

## **Invitation to Tender (ITT):**

### **Provision of 360-degree Services**

Reference	<b>FRC2023-035 360 Provision of 360-degree Services</b>
Date	<b>03/04/2023</b>

## 1 Background

The purpose of the Financial Reporting Council (FRC) is to serve the public interest by setting high standards of corporate governance, reporting and audit and by holding to account those responsible for delivering them.

Delivering on our purpose will bring a variety of benefits. Improved outcomes, created by each of our regulatory activities are shown in the circle; each of which can positively reinforce others in the circle and contribute to overall benefits for a wide range of stakeholders such as greater transparency, increased trust in UK markets and a lower cost of capital for companies. Our direct stakeholders include companies, institutional investors, auditors, actuaries, accountants and their respective professional bodies. Our indirect stakeholders include retail shareholders, suppliers, employees, customers, communities, pensioners and savers, and financial institutions, all of whom have an interest in the health of companies and other organisations within our existing and future regulatory scope and in the success of the UK corporate sector as a whole.



The FRC is a public body, and a partner body of BEIS. Although funded by member and levy contributions, not by the taxpayer, the FRC is subject to public sector requirements and engages closely with other regulators and public bodies.

To support the FRC's plan and act in the public interest the FRC's core objectives are to:

- Set high standards in corporate governance and stewardship, corporate reporting, auditing and actuarial work, and assess the effectiveness of the application of those standards, enforcing them proportionately where it is in the public interest.
- Promote improvements and innovation in the areas for which we are responsible, exploring good practice with a wide range of stakeholders.
- Influence international standards and share best practice through membership of a range of global and regional bodies and incorporate appropriate standards into the UK regulatory framework
- Promote a more resilient audit market through greater competition and choice.
- Transform the organisation into a new robust, independent, and high-performing regulator, acting in the public interest.

## 2 Project Requirements

### 2.1 Purpose & Background

The FRC promotes transparency and integrity in business by setting codes and standards for accounting and actuarial work reviewing the quality of corporate reporting and audit: and taking enforcement action where necessary. The teams at FRC comprises of high calibre individuals who work in a collaborative and professional manner. The FRC acknowledges that a range of leadership capabilities are required to support the needs of the individuals and organisation. Those leadership capabilities included: -

- Leading and Managing Change
- Delivery focused and accountable for making evidence-based decisions
- Developing People

Developing People is a vital area that the FRC are hugely committed to. The FRC has a suite of tools and protocols to support the development of our people including (but not limited to) induction training, corporate training, coaching, ongoing video training, work shadowing, mentoring, professional qualification and volunteering.

In 2022 we refreshed the FRC's leadership capabilities framework to further include:

- Strategic and system thinking
- Inspirational, inclusive and visible leadership
- Being collaborative and making connections across the FRC and external environment

To further support the extensive programme of developing people tools we are seeking to work with a specialist provider to 360-degree (360°) services. The 360 review process (i.e. obtaining feedback on an employees performance and development needs from their colleagues, manager and others who interact with them regularly) will help to meet the FRC's aim of measuring how our leadership capabilities are being role modelled, embedded and demonstrated in practice across our organisation (and to provide efficient, thorough, and accurate assessment of performance).

### 2.2 Scope overview

The core scope of requirement is a 360° survey tool that will help the FRC to assess whether our leadership cadre are demonstrating FRC capabilities by obtaining 360 degree feedback from a range of colleagues (at present the focus will be internal colleagues however the survey tool should have the capability to survey external stakeholders).

The number of FRC leadership cadre (job level 5 and above) at present is 70 however this is anticipated to grow by 10% year on year.

The FRC are seeking to engage an expert provider who will provide a managed service to (for example) create the questionnaire, manage the results through their own tool and provide 1:1 briefings to the FRC staff being rated through the 360 degree feedback process.

The management competencies which underpin the questionnaires will be provided by the FRC based on our Leadership capability model (see overleaf).

We are seeking to work with a specialist for two years (with an option to extend).

### Leadership capability model

Leading and Managing Change	Developing People	Inspirational, inclusive and visible leadership
<ul style="list-style-type: none"> <li>Recognise how their role and the role of their team supports the vision and priorities of the FRC</li> <li>Clear on the organisational priorities and builds commitment to change</li> <li>Continually looks for ways to embed, monitor and evaluate change</li> <li>Visible in communicating change to their team</li> <li>Encourages innovation, continuous improvement and new ways of working</li> <li>Navigates credibly through uncertainty</li> </ul>	<ul style="list-style-type: none"> <li>Approachable, open to feedback, demonstrates active listening and coaching and helps with objective setting</li> <li>Readily shares information where possible and ideas and shows commitment to learning and continuous knowledge and professional development</li> <li>Develops themselves and colleagues against current and future priorities</li> <li>Makes it possible for colleagues to do their best work and have ownership for it</li> <li>Builds resilience to support the wellbeing of others</li> </ul>	<ul style="list-style-type: none"> <li>Leaders are at their best when authentic, self aware and open to challenge</li> <li>Uses coaching/and or (reverse) mentoring to support growth</li> <li>Adapts leadership style to circumstance</li> <li>Speak up when they witness inappropriate behaviour and confident to have difficult conversations</li> <li>Leaders act fairly, value diversity, and actively promote inclusion</li> <li>Communicate effectively both in drafting and verbal communication</li> <li>Acts as a role model demonstrating FRC values and behaviours</li> </ul>
Strategic and system thinking	Delivery focused and accountable for making evidence-based decisions	Being collaborative and making connections across the FRC and external environment
<ul style="list-style-type: none"> <li>Aligns goals to the strategic priorities of the organisation and communicates this to the team</li> <li>Able to create strategy and develop it • Knows when to keep it broad and strategic and when to go into the detail</li> <li>Sees the bigger picture, a thought leader and not afraid to take risks</li> <li>Grasps the complexity, ambiguity and interplay of the internal and external environment</li> <li>Appreciation of the FRC wider role and the public interest</li> </ul>	<ul style="list-style-type: none"> <li>Take ownership for the delivery of results, and stewards' resources effectively in line with managing public money expectations • Takes a risk-based approach to delivering outcomes and puts in place effective governance arrangements • Recognises the value of research, data, advice, and benchmarking to inform decision making • Utilises project management principles in planning and delivering work</li> </ul>	<ul style="list-style-type: none"> <li>Encourages a broad range of people to work together and develop solutions</li> <li>Able to identify key stakeholders quickly and build strong relationships</li> <li>Encourages multi disciplinary team working</li> <li>Builds rapport with internal and external stakeholders</li> </ul>

### 2.3 Our requirement & the key supplier deliverables

The FRC's core requirement is to be able to measure the demonstration and role modelling of FRC leadership capabilities.

We therefore anticipate the Supplier's activities / deliverables will included (but not be limited to):-

- Through the use of technology make provision for nominated individuals to rate FRC employees against the 6 FRC leadership capabilities. The supplier must be able to adapt their technology to take account and measure FRC leadership capabilities. It is expected that 15 individuals will need to be rated during 2023, 20 individuals during 2024, and 25 FRC employees being rated in 2025;
- After individuals have been rated, the supplier should provide a written report based on the inputs from the 360 questionnaire for the employee and team leader to review;
- To provide 1:1 verbal feedback briefings so that employees being rated know their strengths and development areas against each of the 6 FRC capabilities and are offered suggestions/actions about how they can improve based on industry best practice;
- There is an immediate requirement to review 15 staff early in the new financial year i.e. by the end of June 2023

### 2.4 Liaison arrangements

The successful Supplier will liaise with the FRC's Lead Diversity & Inclusion and Talent Development Manager (alongside other key stakeholders such as the FRC's Chief of People and Executive Directors).

### 2.5 Cost

The tenderer should provide a fee for the Services. You should provide a clear breakdown of costs. This is a two year contract with the option to extend for a further two years.

## 2.6 Your tender response

You should submit one proposal (using the provided Tender response document) addressing how you meet / propose to meet the FRC's Requirements.

	<b>Our Requirement</b>	<b>You should demonstrate</b>
1	Management of the contract inclusive of Experience / Transferrable skills (20%)	We are seeking to work with a provider that has sufficient experience to fulfil the FRC requirement complemented with a good approach to managing the relationship / contract.  Please outline your transferable experience that your organisation will bring to delivering this requirement and how your proposed management will lead successful outcomes.
2	Managed Service (40%)	We are seeking a managed services to deliver this requirement. Please details the core (and complementary) activities that form apart of your managed services offering (indicating specific crossover / where input is required from the FRC).
3	Bespoke questions (10%)	We are seeking the successful provider to design bespoke competency questionnaire based around our Leadership capability model. Please (a) outline the approach you would take, (b) provide an example of two questions and (c) indicate the ongoing approach to ensure questions remain fit for purpose.
4	Cost (30%)	Your proposal must <ul style="list-style-type: none"> <li>• Provide a clear breakdown of costs.</li> </ul>

## 2.7 Tender evaluation

Bids will be scored on your ability to meet our requirements using the scoring approach: -

<b>Score</b>	<b>Criteria for awarding score</b>
0	<b>Unacceptable</b> Does not satisfy any part of the requirement. Does not comply with and/or insufficient information provided to demonstrate that the bidder has the ability, understanding, experience, skills, resource and quality measures required to provide the services, with little or no evidence to support the response.
25	<b>Poor</b> Satisfies only minor aspects of the requirement. Or can carry out some or all of the required services but not to a sufficient standard. Strong concerns over relevant ability, understanding, experience, skills, resource, and quality measures required to provide the services.
50	<b>Fair</b> Satisfies part of the requirement only, not the full requirement. Or can carry out all required services but not to a sufficient standard. Minor Concerns over relevant ability, understanding, experience, skills, resource, and quality measures required to provide the services.
75	<b>Good</b> Satisfies the requirement, with minor additional benefits. Supplier has the relevant ability, understanding, experience, skills, resource and quality measures required to provide the services, but the supplier has also provided relevant innovative methodology, or relevant added value services which will directly enhance the service required, giving minor additional benefit to FRC.
100	<b>Excellent</b> Satisfies the requirement, with major additional benefits. Supplier has the relevant ability, understanding, experience, skills, resource and quality measures required to provide the services, but the supplier has also provided relevant innovative methodology, or relevant added value services which will directly enhance the service required, giving major additional benefit to FRC.



### Questions & Clarifications

- Tenderers may raise questions or seek clarification regarding any aspect of this further competition at any time prior to the tender clarification deadline.
- Tenderers may raise questions or seek clarification within the timeframe by sending questions to [procurement@frc.org.uk](mailto:procurement@frc.org.uk) in the following format.

Nature of query / clarification	Query / Clarification

- FRC will not enter into exclusive discussions regarding the requirements of this ITT with tenderers.
- To ensure that all tenderers have equal access to information regarding this tender opportunity, FRC will publish all its responses to questions raised by Tenderers on an anonymous basis.
- Responses will be published in a questions and answers document to all Tenderers who have indicated that they wish to participate.

### Tender process timeline

DATE/TIME	ACTIVITY
<b>03/04/2023</b>	Publication of the Invitation to Tender
<b>11/04/2023 before 4.00pm</b>	Supplier's Deadline to submit clarification questions
<b>12/04/2023</b>	FRC's Deadline for publication of responses to clarification questions FRC will endeavour to meet this deadline
<b>19/04/2023 by 4.00pm</b>	Deadline for supplier submission of tender to the FRC.
<b>26/04/2023</b>	Shortlisted suppliers advised
<b>w/c 01/05/2023</b>	Supplier tender clarification session (if required) <i>Provisionally</i>
<b>w/c 08/05/2023</b>	Tender Outcome

### 3. Conduct

- 3.1.1. The tenderer must not communicate to any person the tender price, even approximately, before the date of the contract award other than to obtain, in strict confidence, a price for insurance required to submit the tender.
- 3.1.2. The tenderer must not try to obtain any information about any other person's tender or proposed tender before the date of the contract award.
- 3.1.3. The tenderer must not make any arrangements with any other person about whether or not they should tender, or about their tender price.

- 3.1.4. The tenderer must not offer any incentive to any member of FRC's staff for doing or refraining from doing any act in relation to the tender.
- 3.1.5. If the tenderer engages in any of the activities set out in this paragraph or if FRC considers the tenderer's behaviour is in any way unethical FRC reserves the right to disqualify the tenderer from the procurement.
- 3.1.6. The tenderer represents and warrants that a conflicts of interest check has been carried out, and that check revealed no conflicts of interest.
- 3.1.7. Where a conflict of interest exists or arises or may exist or arise during the procurement process or following contract award the tenderer must inform the FRC and submit proposals to avoid such conflicts.
- 3.1.8. Tenderers must obtain for themselves at their own responsibility and expense all information necessary for the preparation of tenders. The FRC is not liable for any costs incurred by the tenderer as a result of the tendering procedure. Any work undertaken by the tenderer prior to the award of contract is a matter solely for the tenderer's own commercial judgement.

#### **4. Due Diligence**

- 4.1.1. While reasonable care has been taken in preparing the information in this ITT and any supporting documents, the information within the documents does not purport to be exhaustive nor has it been independently verified.
- 4.1.2. Neither FRC, nor its representatives, employees, agents or advisers:
  - makes any representation or warranty, express or implied, as to the accuracy,
  - reasonableness or completeness of the ITT and supporting documents;
  - or
  - Accepts any responsibility for the adequacy, accuracy or completeness of the information contained in the ITT and supporting documents nor shall any of them be liable for any loss or damage, other than in respect of fraudulent misrepresentation, arising as a result of reliance on such information or any subsequent communication.
- 4.1.3. It is the tenderer's sole responsibility to undertake such investigations and take such advice, including professional advice, as it considers appropriate in order to make decisions regarding the content of its tenders and in order to verify any information provided to it during the procurement process and to query any ambiguity, whether actual or potential.
- 4.1.4. It is a requirement that the successful supplier (i) comply with all applicable laws and regulations including, without limitation, the Bribery Act 2010, the Equality Act 2010 and the Modern Slavery Act 2015; and (ii) in addition to any contractual requirement(s), inform the FRC immediately upon becoming aware of any event (including actual or threatened court proceedings) which may impact



upon the reputation of the FRC, whether or not connected with the Supplies and/or Services.

## **5. Submitting a Tender**

- 5.1.1. Tenderers must submit their tender response within the deadline to [procurement@frc.org.uk](mailto:procurement@frc.org.uk).
- 5.1.2. Where a Tender Response Template is provided, potential providers must align their tender response with that format.
- 5.1.3. A Tender must remain valid and capable of acceptance by the Authority for a period of 90 days following the Tender Submission Deadline. A Tender with a shorter validity period may be rejected.

## **6. Evaluation**

- 6.1.1. FRC will award the contract on the basis of the tender which best meets the evaluation criteria aligned to the requirements.

## **7. Acceptance of Tender & Notification of Award**

- 7.1.1. FRC reserves the right to amend, add to or withdraw all or any part of this ITT at any time during the procurement.
- 7.1.2. FRC shall not be under any obligation to accept the lowest price tender or any tender and reserves the right to accept such portion or portions as it may decide, unless the tenderer includes a formal statement to the contrary in the tender. FRC also reserves the right to award more than one contract to fulfil the requirement.
- 7.1.3. The tenderer will be notified of the outcome of the tender submission at the earliest possible time.
- 7.1.4. Where the procurement process is subject to EU public procurement directives, a minimum standstill period of 10 calendar days will apply between communicating the award decision electronically to tenderers and awarding the contract.
- 7.1.5. Nothing in the documentation provided by FRC to the tenderer during this procurement or any communication between the tenderer and FRC or FRC's representatives, employees, agents or advisers shall be taken as constituting an offer to contract or a contract. No tender will be deemed to have been formally accepted until the successful tenderer has received a formal contract award letter from FRC.

## **8. Additional Information**

- Tenderers must not undertake any publicity activity regarding the procurement within any section of the media.
- The FRC reserves the right to take up references. You may be required to provide references in the Tender Response Document / upon request. References must be relevant to the FRC requirement and in the last five years
- Please use the attached Tender Response Document for your reply.
- The Terms and Conditions will apply to this proposed Agreement are contained in the Tender Response document and should be accepted with no material changes.