



**INVITATION TO TENDER**

**TENDER INSTRUCTIONS RELATING TO**

**THE PROVISION OF COMMERCIAL AUDIT SERVICES**

**REGARDING THE GENERATION OF INCREMENTAL REVENUE**

**FOR THE UK'S OLYMPIC AND PARALYMPIC PERFORMANCE SYSTEM**

## INSTRUCTIONS

### 1. ABOUT THE PARTIES

UK Sport, the British Olympic Association (“BOA”) and the British Paralympic Association (“BPA”) together “The Parties” are working in partnership to issue this tender. UK Sport are administering the process on behalf of the Parties.

#### **UK Sport**

UK Sport is the trading name of The United Kingdom Sports Council which was established by Royal Charter on 19 September 1996. UK Sport’s mission is to work in partnership to lead sport in the UK to world-class success. UK Sport’s core responsibilities cover high performance sport and supporting sports to bid and staging of major international sporting events. UK Sport is a government agency responsible to the Department of Culture, Media & Sport and invests National Lottery and Exchequer funding in Great Britain’s best Olympic and Paralympic sports and athletes to maximise their chances of success on the world stage.

UK Sport also provides National Lottery Funding to help National Governing Bodies of Sport attract and stage some of the most important international sporting events to the UK. Through the Gold Event Series, UK Sport will support the bidding and staging of major international sporting events up to 2019.

Additional general information about UK Sport can be found at <http://www.uk sport.gov.uk>

#### **British Olympic Association**

The British Olympic Association (BOA) is the National Olympic Committee for Great Britain and Northern Ireland. Working with the national governing bodies of each summer and winter Olympic sport, the BOA prepares and leads the nation’s finest competitors at the summer, winter and youth Olympic Games. The BOA is also responsible for developing, promoting and protecting the Olympic Movement within the UK in accordance with the Olympic Charter and the Olympic Values of friendship, excellence and respect.

The BOA is independent, privately funded and receives no annual funding from the lottery or government. The success of its mission is entirely dependent upon the income it receives from sponsorship, fundraising and events.

Additional information about the BOA can be found on [www.teamgb.com](http://www.teamgb.com)

#### **British Paralympic Association**

The BPA is the National Paralympic Committee (“NPC”) for the UK, responsible for the promotion of the Paralympic movement in Great Britain and selecting, entering and funding the Great Britain and Northern Ireland Paralympic team. ParalympicsGB is the name for the Great Britain and Northern Ireland Paralympic Team that competes at the summer and winter Paralympic Games. The Team is selected and managed by the British Paralympic Association, in conjunction with the national governing bodies, and is made

up of the best sportsmen and women who compete in the 22 summer and 6 winter sports on the Paralympic Programme.

In addition to its formal role as the NPC for the UK the BPA is a registered charity (charity number 802385) and its vision is "through sport, to inspire a better world for disabled people".

Additional general information about the BPA can be found at <http://www.paralympics.org.uk>

## 2. INVITATION TO TENDER (ITT)

The Parties invite tenders for the provision of commercial audit services regarding the generation of incremental revenue from the private sector.

The Olympic and Paralympic performance system in the UK (consisting of UK Sport (and its wholly owned subsidiary the English Institute of Sport), BOA, BPA and National Governing Bodies of individual sports) is predominantly funded by The National Lottery and the Exchequer (c. £550 million over four years). Revenue from the private sector has been successfully generated by all parties, in particular the BOA. However, 'play' of The National Lottery is in decline and public finances are under increasing scrutiny, whilst the cost of funding our high-performance system is increasing.

The performance system (led by UK Sport, the BOA and BPA) is looking to understand how it should most effectively structure its rights and assets to generate significant incremental revenue and become more financially sustainable.

The Parties now invite Tenders for the provision of commercial audit services regarding the generation of incremental revenue for the Olympic and Paralympic sporting system ("the Services") in accordance with this ITT and the attached documents. As this process is conducted below the EU threshold for tenders there is no separate pre-qualification stage or questionnaire but potential suppliers are required to register their expression of interest in tendering in accordance with paragraph 5 below.

## 3. STRUCTURE OF ITT

3.1 The ITT is divided into the following sections:

- **Instructions** – this contains UK Sport's general tendering requirements and other information on the tendering process and the evaluation criteria that Tenders will be evaluated against. **A checklist is at Appendix 3 which sets out the dates and times by when documents need to be sent in by Tenderers;**
- **Specification** – this describes the service/quality standards required to provide the Services (Appendix 1);
- **Forms** – contain the forms required to be completed and submitted with tenders (Appendix 2);
  - Form of Tender

- Bona Fide Tendering Certificate
- Declaration of Criminal convictions, Tax Affairs and Controversial Situations
- Certificate of Insurance
- Freedom of Information Form
- Non-Canvassing, Non-Collusion and Non-Corruption Certificate
- References
- Data Protection Questionnaire
- Checklist of documents to be returned (Appendix 3)
- Contract terms (Appendix 4)

**4. TENDER TIMETABLE TO BE AMENDED ASSUMING AGREEMENT REACHED NEXT WEEK AND CONTRACT PERIOD**

4.1 The Parties proposes the following timetable for the award of the Contract. This is intended as a guide and whilst The Parties does not intend to depart from the timetable, it reserves the right to do so at any time:

<b>Date</b>	<b>Activity</b>
1 September 2017	Tender advertisement published and ITT made available to interested Tenderers
8 September 2017 5pm	Interested Tenderers must express interest by 8 September 2017 to be considered. Interested Tenderers should also send contact details for lead contact & submit clarification questions
15 September 2017	The Parties to email responses to clarification questions to all tenderers that have expressed an interest
22 September 2017 – 3pm	Deadline for receipt of tenders
27 September 2017	Completion of Assessment of tenders
28 September 2017	Notification of assessment
9 or 10 October 2017	Invited tenderers to make presentation

11 October 2017	Notification of successful tenderer/unsuccessful tenderers
	Standstill period
18 October 2017	Contract commencement date

## 5. EXPRESSIONS OF INTEREST

- 5.1 Suppliers wishing to tender are requested to register their expression of interest by emailing [commercial@uksport.gov.uk](mailto:commercial@uksport.gov.uk) by **8 September 2017 5pm** along with any clarification questions they may have in accordance with paragraph 8 of this ITT.

## 6. CONTRACT

- 6.1 The contract shall commence on 18 October 2017 until 31 January 2018 unless terminated in accordance with the terms of the contract.
- 6.2 The draft template contract is attached at Appendix 4. This is a standard UK Sport supplier contract and it will only be amended on appointment of the successful Tenderer in order to incorporate the Tenderers' commercial offer and any material points based on Tenders. The successful tenderer shall be required to sign up to certain confidentiality obligations within draft template contract before receiving any commercially sensitive information from the UK Sport, the BOA and/or the BPA. The successful tenderer may also be required to sign separate confidentiality undertakings with the BOA and BPA directly should the need. Failure to agree appropriate confidentiality undertakings may result in the award of the tender being withdrawn or suspension or termination of the contract.

## 7. DISCLAIMER COSTS AND EXPENSES AND DISCONTINUANCE OF TENDER

- 7.1 Nothing in this ITT binds the Parties to accept a Tender and award a contract. The Parties reserves the right to discontinue this Tender at any time during the ITT process and not to accept a Tender or award a contract.
- 7.2 The Parties shall not be liable to the Tenderer in any way whatsoever for the Tenderer's costs and expenses incurred during the tender process from its discontinuance or in relation to which a contract is not awarded.
- 7.3 The Tenderer is responsible for preparing all information necessary for the preparation of its Tender and all costs, expenses and liabilities incurred by the Tenderer in connection with the preparation and submission of its Tender shall be borne by the Tenderer.
- 7.4 Tenderers shall ensure that they are familiar with the nature and extent of the obligations they will incur if their Tender is accepted.

## **8. INFORMATION AND QUERIES**

- 8.1 Tenderers should carefully read all the documents in this ITT and fully acquaint themselves with the requirements in this ITT. A Tenderer may, by written communication to the Contact Officer, request clarification or further information in connection with the ITT. The Parties will reasonably endeavour to answer all written enquiries prior to Tenders being submitted. The Parties reserves the right not to respond to a request for information or clarification.
- 8.2 The Parties reserves the right to disseminate information that is materially relevant to all Tenderers, even if the information has only been requested by one Tenderer, subject to the duty to protect any Tenderer's commercial confidence in its responses.
- 8.3 The deadline by which to submit clarification questions and requests for further information is 8 September 2017 5pm. Responses will be circulated by email to all tenderers that have expressed an interest on 15 September 2017.
- 8.4 All enquiries in connection with this ITT must be made in accordance with paragraphs 7.1 and 7.3 above. The Parties reserves the right to reject any Tenderer that attempts to obtain information through any other route.

Contact Officer Name: Tom Baker Head of Commercial Partnerships

UK Sport, Ground Floor, 21 Bloomsbury Street, London, WC1B 3HF

E mail: commercial@uksport.gov.uk

## **9. BEST VALUE**

- 9.1 In pursuit of continuous service improvement and efficiency, the Parties will require a commitment from the successful Tenderer to provide management information on the development of the Services and to participate, free of charge, in projects associated with improvement to the Services and to implement required changes.

## **10. PREPARATION OF TENDER**

- 10.1 This ITT (including all its appendices and attachments) has been prepared by the Parties for the sole purpose of enabling Tenderers to submit Tenders to the Parties. No guarantee can be given, however, and no representation is made, as to the accuracy of information contained within it and it is each Tenderer's responsibility to obtain for itself at its own expense all information which it deems necessary or desirable for the preparation of its Tender. The Parties do not accept any liability, which might result from any inaccuracy of or omission from any such information. All information supplied by The Parties in connection with this ITT shall be treated as confidential by the Tenderer, except where, as determined by the Parties, such information may be disclosed: -
- 10.1.1 by the Tenderer in so far as it is necessary for the preparation, submission and evaluation of Tenders; and/or
- 10.1.2 by the Parties in exercising its rights, powers, duties and obligations in relation to the exercise of its functions and to facilitate public access to information.

## 11. FREEDOM OF INFORMATION AND TRANSPARENCY

- 11.1 Under the Freedom of Information (FOI) Act 2000 and the Environmental Information Regulations 2004 the public have a general right of access to information held by UK Sport. This right of access to information not only includes information about UK Sport contracts but also procurement arrangements with potential Tenderers. This right does not extend to information which is confidential and/or commercially sensitive or otherwise "exempt" from disclosure under FOI. As a consequence only information that is genuinely confidential or commercially sensitive or is otherwise exempt FOI information may not be disclosed under FOI.
- 11.2 Tenderers are therefore required to identify those areas in their Tender that they consider are confidential and/or commercially sensitive, giving reasons and evidence (where relevant) including proposed dates for lifting confidentiality in respect of those areas. The extent to which this information shall be held in confidence by UK Sport and for how long may be subject to discussion as part of the Tender process and during post-tender negotiations (if any). Unsuccessful Tenders will be disposed of in accordance with UK Sport's document retention and disposal policy.
- 11.3 UK Sport reserves the right to hold all or any information contained in a Tenderers' Tender, in confidence, or to disclose it whether or not it is identified as commercially sensitive by the Tenderer where confidentiality or disclosure is necessary to comply with UK Sport's legal duties and lawful discretion generally or in relation to the tender process.

## 12. PREPARATION AND DELIVERY OF TENDER DOCUMENTS & PRESENTATION STAGE

- 12.1 The Parties reserves the right not to accept the lowest or any Tender.
- 12.2 The Tenderer respond to the Tender Requirements as set out in paragraph 16 below. The Tenderer must ensure that its Tender is completed in its entirety, including all accompanying forms at Appendix 3.
- 12.3 The tender documents must be signed and delivered to:
- Head of Commercial Partnerships  
UK Sport  
Ground Floor  
21 Bloomsbury Street  
London  
WC1B 3HF  
And e-mailed to [commercial@uksport.gov.uk](mailto:commercial@uksport.gov.uk)
- 12.4 **Tenders must be delivered by no later than 22 September 2017 – 3pm.**
- 12.5 No envelope shall bear on the outside any name or mark by which the Tenderer can be identified including any name or mark appearing on the envelope by virtue of the method of delivery, such as Post Office Recorded Delivery or courier. The Parties will not accept tenders submitted by telegram, telex, fax, telephone or via online file sharing sites such as Dropbox.

12.6 Tenders shall remain open for acceptance for a period of 60 days (sixty days) from the Tender submission date.

### 13. REFERENCES

13.1 References are required and Tenderers must complete the references form at Appendix 2. The Parties reserves the right to contact referees (two per Tenderer) during the ITT period. If the Parties decides to make reference calls, it will contact Tenderers individually for confirmation of their referees. Tenderers should give their referees advance notice of these reference calls in order to avoid any delay.

13.2 The reference calls will not be evaluated. They are intended to verify the experience of Tenderers as described in their ITT submission.

### 14. TENDER EVALUATION

14.1 Prior to evaluating Tenders, the Parties will carry out an initial review of each Tender to confirm completeness and compliance with the requirements of this ITT and may, at its discretion, reject a Tender which is incomplete and/or non-compliant.

14.2 The Parties will carry out a Tender evaluation after the closing date for receipt of Tenders. Tenders will be evaluated on the basis of the most economically advantageous offer to the Parties against the following weighted factors:

#### Price and overall cost of the contract to the Parties (40%)

Price Criteria	Score (Max 5)	Weighting	Score x Weight
Hourly Rates or Fixed Fees		80%	
Value Added Services (free training, free resources etc.)		20%	
<b>Total</b>		100%	

#### Quality of service provision (60%)

Quality Criteria	Score (Max 5)	Weighting	Score x Weight
Demonstrated a clear understanding of the specification and proposals to answer the key questions		25%	
Demonstrated experience of identifying revenue sources within sport and related industries e.g. media, retail		15%	
Demonstrated strong awareness and understanding of key consumer trends influencing the sport industry		10%	
Evidenced experience delivering multi-stakeholder consultancy projects		10%	

Demonstrated an understanding of the Olympic and Paralympic sporting landscape in the UK and the wider global sports industry		10%	
Proposed methodology to deliver the tender brief		25%	
Innovative proposals that are bold and challenge the status quo		5%	
<b>Total</b>		100%	

14.3 The Parties will invite the top four highest scoring tenderers to present their tenders at UK Sport offices on 9 or 10 October 2017. Further details on presentation times and venue will be provided nearer the time. The interview process will be used to validate the information provided in the tender submission and is not a separately assessed part of the process.

14.4 The winner will be Tenderer with the highest score against the above criteria.

## 15. THE TENDER EVALUATION SCORES

15.1 The response to each evaluation question will be awarded a score of between 1 and 5 according to the scale in the table below. The weightings set out in the table above will then be applied to each question. For clarity, proposals that meet the Parties' requirements as set out in the tender documentation would be awarded a score within the range 3-4. Tenderers can gain scores of 5 on the evaluation scoring scale below by providing innovative submissions that exceed the Parties' core expectations as expressed in the Specification. The Parties encourages Tenderers to present innovative pricing and methods of service delivery that will add value to the Services, such proposals are likely to attract the highest scores.

### ITT Quality Evaluation Scoring Methodology

15.2 The basis for the scoring of Tenders will be in accordance with the following scale:

<b>1</b>	<b>Unsatisfactory</b>	A response that completely or almost completely fails to address the elements of the criterion. Such a response would normally evidence no strengths of any kind and many significant weaknesses and/or deficiencies. In general, the response would be described as unsatisfactory or without merit.
<b>2</b>	<b>Marginal</b>	A response that addresses a few elements of the criterion. Such response would normally be evidenced by few if any strengths, many significant weaknesses, and present a low level of successful performance expectation. In general, the response would be described as faulty or substandard.
<b>3</b>	<b>Satisfactory</b>	A response that adequately addresses the elements of the criterion. Such a response would normally be evidenced by few if

		any significant strengths, few if any significant weaknesses, offsetting strengths and weaknesses, and present a moderate level of successful performance expectation. In general, the response would be described as suitable or sufficient.
4	<b>Very Good</b>	A response that addresses a majority of the elements of the criterion. Such a response would normally be evidenced by significant strengths, few if any significant weaknesses, and present an above average level of successful performance expectation. In general, the response would be described as conscientious, competent or complete.
5	<b>Excellent</b>	A response that addresses all elements of the criterion in an exceptional manner. Such a response would normally be evidenced by significant strengths, no significant weaknesses, and present a high level of successful performance expectation. In general, the response would be described as excellent or superior.

## 16. TENDER REQUIREMENTS

- 16.1 The Tender requirement to the evaluation criteria are set out below. Tenderers are required to respond to ALL of the Tender requirements set out below. To assist the Parties' evaluation of a Tender submission, please ensure Tenders clearly cross-refer to the Tender requirements set out below. Any relevant supporting tender documentation must also be clearly identifiable by the evaluation criteria number.
- 16.2 Instructions for completing Tenders – please ensure these are followed:
- 16.2.1 Answers must be on A4 paper with a minimum font size 11. The paper layout can either be landscape or portrait. A3 paper can be used where use of diagrams, graphs etc. is required.
- 16.2.2 Tenderers are required to provide information about its history; strategy; corporate structure; departments & teams and key staff leading their Tender. This information is not subject to a word count limit.
- 16.2.3 Except to assist with proposals for the commercial sponsorship offer, please do not provide any corporate marketing material along with Tenders.
- 16.2.4 When providing examples, Tenderers must demonstrate knowledge and understanding of delivery of this type of work across comparable sectors. The examples must also demonstrate where the Tenderers have provided delivery to organisations similar to The Parties.
- 16.2.5 If Tenderers do include examples, where possible, fresh examples for each criteria are preferred by the Parties. It is not acceptable to repeat the same example.
- 16.2.6 The word counts against each tender requirement are maximum word limits. Tenderers can write less.

<b>Price Criteria</b>	<b>Tender Requirement</b>	<b>Weighting (100%)</b>	<b>Advised Word Count</b>
1.	Hourly Rates or Fixed Fees	80%	N/A
2.	Value Added Services (free training, resources etc.)	20%	N/A
<b>Quality Criteria</b>	<b>Tender Requirement</b>	<b>Weighting (100%)</b>	<b>Advised Word Count</b>
1.	Demonstrated a clear understanding of the specification and proposals to answer the key questions	25%	N/A – assessed through overall tender submission
2.	Demonstrated experience of identifying revenue sources within sport and related industries e.g. media, retail	15%	1000
3.	Demonstrated strong awareness and understanding of key consumer trends influencing the sport industry	10%	1500
4.	Evidenced experience delivering multi-stakeholder consultancy projects	10%	500
5.	Demonstrated an understanding of the Olympic and Paralympic sporting landscape in the UK and the wider global sports industry	10%	N/A – assessed through overall tender submission
6.	Proposed methodology to deliver the tender brief	25%	2000
7.	Innovative proposals that are bold and challenge the status quo	5%	N/A – assessed through overall tender submission

## **17. STAFFING ISSUES AND TUPE**

- 17.1 UK Sport is neither the transferor nor transferee of the staff employed by its current contractors in the circumstances of any policy/contract awarded as a result of the procurement process of which this ITT forms part of.
- 17.2 Tenderers should satisfy themselves as to the application of the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE") to this requirement and should make suitable provision for the implications (if any) of TUPE.

## **18. NON-CONSIDERATION OF TENDER**

- 18.1 A Tender may not be considered if:
  - 18.1.1 it is not in accordance with these instructions or is in breach of any instruction or clause set out elsewhere in the ITT; or
  - 18.1.2 it makes or attempts to make any variation or alteration to any of the ITT save where authorised in writing by the Contact Officer; or is expressly permitted; or
  - 18.1.3 the Tenderer fails to provide within 7 days any relevant documentary evidence requested by the Parties and not supplied with the Tender held by any signatory to the Tender; or
  - 18.1.4 it has attempted or does attempt to make its Tender conditional on the acceptance by the Parties of any other Tender contract or proposal; or
  - 18.1.5 it does not comply with paragraph 12.

## **19. REJECTION OF TENDER**

- 19.1 The Parties may reject any Tender (which shall be without prejudice to the Parties' legal remedies) submitted by a Tenderer who has:
  - 19.1.1 made a misleading or false declaration in any of the Tender Forms. Tenders must read the Declaration of Criminal Convictions, Tax Affairs and Controversial Situations carefully and immediately inform the Parties if they are having difficulty completing it.
  - 19.1.2 directly or indirectly canvassed any official of the Parties concerning the acceptance of any Tender or who has directly or indirectly obtained or attempted to obtain information from any such member or official concerning any other tender.
  - 19.1.3 fixed or adjusted the prices shown in accordance with any agreement or arrangement with any other person.
  - 19.1.4 communicated to any person other than the Parties the amount or approximate amount of the price shown in its tender, except where such disclosure is made

in confidence in order to obtain quotations necessary to the preparation of the Tender or for the purposes of insurance or the guarantee referred to in the ITT.

- 19.1.5 entered into any agreement with any other company, firm or individual so that the other company, firm or individual refrains from submitting a Tender or limits or restricts his price or anything similar.
- 19.1.6 made or offered to make any type of payment or gift to any of the Parties' employees or members or to anyone else where or not the person is directly connected to the Parties directly connected with this Tender exercise.
- 19.1.7 offered or given or agreed to give any officer or member of the Parties any gift or consideration of any kind as an inducement or bribe to influence its decision in relation to the tendering procedure.

In the context of the Declaration of Criminal Convictions, Tax Affairs and Controversial Situations please note:

Tenderers will be excluded from the tender process if there is evidence of convictions relating to specific criminal offences including, but not limited to, bribery, corruption, conspiracy, terrorism, fraud and money laundering, or if tenderers have been the subject of a binding legal decision which found a breach of legal obligations to pay tax or social security obligations (except where this is disproportionate e.g. only minor amounts involved).

If Tenderers have answered "yes" to question 2 of the declaration on the non-payment of taxes or social security contributions, and have not paid or entered into a binding arrangement to pay the full amount, Tenderers may still avoid exclusion from this Tender if only minor tax or social security contributions are unpaid or if a Tenderer has not yet had time to fulfil your obligations since learning of the exact amount due. If Tenderer is in that position please provide details using a separate document. Tenderers may contact the Parties for information about how to do this before completing this form.

The Parties reserve the right to use its discretion to exclude a Tenderer where it can demonstrate the Tenderer's non-payment of taxes/social security contributions where no binding legal decision has been taken.

The word "Tenderer" for these purposes shall be deemed to include any and all persons employed by the Tenderer or who are purporting to act on the Tenderers behalf whether the Tenderer is aware of their acts or not.

## 20. **ACCEPTANCE OF TENDER**

- 20.1 Following evaluation of Tenders, the selection of a preferred Tenderer shall be subject to a 7 day standstill period.
- 20.2 Until the formal signing of the contract together with the formal letter of acceptance shall constitute a legally binding contract which shall commence on the day after the 7 day standstill period has ended. The 7 day standstill period shall commence from the date notification to the successful Tenderer.

- 20.3 After the 7 day standstill period has elapsed, the Parties will request the successful Tenderer to sign the contract. Failure to comply with the Parties' requests to promptly sign the contract under will amount to a breach of contractual obligation and the Parties will accordingly be entitled at its sole discretion to withhold payment until such time as a formal contract is properly signed by the successful Tenderer.

## 21. **TENDER MATERIAL**

- 21.1 ITT Material means information (including for example, presentation slides, drawings, handbooks, manuals, reports, instructions, specifications and notes of pre-tender clarification meetings, in whatever form or medium), issued to Tenderers by the Parties or on its behalf, or to which Tenderers have been given access, for the purposes of responding to this ITT. Tender Material remains the property of the Parties or other owners and is released solely for the purpose of tendering. The Tenderer shall notify the Parties without delay if any additional Tender Material is required for the purpose of tendering.
- 21.2 In the event that a recipient of Tender Material decides not to participate in the submission of a tender, the Tender Material shall be returned to its place of issue without delay. If a tender is submitted to the Parties, the Tender Material may be retained by the Tenderer until the result of the competition is known.
- 21.3 The Intellectual Property Rights in Tender Material may belong to the Parties or a third party. The Tender Material may only be used for the purpose of responding to this invitation to tender and shall not be copied, or disclosed to anyone other than employees of the Tenderer involved in the preparation of the tender, without the prior written approval of the Parties. If the Tenderer discloses the Tender Material other than to employees involved in the Tender preparation, or uses the Tender Material other than for the purpose of Tendering, the Parties, or the third party owner, may suffer damage for which compensation may be sought from the Tenderer.

## 22. **PUBLICITY AND BRANDING**

Tenderers shall not make any advertisement, public statement or press announcement in relation to this Tender or award of the contract should they be successful. A joint public statement and press announcement will be made at a date agreed between the successful tenderer and the Parties.

## Appendix 1 Specification

### The Project

The Parties would like to appoint an organisation to conduct a detailed research and strategy project to audit the commercial activity across the Olympic and Paralympic performance system, the current value that is being realised and to advise on the opportunities that exist to drive incremental revenue.

"Commercial activity across the Olympic and Paralympic performance system" is defined as any revenue generating activity relating to the World Class Programme. This includes but is not necessarily limited to the athletes and staff operating within this programme at each NGB (such as appearances, image rights and association), communications and marketing activity relating to the World Class Programme or utilising World Class Programme assets such as athletes, and events (including all related assets such as ticketing databases) where World Class Programme assets are involved such as International and National Events. The system also includes the activity of UK Sport (and its subsidiary the English Institute of Sport), the British Olympic Association and the British Paralympic Association in their entirety. For the avoidance of doubt activity relating to the participation of each sport is not within the scope of this project unless aligned with the UK Sport funded World Class Programme e.g. using athletes to drive engagement or focused on the performance pathway.

The key questions this project will help us to answer are:

- What revenue is currently generated? What are the sources of this revenue? Does the way in which the system works limit further incremental revenue being achieved?
- What assets exist across the landscape? How many assets are currently utilised? Could these assets be further maximised to drive incremental commercial revenue?
- How is revenue generation evolving in the wider sporting industry? Both in the UK market, and in Olympic and Paralympic sport across the globe. How might this further evolve down the line?
- What incremental revenue generating potential exists in the following areas? And if potential exists what is the scale of this? What are the associated risks? And what are the practical, legal steps required to fulfil such potential?
  - Sponsorship
  - Advertising
  - Membership
  - Data
  - Event Ticketing
  - Business Ventures
  - Content/IP Licensing
  - Digital
  - Philanthropy
  - Public Fundraising
  - Other
- Are the potential opportunities outlined above better pursued collaboratively, individually or otherwise?
- How do existing commercial, marketing and/or communications strategies being employed within the system support or conflict with the recommended approaches? Is there value in future strategies being aligned to revenue generation opportunities that are being explored?

## **Phase 1 – The System**

The initial phase of this project will focus on understanding each of the organisations that form the UK's Olympic and Paralympic performance system. This understanding should focus specifically on:

- Creating an inventory of their assets e.g. athlete access, image rights, event broadcast rights, branding opportunities, data
- Identifying which assets are currently driving revenue
- Valuing revenue currently derived from these assets
- Identifying any trends associated with this revenue
- Highlighting assets that are not being utilised (partially or fully)
- Desk research of available information on international examples/benchmarks of similar models or relevant case studies

### Desired Output

We expect a PDF report summarising the information outlined above. This should include a set of appendices with all relevant information captured within Phase 1 such as asset inventories and financial information.

## **Phase 2 – The Market**

An important aspect of this project is to highlight the external market forces that will impact upon our ability to drive incremental commercial revenue. The extent of this phase should not be limited by the detail in this brief but as a minimum should consider the following areas in the context of revenue generation:

- Evolution of the consumption of sport e.g. delineation of viewership, OTT
- Evolving B2C and B2B marketing practices within and outside of the sport industry
- Additional trends that will dictate the future of sport e.g. e-sports, 'sportertainment', value partnerships, brand partnerships

### Desired Output

We expect a PDF report summarising the information outlined above. This should include a set of appendices with all relevant research and information captured within Phase 2.

## **Phase 3 – The Opportunities**

Based on an in-depth understanding of the Olympic and Paralympic performance system, its current commercial standing and the external market forces that will influence the system moving forwards, we would like the appointed organisation to highlight a number of opportunities that are feasibly available to drive incremental revenue generation. For each opportunity we would like the following details explored:

- What is the commercial potential (£) of the opportunity? How much of this is incremental?
- Which organisations within the system need to be involved to successfully fulfil the opportunity?
- What assets from across the system are required to exploit this opportunity?
- Of these assets, which are currently exploited by current commercial activities?
- What are the risks to current revenue streams if pursuing a particular opportunity?

### Desired Output

We expect a PDF proposing all identified opportunities as detailed above. This should include a set of appendices with all relevant information on each opportunity and the details brought forward from Phase 1 and Phase 2.

The successful organisation will also be expected to present the identified opportunities to senior representatives of the Olympic and Paralympic performance system at a time and date to be agreed in due course.

## **Further Guidance**

Applicants are advised of the following considerations regarding this piece of work:

- The successful applicant will have access to a large amount of commercially sensitive information to be able to deliver this piece of work. It is important to note that:
  - None of the information provided can be used for any other business purposes during the contract term
  - Upon completion of the project all commercially sensitive information should be returned to UK Sport and removed from the organisation's system.
- The successful applicant will not be appointed to represent the Olympic and Paralympic performance system in the marketplace and does not have the right to negotiate or execute commercial arrangements on behalf of the parties within the Olympic and Paralympic sporting system
- The Olympic and Paralympic sporting system will not compromise performance for commercial gain and this should be factored into opportunities that are identified throughout this project
- An approximate four month contract period has been suggested within the tender documentation. However, we are willing to consider alternative timeframes based upon the proposed methodology.