



Cabinet Office

OFFICIAL SENSITIVE - COMMERCIAL

EU Exit Implementation Capability Unit

External support

Project Engagement Letter – Lot 1, 2 and 3

Completed forms and any queries should be directed to fst-consultancy@cabinetoffice.gov.uk

| COVID 19 Response – Project Engagement Letter | | | |
|-----------------------------------------------|-----------------------------------------------------------------------------------------------------|------------|-----|
| Engagement ref # | #110 | | |
| CCS Salesforce ref# | 630377 | | |
| Extension? | N | Ref | N/A |
| Department / Area | BEIS | | |
| Supplier | Deloitte | | |
| Title | Provision of commercial negotiation and business case resources to the Vaccines Taskforce Programme | | |
| Engagement start / end date | 17/08/2020 | 30/10/2020 | |
| Funding source | BEIS | | |
| Expected costs 20/21 | £87,500 | | |
| Dept. PO reference | Dept. PO reference # (Supplier to charge direct to customer) | | |
| Lot # | Lot 2 | | |
| Version # | Start at 0.1, 1.0 when approved, increment from 1.0 for Change requests | | |
| | | | |

By signing and returning this cover note, BEIS accepts the contents of this Engagement Letter as being the services required and agrees for Deloitte to provide the services in accordance with the Statement of Requirements under the overarching contract (Lot 1 / 2 - Ref CCCC18A29) with the Cabinet Office and confirms the availability of funding to support recharge for the services

| Signatures | | |
|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Supplier | Department | Cabinet Office / EUEICU |
|  By: _____ <i>Signature</i> |  By: _____ <i>Signature</i> | By: _____ <i>Signature</i> |
| or and on behalf of Deloitte Consulting  Partner | For and on behalf of BEIS  Program Director VTF (BEIS) | Cabinet Office / EUEICU Insert name Insert role |
| 17/08/2020 | | |
| Supplier engages with Department to complete. Once agreed, Supplier signs front page and sends to Department | Department signs front page and sends to EUEICU | On approval, EUEICU signs and returns copy to Department and Supplier |



Supplier contact: [REDACTED]

Department contact: [REDACTED]

General instructions

The Engagement Letter describes the services required and provided. When completing the Engagement Letter establish the context, explain why external support is required and distinguish between the objectives, outcomes, scope and deliverables. The rationale behind the costs should be made evident in the Fees section.

The *departmental considerations* are guidance notes for the customer to support their evaluation of the Engagement Letter.

1. Background

The UK Government has established the Vaccines Taskforce (VTF) to drive forward, expedite and co-ordinate efforts to research and then produce a coronavirus vaccine and make sure one is made available to the public as quickly as possible.

The VTF will focus on 5 strands of activity including:

- Supporting the discovery of potential coronavirus vaccines by working with the public and private sector, rapidly mobilising funding, supporting leading academics and identifying ways to fast-track clinical trials
- Preparing the UK as a leader in clinical vaccine testing and manufacturing, working with companies already at the forefront of vaccine development
- Reviewing government regulations to facilitate rapid and safe vaccine trials
- Developing funding and operational plans for the procurement and delivery of vaccines
- Building on the UK's research and development expertise to support international efforts to find a coronavirus vaccine.

An overarching Business Case for the VTF's work is in place, which sets the overall budget and parameters for the VTF's activity. A large number of project level Business Cases now need to be produced, at pace, to support the individual multi-£million investment decisions within the Taskforce's portfolio. This includes:

- The development of a portfolio of potential vaccines and/or neutralising antibodies
- Ensuring the availability of sufficient manufacturing capacity within the UK, both for bulk manufacture and for "fill and finish" (e.g. producing individual vials of vaccine)
- Support for clinical trials
- International collaboration

The peak of these investment decisions is likely to be over the July-October period, with up to 30 individual business cases required during this period. We are therefore seeking short-term input to assist with:

- Working alongside BEIS and UKGI to further the negotiation strategies for individual investments within the overarching strategic and economic rationale for the VTF's work
- Work alongside BEIS and UKGI on Heads of Terms and support colleagues with individual contracts for a number of work strands in parallel, integrating the specialist scientific and technical input from the VTF together with multiple parallel negotiations with individual companies, and managing the flow of investment decisions to a challenging timetable.

The program are seeking commercial negotiation resources who possess the following:

- Familiarity with the public health or R&D context
- Experience with contract negotiations and understanding of commercial liabilities and complex transactions.



- Familiarity with public sector business case requirements, the context of managing public money, and HMT's five case model
- Knowledge of the public procurement context, including regulatory and State Aid requirements
- Strong project management skills to oversee the flow of market-sensitive information, and ensure robust documentation is provided to an appropriate timescale across multiple parallel tracks
- Good written communication skills, to ensure that decision-makers have the evidence they need and that investment decisions are appropriately documented

2. Statement of services

Objectives and outcomes to be achieved

The objectives of the engagement are:

- Provide the VTF with the capacity and capability it will need in order to develop high quality contracts that will enable the program to secure funding and engage vaccine industry entities in order to support the development of vaccines, the manufacturing capacity to produce a successful vaccine at scale and then store it safely for onward distribution
- Provide the VTF with the capacity and capability it will need in order to ensure that those vaccine industry entities that are engaged are effectively contracted and managed against the contracts / service level agreements entered into between them and BEIS
- Enable commercial arrangements to be determined for vaccines and manufacturing capacity at pace with good commercial judgement, including consideration of value, time, risk and market. Negotiate with suppliers as directed by HMG and develop supply agreements in line with term sheets

The outcomes of the engagement will be to support the VTF in achieving it's 5 strands of activity, namely:

- Supporting the discovery of potential coronavirus vaccines by working with the public and private sector, rapidly mobilising funding, supporting leading academics and identifying ways to fast-track clinical trials
- Preparing the UK as a leader in clinical vaccine testing and manufacturing, working with companies already at the forefront of vaccine development
- Reviewing government regulations to facilitate rapid and safe vaccine trials
- Developing funding and operational plans for the procurement and delivery of vaccines
- Building on the UK's research and development expertise to support international efforts to find a coronavirus vaccine.

Scope

The scope of the work is as follows:

Commercial Negotiator:

August to October 2020.

The Commercial negotiators will work with the Commercial team working for [REDACTED] and the UKGI team working for [REDACTED] to support the delivery of up to 5 commercial agreements with BIG Pharma or R&D institutions that are currently considered as viable routes to discover a COVID19 vaccines. This will include Deloitte providing support to BEIS on the following activities:

- Developing commercial negotiation strategies
- Working with policy, legal and technical colleagues to agree contract schedules and clauses



- Designing payment mechanisms and performance regimes and other contractual protections
- Supporting negotiations with potential suppliers
- Work with the business case team to accurately complete the commercial case and necessary aspects of approvals
- Support the lead negotiator to do the above as required

They will be integral to describing the end to end supply chain in plain English to a range of stakeholders at all levels of the organizations in terms that are clear and simple to grasp. They will be responsible for developing good working relationships with suppliers throughout the chain and supporting all contract negotiations with all suppliers through to award.

The commercial negotiators will work with Deployment colleagues in the VTF to pass on key characteristic information about the product to ensure that deployment planning can be as thorough as possible. The commercial negotiators will need to translate technical characteristics into practical language to assist operational planning for national deployment.

Assumptions and dependencies

Assumptions and dependencies that may impact delivery include:

- All of Deloitte's day to day work will be overseen and reviewed by BEIS. There will be an additional avenue for BEIS to have a point of contact to escalate to within Deloitte in the event of any serious escalations if and when they arise.
- All of the Deloitte team will be provided with the appropriate BEIS email addresses. Deloitte will also be dependent on continued access to BEIS systems in order to engage with Key Interfaces and wider stakeholders
- BEIS will lead on all negotiations and will be the ultimate decision makers for any commercial decisions/contracts awarded.
- If any conflicts arise, for example in relation to specific suppliers, these will be raised by either BEIS or Deloitte, and a suitable course of action agreed to mitigate the conflict,
- The assignment will be delivered during the period Mon 17th August to 30 October 2020
- Cabinet Office are not obligated to provide access to additional Deloitte resource for this requirement or engagement
- It is jointly recognised that this will be a complex programme of work, and Deloitte will have limited resources on the programme, and therefore Deloitte will not be able to achieve the programme outcomes alone. In delivering this work, it will therefore be essential that there is a close working relationship between Deloitte and the BEIS project team (and potentially including other consultants) in order to collectively achieve the programme objectives.
- Given the exceptional circumstances of Covid-19 and the requirement to be flexible and responsive in how the Deloitte supports the BEIS in dealing with the Covid-19 situation, the Parties will work together in good faith to manage the scope of the support provided by the BEIS, including any changes in the scope of such support. Any changes in scope will be pre-agreed in writing between us through email correspondence and agreed with Cabinet Office via a change request.
- The Parties acknowledge and accept the risk posed by the spread of Covid-19 and the associated impact this might have on the delivery of the Services. The Parties' personnel will comply with any restrictions or conditions imposed by their respective organisations on working practices as the threat of Covid-19 continues. The Parties accept that they may be required to adopt alternative working practices and put in place safeguards during this period, including working remotely, restrictions on travel to and from particular locations and the quarantining of individuals.

Deliverables



Deloitte will support the VTF with the following deliverables, on the understanding that BEIS will be the ultimate decision makers for the negotiations and their outcomes

- Contract negotiation reports
- Contractual documentation
- End to end supply chain assessment
- Product characteristic documents that list input to national deployment planning
- Contractual effectiveness assessment controls
- Supplier performance reports
- Effectively managed suppliers
- Service agreements for up to 5 suppliers

| Deliverable | Milestone / Date | Owner (who in the delivery team?) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------------------------------|
| Stage A: To support BEIS with the production of the following deliverables: | | |
| Package 1 deliverables: <ul style="list-style-type: none"> • Contract negotiation reports • Contractual documentation • End to end supply chain assessment | Aug – Oct | ████████ |
| Package 2 deliverables: <ul style="list-style-type: none"> • Product characteristic documents that input to national deployment planning | Aug – Oct | ████████ |
| Package 3 deliverables: <ul style="list-style-type: none"> • Supplier performance reports • Effectively managed suppliers | Aug – Oct | ████████ |
| Stage B (additional stages can be added) | | |

Limitations on scope and change control

Unless instructions to the Supplier are later amended in writing, the work undertaken will be restricted to that set out above. In providing the services detailed above, the Supplier will be acting in reliance on information provided by the Department.

The Engagement Letter is the agreed contract of work between the Cabinet Office, Department and Supplier and can be varied under the change control process. Any changes to timescales, scope and costs will require approval by EUEICU.

3. Delivery team

| Name | Role (link to stage/s resource will work on) | Grade | Daily rate | # of days | Cost |
|----------|----------------------------------------------|----------------------|------------|-----------|--------|
| ████████ | Commercial Negotiator | ████████ ████████ | ████████ | █ | 43,500 |
| ████████ | Commercial Negotiator | ████████ ████████ | ████████ | █ | 44,000 |
| TBC | Commercial Negotiator | TBC | TBC | TBC | TBC |



| | | | | | |
|-----|-----------------------|-----|-----|-----|-----|
| TBC | Commercial Negotiator | TBC | TBC | TBC | TBC |
|-----|-----------------------|-----|-----|-----|-----|

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| <p>Total resource</p> <p style="text-align: center;"><u>Total days*</u> Engagement Length**</p> <p>*Total days worked across all resources **Total working days in engagement</p> | <p style="text-align: center;">■</p> <p>(Days known at this stage, but subject to increase if further resources are called-off)</p> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|

Department's team

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|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>■■■■■■■■■■ – VTF Programme Director</p> <p>■■■■■■■■■■ – VTF Strategy Director</p> <p>■■■■■■■■■■ – Commercial Director UKGI</p> <p>■■■■■■■■■■ – VTF Development, Deputy Director</p> <p>■■■■■■■■■■ – VTF Development, Support to DD</p> <p>■■■■■■■■■■ – VTF Delivery Deputy Director</p> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



4. Fees

The Department will reimburse the Supplier for approved work done according to the table below. The total fees for the scope of work detailed in this Engagement Letter will be £87,500 inclusive of expenses and excluding VAT.

| Stage | Cost | Due (link to milestone dates) |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|-------------------------------|
| A. To support BEIS with the production of the following deliverables: | | DD/MM/YY |
| Package 1 deliverables: <ul style="list-style-type: none"> Contract negotiation reports Contractual documentation End to end supply chain assessment Package 2 deliverables: <ul style="list-style-type: none"> Product characteristic documents that input to national deployment planning Package 3 deliverables: <ul style="list-style-type: none"> Supplier performance reports Effectively managed suppliers` | £87,500 | 30/10/2020 |
| B. (additional stages can be added) | | |
| - | - | |
| Expenses | | |
| | £N/A | |
| Grand total | £87,500 | |

Expenses statement

The Cabinet Office overarching contract rates include expenses for any travel to/from any UK location defined by the Department as the base office for the work. Only expenses for travel at departmental request from this base can be charged. If appropriate, define permissible expenses to be charged.

Payment

The Supplier should invoice fees monthly in arrears. VAT will be added to fees at the prevailing rate. The Department will reimburse fees monthly on confirmation of approval of work. The Supplier will keep an accurate record of time spent by staff in providing the services and provide this information and supporting narrative, if requested.

5. Governance and reporting

As part of the Call-Off Contract, the Supplier and Department agree to provide reporting on the following:

- Completion of the time tracker on a monthly basis, to track days worked by our consultants;

Feedback and satisfaction

Department and Supplier to agree regular reporting intervals for the duration of the engagement.

The Cabinet Office reserves the right to hold a review meetings during the assignment, discussing what went well, opportunities for improvement on future assignments and similar. This will incorporate any 'Show and Tell' documentation or transferable products that have been produced.

A post-engagement quality review of the engagement will be arranged where client departments rate the services provided.

Non-disclosure agreements

Not applicable.

Notice period

The nature of these engagements require that the Department / Cabinet Office have the ability to terminate an engagement with notice. The Department or the Cabinet Office's termination rights for this engagement are marked below.

The minimum notice period for termination is 5 working days regardless of engagement duration.

Where the Department or the Cabinet Office terminate an engagement, agreed costs incurred to the end of the notice period will be reimbursed.



1. Department identifies a potential need for delivery support, initiates a conversation with EUEICU, confirms which approvals are required for an engagement to occur
2. Request Form completed by department and submitted to EUEICU at:
fst-consultancy@cabinetoffice.gov.uk
3. The form is reviewed by the EUEICU team re which resource route is most appropriate (e.g. Clearing Hub, Lots 1/2/3), and may request additional information/edits from department if required
4. Lot / Supplier is selected and briefed on the request by EUEICU, then introduced to the requesting department for further discussion and confirmation of work to be delivered
5. An Engagement Letter is completed by the supplier and agreed with department, including evidence of all required approvals either being in place or being progressed (e.g. PO) and forwarded to the EUEICU for review by Approvals Board. Approval states are:

| Approval state | Definition | Permissions |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Full approval | <ul style="list-style-type: none"> ▪ PEL agreed ▪ PEL signed: Supplier, Dept and CO ▪ Purchase Order number | <ul style="list-style-type: none"> ▪ Work can start ▪ Supplier can invoice for work |
| Approval in principle | <ul style="list-style-type: none"> ▪ Confident PEL is on track or PEL agreed ▪ Reliable confirmation from Dept that internal approvals / funding in place as no PO number | <ul style="list-style-type: none"> ▪ CO gives supplier permission to work at risk if they choose ▪ Dept required to complete Full approval ASAP ▪ Supplier can't invoice until Full approval |

COVID-19 Consultancy Request Process

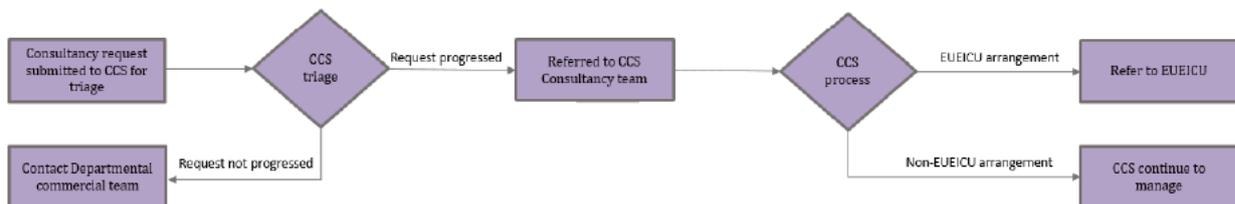
Before progressing a request customer should discuss the available options with their Departmental Commercial team

Requests emailed to info@crownccommercial.gov.uk and title COVID-19 CONSULTANCY REQUEST

Contact EUEICU at fst-consultancy@cabinetoffice.gov.uk

When referring cases to EUEICU, title "COVID-19 – DEPT – SALESFORCE REF"

EUEICU to share weekly tracker updates with CCS





EUEICU Commissioning Process

