

**FRAMEWORK SCHEDULE 4: LETTER OF APPOINTMENT AND TERMS****Part 1: Letter of Appointment**

UK Health  
Security  
Agency

Dear Sirs/Madams,

**Letter of Appointment**

This letter of Appointment is issued in accordance with the provisions of the Framework Agreement between BEIS and the Supplier dated 1<sup>st</sup> of February, 2020.

Capitalised terms and expressions used in this letter have the same meanings as in the Terms unless the context otherwise requires.

Order Number:	PRO 5707
From:	UK Health Security Agency ("Customer")
To:	Frontier Economics Ltd ("Supplier")

Effective Date:	9 <sup>th</sup> January 2023
Expiry Date:	6 <sup>th</sup> March 2023


Services required:	<p><b>Objective 1:</b> Review the previous work on co-locating benefits of the science hub and review how relevant these benefits are for this additional option.</p> <p><b>Objective 2:</b> Identify further potential economic benefits and disbenefits for the PBC.</p> <p><b>Objective 3:</b> Quantitatively and qualitatively assess the economic benefits and disbenefits identified in objective 2.</p> <p>The project will have two defined stages, with the second stage heavily defined by the findings of the first.</p> <p><u>Stage 1 (objectives 1 and 2) will involve:</u></p> <ul style="list-style-type: none"> <li>Reviewing the previous work on co-locating benefits of the science hub and what benefits from that work can be applied to the new option.</li> </ul>
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	<ul style="list-style-type: none"> <li>• Identifying further economic benefits and disbenefits that can be added to the economic case in the PBC, examples of these options could include: <ul style="list-style-type: none"> <li>○ UKHSA facility resilience,</li> <li>○ Soft power of the Porton site,</li> <li>○ Commercial opportunities,</li> <li>○ Strategic partnerships (for example dstl),</li> <li>○ Risk mitigation of relocating high-containment laboratories,</li> <li>○ Recruitment benefits.</li> </ul> </li> <li>• Alongside identifying potential benefits, each of these benefits should be assessed as to the viability of quantification, with proposed benefits and methods presented to UKHSA, alongside a recommendation as to which benefits to quantify, recognising not all benefits will be able to be quantified. <ul style="list-style-type: none"> <li>○ The work will need to account for possible changes to the SHP that occur prior to the commissioning of this work.</li> </ul> </li> </ul> <p><u>Stage 2 (objective 3) will involve:</u></p> <ul style="list-style-type: none"> <li>• Developing an evidence-based model for the areas of benefits UKHSA approved from stage 1 that can be quantified.</li> <li>• All remaining benefits not quantified will be qualitatively assessed.</li> </ul> <p>Given the nature of the UKHSA's work, UKHSA will endeavour to assist the chosen supplier in the provision of necessary information to answer the research brief, however given UKHSA's responses to current health protection threats, some parts of UKHSA may not be able to provide assistance and information given its constrained resources. Further information will be provided to the chosen supplier, for example, the capabilities in UKHSA and their intended location. Appendix A details an example of some of the information that will be provided to the chosen supplier.</p> <p>The previous PBC for SHP will also be made available to the chosen supplier.</p> <p><b>Deliverables</b></p> <p>Stage 1: slide pack outlining (a) comprehensive longlist of economic benefits (b) framework for prioritisation of high impact benefits (c) short list proposal for further in-depth modelling / quantification</p>
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	<p>Stage 2: report detailing (a) monetised economic benefits in line with Stage 1 proposal (b) explanation of work undertaken (including engagement undertaken, evidence sources used, assumptions, limitations) (c) identification of next steps / further work UKHSA may want to undertake</p> <p><u>Both stages:</u></p> <ul style="list-style-type: none"> <li>• Ensure analysis is consistent with HMT Green Book guidance and appropriate for inclusion in the PBC (consulting with project team as appropriate).</li> <li>• In both stages, underlying source data, spreadsheets and models should be provided to UKHSA.</li> </ul> <p>Ensure that outputs meet the future needs of end users and incorporate options for learning for the UKHSA team where appropriate and necessary (e.g., explaining analysis at key stages), and minimise the need for repeat consultation.</p> <p>All work will be signed off by UKHSA authorised personnel as acceptable.</p>
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Key Individuals:	<div style="background-color: black; width: 150px; height: 1.2em; margin-bottom: 2px;"></div> <div style="background-color: black; width: 100px; height: 1.2em;"></div>
[Guarantor(s)]	N/A

Call Off Contract Charges (including any applicable discount(s), but excluding VAT):	£30,000.00
Insurance Requirements	<p>Additional public liability insurance to cover all risks in the performance of the Contract, with a minimum limit of £1 million for each individual claim ]</p> <p>Additional employers' liability insurance with a minimum limit of £500,000 indemnity</p> <p>Additional professional indemnity insurance adequate to cover all risks in the performance of the Contract with a minimum limit of indemnity of £1 million for each individual claim.</p> <p>Product liability insurance cover all risks in the provision of Deliverables under the Contract, with a minimum limit of £1 million for each individual claim</p>
Customer billing address for invoicing:	<div style="background-color: black; width: 150px; height: 1.2em; margin-bottom: 2px;"></div> <p>Accounts Payable;</p> <p>UK Health Security Agency, Manor Farm Road,</p>

	Porton Down, Salisbury, SP4 0JG UKHSA VAT No: GB888851648 
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Alternative and/or additional provisions:	N/A
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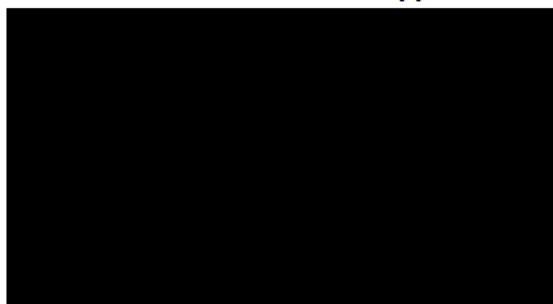
**FORMATION OF CALL OFF CONTRACT**

**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 Terms.

The Parties hereby acknowledge and agree that they have read this letter and the Terms.

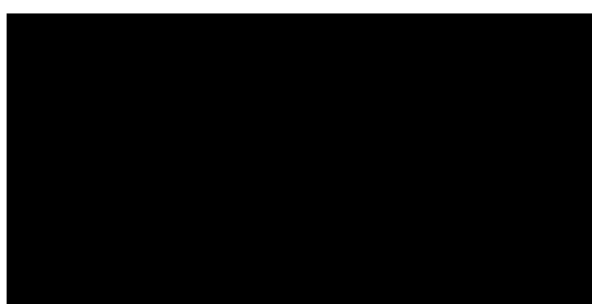
The Parties hereby acknowledge and agree that this Contract shall be formed when the Customer acknowledges (which may be done by electronic means) the receipt of the signed copy of this letter from the Supplier within two (2) Working Days from such receipt.

**For and on behalf of the Supplier:**



Date Signed: 25/01/2023

**For and on behalf of the Customer:**



Date Signed: 25/01/2023

## Annex D: Order Form

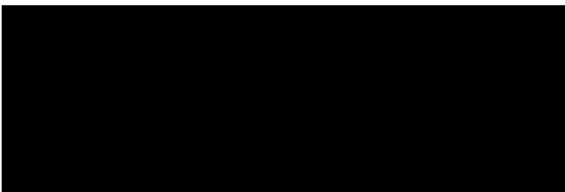
This should include;

Annex A – Customer Project Specification


Annex B – Supplier Proposal

Part 2 – The Terms as set out in this Framework Schedule 4 (Letter of Appointment and Terms) shall apply to this Contract.

### FROM

<b>Customer</b>	UK Health Security Agency
<b>Service Address</b>	Nobel House, 17 Smith Square, London SW1P 3HX
<b>Invoice Address</b>	UK Health Security Agency, Manor Farm Road, Porton Down, Salisbury SP4 0JG
<b>Contact Ref:</b>	
<b>Order Number</b>	To be quoted on all correspondence relating to this Order:
<b>Order Date</b>	

### TO

<b>Supplier:</b>	Frontier Economics Ltd
<b>For the attention of:</b> <b>E-mail</b> <b>Telephone number</b>	

<b>Address</b>	Mid City Place, 71 High Holborn, London, WC1V 6DA
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## 1. SERVICES REQUIREMENTS

**Objective 1:** Review the Frontier work on co-locating benefits of the Science Hub and review how relevant these benefits are for this additional option.

**Objective 2:** Identify further potential economic benefits and disbenefits for the PBC.

**Objective 3:** Quantitatively and qualitatively assess the economic benefits and disbenefits identified in objective 2.

The project will have two defined stages, with the second stage heavily defined by the findings of the first.

Stage 1 (objectives 1 and 2) will involve:

- Reviewing the Frontier work on co-locating benefits of the science hub and what benefits from that work can be applied to the new option.
- Identifying further economic benefits and disbenefits that can be added to the economic case in the PBC, examples of these options could include:
  - UKHSA facility resilience,
  - Soft power of the Porton site,
  - Commercial opportunities,
  - Strategic partnerships (for example dstl),
  - Risk mitigation of relocating high-containment laboratories,
  - Recruitment benefits.
- Alongside identifying potential benefits, each of these benefits should be assessed as to the viability of quantification, with proposed benefits and methods presented to UKHSA, alongside a recommendation as to which benefits to quantify, recognising not all benefits will be able to be quantified.
  - The work will need to account for possible changes to the SHP that occur prior to the commissioning of this work.

Stage 2 (objective 3) will involve:

- Developing an evidence-based model for the areas of benefits UKHSA approved from stage 1 that can be quantified.
- All remaining benefits not quantified will be qualitatively assessed.

Given the nature of the UKHSA's work, UKHSA will endeavour to assist the chosen supplier in the provision of necessary information to answer the research brief, however given UKHSA's responses to current health protection threats, some parts of UKHSA maybe not able to provide assistance and information given its constrained resources. Further information will be provided to the chosen supplier, for example, the capabilities in UKHSA and their intended location. Appendix A details an example of some of the information that will be provided to the chosen supplier.

The previous Programme Business Case for SHP will also be made available to the chosen supplier.

### **Deliverables**

Stage 1: slide pack outlining (a) comprehensive longlist of economic benefits (b) framework for prioritisation of high impact benefits (c) short list proposal for further in-depth modelling / quantification

Stage 2: report detailing (a) monetised economic benefits in line with Stage 1 proposal (b) explanation of work undertaken (including engagement undertaken, evidence sources used, assumptions, limitations) (c) identification of next steps / further work UKHSA may want to undertake

All work and deliverables will be signed off by UKHSA authorised personnel as acceptable.

### **Both stages:**

- Ensure analysis is consistent with HMT Green Book guidance and appropriate for inclusion in the PBC (consulting with project team as appropriate).
- In both stages, underlying source data, spreadsheets and models should be provided to UKHSA.

Ensure that outputs meet the future needs of end users and incorporate options for learning for the UKHSA team where appropriate and necessary (e.g., explaining analysis at key stages), and minimise the need for repeat consultation.

**(1.2) Commencement Date:** 9<sup>th</sup> January 2023

**(1.3) Price Payable by Customer**

[REDACTED]	
TOTAL (Exc. VAT)	30,000
TOTAL (Inc. VAT)	36,000

**(1.4) Completion Date:** 6<sup>th</sup> March 2023

**2 ADDITIONAL REQUIREMENTS**

**(2.1) Supplemental Requirements in addition to Call-Off Terms and Conditions:**

N/A

**(2.2) Variations to Call-Off Terms and Conditions**

N/A

**3. PERFORMANCE OF THE SERVICES [AND DELIVERABLES]**

**(3.1) Key Personnel of the Supplier to be involved in the Services [and deliverables]:**

[REDACTED]  
[REDACTED]  
[REDACTED]

**(3.2) Performance Standards**

Performance of this contract will be managed via weekly meetings.

Reports will be signed off by

[REDACTED]  
[REDACTED]



**(3.3) Location(s) at which the Services are to be provided:**

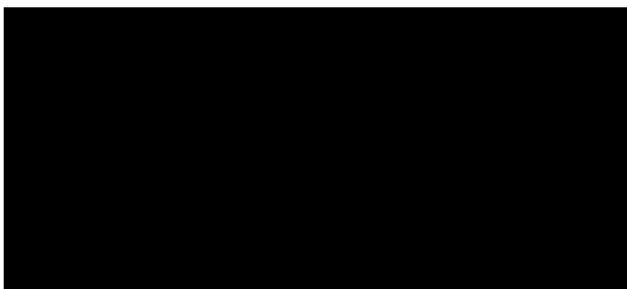
N/A

**(3.4) Quality Standards****(3.5) Contract Monitoring Arrangements****4. CONFIDENTIAL INFORMATION****(4.1) The following information shall be deemed Commercially Sensitive Information or Confidential Information:-**

(4.2) Duration that the information shall be deemed Commercially Sensitive Information or Confidential Information

**BY SIGNING AND RETURNING THIS ORDER FORM THE PROVIDER AGREES** to enter a legally binding contract with the Customer to provide the Service specified in this Order Form together with, where completed and applicable, the mini-competition order (additional requirements) set out in section 2 of this Order Form. Incorporating the rights and obligations in the Terms and Conditions set out in the Framework Agreement entered into by the Provider and BEIS and any subsequent signed variations to the terms and conditions.

For and on behalf of the Supplier-



Date Signed: 25/01/2023

For and on behalf of the Customer-



Date Signed: 25/01/2023

**ANNEX A**  
**Customer Project Specification**  
*Insert Customer Specification Here.*

**ANNEX B**  
**Supplier Proposal**

*Insert Supplier Proposal Here.*

We generally agree with the scope of work specified but aware of the short timescale and resources we propose prioritising the following deliverables:

- Stage 1: slide pack outlining (a) comprehensive longlist of economic benefits (b) framework for prioritisation of high impact benefits (c) short list proposal for further in-depth modelling / quantification
- Stage 2: report detailing (a) monetised economic benefits in line with Stage 1 proposal (b) explanation of work undertaken (including engagement undertaken, evidence sources used, assumptions, limitations) (c) identification of next steps / further work UKHSA may want to undertake

We will work with you to deliver these. Based on your proposed scope of work we would note the following.

On the long list, our main additional thought is that we could put a structure around the types/categories of benefits rather than simply have a long list of all possibilities.

In terms of the main analysis of the potential costs/risks from aging infrastructure, we can draw on our experience in order to develop it. We will need to have some discussions with the right people about the precise nature of the aging infrastructure, evidence for that and its consequences. We need the evidence base on which to then build the possible benefits. It may be, for example, documentation from maintenance backlogs, risk registers, delays in important programmes caused by infrastructure etc. We will almost certainly need to speak to people about that, what does 'do nothing' look like and about the consequences in order to properly frame the analysis of benefits. Those discussions are likely needed in the first half of January. That might need discussions with those who understand the equipment/infrastructure issues as well as those who understand the scientific work/discovery activities (if they are different people).

We think we could develop the evidence base (combined qual and quant) in the way you suggest below within an initial budget of £30k (plus VAT) that you indicated was available. That is very likely to still leave some questions unanswered or further work to develop the evidence to the point where it can be used in a full business case. That may be something that gets picked up by your team internally, by us or a combination post-March.

Given your timelines, we suggest a more detailed kick-off/planning session with you and the team either the week of 12<sup>th</sup> December or 19<sup>th</sup> or 20<sup>th</sup> December. There is a certain amount on the definition of benefits that we may be able to iterate by email if getting together pre-January is challenging. Either way we should almost certainly put in a meeting for early January (maybe 5<sup>th</sup> or 6<sup>th</sup>) and also seek to identify the people to speak to along the lines mentioned above (about infrastructure and

science) the weeks of 9<sup>th</sup> and 16<sup>th</sup> January and get that in diaries.

**Part 2: Terms**

*Insert signed and completed Call Off Contract here.*