

Invitation to Tender

Cornwall Development Company Ltd

TEN: 491

Financial and R&D Tax Credit

Innovation Support Services for AeroSpace Cornwall

November 2020

1. About Cornwall Development Company

Cornwall Development Company (CDC) is the economic development service of Cornwall Council (CC) and is part of the Corserv Limited Group of companies. On behalf of CC, Cornwall & Isles of Scilly Local Enterprise Partnership (CIoSLEP) and a range of stakeholders, CDC provides a bespoke, business facing service which helps deliver the economic vision and strategy for Cornwall. We achieve this across a wide range of economic development activities through the expertise and professional commitment of our staff.

2. Background and Context

The private sector plays a strong role in investing in research and development and accounts for the overwhelming majority of total innovation spend in the UK. Despite this, small and medium sized enterprises are not participating proportionately; according to the Innovation Survey, only 21.6 per cent of enterprises (with more than 10 employees) were engaged in either product or process innovation. This ranged from 20.5 per cent in smaller firms with between 10 and 49 employees and 29.8 per cent in larger firms (with between 100 and 249 employees). So, barriers exist for small and medium sized enterprises in their capacity and propensity to innovate and invest in internal capacity.

Particular barriers include a lack of awareness of the benefits of investing in innovation, its cost and uncertainty about the value that will accrue to the company. These development needs are compounded by a lack of access to appropriate finance, with nearly half of innovation-active small and medium sized enterprises experiencing difficulties obtaining finance. Combined, these development needs present structural barriers which the European Regional Development Fund can assist in addressing through targeted investment.

There is scope to better build on the knowledge base by stimulating more productive interactions between small and medium sized businesses and universities, research centres, large companies and other organisations. Access to external networks also has a strong positive effect on firm's potential absorptive capacity especially the assimilation of external knowledge.

2.1 Cornwall and Isles of Scilly (C&IOS) Growth Programme

This is the European economic regeneration programme for the region. Running until 2020, it will contribute to the EU ambition to deliver smart, sustainable and inclusive growth. Under this programme, European Structural Investment Funds (ESIF) and specifically the European Regional Development Fund (ERDF) has been allocated to promote business investment in Research & Innovation under Priority Axis 1b:

developing links and synergies between enterprises, research and development centres and the Higher Education sector, in particular promoting investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation;

and

supporting technological and applied research, pilot lines, early product validation actions, advance manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general-purpose technologies.

More details on European Structural Investment Funds (ESIF) and the European Regional Development Fund (ERDF) can be found via the links below:

[European Structural Investment Funds](#)

[European Regional Development Fund](#)

3. AeroSpace Cornwall Programme

AeroSpace Cornwall is a programme which promotes research, development and innovation (RD&I), funded by the European Regional Development Fund (ERDF) and Cornwall Council. AeroSpace Cornwall offers technical and commercial support for businesses across Cornwall and the Isles of Scilly who are developing new products, services and technologies which could add value to the space and aerospace sectors. The programme, which runs from December 2019 to December 2022, will support at least sixty businesses through grants and specialist business support whilst leveraging £1,375,639 of match funding from the private sector to;

- Increase the performance and competitiveness of local enterprises, create highly skilled jobs and launch new products into the marketplace
- Develop the 'innovation ecosystem' for the space and aerospace clusters by incentivising local businesses to collaborate with other businesses and research institutions to accelerate their innovation.
- Increase the value and capability of the local space and aerospace clusters and secure ongoing investment in them.

The following support is available for businesses to support the development of a new product, service or technology:

- **Market Research Grants** – Support to attend events, conferences and / or meetings to meet with key influential industry leaders, sector experts, potential customers, collaborators or investors to understand the market opportunity and inform the product, service or technology development.
- **Research and Development Grants** – Grants (typically £10k to £150k) are used to match private sector investment to assist with buying equipment, services or paying for existing staff time to work on product, service or technology development projects and to collaborate with research and academia if required.
- **Experts and Consultancy** – Fully funded space, aerospace or digital sector specialists and experts in investment, legal or intellectual property to mentor and support organisations in developing their product, service or technology.

AeroSpace Cornwall also supports inward investors by awarding soft landing packages and investment incentives, with the aim of encouraging collaboration with other businesses across Cornwall and the Isles of Scilly. AeroSpace Cornwall works closely with other programmes (for example Cornwall Trade and

Investment and Spaceport Cornwall) to ensure businesses experience a 'joined up' approach to support and funding and to ensure the overall messaging about Cornwall and the Isles of Scilly is aligned.

AeroSpace Cornwall works with manufacturing and engineering businesses who are, or aspire to be, part of the space / aerospace supply chains and digital businesses such as those developing software applications in the satellite communications, earth observation, navigation and meteorology areas. The AeroSpace Cornwall programme is committed to promoting environmental sustainability and equality within the space and aerospace sectors.

4. Financial and R&D Tax Credit Innovation Support Services

AeroSpace Cornwall supports businesses to develop products, services and technologies which can be sold into the aerospace and space supply chain(s). One of the key performance indicators of the AeroSpace Cornwall programme is the level of R&D tax credits being claimed by businesses.

This is encouraged, although in some cases, this may mean that AeroSpace Cornwall grants are not the most appropriate solution for the business. All AeroSpace Cornwall grant recipients will be invited to receive an overview of R&D Tax Credits and the potential related financial consequences of an R&D grant application.

There is a requirement for an appropriately qualified expert to transfer knowledge of the financial aspects associated with R&D activity to support businesses in helping them make an appropriate decision about the most appropriate funding route(s).

5. Tender Requirements

5.1 General Requirements

Cornwall Development Company is seeking to commission an appropriately qualified contractor, specialising in R&D, who is able to provide the following Financial and R&D Tax Credit Innovation Support services;

- 12 hours to prepare and deliver (virtually, via Teams, Zoom etc.) up to six one hour, one to many knowledge transfer session for up to six businesses to explain the R&D Tax Credit mechanism and the relationship with grant funding.
- 144 hours to prepare for (including reviewing the Support Agreement with the Business Development Manager) and meet with up to 36 businesses (allowing 4 hours each) for face-to-face meeting(s) to create of an impact assessment related to R&D investment(s), and a report detailing any areas which the business should consider further.

- 17 hours to create monthly reports for the AeroSpace Cornwall team (one hour per month)

The services are required from December 2020 and may be required up to September 2022.

5.2 Specific Requirements

The contractor will be required to deliver a knowledge transfer session within 30 days of being commissioned by the AeroSpace Cornwall Business Development Manager.

The AeroSpace Cornwall Business Development Manager will agree with the contractor, based on feedback from the business, the scope of knowledge transfer activity to be delivered in the one to one meeting. This will form the terms of the 'Support Agreement' which the business will agree – the content of which the contractor will deliver.

Formal recommendations will not be made as part of the provision of these services. If the business wishes to receive this, they must enter into a separate agreement with this or any other provider which falls outside of the AeroSpace Cornwall offer of support.

For the duration of the contract, the contractor will provide the AeroSpace Cornwall Business Development Manager with monthly reports detailing the date and duration of contact hours for each business, the knowledge transferred to the business, achieved results and any next steps identified.

5.3 Adherence to European Regional Development Fund Publicity Guidance

This project is partly funded through ERDF and to raise awareness of the opportunities it offers the European Commission requires all European funded projects to actively promote and publicise that they have received investment and to acknowledge it on any publicity materials or project documentation relating to the funded activity.

These requirements are set out in formal regulations and failure to comply with them may result in projects having to repay grant. Therefore, any material produced under this contract must comply with the EU Publicity regulations which is contained in the ERDF National Publicity Guidelines at Enclosure 2. All materials require the use of the ERDF logo and HMG Logo (see Enclosures 1, 2 and 3).

5.4 ERDF Cross-Cutting Themes

As detailed above, this project is partly funded through ERDF and Projects qualifying for funding support must incorporate the Cross-Cutting Themes which are essential for the achievement of a well-balanced, sustainable and innovative economy.

There are two themes;

5.4.1 Sustainability:

Sustainable development is about achieving an appropriate balance between environmental, social and economic objectives. This means a project needs to demonstrate how the project will have a positive impact.

However, should a project identify any potential negative environmental impacts associated with their project, the project must demonstrate how they will be mitigated and minimised.

5.4.2 Equality and diversity:

Equality is about respect and not treating an individual or group of people unfairly. It is about giving people equality of opportunity to access services and to fulfil their potential. Equality is therefore based on the idea of fairness while recognising everyone is different.

Diversity is about all the ways in which people differ and about recognising that differences are a natural part of society. No two people are the same and this means that many different elements make up our local community – something which should be celebrated. Diversity is about treating people as individuals and making them feel respected and valued.

These themes are required, where appropriate, to be promoted within any of the activities contained within the Scope of Service detailed in this tender. See also Corporate Requirements section below.

6. Budget

The total budget for this commission is a maximum budget of **£24,500** including expenses (excluding VAT). This will be a draw down contract based on activity completed. This sum must cover all the activities and expenses expected to be incurred to complete the services including all travel and subsistence, all resource time, all reporting, all planning and delivery.

7. Tender and commission timetable

The timescale of the project is from the date of signing the contract until 30th September 2022. The anticipated timetable for submission of the Tender, completion of the project and interim tendering/contract process milestones, are set out below.

Milestone	Date
Publication of ITT	16/11/2020
Final date for receipt of clarifications	27/11/2020
Final date for response to clarifications	01/12/2020
Deadline to return the Tender to CDC	17:00 on 04/12/2020

Evaluation of Tender by CDC – commencement	07/12/2020
Successful and unsuccessful tenderers notified	09/12/2020
Signed Contract and Project inception meeting	w/c 14/12/2020
First monthly report	01/02/2021 and then every month thereafter
All deliverables provided and Contract complete	30/09/2022

The Company reserves the right to change the above timetable and Tenderers will be notified accordingly where there is a change in the timetable.

8. Tender submission requirements

Please include the following information in your Tender submission.

8.1 Covering letter (two sides of A4 maximum) to include:

- 8.1.1 Contact name of a dedicated account manager for further correspondence;
- 8.1.2 That the tenderer has the resources available to meet the requirements outlined in this brief and its timelines;
- 8.1.3 That the tenderer accepts all the Terms and Conditions of the Contract as per Enclosure 5;
- 8.1.4 Conflict of interest statement (see Section 9.13);
- 8.1.5 That the tenderer will be able to meet the Corporate Requirements Section 9, to include confirmation that Equality and Diversity, Environmental and Data Protection policies are in place and, if successful, supporting documentation will be provided as evidence;
- 8.1.6 That the tenderer accepts CDC Information and Data Agreement (Enclosure 4)
- 8.1.8 That the tenderer holds current valid insurance policies as set out in 9.3 and, if successful, supporting documentation will be provided as evidence
- 8.1.9 Confirmation that the tenderer accepts to comply with branding requirements as detailed in the attached document, 'ESIF Branding and Publicity Requirements V8', and 'HM Government Identity Guidelines' in Enclosures 1,2 and 3

8.2. Evidence of expertise

In order to demonstrate the ability to meet all of the requirements of Section 5.1 and 5.2 of the 'Tender Requirements';

- 8.2.1 The contractor must be able to demonstrate that they are qualified to provide Financial and R&D Tax Credit expertise. Appropriate certifications should be presented.
- 8.2.2 The contractor must be able to demonstrate recent experience (within the last 12 months) of delivering Financial and R&D Tax Credit expertise. This should be evidenced by providing two examples (no more than one side of A4 for each example) of similar commissions (similar in terms of target audience and scale of knowledge transfer).
- 8.2.3 Two references and testimonials are required from SME recipients of the services provided to demonstrate an effective working relationship with the client.

8.3. Budget

Details of the hourly rates and the total contract value, by completing the table below;

	Team member	Activity	Hourly Rate (£)	Number of hours	Fee
Total fee (£) (based on 163 hours drawn down)					
Total fees exceeding the maximum budget outlined in section 6 will <u>not</u> be considered					

9. Corporate requirements

CDC wishes to ensure that its contractors, suppliers and advisers comply with its corporate requirements when facilitating the delivery of its services. It is therefore necessary to ensure that the contractor can evidence their ability to meet these requirements when providing the services under this commission.

All Tenderers must be prepared to provide the evidence as stipulated in the paragraphs that follow, as requested by CDC, prior to any contract is signed.

9.1 Equality and Diversity

CDC is committed to providing services in a way that promotes equality of opportunity. It is expected that the successful tenderer will be equally committed to equality and diversity in its service provision and will ensure compliance with all anti-discrimination legislation. The tenderer will be required to provide a copy of their Equality and Diversity Policies/Practices if successful in securing this contract.

9.2 Environmental Policy

CDC is committed to sustainable development and the promotion of good environmental management. It is expected that the successful tenderer will be committed to a process of improvement with regard to environmental issues. The tenderer will be required to provide a copy of their Environmental Policies/Practices if successful in securing this contract.

9.3 Indemnity and Insurance

The contractor must effect and maintain with reputable insurers such policy or policies of insurance as may be necessary to cover the contractor's obligations and liabilities under this contract, including but not limited to:

- Professional indemnity insurance with a limit of liability of not less than £1 million;
- Public liability insurance with a limit of liability of not less than £2 million;
- Employers liability insurance with a limit of liability of not less than £2 million

All insurances shall cover for any one occurrence or series of occurrences arising out of any one event during the performance of this contract. The tenderer will be required to provide a copy of their insurance policies if successful in securing this contract.

In addition, the contract will be subject to the following legislation:

9.4 Data Protection

The contractor will comply with its obligations under Data Protection Legislation (DPL), being the UK Data Protection Legislation and the General Data Protection Regulation (GDPR) and any other directly applicable European Union legislation relating to privacy. The tenderer will be required to provide a copy of their Data Protection policy and privacy statement if successful in securing this contract.

9.5 Freedom of Information Legislation

CDC may be obliged to disclose information provided by bidders in response to this tender under the Freedom of Information Act 2000 and all subordinate legislation made under this Act and the Environmental Information Regulations 2004 (Freedom of Information Legislation).

Tenderers should therefore be aware that the information they provide could be disclosed in response to a request under the Freedom of Information Legislation. CDC will proceed on the basis of disclosure unless an appropriate exemption applies.

Tenderers should be aware that despite the availability of some exemptions, information may still be disclosed if it is in the public interest.

9.6 Prevention of Bribery

Tenderers are hereby notified that CDC is subject to the regulations of the Bribery Act 2010 and therefore has a duty to ensure that all tenderers will comply with applicable laws, regulations, codes and sanctions relating to anti-bribery and anti-corruption including, but not limited to, this legislation.

9.7 Health and Safety

The Contractor must at all times comply with the requirements of the Health and Safety at Work Act 1974, the Management of Health and Safety at Work Regulations 1992 and all other statutory and regulatory requirements.

9.8 Exclusion

CDC shall exclude the tenderer from participation in this procurement procedure where they have established or are otherwise aware that the organisation, to include administrative, management or supervisory staff that have powers of representation, decision or control of the applicant's company, has been the subject of a conviction by final judgment of one of the following reasons:

- Participation in a criminal organisation
- Corruption
- Fraud
- Terrorist offences or offences linked to terrorist activities
- Money laundering or terrorist financing
- Child labour and other forms of trafficking in human beings

9.9 Publicity

In order to comply with the necessary publicity regulations that accompany ESIF funds all promotional material, meeting invites, questionnaires and reports must at all times comply with the latest guidelines in accordance with paragraph 5.4.

The appointed contractor must comply with the publicity requirements in all activities, events, and literature developed as part of this contract.

9.10 Sub-contracting

Tenderers should note that a consortia can submit a tender but the sub-contracting aspects of this commission must be identified within your response and cannot after appointment be altered without prior agreement with CDC.

Additionally, your attention is drawn to the following paragraph in the Terms and Conditions 18.1. at Enclosure 5.

9.11 Content ownership

By submitting a tender application, the tenderer acknowledges that the copyright to all material produced during the programme will be the property of CDC.

9.12 Document Retention

All documentation (electronic and hard copy) produced as part of this contract will need to be returned to CDC at the end of the contract so that we can retain them for future reference/audit.

The contractor will not be expected to store these documents for future reference.

9.13 Conflicts of Interest

Tenderers must provide a clear statement with regard to potential conflicts of interests.

Therefore, **please confirm within your tender submission** whether, to the best of your knowledge, there is any conflict of interest between your organisation and CDC or its programme team that is likely to influence the outcome of this procurement either directly or indirectly through financial, economic or other personal interest which might be perceived to compromise the impartiality and independence of any party in the context of this procurement procedure.

Receipt of this statement will permit CDC to ensure that, in the event of a conflict of interest being notified or noticed, appropriate steps are taken to ensure that the evaluation of any submission will be undertaken by an independent and impartial panel.

10. Tender clarifications

Any clarification queries arising from this Invitation to Tender which may have a bearing on the offer should be raised by email to:

gail.eastaugh@cornwalldevelopmentcompany.co.uk

in accordance with the Tender and Commission Timetable in section 7. Responses to clarifications will be anonymised and uploaded by CDC to Contracts Finder and will be viewable to all tenderers.

No representation by way of explanation or otherwise to persons or corporations tendering or desirous of tendering as to the meaning of the tender, contract or other tender documents or as to any other matter or thing to be done under the proposed contract shall bind CDC unless such representation is in writing and duly signed by a Director/Partner of the tenderer.

All such correspondence shall be returned with the Tender Documents and shall form part of the contract.

11. Tender evaluation methodology

Each tender will be checked for completeness and compliance with all requirements of the ITT.

Tenders will be evaluated to determine the most economically advantageous offer taking into consideration the following award criteria:

Ref 8.1 Covering Letter	
Acceptable covering letter including confirmation of the requirements detailed in 8.1	Pass/ Fail
Ref 8.2 Evidence of Expertise	
8.2.1 The contractor must be able to demonstrate that they are qualified to provide Financial and R&D Tax Credit expertise. Appropriate certifications should be presented.	Pass /Fail
8.2.2 The contractor must be able to demonstrate recent experience (within the last 12 months) of delivering Financial and R&D Tax Credit expertise. This should be evidenced by providing two examples (no more than one side of A4 for each example) of similar commissions (similar in terms of target audience and scale of knowledge transfer).	30
8.2.3 Two references and testimonials are required from SME recipients of the services provided to demonstrate an effective working relationship with the client.	30
Ref 8.3 Budget	
8.3 Details of the hourly rates and the total contract value, by completing the table.	40
The lowest bid will be awarded the full 40 marks. Other bids will be awarded a mark that is proportionate to the level of their bid in comparison to the lowest bid i.e. Marks awarded = $40 \times \text{lowest bid} / \text{bid}$	

12. Tender assessment

Each Tender will be checked for completeness and compliance with all requirements. During the evaluation period, CDC reserves the right to seek clarification in writing from the tenderers, to assist it in its consideration of the tender.

Tenders will be evaluated to determine the most economically advantageous offer taking into consideration the award criteria weightings detailed in the criteria table above. CDC is not bound to accept the lowest price or any tender.

CDC will not reimburse any expense incurred in preparing tender responses. Any contract award will be conditional on the Contract being approved in accordance with CDC's internal procedures and CDC being able to proceed.

The reviewer will award a percentage of the marks depending upon their assessment of the tenderer's response. The following scoring, or graduations of such, will be used to assess the tenderer's response.

Scoring Matrix for Tender Criteria		
Score	Judgement	Interpretation
100%	Excellent	Exceptional demonstration of the relevant ability, understanding, experience, skills, and resource and/or quality measures required to provide the goods/works/services. Full evidence provided where required supporting the response.
80%	Good	Above average demonstration of the relevant ability, understanding, experience, skills, resource and/or quality measures required to provide the goods/works/services. Majority evidence provided to support the response.
60%	Acceptable	Demonstration of the relevant ability, understanding, experience, skills, and resource and/or quality measures required to provide the goods/works/services, with some evidence to support the response.
40%	Minor Reservations	Some minor reservations of the relevant ability, understanding, experience, skills, and resource and/or quality measures required to provide the goods/works/services, with little or no evidence to support the response.
20%	Serious Reservations	Considerable reservations of the relevant ability, understanding, experience, skills, and resource and/or quality measures required to provide the goods/works/services, with little or no evidence to support the response.
0	Unacceptable	Does not comply and/or insufficient information provided to demonstrate that there is the ability, understanding, experience, skills, resource and/or quality measures required to provide the goods/works/services, with little or no evidence to support the response.

13. Tender Award

Any contract awarded as a result of this tender process will be in accordance with the attached CDC standard terms and conditions (see Enclosure 5).

14. Tender returns

Please submit the Tender document by email or post or in person by **17:00 on 04/12/2020**. If submitting electronically, please send by email to;

tenders@cornwaldevelopmentcompany.co.uk

with the following wording in the subject box: "Tender TEN491 Financial and R&D Tax Credit Innovation Support Services for AeroSpace Cornwall"

Tenderers are advised to request an acknowledgement of receipt when submitting by email.

If submitting by post or in person, the Tender must be enclosed in a sealed envelope, only marked as follows:

"Tender TEN491 Financial and R&D Tax Credit Innovation Support Services for AeroSpace Cornwall"

Nicky Pooley
Head of Corporate Services
Cornwall Development Company
Bickford House
Station Road
Pool
Redruth
Cornwall TR15 3QG

The envelope should not give any indication to the tenderer's identity. Marking by the carrier will not disqualify the tender.

14. Disclaimer

The issue of this documentation does not commit CDC to award any contract pursuant to the tender process or enter into a contractual relationship with any provider of the service. Nothing in the documentation or in any other communications made between CDC or its agents and any other party, or any part thereof, shall be taken as constituting a contract, agreement or representation between CDC and any other party (save for a formal award of contract made in writing by or on behalf of CDC).

Tenderers must obtain for themselves, at their own responsibility and expense, all information necessary for the preparation of their tender responses. Information supplied to the tenderers by CDC or any information contained in CDC's publications is supplied only for general guidance in the preparation of the tender response.

Tenderers must satisfy themselves by their own investigations as to the accuracy of any such information and no responsibility is accepted by CDC for any loss or damage of whatever kind and howsoever caused arising from the use by tenderers of such information.

CDC reserves the right to vary or change all or any part of the basis of the procedures for the procurement process at any time or not to proceed with the proposed procurement at all.

Cancellation of the procurement process (at any time) under any circumstances will not render CDC liable for any costs or expenses incurred by tenderers during the procurement process.

15. Enclosures

1. ERDF and ESF Branding and Publicity Requirements ESIF-GN-1-005
Version 8 August 2019
2. HMID Identity Guidelines
3. HM Government logos as a zip file
4. CDC Information and Data Agreement
5. Terms and Conditions of the Contract (under £25,000)