

## DPS FRAMEWORK SCHEDULE 4: LETTER OF APPOINTMENT AND CONTRACT TERMS

### Part 1: Letter of Appointment

Perspective Economics Limited,  
48 High Street,  
Belfast,  
BT1 2BE



### Letter of Appointment



This letter of Appointment dated 20<sup>th</sup> December 2022 is issued in accordance with the provisions of the DPS Agreement (RM6018) between CCS and the Supplier.

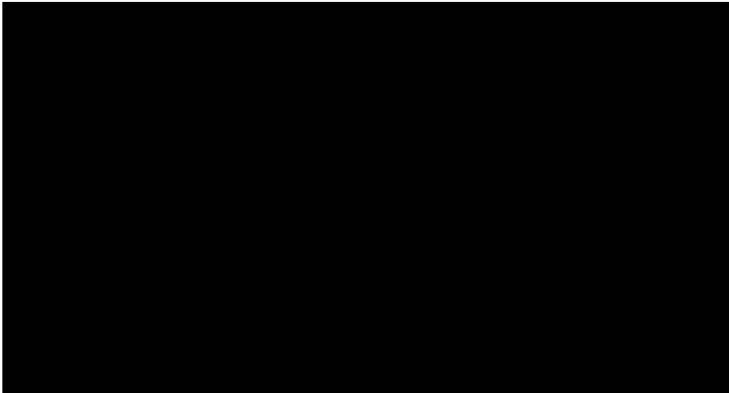
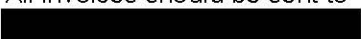
Capitalised terms and expressions used in this letter have the same meanings as in the Contract Terms unless the context otherwise requires.

Order Number:	PS21213
From:	<b>Department of Business Energy and Industrial Strategy</b> , 1 Victoria St, Westminster, London, SW1H 0ET ("Customer") ("Customer")
To:	<b>Perspective Economics Limited, 48 High Street, Belfast, BT1 2BE</b> ("Supplier")

Effective Date:	Monday, 20 <sup>th</sup> December 2021
Expiry Date:	Friday 18th March 2022.

Services required:	Set out in Section 2, Part B (Specification) of the DPS Agreement and refined by:  The Customer's Project Specification attached at Annex A and the Supplier's Proposal attached at Annex B; and
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Key Individuals:	 
Guarantor(s)	Not applicable

Contract Charges (including any applicable discount(s), but excluding VAT):	<p>As per AW5.2 Price Schedule response highlighted within the RM6018 Contract Terms, section; Annex 1 – Contract Charges.</p> <p>The total call-off contract value shall not exceed £55,750.00 excluding VAT.</p> <p>Payment Schedule Payments will be linked to delivery of key milestones as per below:</p> 
Insurance Requirements	<p>Additional public liability insurance to cover all risks in the performance of the Contract, with a minimum limit of £5 million for each individual claim.</p> <p>Additional employers' liability insurance with a minimum limit of £5 indemnity.</p> <p>Additional professional indemnity insurance adequate to cover all risks in the performance of the Contract with a minimum limit of indemnity of £1 million for each individual claim.</p> <p>Product liability insurance cover all risks in the provision of Deliverables under the Contract, with a minimum limit of £5 million for each individual claim.</p>
Liability Requirements	<b>Suppliers limitation of Liability</b> (Clause 18.2 of the Contract Terms);
Customer billing address for invoicing:	<p>All invoices should be sent to  or Billingham (UKSBS, Queensway House, West Precinct, Billingham, TS23 2NF).</p>

## FORMATION OF CONTRACT

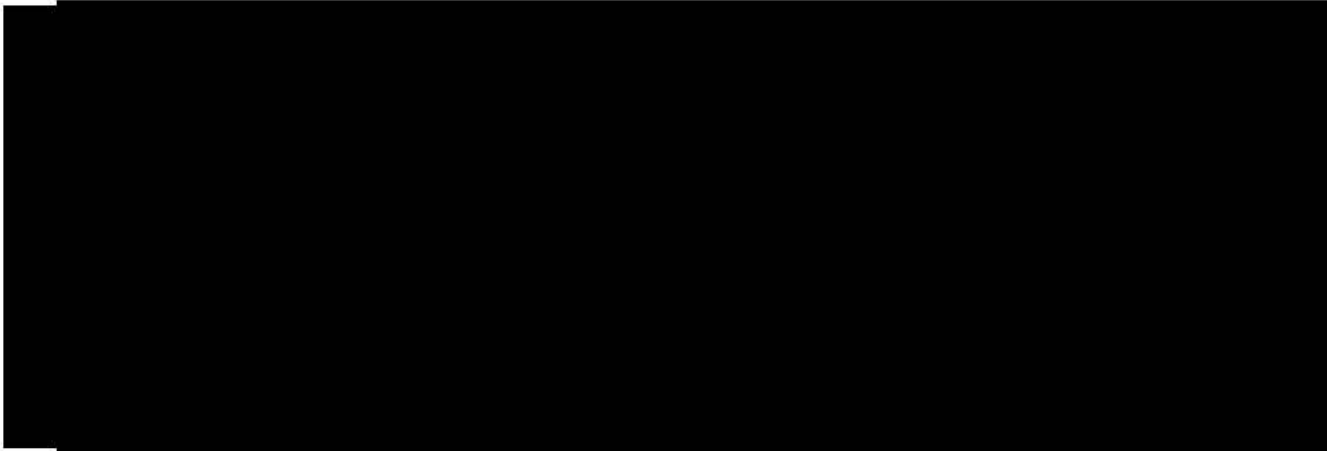
**BY SIGNING AND RETURNING THIS LETTER OF APPOINTMENT (which may be done by electronic means) the Supplier agrees to enter a Contract with the Customer to provide the Services in accordance with the terms of this letter and the Contract Terms.**

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

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

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

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



## ANNEX A

### Introduction and summary of requirements

Advanced materials are critical drivers of innovation across a range of important technologies and was identified as a UK technological strength in the BEIS UK Innovation Strategy published earlier this year. They will become increasingly crucial to transform important industrial sectors including aerospace, automotive, construction, marine, rail, healthcare and energy, for example through improved battery materials, coatings for corrosion or heat resistance, printed electronics, and embedded sensors. New developments in materials science will bring even greater advances over the next few years, and most, if not all, will rely on advancements in materials science to some extent.

The Department for Business, Energy and Industrial Strategy (BEIS) is seeking to assess the current strength of the UK materials ecosystem. It is expected that, in due course, this will contribute to the development of a national strategy for advanced materials.

### Background

As the nation transforms to meet the Net Zero targets, the pressing need to reduce greenhouse gas emissions will drive significant societal change. At present, approximately 43% of total UK emissions result from the manufactured products that we consume. The major portion of the emissions is directly attributable to the extraction, refining and disposal of the materials we use, hence placing materials on the critical path of achieving the Net Zero targets, as new and radically different products and services evolve.

The global advanced materials market is anticipated to reach around \$102bn by 2024. In 2019, the UK was home to 8.5% of the world's graphene-related companies and the global graphene market was predicted to grow to over USD 300 million by 2022, with a 5-year CAGR of 51.7%.

In addition, the inherent dual-use nature of advanced materials means that emerging technologies are likely to have defence and security applications and implications.

The UK is exceptionally well placed to capitalise on its excellent hi-tech engineering industrial and academic base to lead the world in the development and application of advanced materials, creating the next generation of net zero products and services. There is a tremendous opportunity to increase the UK share of the new markets stimulated by the global drive toward net zero. With this in mind 'Advanced Materials & Manufacturing' was named as one of the seven UK Technological Strengths in the recently published UK Innovation Strategy.

There are advanced materials technology hubs, many associated with academic institutions in the UK; these have the potential to generate thousands of high-skilled, well paid jobs and contribute to the levelling up agenda. Manchester has become a world-leading hub for graphene and other 2D materials, Bristol and the surrounding area has a long history of producing high-end composites, and Sheffield is a centre of metals and alloys expertise. South Wales has world leading expertise in next generation compound semiconductor materials and systems, which are fundamentally important for multiple industries for deployment in motors and chips.

A draft of what is meant by 'advanced materials', i.e. what is 'in scope' and 'not in scope' is listed in Annex 1. This is for orientation only at this stage and is not exhaustive. Refinement of the scope will be required at the outset of the project jointly by the steering group and the successful bidder.

### Aims & Objectives



- To develop a robust evidence base on the strategic advantage of the UK advanced materials sector. This will involve identifying UK capabilities in the advanced materials sector (key technical and innovation strengths).
- To identify the current and forecast levels of UK supply and demand of these materials. This is to incorporate the differing timeframes of availability / technology maturity.
- To identify the key risks for the UK advanced materials sector and factors that would be crucial for mitigating these risks.
- Define, in the context of national and international policy priorities, the UK advanced materials scientific research base across academia and RTOs. This is to include the component materials and material systems, their maturity, the relationship of the materials science research with potential future end uses / users and skills required.
- To understand gaps in the availability of data that would be needed to inform a national advanced materials strategy.

### Suggested Methodology

Bidders will be required to provide details of their proposed methodology and rationale, including an indicative project plan, to deliver aims and objectives of the contract as set out above.

### Outputs Required

The following deliverables are required:

- 1) A final report specifically answering the questions laid out in the objectives above and containing:
  - a) All findings
  - b) Any and all assumptions made and used
  - c) Full detail of the methodology used
  - d) Recommendations for future work
  - e) Any lessons learnt in undertaking the study (to inform future updates)
- 2) A spreadsheet containing all data, references and sources in an easily accessible form that can be used as a base for future updates and revision.
- 3) Final presentation, in person, of the findings to the steering group.

### Ownership and Publication

BEIS, on behalf of the government, will take ownership of the any outputs from the commissioned work, and will make a decision on if and when to publish the list or the associated methodology.

### Quality Assurance

The work should be subject to internal quality assured by the contractor conducting the work.

Draft outputs should be made available to BEIS, to an agreed timetable, and any feedback should be duly considered prior to the provision of final deliverables. We would expect that timetable to

involve a draft report being provided by 28<sup>th</sup> January 2022, with BEIS providing written feedback by 11<sup>th</sup> February 2022.

The approach taken should draw on best practice, and should be appropriately documented, referenced and presented to enable BEIS to conduct a review, including with reference to BEIS advisors or to other government departments or non-departmental bodies.

Suppliers bidding for this work should outline, in their proposal, a specific contract manager, his/her expertise and their duties. On contract award, this person would become BEIS's main contact point for queries pertaining to the service delivery, including quality of service, service escalation points and queries. Suppliers should also provide a brief outline of their service delivery escalation process, beyond the Contract Manager.

### Timetable

Due to other considerations the timetable for delivery of this work is ambitious.

We expect to receive the final report by 25<sup>th</sup> February 2022, with the draft report and presentation by 28<sup>th</sup> January 2022.

### Challenges

The area of materials science and advanced materials involved in this study is a specialist one and therefore the experience and quality of the bidding organisation, the assigned delivery team and the plan / approach to be used are of critical importance to a successful outcome and will therefore be evaluated more highly than other criteria.

### Working Arrangements

The successful contractor will be expected to identify one named point of contact through whom all enquiries can be filtered. A BEIS project manager will be assigned to the project and will be the central point of contact.

Performance will be continuously evaluated against the bidders plan once the contract is placed. This will be subject to regular review and progress reporting against plan and milestones with the steering group. Frequency is likely weekly to start then twice monthly given the expected project length.

### Consortium Bids

In the case of a consortium tender, only one submission covering all of the partners is required but consortia are advised to make clear the proposed role that each partner will play in performing the contract as per the requirements of the technical specification. We expect the bidder to indicate who in the consortium will be the lead contact for this project, and the organisation and governance associated with the consortia.

Contractors must provide details as to how they will manage any sub-contractors and what percentage of the tendered activity (in terms of monetary value) will be sub-contracted.

If a consortium is not proposing to form a corporate entity, full details of alternative proposed arrangements should be provided in the Annex. However, please note BEIS reserves the right to require a successful consortium to form a single legal entity in accordance with Regulation 28 of the Public Contracts Regulations 2006.

BEIS recognises that arrangements in relation to consortia may (within limits) be subject to future change. Potential Providers should therefore respond in the light of the arrangements as currently



envisaged. Potential Providers are reminded that any future proposed change in relation to consortia must be notified to BEIS so that it can make a further assessment by applying the selection criteria to the new information provided.

## Budget

BEIS is not at liberty to inform suppliers of the end budget for this service, however we are able to let the market know that benchmark costs have been calculated to be £60,000 excluding VAT.

Contractors should provide a full and detailed breakdown of costs (including options where appropriate). This should include staff (and day rate) allocated to specific tasks.

Cost will be a criterion against which bids which will be assessed.

Payments will be linked to delivery of key milestones. The indicative milestones and phasing of payments is as follows. This can be adjusted and agreed with the contractor based on the tender response/details. Please advise in your tender response how this breakdown reflects your usual payment processes:

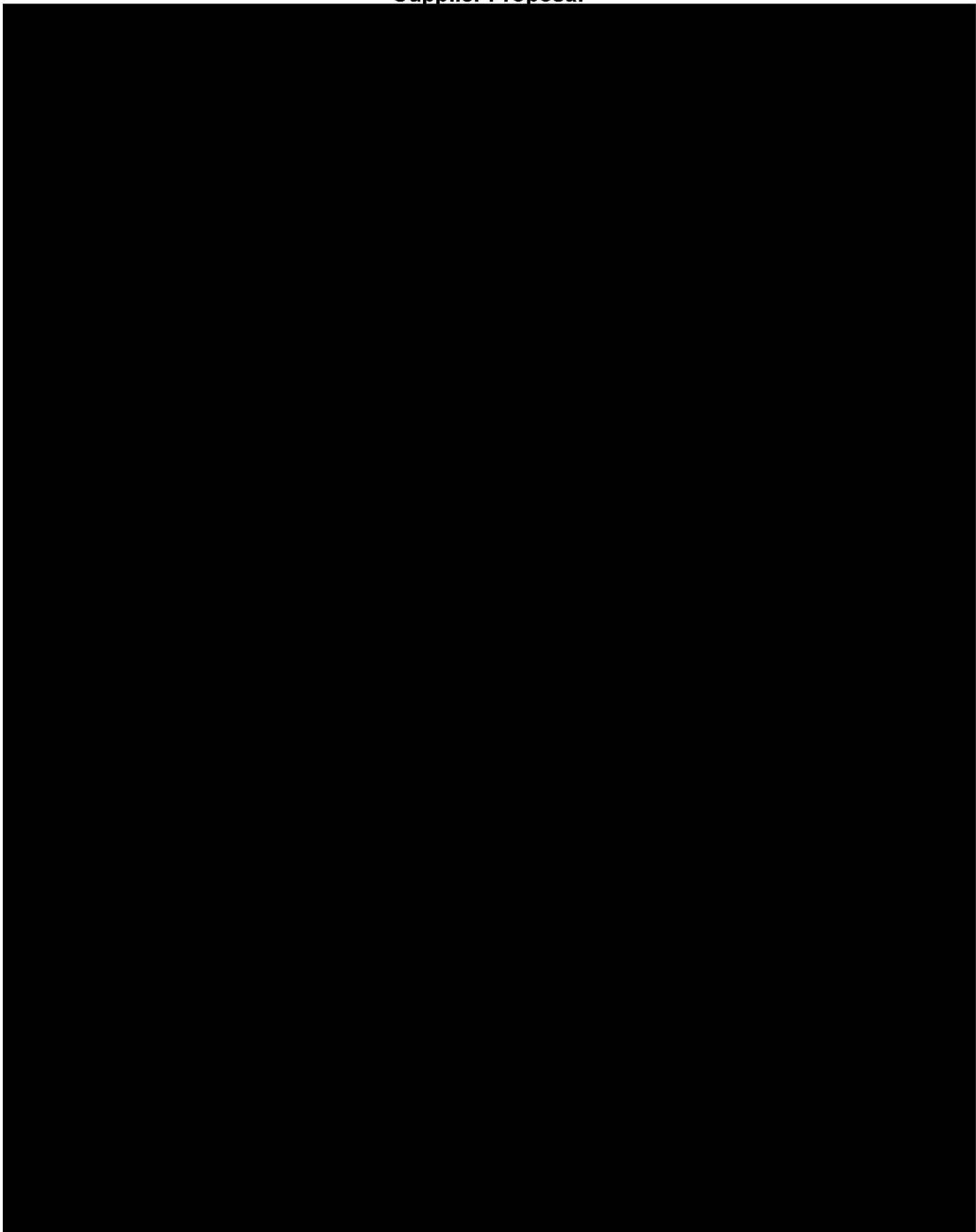
Milestone	Date of requirement	Payment that may be invoiced upon completion of milestone
Draft emerging outputs (including methodology and list)	28 January 2022	60% of project value
Final outputs received in full	25 February 2022	Balance of project value

In submitting full tenders, contractors confirm in writing that the price offered will be held for a minimum of 90 calendar days from the date of submission. Any payment conditions applicable to the prime contractor must also be replicated with sub-contractors.

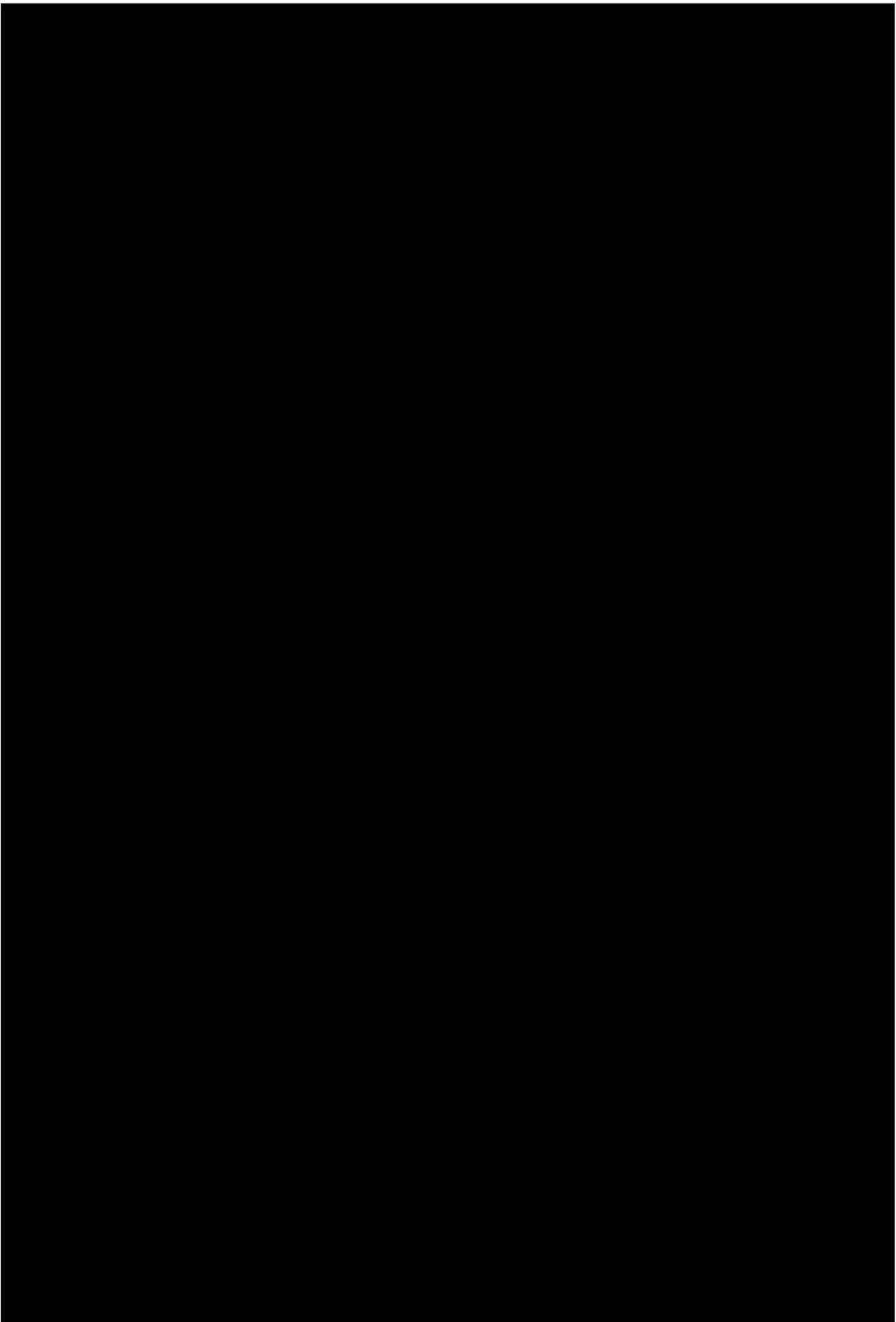
The Department aims to pay all correctly submitted invoices as soon as possible with a target of 10 days from the date of receipt and within 30 days at the latest in line with standard terms and conditions of contract.

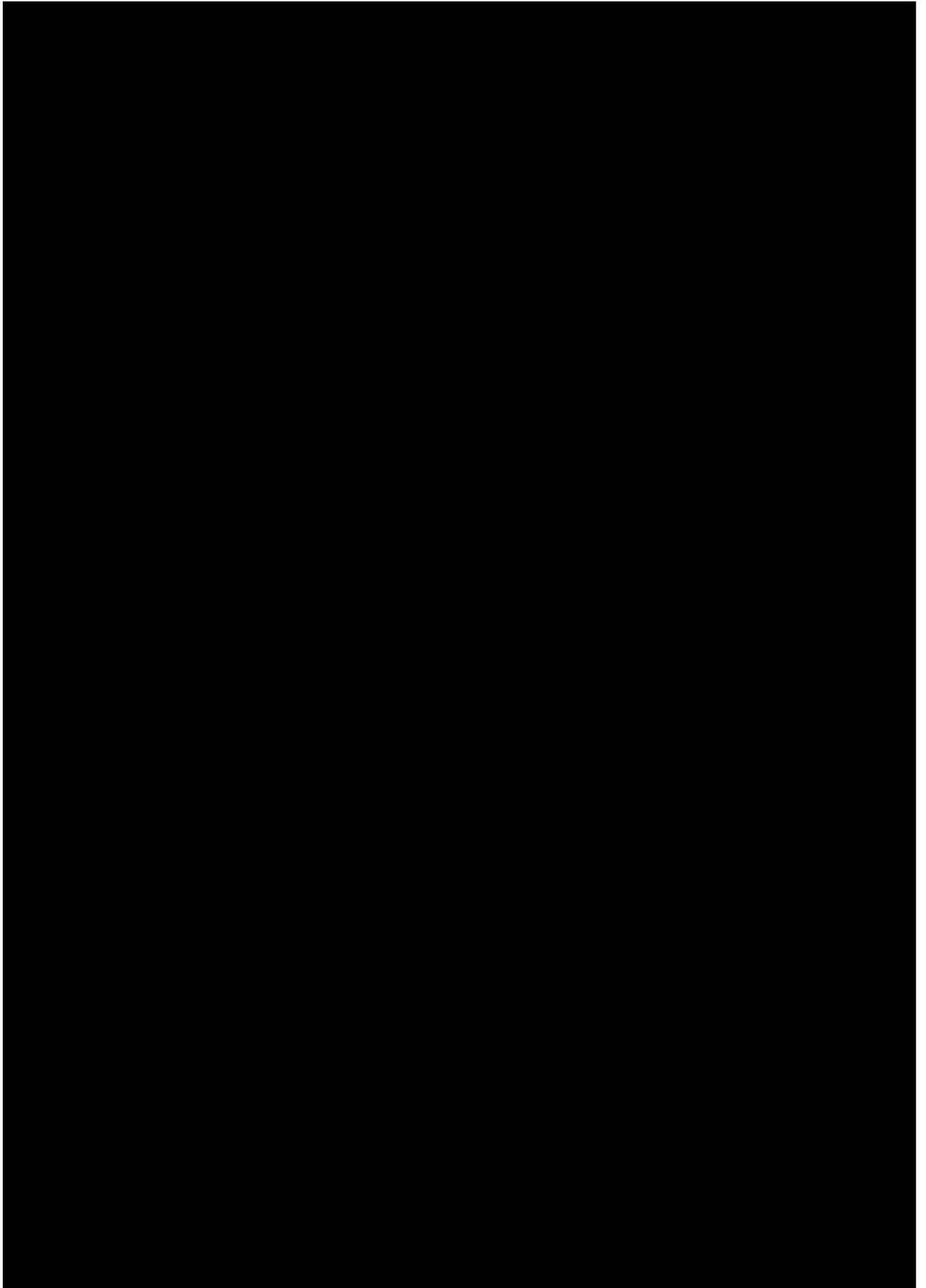
## **ANNEX B**

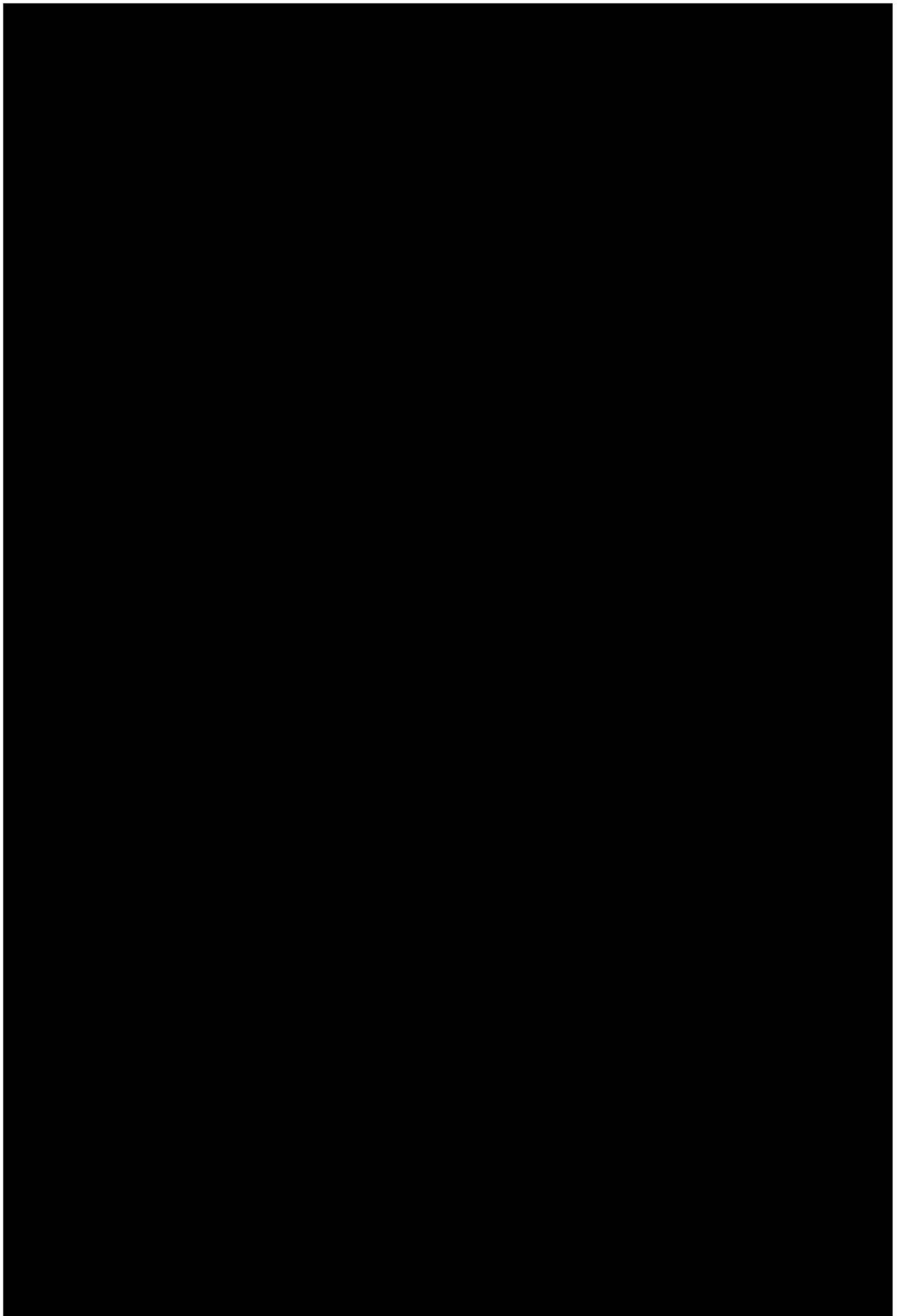
### **Supplier Proposal**



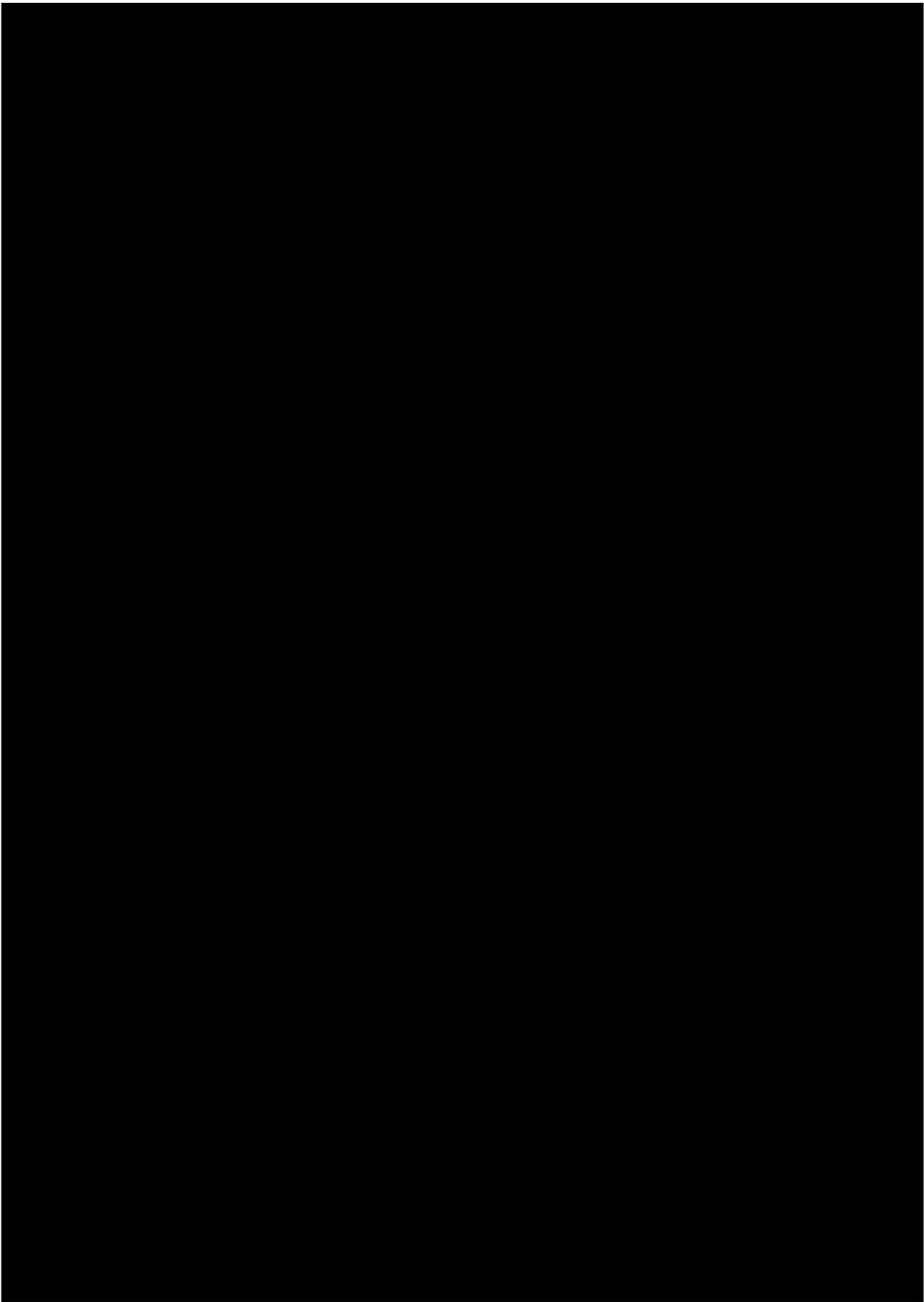


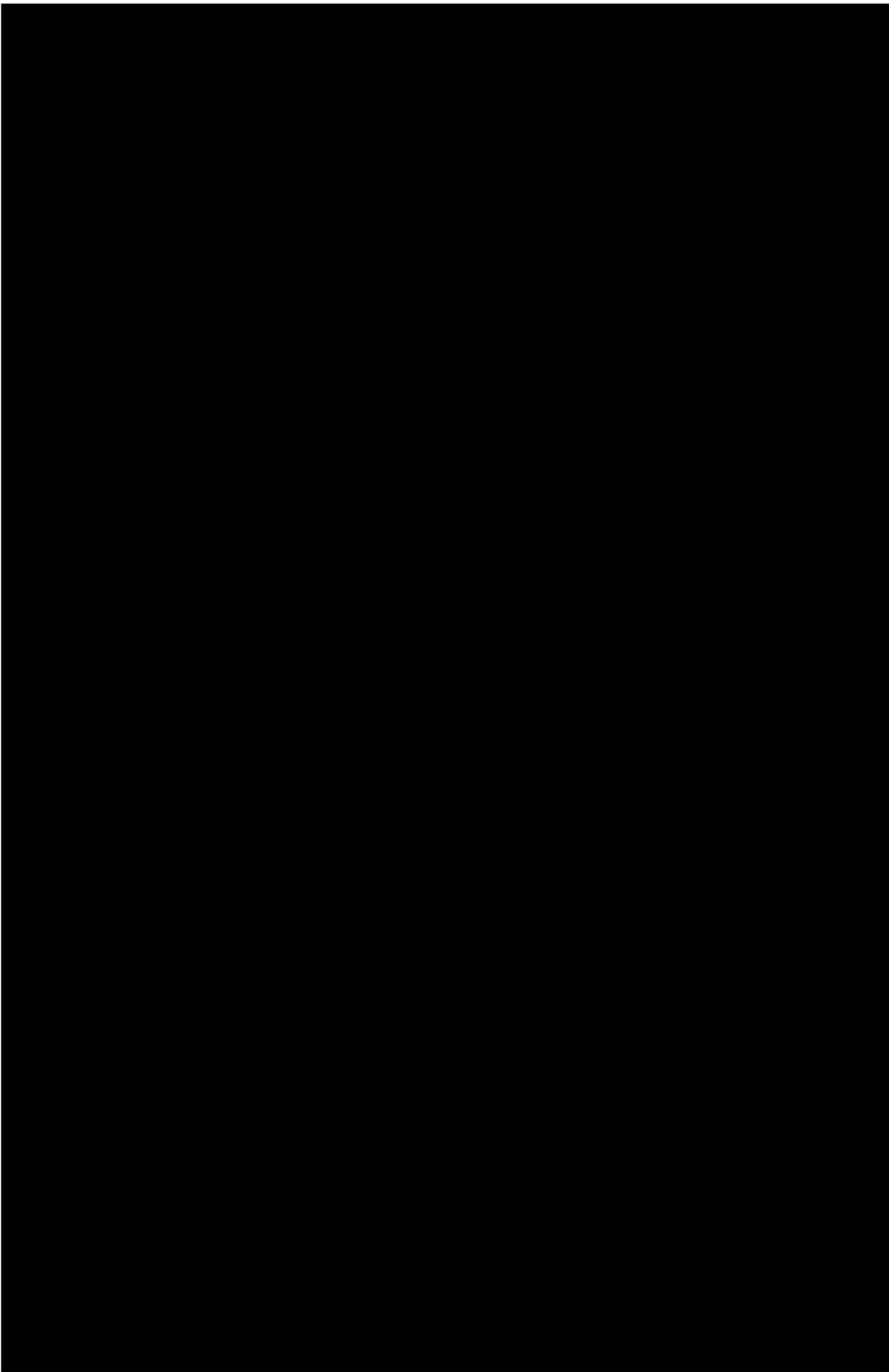


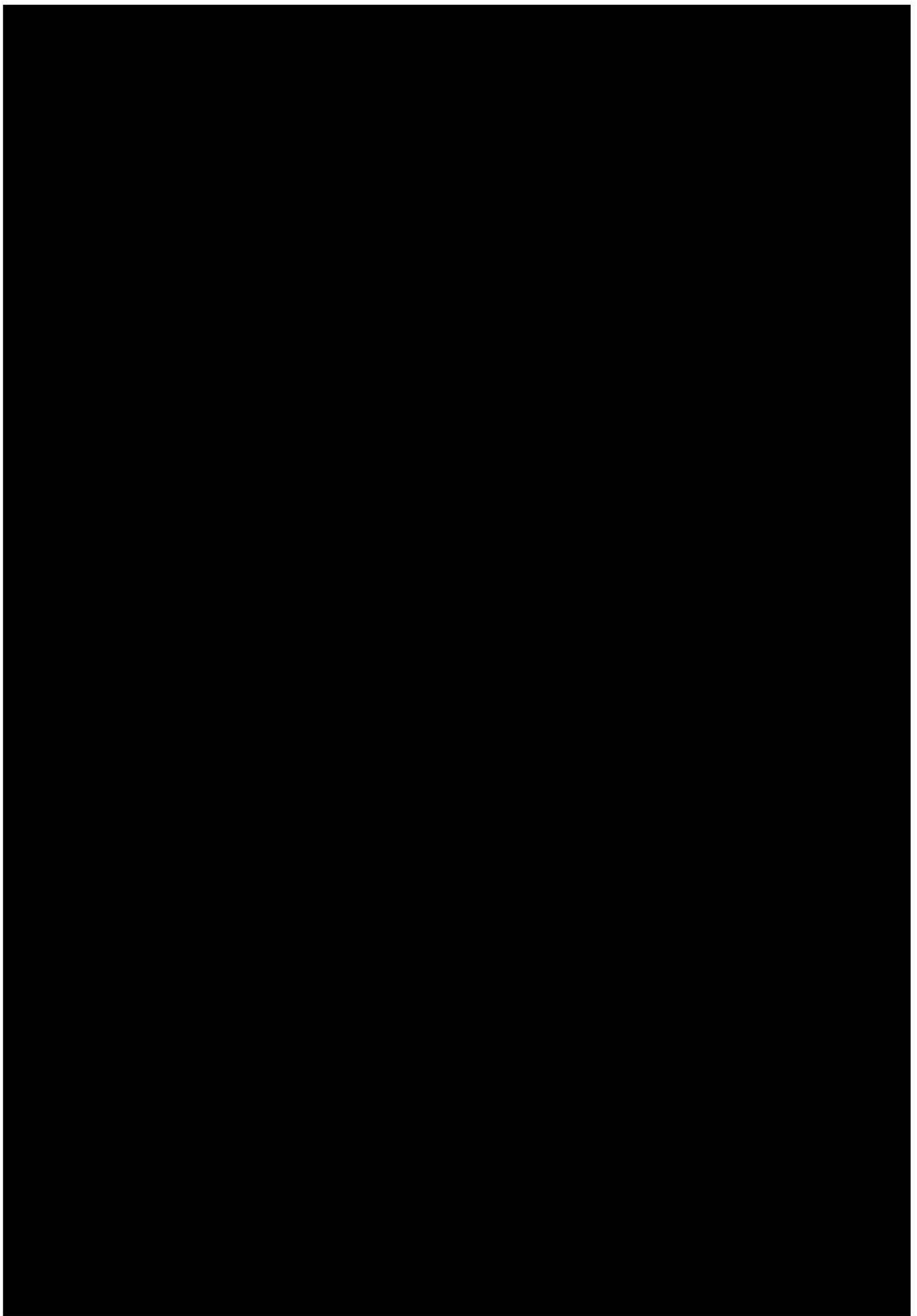




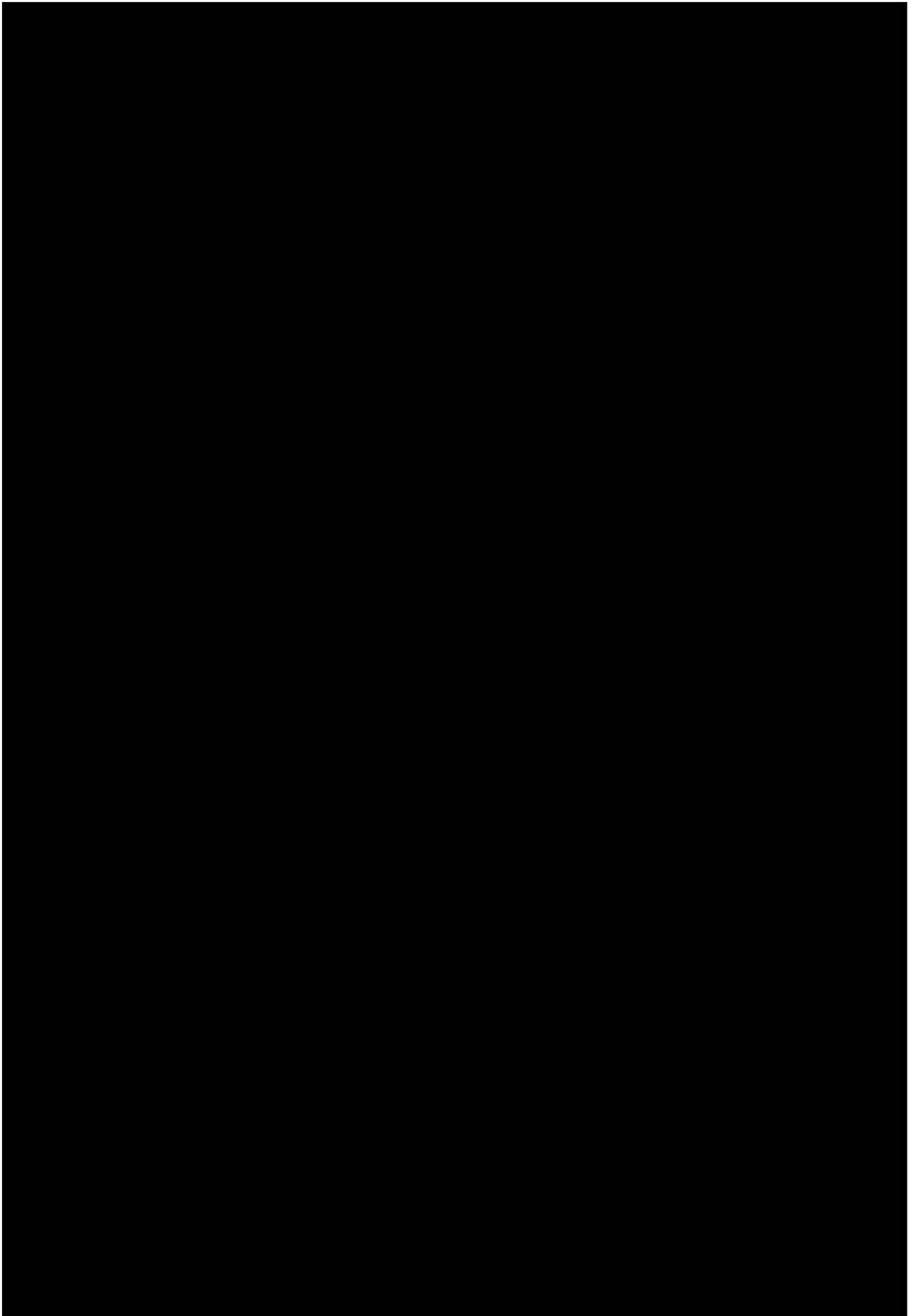


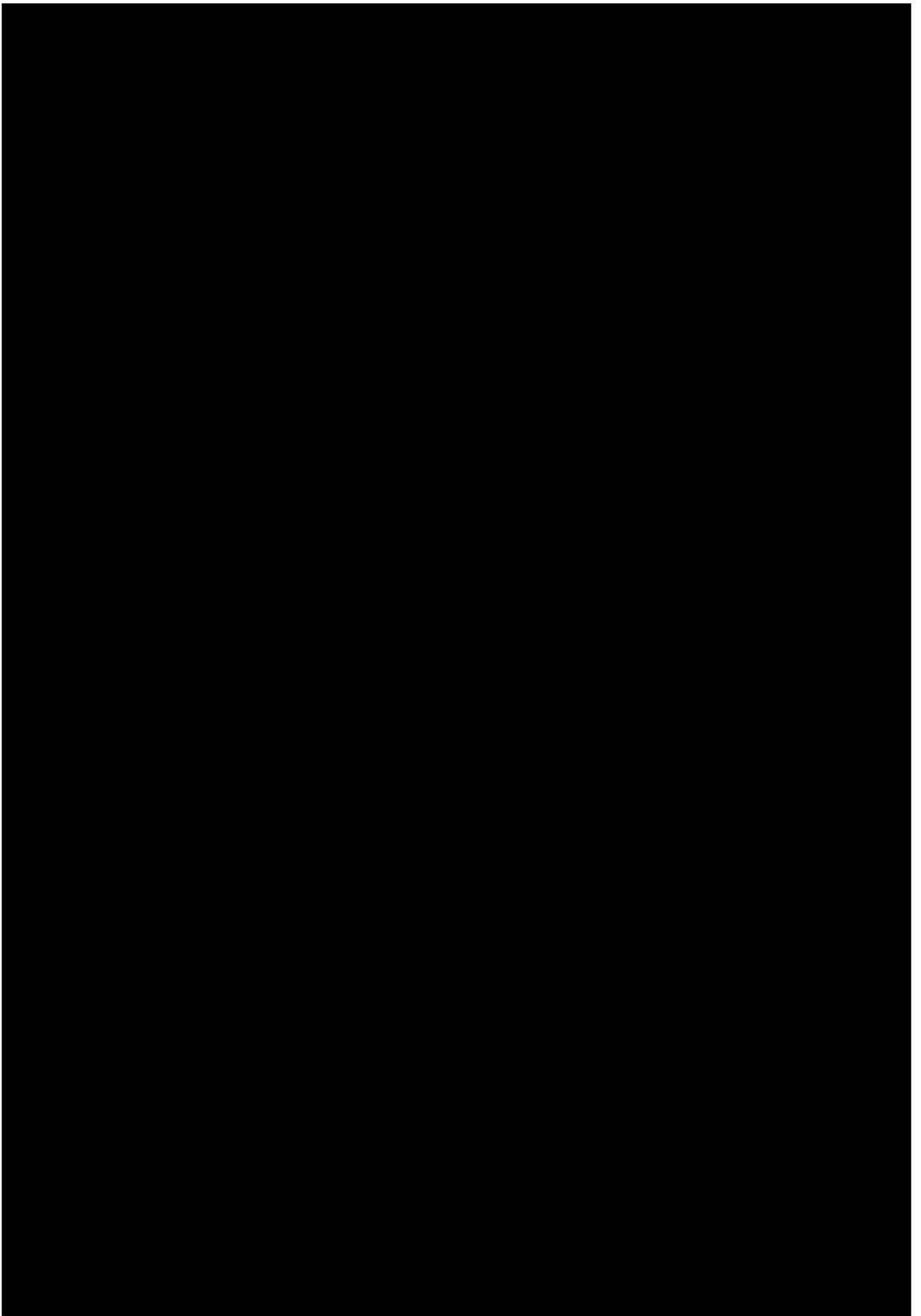






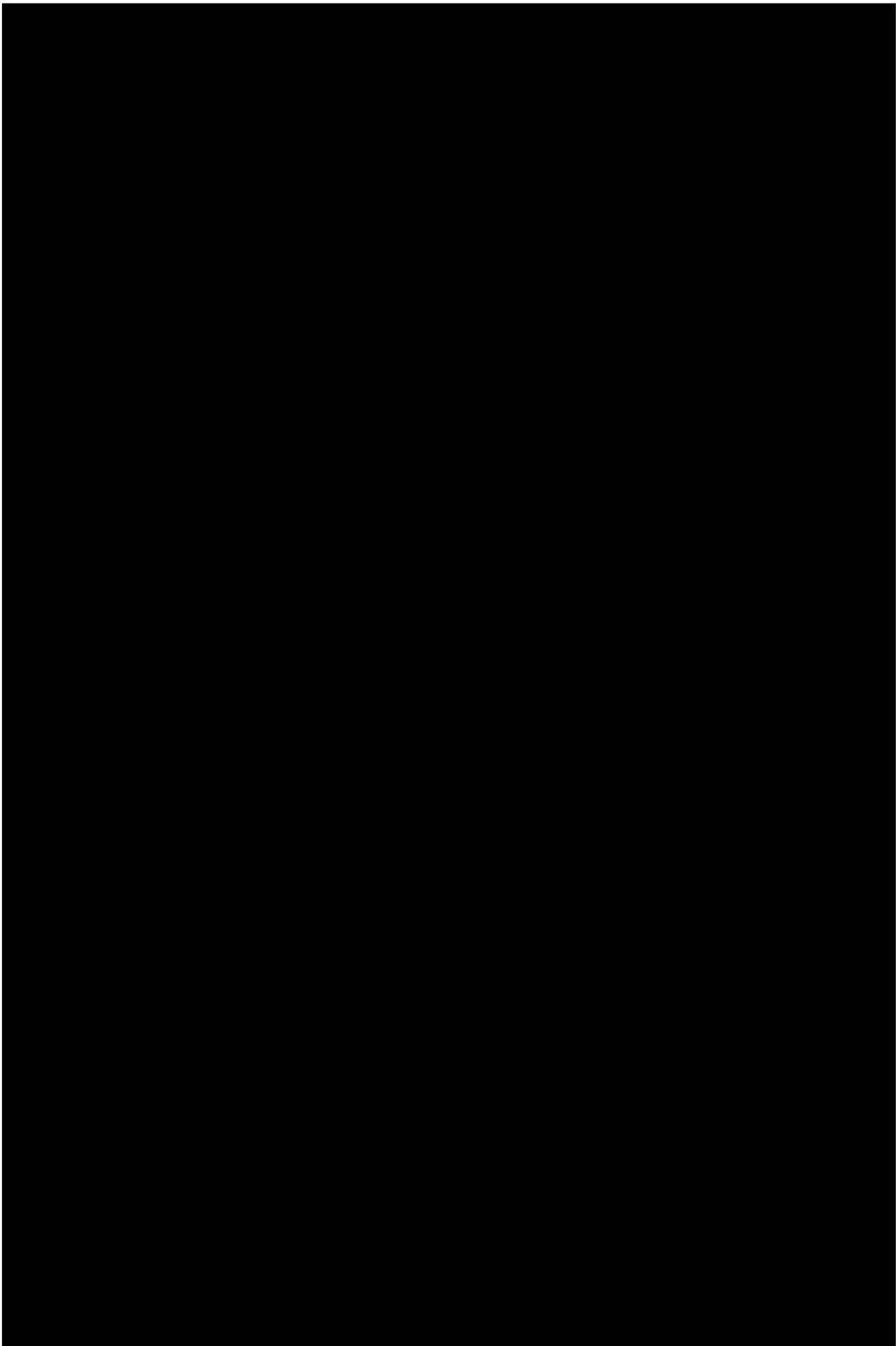


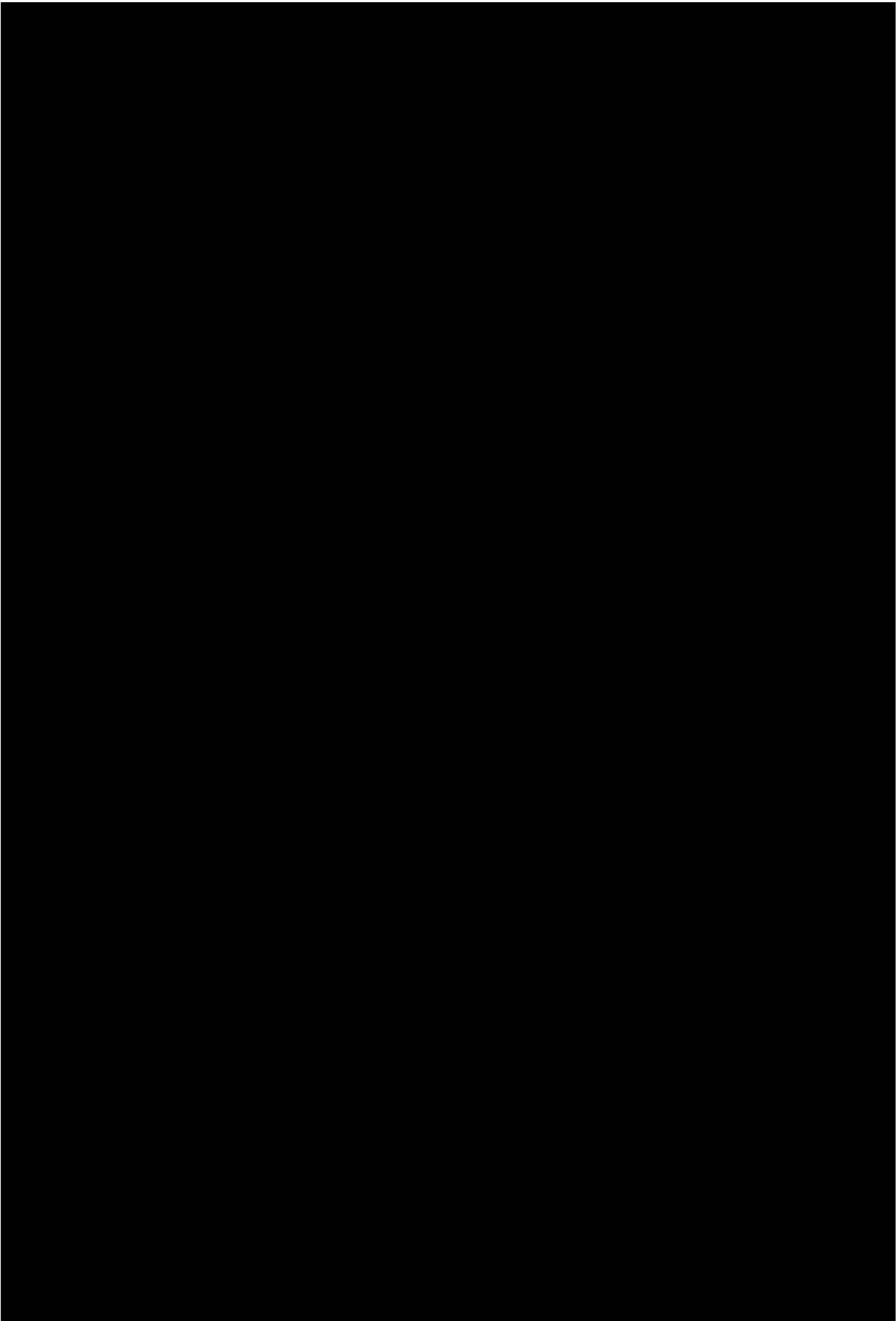




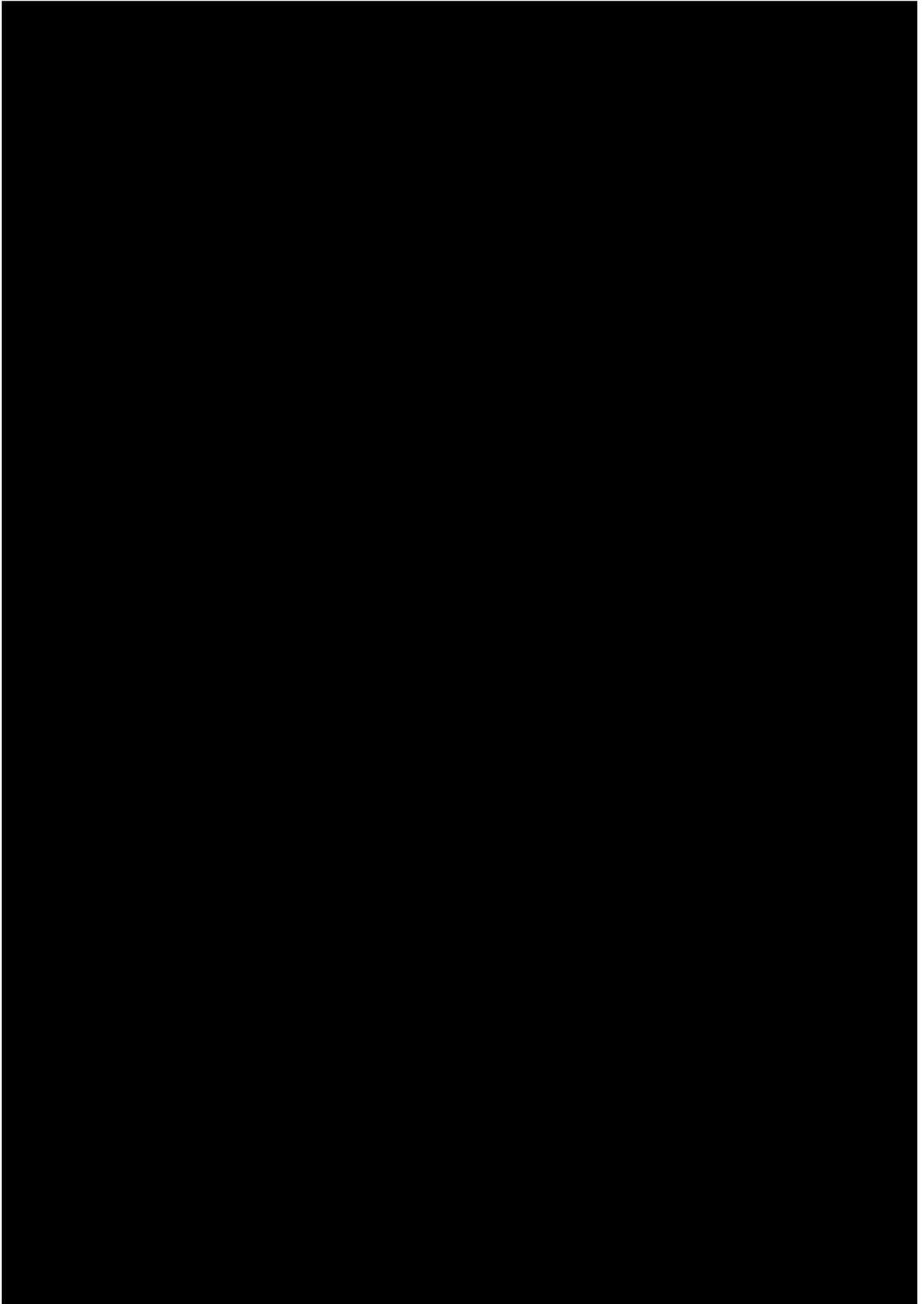


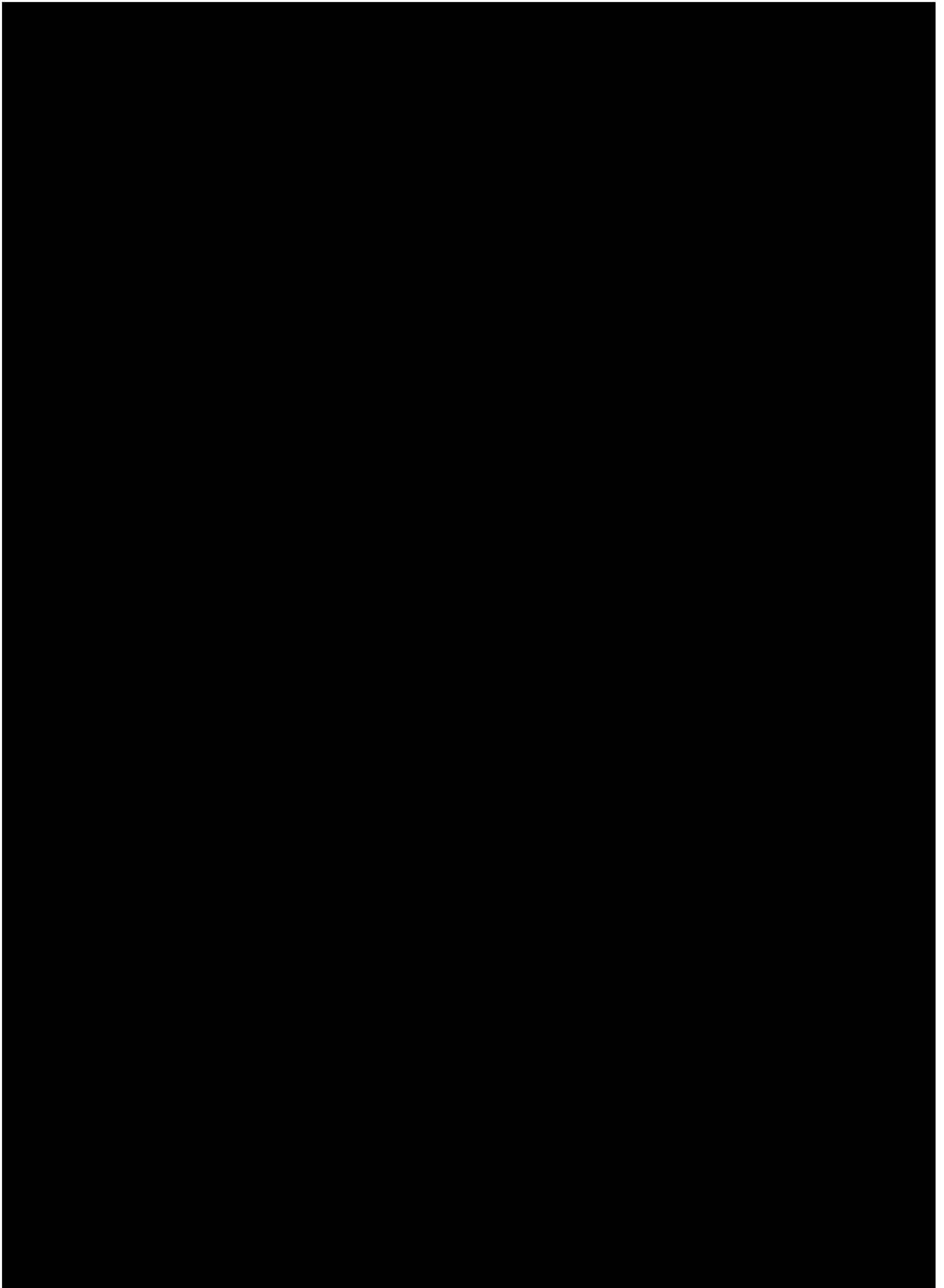


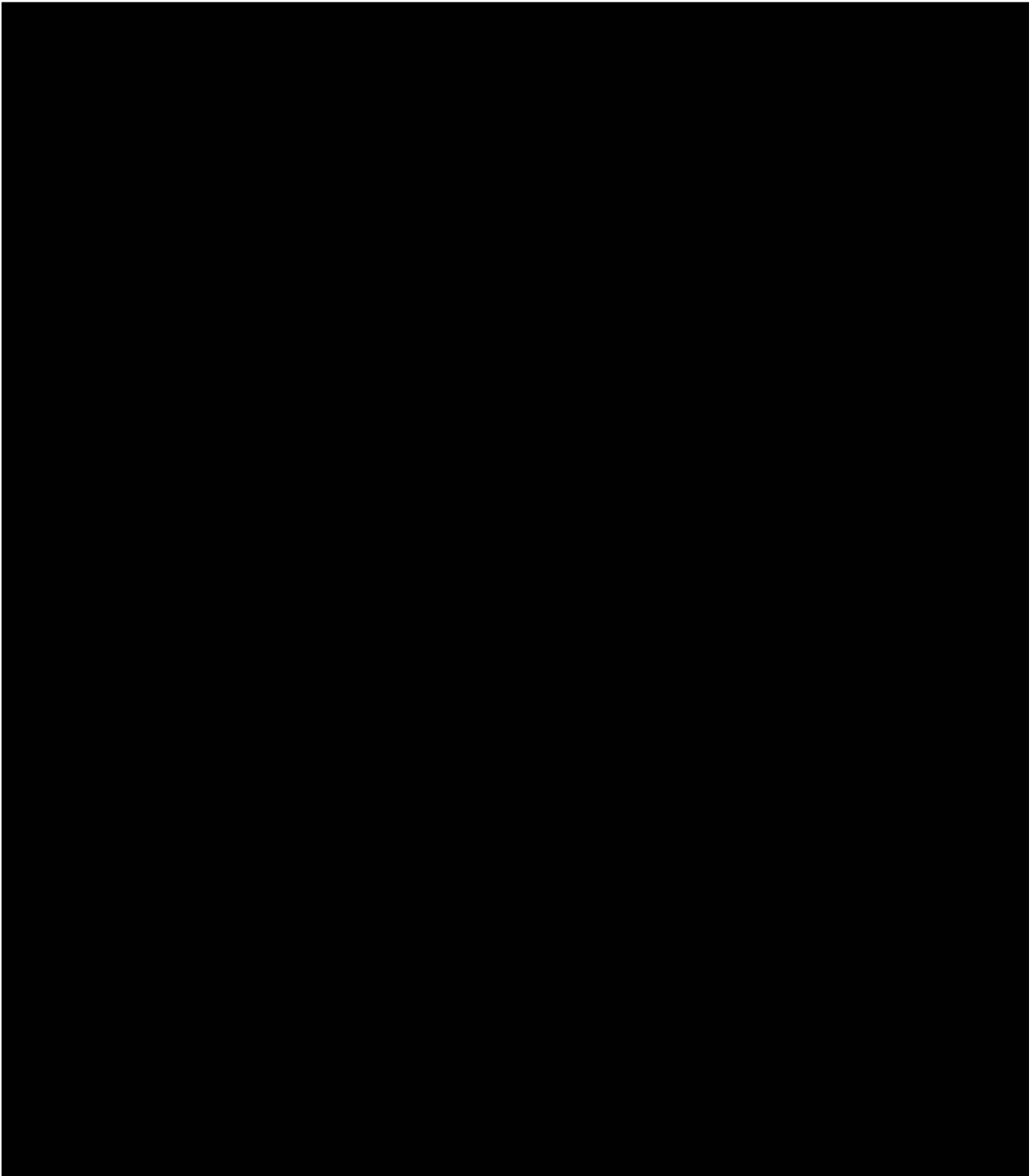


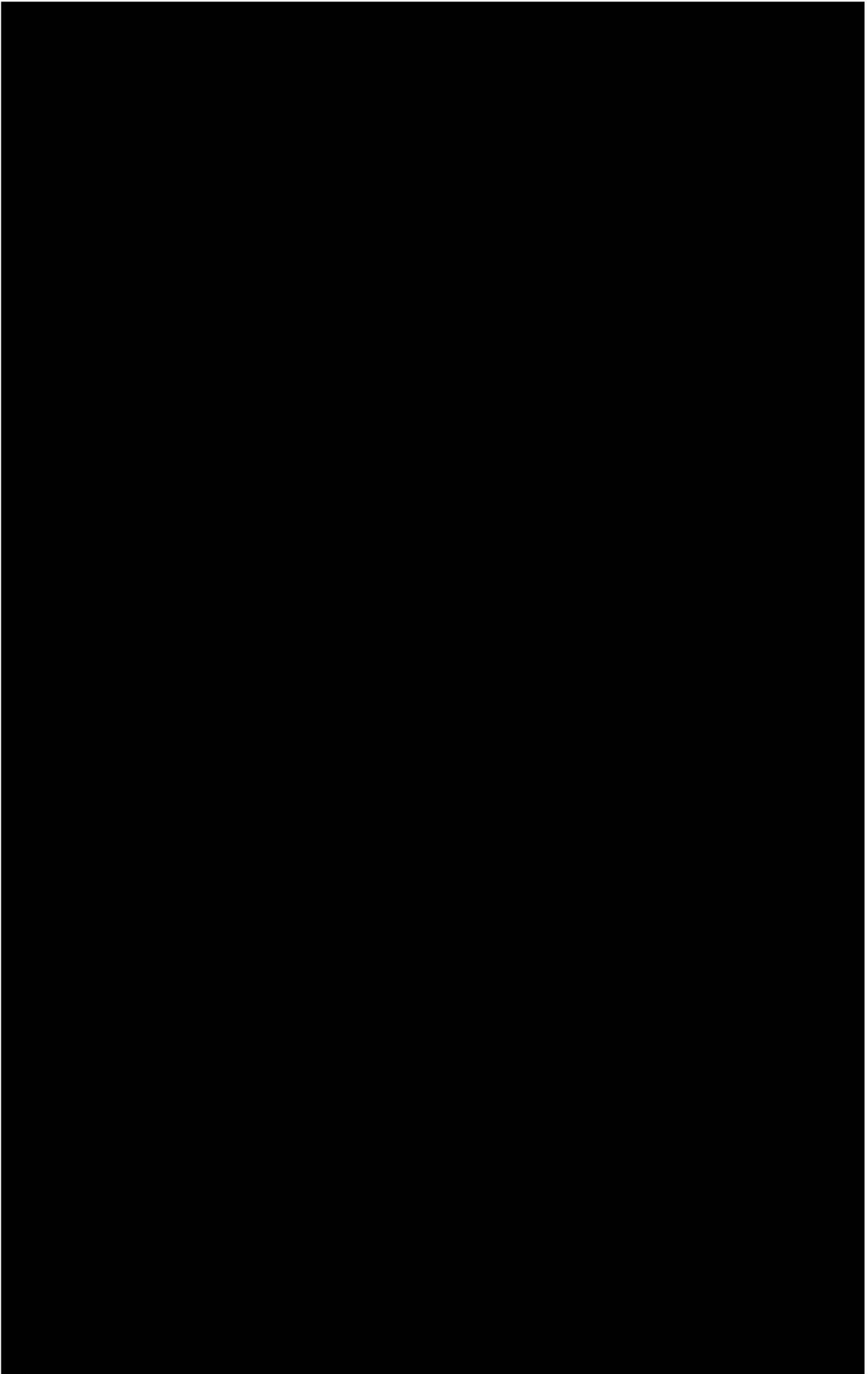














## Part 2: Contract Terms



Contract Terms v6.0