

15. Appendices

1. ERDF summative assessment guidance
2. ERDF summative assessment guidance - appendices
3. Output indicator definitions utilised by the programme (version 5)
4. ReLondon Standard Ts&Cs