

DPS FRAMEWORK SCHEDULE 4: LETTER OF APPOINTMENT AND CONTRACT TERMS

Part 1: Letter of Appointment

PricewaterhouseCoopers LLP,
REDACTED

Dear REDACTED

Letter of Appointment for the provision of Economic Benefits of Hosting COP26

This letter of Appointment dated 20/07/2020, 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:	To be provided post Contract Award
From:	Cabinet Office
To:	PricewaterHouseCooper LLP

Effective Date:	The Contract will be for a one (1) year period effective from 10 th August 2020
Expiry Date:	End date will be 9 th August 2021 , with no option to extend.

Services required:	Set out in Section 2, Part B (Specification) of the DPS Agreement and refined by the Customer's Project Specification attached at Annex A and the Supplier's Proposal attached at Annex B.
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Key Individuals:	Customer: Cabinet Office REDACTED Supplier: PricewaterhouseCoopers LLP REDACTED Sub-Contractor: REDACTED
Guarantor(s)	Not Applicable

Contract Charges (including any applicable discount(s), but excluding VAT):	Schedule 6 – Annex 1 – Contract Charges For the avoidance of doubt the total contract value shall not exceed £92,161.00 (excluding VAT but inclusive of all expenses).
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
Liability Requirements	Suppliers limitation of Liability (Clause of the Contract Terms);
Customer billing address for invoicing:	Cabinet Office - REDACTED

GDPR	Contract Terms Schedule 7 (Processing, Personal Data and Data Subjects
Alternative and/or additional provisions (including Schedule 8(Additional clauses)):	Not Applicable

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:

Signature:

Date:

Date:

Customer Project Specification

1. PURPOSE

- 1.1 Hosting the 26th Conference of the Parties to the UNFCCC (COP26) in Glasgow will be a significant investment for the UK Government. Research is required to help identify, describe and, where possible, quantify the economic benefits of hosting COP26 in Glasgow, the wider region and the UK. This analysis will guide planning for the conference, inform lessons learnt, and help ensure value for money for the UK taxpayer.

2. BACKGROUND TO THE CONTRACTING AUTHORITY

- 2.1 The Cabinet Office (CO) supports the Prime Minister and ensures the effective running of Government. It has responsibility for supporting collective government, helping to ensure the effective development, coordination and implementation of policy and the Government's programme.
- 2.2 The recently formed COP26 Unit in the Cabinet Office is responsible for delivering one of the Prime Minister's top priorities: the 26th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP26), which is to be held in Glasgow in November 2021.
- 2.3 Cabinet Office may be referred to as the Authority / Contracting Authority for the remainder of this document.

3. BACKGROUND TO REQUIREMENT/OVERVIEW OF REQUIREMENT

- 3.1 United Nations Framework on Climate Change (UNFCCC): Adopted in 1992, the United Nations Framework Convention on Climate Change (the Convention) has the objective to achieve stabilisation of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system.
- 3.2 Conference of the Parties (COP): The Conference of the Parties (COP) is the supreme decision-making body of the Convention. The COP meets every year, unless the Parties decide otherwise. The most significant COP in recent years was COP21 in Paris in 2015, which is estimated to have had around 40,000 participants over two weeks, including negotiators, Ministers, Heads of State, NGOs, businesses, and the media. Alongside the UN negotiations, in recent years there have also been significant 'action zones' where countries, businesses and NGOs are able to showcase work they are doing in their areas of expertise and network with others.
- 3.3 COP26: The 26th Conference of the Parties to the UNFCCC will be held in Glasgow in November 2021. COP26 will be the largest international summit the UK has ever hosted, bringing 30,000 delegates together in Glasgow over a two-week period, alongside the media and wider society, including climate experts, business representatives, campaigners, and entrepreneurs, taking part in the Action Zone and other side events.
- 3.4 Costs and benefits of hosting COP26: Discussions on the costs of hosting COP are currently on-going between the UK Government, the Scottish Government and Glasgow City Council. Previous ¹research indicates that hosting large events also generates economic benefits. The

¹ For example: Economic Impact of Hosting the 2005 G8 Summit at Gleneagles (SQW, 2005); Economic Benefits of Hosting G8 and G20 Summits (University of Toronto, 2010); London 2012 Meta-Evaluation Report 5 Post-Games Evaluation – Economy Evidence Base

Contracting Authority requires external research to help identify, describe and where possible quantify the economic benefits of hosting COP26 to Glasgow, the region and the UK. This analysis will guide planning for the conference, inform lessons learnt, and help ensure value for money for the UK taxpayer.

DEFINITIONS

Expression or Acronym	Definition
COP26	means the 26th Conference of the Parties to the UNFCCC will be held in Glasgow in November 2021.
UNFCCC	means the United Nations Framework on Climate Change.
GVA	means Gross Value Added.
Contracting Authority or the "Authority"	means the Cabinet Office.

1. SCOPE OF REQUIREMENT

- 1.1 The Potential Supplier should focus on economic benefits, for example revenues, gross value added (GVA), employment, wages, trade and investment. Other wider benefits, such as environmental or societal benefits, are excluded from scope of this research.
- 1.2 The Potential Supplier should report benefits to Glasgow, the region and the UK. Global benefits and benefits to other countries are excluded from scope.

2. THE REQUIREMENT

- 2.1 The Contracting Authority requires research from consultants to identify, describe and where possible quantify the economic benefits of hosting COP26 to Glasgow, the region and the UK. This analysis will guide planning for the conference, inform lessons learnt, and help ensure value for money.
- 2.2 As the plans for COP26 develop further, the timeframes and priorities maybe subject to change. Therefore the Authority requires a Supplier that is able to adopt a flexible, constructive and responsive approach.
- 2.3 The Potential Supplier will first be required to set out a qualitative framework that describes intuitively the various channels through which hosting COP26 could lead to economic benefits to Glasgow and the UK. Benefits could be direct, indirect, induced, short-term or long-term in nature. The Supplier will also be required to indicate the elements that could be estimated quantitatively, and describe an appropriate methodology for doing so. Different analytical techniques may be required for estimating different channels. Where benefits are not measurable, at least within the time frame of this study, the Supplier is invited to suggest alternative qualitative means of capturing the benefit.
- 2.4 The kick-off meeting between the Authority and Supplier will agree what quantitative analysis should be taken forward and where qualitative analysis could add value. Authority data (e.g. on public spend), UN data (e.g. actual data from COP24/25) and Authority owned assumptions (e.g. assumed attendance) will be provided at kick-off. Where data cannot be sourced, estimating or extrapolation techniques will be applied.

- 2.5 The Supplier will be expected to provide quantitative estimates, using appropriate economic modelling techniques such as input-output modelling or a viable alternative, of the contribution to the Glasgow, regional and UK economy generated from the following:
- Delegates, officials, media and visitor spending on accommodation, food and drink, transport and excursions; and
 - Public spending on infrastructure increased policing, security, staff and running the event.
- 2.6 These benefits are expected to have an immediate direct impact on the local economy, as well as indirect and induced impacts through supply chains and employment, which may extend beyond Glasgow and the region and have a longer-lasting impact. The Authority will provide the Supplier with relevant assumptions on the cost of hosting the event and the number of attendees.
- 2.7 The Authority is also interested in a wider range of economic benefits beyond those listed above, but recognises that some types of benefit may be more difficult to quantify than others. The Supplier is invited to propose feasible quantitative or qualitative methods, or both, for assessing these types of benefits. The wider range of economic benefits could include the following:
- COP26 will provide a platform for UK businesses to expand their networks and showcase their green goods and services to a global audience, leading to additional business deals, investment and exports.
 - COP26 will trigger other events taking advantage of the international climate community gathering.
 - COP26 will provide Glasgow and the UK with considerable media attention, which could increase their reputation as a sustainable tourism destination in the long run.
 - Negotiated outcomes at COP26 between Governments and/or between private sector operators may increase global demand for low carbon goods and services where the UK has export potential.
- 2.8 The Authority anticipates a number of methodological challenges, which the Supplier will need to address in a robust and defensible way, such as:
- Whether and how to address the issue of displacement (e.g. tourists that cancel or defer their plans on account of the Conference);
 - Whether and how to aggregate quantitative estimates of different channels based on different methodologies or data sources;
 - Whether and how to estimate benefits that may not accrue until the longer term (e.g. on trade and tourism reputation); and
 - Whether and how to establish a meaningful counterfactual.

3. KEY MILESTONES AND DELIVERABLES

3.1 The following Contract milestones/deliverables shall apply:

Milestone/Deliverable	Description	Timeframe or Delivery Date
1	Kick-off meeting: The Authority will meet with the Supplier to discuss the requirements and immediate needs. The discussion will build on the Supplier's tender documents, which are expected to include a proposed methodology and delivery plan.	August 2020

2	Draft Interim Report: An early draft report that includes a short literature review on the benefits of hosting large events; a framework that describes the various channels of economic benefits; and a description of how the benefits will be estimated / reported.	September 2020
3	Interim Report: In addition to the above, a robust first assessment of the estimated economic benefits, which will be required to inform on-going planning of the event; this will need to draw out the immediate economic benefits to Glasgow and the region of hosting COP26.	October 2020
3a	Option: Updated Interim Report. It may be necessary to update the interim report closer to the event, if more relevant data and information becomes available.	March 2021 (TBC)
4	Final Report: A publication ready updated version containing final estimates allowing for the incorporation of any additional information generated by the COP26 itself.	August 2021 (Within one year of commencement of contract)

1. MANAGEMENT INFORMATION/REPORTING

- 1.1 The Potential Supplier will be expected to maintain open lines of communication with the Authority throughout the contract period.
- 1.2 Section 7 on key milestones indicates key timescales for reporting, which include initial reporting by end-May, further reporting prior to the COP, and potentially final reporting soon after the COP.
- 1.3 Each key milestone may need to be accompanied by a meeting between the Authority and Supplier, either virtual or in person, for the Supplier to present their work and for the Authority to test the framework and challenge findings.
- 1.4 Any further specific reporting requirements will be discussed at the inception meeting.

2. CONTINUOUS IMPROVEMENT

- 2.1 The Potential Supplier will be expected to continually improve the way in which the required Services are to be delivered throughout the Contract duration.
- 2.2 The Potential Supplier should present new ways of working to the Authority during monthly Contract review meetings.
- 2.3 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.

3. SUSTAINABILITY

- 3.1 Potential Suppliers are invited to outline their climate and sustainability credentials in their bids. The Supplier will be expected to follow best practice and adopt an environmentally sensitive approach throughout the project.

4. QUALITY

- 4.1 The Supplier will be expected to deliver high quality research with analysis that is well-evidenced, draws on best practice, is free from errors and is suitable for external publication.

The Authority expects the Supplier will have internal procedures in place to ensure quality control.

5. PRICE

5.1 As set out in Schedule 6 – Annex 1 – Contract Charges

5.2 For the avoidance of doubt the total contract value shall not exceed £92,161.00 (excluding VAT but inclusive of all expenses).

6. STAFF AND CUSTOMER SERVICE

6.1 The Potential Supplier shall provide a sufficient level of resource throughout the duration of the Contract in order to consistently deliver a quality service

6.2 The Potential Supplier's staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Contract to the required standard.

6.3 The Potential 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.

7. SERVICE LEVELS AND PERFORMANCE

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

KPI/SLA	Service Area	KPI/SLA description	Target
1	Analytical input	Supplier provides analytical input to a high standard, in line with the quality criteria set out in section 11, as measured by the Authority.	100%
2	Responsiveness	Supplier responds constructively to questions and requests by email and phone within 24 hours during the working week.	100%
3	Milestone delivery	Key milestones are delivered to agreed timescales and to sufficient quality as described within section 11.	100%
4	Flexibility	The Supplier is able to adopt a flexible, constructive and responsive approach, recognising that COP26 is a fast moving and evolving project.	100%

The Authority may respond to poor Supplier performance against the above Service Level Indicators with early termination of the Contract.

8. SECURITY AND CONFIDENTIALITY REQUIREMENTS

8.1 Due to the sensitivity of the COP26 event, the Supplier will be required to sign a non-disclosure agreement with the Authority at point of Award.

8.2 This will be in addition to adhering to the security clauses as stated within the terms of the framework agreement – section 15 of attachment 5 – Contract terms.

9. PAYMENT AND INVOICING

9.1 Payment can only be made following satisfactory delivery of pre-agreed certified products and deliverables.

9.2 Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.

9.3 Invoices should be submitted to: Cabinet Office-**REDACTED**

10. CONTRACT MANAGEMENT

10.1 Attendance at the Inception meeting, Contract Review meetings, and all other meetings in relation to this contract shall be at the Supplier's own expense.

11. LOCATION

11.1 The location of the Services will be carried out at a location of the Supplier's choosing. However, the Supplier should be available during UK working hours and the kick-off and other physical meetings will be expected to take place at the **REDACTED**

Supplier Proposal

4.1 Methodology

REDACTED

4.2 Our Experience

REDACTED

4.3 Quality Assurance

REDACTED

5.1 Mobilisation and Delivery Plan

REDACTED

5.2 Climate and Sustainability Policy

REDACTED

5.3 Proposed Team

REDACTED

