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Call Off Order Form for Management Consultancy Services

FRAMEWORK SCHEDULE 4**CALL OFF ORDER FORM AND CALL OFF TERMS****PART 1 – CALL OFF ORDER FORM****SECTION A**

This Call Off Order Form is issued in accordance with the provisions of the Framework Agreement for the provision of **RM3745** dated 4th September 2017.

The Supplier agrees to supply the Services specified below on and subject to the terms of this Call Off Contract.

For the avoidance of doubt this Call Off Contract consists of the terms set out in this Call Off Order Form and the Call Off Terms.

Order Number	PS21052
From	UK Space Agency of Polaris House, North Star Avenue, Swindon, SN2 1SZ ("CUSTOMER")
To	Grant Thornton UK LLP , 30 Finsbury Square, London United Kingdom, EC2A 1AG ("SUPPLIER")

SECTION B**CALL OFF CONTRACT PERIOD**

1.1.	Commencement Date: Monday 2 nd August, 2021
	Expiry Date: End date of Initial Period: Thursday 31 st March 2022 End date of Extension Period: Friday 29 th September 2023 Minimum written notice to Supplier in respect of extension: 30 days

SERVICES

2.1.	Services required: See Annex 4 - Specification. Annexes to the Specification: Annex A: NSIP Grant Funding Agreement Example REDACTED , and Annex B: UKSA Corporate Grant Policy REDACTED are provided as separate attachments
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PROJECT PLAN

3.1.	Project Plan: In Call Off Schedule 4 (Project Plan)
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	See 'PROJ1.2 Service Delivery / Project Work' Plan' at Annex 3 (Within Call-Off Tender)
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CONTRACT PERFORMANCE

4.1.	Standards: Clause 11 Standards and Quality B, C and D of the Call Off Definitions – 'Standards' apply. Conduct and outputs in accordance with Government Grants Functional Standard, and Industry recognised Audit Standards
4.2	Service Levels/Service Credits: Not applied
4.3	Critical Service Level Failure: Not applied
4.4	Performance Monitoring: Not applied
4.5	Period for providing Rectification Plan: In Clause 39.2.1(a) of the Call Off Terms

PERSONNEL

5.1	Key Personnel: REDACTED	For the Supplier: REDACTED
5.2	Relevant Convictions (Clause 28.2 of the Call Off Terms): Not Applied	

PAYMENT

6.1	Call Off Contract Charges (including any applicable discount(s), but excluding VAT): The value of the initial 6 month contract period up until 31/03/2022 is to not exceed £150,000.00 excluding VAT in line with bid price. Pricing thereafter is as per Annex 1 Call-Off Contract Charges
6.2	Payment terms/profile (including method of payment e.g. Government Procurement Card (GPC) or BACS): Payments shall be made upon completion of audits deliverables. No more than one invoice per calendar month, including all other charges as applicable. Payment shall be made via BACS upon receipt of Purchase Order and invoice. In Annex 2 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)

6.3	Reimbursable Expenses: Not permitted
6.4	Customer billing address (paragraph 7.6 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)): UK Space Agency , c/o UK SBS, Queensway House, West Precinct, Billingham, TS23 2NF or e mail REDACTED
6.5	Call Off Contract Charges fixed for (paragraph 8.2 of Schedule 3 (Call Off Contract Charges, Payment and Invoicing)): Call Off Contract charges fixed for the duration of the contract, including extension periods up to a maximum total duration of 25 months.
6.6	Supplier periodic assessment of Call Off Contract Charges (paragraph 9.2 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)) will be carried out on: 31 st August and 28 th February of each Call Off Contract Year during the Call off Contract Period
6.7	Supplier request for increase in the Call Off Contract Charges (paragraph 10 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)): Not Permitted

LIABILITY AND INSURANCE

7.1	Estimated Year 1 Call Off Contract Charges: The sum of £150,000.00 excluding VAT.
7.2	Supplier's limitation of Liability (Clause 37.2.1 of the Call Off Terms); In Clause 37.2.1 of the Call Off Terms
7.3	Insurance (Clause 38.3 of the Call Off Terms): Clause 38.3 of the call off terms

TERMINATION AND EXIT

8.1	Termination on material Default (Clause 42.2.1(c) of the Call Off Terms): In Clause 42.2.1(c) of the Call Off Terms
8.2	Termination without cause notice period (Clause 42.7.1 of the Call Off Terms): In Clause 42.7.1 of the Call Off Terms
8.3	Undisputed Sums Limit: In Clause 43.1.1 of the Call Off Terms
8.4	Exit Management: In Call Off Schedule 9 (Exit Management)

SUPPLIER INFORMATION

9.1	Supplier's inspection of Sites, Customer Property and Customer Assets: Not Applied
9.2	Commercially Sensitive Information: Suppliers Specific Pricing – Annex 1

OTHER CALL OFF REQUIREMENTS

10.1	Recitals (in preamble to the Call Off Terms): Recitals B to E Recital C - date of issue of the Statement of Requirements: Tuesday 18th May 2021 Recital D - date of receipt of Call Off Tender: Tuesday 8th June 2021
10.2	Call Off Guarantee (Clause 4 of the Call Off Terms): Not required
10.3	Security: Select long form security requirements AND BEIS Security Policy – please see in Annex 2 REDACTED
10.4	ICT Policy: See attached document “BEIS Acceptable Usage Policy” REDACTED
10.5	Testing: Not applied
10.6	Business Continuity & Disaster Recovery: Not applied
10.7	NOT USED
10.8	Protection of Customer Data (Clause 35.2.3 of the Call Off Terms):
10.9	Notices (Clause 56.6 of the Call Off Terms): Customer's postal address and email address: UK Space Agency, Polaris House, North Star Avenue, Swindon, SN2 1SZ UKSA Commercial Email contact REDACTED Supplier's postal address and email address: Grant Thornton UK LLP, 30 Finsbury Square, London, United Kingdom, EC2A 1AG, E mail contact REDACTED
10.10	Transparency Reports In Call Off Schedule 13 (Transparency Reports)

10.11	<p>Alternative and/or additional provisions (including any Alternative and/or Additional Clauses under Call Off Schedule 14 and if required, any Customer alternative pricing mechanism):</p> <p>Time and Materials as per Tender.</p> <p>UKSA will own any foreground Intellectual Property Rights for IP generated during the contract.</p> <p>For the avoidance of doubt the terms of this Call-Off Contract including Special Conditions Schedule 10.11 apply to the Contract to the exclusion of all other terms and conditions, including any other terms that the Supplier seeks to impose or incorporate (whether in any quotation (including Call-Off Tender), confirmation of order, in reports, in correspondence or in any other context), or which are implied by trade, custom, practice or course of dealing.</p>						
10.12	<p>Call Off Tender:</p> <p>In Annex 3</p>						
10.13	<p>Publicity and Branding (Clause 36.3.2 of the Call Off Terms)</p> <p>In clause 36.3.2 of the Call Off Terms.</p>						
10.14	<p>Staff Transfer</p> <p>Annex to Call Off Schedule 10, List of Notified Sub-Contractors (Call Off Tender).</p>						
10.15	<p>Processing Data</p> <p>Call Off Schedule 17</p>						
	<ol style="list-style-type: none"> The contact details of the Customer Data Protection Officer is: UKSA Data Protection Officer, UK Space Agency, Polaris House, North Star Road, Swindon SN2 1SZ E mail contact REDACTED The contact details of the Supplier's Data Protection Officer is: REDACTED The Processor shall comply with any further written instructions with respect to processing by the Controller. Any such further instructions shall be incorporated into this Schedule. <table border="1"> <tr> <td>Contract Reference:</td><td>PS21052</td></tr> <tr> <td>Date:</td><td>Monday 2nd August 2021</td></tr> <tr> <td>Description Of Authorised Processing</td><td>Details</td></tr> </table>	Contract Reference:	PS21052	Date:	Monday 2 nd August 2021	Description Of Authorised Processing	Details
Contract Reference:	PS21052						
Date:	Monday 2 nd August 2021						
Description Of Authorised Processing	Details						

	Identity of the Controller and Processor	The Parties acknowledge that for the purposes of the Data Protection Legislation the Parties are independent controllers of Personal Data under this Framework Agreement.
	Use of Personal Data	Managing the obligations under the Call Off Contract Agreement, including exit management, and other associated activities.
	Duration of the processing	For the duration of the Framework Award plus 7 years.
	Nature and purposes of the processing	Processing in order to carry out financial audit of prime grant recipients and their partners; contact, liaise, analyze and evaluate documents/ data containing information on staff/ sub-contractors. Training and liaison with UK Space Agency staff.
	Type of Personal Data	Full name Workplace address Workplace Phone Number Workplace email address Names Job Title Compensation Tenure Information Qualifications or certifications Nationality National insurance number Job title or role Start date End date & reason for termination Contract type Compensation data Record of absence, time tracking & annual leave
	Categories of Data Subject	Grant Recipient employees/ contractors Partner employees/ contractors UK Space Agency employees
10.16	MOD DEFCONs and DEFFORM Call Off Schedule 15 Not used	

FORMATION OF CALL OFF CONTRACT

BY SIGNING AND RETURNING THIS CALL OFF ORDER FORM (which may be done by electronic means) the Supplier agrees to enter a Call Off Contract with the Customer to provide the Services in accordance with the terms Call Off Order Form and the Call Off Terms.

The Parties hereby acknowledge and agree that they have read the Call Off Order Form and the Call Off Terms and by signing below agree to be bound by this Call Off Contract.

In accordance with paragraph 7 of Framework Schedule 5 (Call Off Procedure), the Parties hereby acknowledge and agree that this Call Off Contract shall be formed when the Customer acknowledges (which may be done by electronic means) the receipt of the signed copy of the Call Off Order Form from the Supplier within two (2) Working Days from such receipt.

For and on behalf of the Supplier:

Name and Title	REDACTED
Signature	REDACTED
Date	03 August 2021

For and on behalf of the Customer:

Name and Title	REDACTED
Signature	REDACTED
Date	09/08/2021

Annex 1 - Call Off Contract Charges

The value of the initial 9 month contract period up until 31/03/2022 is to not exceed £150,000.00 excluding VAT. Breakdown of costs as below.

REDACTED

Annex 2 – BEIS Information Security Policy REDACTED

Annex 3 – Supplier Bid Response

REDACTED

ANNEX 4 – Specification

UK SPACE AGENCY - REFERENCE: UKSBS PS21052**UK SPACE AGENCY GRANTS PROGRAMMES' FINANCIAL AUDIT AND ASSURANCE****STATEMENT OF REQUIREMENTS****1. Introduction**

The UK Space Agency is seeking to procure specialist financial audit and assurance services in support of its grant funding activities.

The UK Space Agency (UKSA) is an executive agency of the Department for Business, Energy & Industrial Strategy. It was created in 2011 to deliver an excellent space programme with the maximum economic, scientific and policy benefit for the UK. UKSA deliver a targeted programme of research and development, innovation and scientific funding and oversight to drive economic growth through exploitation of space infrastructure, services and data.

UKSA are responsible for space strategy and policy development, including representing the UK at international level on a global basis. The Agency builds strong national space capability; responsibilities extend to scientific and industrial centres of excellence, regulating UK space activities, co-ordinating strategic investment and working on national and international space projects in co-operation with industry and academia.

The Agency's grant funding is conducted in accordance with law and the requirements of propriety, regularity and value for money. One of the priorities for UKSA is to oversee the performance, funding and risk management in delivering the Agency's national and international programmes to derive maximum benefit. A Government Internal Audit Agency (GIAA) audit was carried out in 2019 at the request of UKSA which assessed due diligence in support of grant funding. In response to the audit recommendations and UKSA's commitment to the highest levels of oversight and due diligence throughout the grants lifecycle, the Agency intends to procure financial audit services for grants. It is intended that these Agency commissioned audits will optimise value for money outcomes for its programmes and projects across the space and education sectors, with the award and management of grants as a primary focus. Unlike procurement, grant funded activity is not regulated, however the principles of the Government Standards for Grants are to be adopted by grant giving crown bodies.

As part of UKSA's funding responsibilities, the Agency awards a variety of grants. The Grant awards made by UKSA range from £3000 grants to academia to multi-million-pound grant awards to enable spaceflight from the UK. UKSA also supports the successful delivery of its strategic objectives through the placement of contracts for goods and services, strategic partnerships, as well as leveraging its inhouse space sector capability to meet its objectives.

2. Aims

The aim of this procurement will be to procure professional financial audit services in the form of reasonable assurance audits for grants. This is in support of the UK Space Agency commitments for oversight and assurance in relation to the management of grants awarded and managed by the Agency. The audit activities will be required in addition to the already mandated annual assurance reports carried out by the grant recipients' appointed independent auditor. These new Agency commissioned audits are also in addition to its already established inhouse due diligence processes. The audits will serve to complement the Agency's own resource and capabilities, forming part of the Agency's counter fraud strategy.

The UK Space Agency's Fraud Strategy has been designed to meet the requirements of the revised Cabinet Office Functional Government Standard for Counter Fraud (GovS 013) issued in June 2020, and forms part of the planned approach to countering fraud. The UKSA operates a three lines of defence model in regard to implementation of controls within the organisation:

- 1) First Line: front line staff, delivery / policy and process owners
- 2) Second Line: counter fraud activity to; detect, investigate, pursue and recover losses from fraud, and
- 3) Third Line: Independent bodies (such as internal audits). The government Internal Audit Agency (GIAA) provides UKSA with a continuous programme of reviews and audits throughout each financial year, with the purpose of optimising control measures and processes.

The UK Space Agency grant scheme for grants above £250k in value already includes a requirement for the grant recipient to obtain an independent accountant's report (annual assurance report), to determine whether the monies have been spent for the purpose for which the funding was provided, and in accordance with the terms and conditions of the grant scheme, and the accompanying grant offer letter. Grants below £250k also require an independent accountants report (out of scope).

The outcomes of the Agency commissioned reasonable assurance audits must also satisfy or exceed the recommendations made by the GIAA internal audit carried out in 2019. These include a recommendation for an agreed approach for post award expenditure checking, informed by risk appetite and pre-award due diligence checks.

The successful supplier/ auditor must work informatively with staff within the Agency. Communication, interpretation and advice on the results of the audits will be key to further developing the right levels of inhouse awareness and capability in line with the defence model above.

3. Objectives

- Maximise benefits from the use of grants funding awarded by the Agency
- Deliver high quality, reliable professional audits, thereby setting the highest expectations for grant recipients regarding financial management of their grants and ensure that the rules are consistently adhered to by all.
- Provide additional assurance that project budgets and claims made by the grant recipients are on the basis of cost recovery only, and that costs expended are appropriately evidenced, as per UKSA Grants Policy (Annex B) and the terms and conditions set out in the grant agreements/ grant offer letters.
- maximise this activity's potential to contribute towards UKSA's internal control framework by reducing opportunities for fraud, bribery and corruption to the lowest reasonable level of acceptable risk.

4. Scope

The successful supplier will carry out high quality financial audit and assurance for grants projects, in the form of reasonable assurance audits and reports.

The audits are primarily aimed at high value grants above £250k per annum in value, but there may also be some requirements for lower value grants audits (by exception). The Agency have adopted a risk-based approach to defining these limits. The size, nature and perceived risks associated with the grant and the organisations being funded are also taken into consideration when selecting grants for additional reasonable assurance audits. Please note that additional reasonable assurance audits commissioned by the UKSA, are distinct and do not mutually depend upon the scope of the Grant Recipient's own annual assurance audit performed as per the conditions of their grant funding agreement.

Reasonable assurance audits will be required periodically throughout the life of the grant. 12 months visibility is available for these service requirements and is reflected as actual requirements in table 1 of this form.

Grant funding periods are predominantly for up to 12 months due to the Agency's current annual budget allocation from HM Treasury as well as the nature of the grants, but some of the Agency's high-value strategic grants have a much longer duration (i.e. 4 years). All grants within scope are subject to annual reasonable assurance audits regardless of total duration (audit of FY 20/21 expenditure).

The services are to include communication with UKSA by auditors during each audit, escalating any issues or indicators where necessary. The services shall also include at least one follow-up meeting with the UKSA Grants Manager per audit, to provide an explanation/ interpretation of the report and findings.

The scope of these audit service requirements does not extend to determining whether grant recipients have taken reasonable steps to achieve value for money or to determine whether the organisations are achieving efficiency savings. Audit services procured under this contract will be additional to the mandatory annual assurance audit detailed in the Agency's model Grant Funding Agreement (Annex A NSIP example), for which the grant recipient is responsible for funding, and for which the grant recipient self-appoints an independent auditor.

Responsibilities

UK Space Agency:

- Provide grant funding directly to the named grant recipient (Where the grant recipient proposes to work with partners to deliver the grant, the parties to the grant agreement will still be UK Space Agency and the lead grant recipient)
- Responsible for evidencing that the grant funding has been disbursed according to UK Space Agency policy, the terms of the Grant Funding Agreement and applicable subsidy rules. As part of this UKSA requires grant recipients to provide evidence of eligibility to receive the grant and that it has been used for the designated purposes, as set out within the grant's Ts & Cs.
- Provide guidance and support to grant recipients to enable them to provide the necessary information required for audit (as per existing UKSA standard grants guidance). Determine, co-ordinate and act upon any follow-up action required as a result of grant recipient's or auditor's queries/ findings.

Grant Recipient:

- Providing documented evidence that the grant funding has been disbursed in accordance with the terms and conditions of the grant and for the purposes intended;
- Maintaining effective administrative and financial systems to support and record the transactions in relation to the grant scheme;
- Keeping supporting documentation and evidence of transactions on both income and expenditure;
- Operating effective systems for monitoring delivery (including partners) and internal control;
- Preparing interim and final claims and returns accurately for the relevant periods and by the prescribed deadlines;

- Where required, engage independent accountants to report on claims in accordance with the funding conditions. Terms of engagement for this purpose, are committed to by the grant recipient within the Ts & Cs of the grant offer letter. Please find further details of grant recipient responsibilities in annex C (template grant offer letter).

Partnerships and Collaborations:

- Where a grant recipient has been appointed as lead within a partnership (with a number of organisations receiving the grant) they are responsible for putting a signed agreement in place, setting out the roles and responsibilities of each party in relation to delivery of the grant.
- Lead grant recipient is responsible for collecting and managing the information according to the grant recipient's obligations. Where applicable the lead grant recipient is responsible for the distribution of the grant and for penalties and clawbacks.
- Partners to allow access to full audit trail in relation to the grant monies.
- Each prime and partner must ensure that that individually it is eligible to receive the grant money and that it spends its allocation in accordance with the terms and conditions of the scheme. It must also provide all necessary information to confirm this within timeframes set.

Auditor (Successful Supplier):

- To request and consider all necessary information/ evidence needed to perform the audit requirements therefore producing high quality deliverables which can be fully relied upon.
- To work in accordance with all applicable policy, legislation, funding conditions and relevant standards on engagements in performance of the services.
- Take all reasonable care in preparing and providing high quality deliverables within the agreed timescales whilst ensuring efficiency and effectiveness of service provision under this contract.
- Communicate effectively with staff within the Agency during and after each audit, escalating real-time issues where appropriate whilst audits are in progress. Provide post-audit follow-up meetings with UKSA Grants Managers for explanation of the audit reports and findings, plus any additional communication or advice as required.

5. Requirements

Reasonable Assurance Audits

To carry out UK Space Agency commissioned annual Reasonable Assurance Audits and deliver resulting reports for each grant within scope. As a minimum this must include audit of project expenditure (not only grant funding) to ensure that funding has been

disbursed in accordance with the terms of the Grant Funding Agreement (GFA) and deliverables/ activity. This should include (but not exclusively) sample testing of timesheets (inc. linking labour costs to payroll records), receipts and invoices (partners and subcontractors), validity of irrecoverable VAT (if applicable), and confirmation of match-funding. It is anticipated that one audit will be required per high value grant (>£250k) per annum.

Reasonable Assurance Reports will be required for the grants identified in table 1 of this document. These are current grants (awarded in FY20/21), some of which reached the end of their duration 31st March 2021 (see end dates).

These Audits will need to be completed for all those grants listed within table 1 by 28th February 2022, with any follow-up and close-off work for the initial contract period to be completed by 31st March 2022. Grants in table 1 are listed for audit with order of priority for completion. Completion of audits within the maximum timeframe is mandatory. However, quality of service delivery must not be compromised. Bidders must ensure that they have the capacity to deliver within the maximum timescale. Bidders are to propose a work plan for how they plan to manage completion of the audits within the timescales. The Agency requires that audits shall be completed in order of priority and that the work plan shall demonstrate a spread of audit activity across the contract period.

As the Reasonable Assurance audits are required annually, there will be a requirement for the same audit type to be carried out after March 2022. This requirement will be subject to a provision within the contract to extend by up to a maximum of a further 18 months subject to budgetary approval. Until new grant calls are completed for FY21/22 it's not possible to provide volume details for the grants which will be subject to audit for March 2022, although the volumes are likely to be similar to that of FY20/21.

UKSA grant programmes range in value, scale and complexity. Background details of the grants programmes are provided in Annex D (along with the link to Government Grants Standards). Bidders are to give due consideration to these variables when proposing their solution and service delivery plan, within their approach and methodology. Solutions that maximise efficiency and effectiveness are desirable.

Bidders are to propose appropriate sample sizes/ materiality levels as would be necessary to achieve high quality outcomes to satisfy the objectives of this contract. Details of how the bidder would approach this assessment and determination should be provided in their "approach and methodology".

Please see clause 8 of the model high value grant funding agreement (NSIP example) as per Annex A for details of standard audit requirements and document retention (Grant Recipient obligations).

Please see table 1 below which shows the number of UK Space Agency grants within scope of these audits, priority status, associated value of the grants to be audited, number of partners and how many of the partners are international partners (where info

is available). Please note that the National Space Innovation Programme is predicated on building sovereign capability.

Table 1: Current UKSA Grant Programmes with grants within scope (Each Value represents 1 Grant)

Programme	Grant Audit Reference	Grant Start Date	Grant End Date	Grant Value	Partners Total	International Partners	Priority Due Dates
International Partnership Programme	Audit 1	1 February 2020	31 March 2021	REDACTED			Medium Priority
	Audit 2	5 August 2020	31 March 2021		2	2	Medium Priority
	Audit 3	5 August 2020	31 March 2021		5	2	Medium Priority
	Audit 4	5 August 2020	31 March 2021		10	4	Medium Priority
	Audit 5	5 August 2020	31 March 2021		0	0	Medium Priority
	Audit 6	5 August 2020	31 March 2021		5	3	Medium Priority
	Audit 7	5 August 2020	31 March 2021		3	2	Medium Priority
	Audit 8	5 August 2020	31 March 2021		2	1	Medium Priority
	Audit 9	5 August 2020	31 March 2021		11	3	Medium Priority
	Audit 10	5 August 2020	31 March 2021		5	3	Medium Priority
	Audit 11	5 August 2020	31 March 2021		6	2	Medium Priority
National Space Innovation Programme	Audit 12	2 November 2020	31 March 2021		7	TBC	High Priority
	Audit 13	16 November 2020	31 March 2021		2	TBC	High Priority
	Audit 14	2 November 2020	31 March 2021		3	TBC	High Priority
	Audit 15	12 November 2020	31 March 2021		2	TBC	High Priority
	Audit 16	2 November 2020	31 March 2021		3	TBC	High Priority
	Audit 17	9 November 2020	31 March 2021		8	TBC	High Priority
	Audit 18	16 November 2020	31 March 2021		2	TBC	High Priority
	Audit 19	16 November 2020	31 March 2021		7	TBC	High Priority
	Audit 20	24 November 2020	31 March 2021		1	TBC	High Priority
	Audit 21	23 November 2020	31 March 2021		1	TBC	High Priority
	Audit 22	2 November 2020	31 March 2021		3	TBC	High Priority
	Audit 23	2 November 2020	31 March 2021		0	TBC	High Priority
	Audit 24	30 November 2020	31 March 2021		2	TBC	High Priority
SST	Audit 25	7 August 2020	25 January 2021		0	0	Medium Priority

Total: 25 grants

Communication and Interpretation of Audit Reports

The bidder is to propose an approach and method for effectively communicating audit outcomes to Agency staff, including a format for the delivered reasonable assurance report which can be interpreted by UKSA Grant Managers, and for which findings/ recommendations can be acted upon if necessary. It is expected that as a minimum the successful supplier will provide one follow-up interpretation/ explanatory meeting with Agency staff per audit. UKSA Grant Managers are responsible for acting upon report findings if necessary and for this the clarity of report findings is paramount. Non-finance trained UKSA staff must be able to interpret the reports. There is also an expectation for communication between auditors and appointed members of UKSA staff during each audit, where issues or indicators have been identified. Real-time escalation where

appropriate is considered important so as to reduce risk associated with any continued funding activity which may be directly or indirectly affected. The bidder must give due consideration to their proposed process for escalation both during and after audits.

Grants Context

Please refer to Appendix D for further details and context regarding the UK Space Agency Programmes.

Contract Detail

The contract duration is anticipated to be for an initial 9-month period with a required start date of 25th June 2021. There will be an option included to extend the contract by up to a further 18 months subject to budgetary approval. The successful Supplier will need to have the capacity to adapt to flexible needs and be able to mobilise promptly where necessary. The estimated budget range for contract is £80,000 - £165,000 excl.VAT for the contract period up to 31st March 2022. Payments will be made in arrears upon satisfactory completion of deliverables.

Sub-Contractors

Bidders are reminded that the use of sub-contractors is permitted.

Terms of Engagement

Terms of engagement due to duty of care will be finalised and agreed with the successful supplier upon commencement of the contract. Please see Annex C which shows the current BEIS/ UKSA standard letter of engagement issued within the grant offer letter. The letter of engagement for the purpose of this contract, will be similar.

Supplier Qualifications

Bidders must be a Registered Statutory Auditor and all personnel performing audit activity under the contract must be suitably qualified to perform their roles under according to industry recognised standards.

6. Assumptions

The Bidder's detailed work plans per grant audit will be fine-tuned and agreed with UK Space Agency stakeholders prior to work commencing.

7. Costing this Proposal

Please see guidance contained within the AW5.2 Pricing Schedule. Pricing should be broken down per audit. Pricing should be based on actuals as per work package description including table 1 data for 25 audits. Prices are for year 1 of the contract, and then subject to contract day rates multiplied by effort for contract extensions. The contract may be extended by a maximum of 18 months.

8. Contract Reporting Requirements

The successful supplier will be required to report to the UKSA contract manager on a quarterly basis, demonstrating progress aligned with objectives for the contract. The plan for the work should be detailed within the bidder's proposal as part of the project work plan and approach and methodology and will be finalised at contract award stage. The supplier shall be required to design and implement a suitable reporting format that shall be submitted to UKSA. This should be prepared and shared with UKSA ahead of the contract kick-off meeting and discussed and confirmed then. The suppliers design for reporting must include (but not exclusively) the following reporting criteria:

Key Reporting Criteria

- 1) Number of audits completed vs audit plan
- 2) Analysis of the breakdown of total hours performed i.e. number of hours spent on audits vs other activities
- 3) Number of incidents of concern/ fraud identified and recommendations made (i.e. recommendations for UKSA to consider remedial action)
- 4) Number of days per audit – from beginning of assessment until delivery of audit report

Annexes

ANNEX A – Model Grant Funding Agreement Example (National Space Innovation Programme Call) REDACTED

ANNEX B – UK Space Agency Corporate Grants Policy REDACTED

ANNEX C – BEIS Grant Offer Letter – Letter of Engagement REDACTED

ANNEX D

Link to Government Grants Standards:

<https://www.gov.uk/government/publications/grants-standards>

Links and descriptions for UKSA grants programmes:

UK Space Agency Grants Programmes

The International Partnership Programme (IPP)

The International Partnership Programme (IPP): A £30m p/a programme designed to partner UK expertise in the space sector with developing countries. IPP is fully funded using aid money and is therefore 100% ODA compliant. IPP distributes funds to projects led by UK consortiums (using a prime & subcontractor, or hub and spoke model) in conjunction with end users in developing countries. Projects develop a solution (system or service) which helps the developing country with the problems that they face (e.g. monitoring deforestation, spotting oil spills in the sea or providing communication in

disasters). IPP currently funds 33 million pound projects which are run by consortium of mainly UK and DAC list partners.

IPP fund projects by providing grants which must be match-funded by each consortium member. Projects are selected via Calls for Proposals (“a call”) where proposals are submitted via consortia to UKSA. UKSA then runs an evaluation and assessment process on these proposals using a mixture of internal and external experts, face to face presentations and moderation meetings. Once projects have been selected an agreement is reached on final objectives and budgets. The lead organisation is then awarded the grant for full project cost (minus match funding) and manages any flow down contracts with the other consortium members.

Please see the following links for further information on IPP and the nature of the grants placed under this programme:

IPP – <https://www.gov.uk/government/collections/international-partnership-programme>
<https://www.spacefordevelopment.org/library/international-partnership-programme-call-1-projects-2/>

The most recent grant call took place in 2020 and as a result UKSA awarded 10 grants under this programme. For further information on all 10 grants please see the following link:

<https://www.gov.uk/government/news/new-uk-space-projects-to-boost-global-sustainable-development-receive-34-million-cash-boost>

The National Space Innovations Programme (NSIP) – The UK Space Agency’s programme to support the development of innovative products, services and technologies that have application in the space sector.

<https://www.gov.uk/government/publications/call-for-applications-national-space-innovation-programme-nsip>

Synergetic Air-Breathing Rocket Engine (SABRE) – Hypersonic precooled hybrid air-breathing rocket engine.

<https://www.gov.uk/government/publications/announcement-of-opportunity-general-studies-technology-programme-gstp-sabre-development-call-for-proposals>

National Space Technology Programme (NSTP) – NSTP is the UK Space Agency’s national capability building programme to support development of space sector technology and skills. NSTP offers support by funding industry, academia and other (not for profit) government institutions, who are looking to develop technology and build new

capabilities for the UK Space sector. NSTP offers funding opportunities for projects across all ranges, from startup companies to more established industry.

<https://www.gov.uk/guidance/apply-for-funding-through-the-national-space-technology-programme>

Space Surveillance Tracking (SST) – Programme committing funding for innovative solutions to tackle the potentially growing problem of potentially hazardous space debris

<https://www.gov.uk/government/publications/advancing-research-into-space-surveillance-and-tracking-how-to-enter-and-other-resources>

<https://www.gov.uk/government/publications/space-surveillance-and-tracking-research-studies>