

Invitation to Tender

**Developing Economic
Insight into the Creative
Industries: Supporting the
Creative Industries
Federation's State of the
Nation Research**



Contents

1. Tender Summary.....	3
2. About Us.....	4
3. Summary of the brief.....	5
4. Methodology.....	6
5. Outputs and Deliverables.....	9
6. Format of proposal	10
7. Experience & Project Team.....	11
8. Risk Assessment & Quality Assurance	11
9. Evaluation Criteria.....	11
10. Pricing.....	12
11. Timetable	13
12. Submission of Tenders.....	13
Appendix A.....	14

1. Tender Summary

Invitation to Tender	
Project title	Developing Economic Insight into the Creative Industries: Supporting the Creative Industries Federation’s State of the Nation Research
Reference	CUK2021-SotN
Issued by	Amanda Stevens Head of Research & Impact, Creative Industries Federation
Available budget	£50,000 - £70,000 excl. VAT
Date of issue	Tuesday 2nd March 2021
Deadline for clarifications/questions	Friday 5 th March 2021 at 15:00hrs
Contact details	For queries, please contact: Amanda Stevens Email: amanda.stevens@creativeengland.co.uk
Submission deadline for prospective tenderers	Friday 19th March 12:00hrs
Documentation required	Tender response sent via email to: amanda.stevens@creativeengland.co.uk
Terms and conditions	Creative UK Group’s Standard Terms & Conditions of Contract for Services shall apply.

We request that tenderers read this document in full before submitting a response.

2. About Us

The [Creative Industries Federation](#) is an independent, not for profit, membership organisation which represents, champions and supports the UK's creative industries. Through our wide network of creative organisations, businesses and individuals, our influential policy and advocacy work and our support services, we connect creative businesses and individuals with the money, markets, government and the opportunities they need to thrive.

Since our formation in 2014 the Creative Industries Federation has forged strong and effective working relations with government and political parties across the spectrum, working closely with eight Whitehall departments as well as devolved and city administrations and local authorities.

Our work has, helped secure the inclusion of the creative industries in plans for the government's industrial strategy and we are powerful advocates on issues such as the skills and talent pipeline, the impact of Brexit, the value of night-time industries, the economic case for public investment in culture, and now recovery planning for COVID-19.

We believe that growing our creative industries can tackle regional inequalities, build communities and enable individuals to lead happier, healthier, more sociable lives, enriched through access to culture and creativity. Through a unique network, influential advocacy work, and UK-wide events programme, the Federation is able to harness the power of imagination, uncover creative talent, connect people to investment, unlock opportunities and transform lives for the better in every community.

The Creative Industries Federation, with its sister company Creative England, is part of the non-profit group, **Creative UK**.

[Creative England](#) is working to build the right environment for the future of the creative industries by helping creative businesses raise their ambition, create jobs, grow turnover and build the confidence and networks they need to be truly innovative. We invest, connect, mentor, advocate and collaborate at all levels of the industry, from individuals and small independents to large internationals, creating the right conditions for success.

As a mission-led company Creative England's objective is to create the conditions for creative and cultural businesses to thrive. Creative England was established a traditional grant-giving public sector body but has subsequently evolved into development agency delivering talent development, equity investments, interest-free loans and business services – a direction of travel that is actively supported by government and by the BFI which continues to fund many of its core activities.

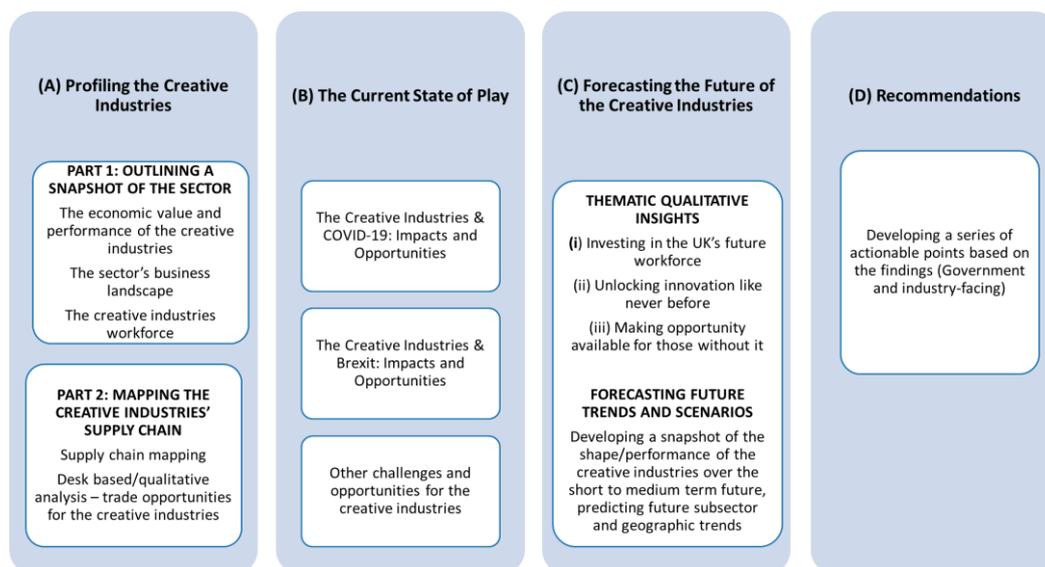
Combining a strong public purpose with entrepreneurial flair, brokering partnerships between start-ups and major corporates and building links with local authorities, universities and businesses, Creative England has a strong history of generating jobs, developing innovative models of support and finance and works.

3. Summary of the brief

The creative industries are the fastest growing part of the UK economy, growing at 5 times the rate of the UK economy as a whole and employing more than 2 million people. The UK’s creative industries are not only economically successful, but an integral part of our cultural identity. We believe that growing our creative industries can tackle regional inequalities, build communities and enable individuals to lead happier, healthier, more sociable lives, enriched through access to culture and creativity.

The Creative Industries Federation is continually developing its sector research and intelligence capacity as part of a suite of tools to support the creative industries sector. As part of this, we will be undertaking a “State of the Nation” project, which will be the first of its kind in bringing together a comprehensive and accessible snapshot of insight into the creative industries, across all four UK nations and will provide evidence on the sector’s potential for growth in GVA, jobs, freelance work and innovation.

Insights gathered from our State of the Nation research will also support a range of key strategic priorities, including helping to evidence and support the delivery of our high-profile policy, advocacy and campaigns work over the course of 2021. Our research will focus on the following broad areas:



This is an ambitious piece of work, which will be delivered to tight timescales. Having developed a specification for this work, the Creative Industries Federation will undertake the majority of the research in-house, **however, we are also seeking to commission a specialist, external consultancy to undertake economic analysis which will form an integral part of the overall project, its findings and recommendations.**

We require analysis across the following areas:

- Analysing and outlining the UK creative industries’ supply chain
- Undertaking an economic analysis of the impact of COVID-19 on the UK’s creative industries
- Undertaking economic forecasting on the future economic shape and contribution of the UK’s creative industries

Tenderers will be selected on their experience of undertaking similar research/analysis, the robustness of their proposed methodology, their ability to deliver this piece to the required timings (outlined on page 13), and the extent to which they are able to incorporate added value to their methodology and analytical approach.

4. Methodology

(A) Analysing and Outlining the UK Creative Industries' Supply Chain

Context

Whilst there is a wealth of research and statistics on the creative industries, this is extremely spread out and can sometimes be difficult to access and decipher. As an attempt to address some of these issues, our State of the Nation report will provide a profile of the creative industries, which will be undertaken in two parts:

- A high-level snapshot of key facts on the creative industries, brought together using available a mix of sector data and literature. **(Undertaken by the Creative Industries Federation)**
- Mapping and analysis to outline the value and reach of the creative industries supply chain. **(Undertaken by the successful commissioned consultants).**

Requirement

The main focus of State of the Nation research will be on the *Creative Industries as opposed to the Creative Economy*. Having said this, we acknowledge that including some exploration of the Creative Economy will provide additional useful context, insight and value to our profile of the sector.

We are seeking a **supply chain analysis** to demonstrate the creative industries' wide-ranging economic footprint, and the additional value that that the sector generates. Whilst this part of the research will provide an overview of the sector supply chain at national (UK) level, we also require the analysis to drill down to regional level; across all 4 UK nations 9 English government office regions, and to provide analysis across the nine creative industries sub-sectors as defined by DCMS:

- Advertising and marketing
- Architecture
- Crafts
- Design: product, graphic and fashion design
- Film, TV, video, radio and photography
- IT, software and computer services
- Publishing
- Museums, galleries and libraries
- Music, performing and visual arts

Where possible consultants should seek to break down the above-listed DCMS classifications into smaller sub-sectors. (So for example, providing a whole sector overview of the music, performing and visual arts sector, and then breaking this down into a more focussed exploration at the three individual industries that make up this sector).

We envisage the supply chain analysis would use an input-output model to demonstrate economic value, impact and the relationships between the creative industries and other sectors of the economy. The analysis should capture the size, value, linkages and diversity of the creative industries' supply chain by:

- Exploring the economic impact of the creative industries through spend, and how much of this falls outside the sector and its supply chain
- Drawing out the contribution of non-creative businesses to the creative industries' supply chain, where possible drawing out trends to demonstrate specialised businesses outside the sector that work with the creative industries
- Looking across the nine DCMS sub-sectors at national level and highlighting the top ten supply chain sectors to each of these
- Highlighting the top ten overseas markets that link into the UK's creative industries' supply chain
- Providing a high-level overview of sector value chains, highlighting the areas UK's creative industries can maintain a competitive advantage over territories
- Identifying trends to highlight where the potential exists strengthen cross-sector supply chain links and to develop new inward investment and trade opportunities.
- Outlining the proportion of jobs supported by the creative industries and the distribution of skills' levels across the supply chain
- Providing a high-level commentary on the impact of changes in external factors such as investment, funding and economic conditions on the relationship between the creative industries and its top supply chain sectors

The points outlined above provide a broad outline and are designed to be a "starter for ten". We would expect consultants to add to and build upon these to develop a robust and tailored approach to capturing the scale and impact of the creative industries' supply chain.

(B) Economic analysis of the impact of COVID-19 on the UK's creative industries

Context

The pandemic has had an unprecedented effect on all sectors of the economy, and the creative industries are no exception. The Creative Industries Federation will use data generated from recent research and consultation exercises across our membership and the wider sector to highlight the ongoing COVID-related challenges that creative individuals and businesses face.

Requirement

Against this backdrop we are looking for insight into the current economic situation arising from the pandemic. In summer 2020, the Creative Industries Federation commissioned Oxford Economics to

undertake analysis on the **projected impact of COVID-19 on the creative industries**. We would like to refresh this piece to show how the sector and its workforce have fared one year on, and to provide a comparison of the estimated vs actual economic impact of the pandemic. (For further information, Oxford Economics' report can be accessed here: <https://bit.ly/37Pvgvc>)

In analysing and projecting the economic impact of COVID -19 on the sector, we require consultants to support us in contextualising how the creative industries have responded to the pandemic, and to demonstrate both potential challenges and opportunities to growth across individual sub-sectors and UK regions.

(C) Economic forecasting on the future economic shape of the UK's creative industries

Context

The creative industries have the potential for significant economic impact and have a key role to play in rebuilding the UK's post-COVID-19 economy.

Requirement

To support our analysis of the future potential of the sector we require the successful consultant to use an **economic forecasting exercise to develop a snapshot of the shape and performance of the creative industries over the short to medium term future, and to predict future sub-sector and trends**.

Consultants should use modelling techniques to develop projections around GVA, business growth, employment (including the creation of freelance work) and innovation across sub-sectors and geographies and over the next 1, 3 and 5 years. This analysis should be used to demonstrate the contribution of the creative industries to national and regional economic growth, and to the UK's post-COVID -19 recovery.

As previously mentioned, the creative industries rather than the creative economy are the primary focus of our research, however, inclusion of the analysis on the wider creative economy within the economic modelling would be a welcome addition, and we welcome thoughts from tenderers on how this might be incorporated.

One of the key purposes of our State of the Nation research will be to help support a compelling case that we can present to key decision makers in government around the significance of our sector to the UK economy through its potential for growth. The creative industries have suffered from a lack of government investment and support up to this point, and this will be needed in order to further boost the future economic impact of the creative industries around economic growth and job creation. Two imperative areas are:

- **Investment in businesses across the sector and across business life stages**
- **Investment in creative innovation**

We therefore also require the forecasting to provide high-level scenarios to demonstrate the impact of increased investment in these two areas on the sector's growth and contributory potential.

The findings generated throughout this research will be used to support our submission for the Autumn Spending Review later this year. As part of that submission, we would like to evidence the economic case for **investment in people** (investment in creative education and skills), and **investment in places** (investment in culture in the arts to drive place-based recovery and increase access to creative and cultural assets and experiences). We welcome thoughts from consultants on if, and how, this could be explored using economic forecasting or whether another methodology could be employed to demonstrate this evidence.

As part of the design process, we expect consultants will incorporate appropriate methodological tests to ensure the robustness and validity of their forecasting model.

Further research considerations

We view the three areas of economic analysis outlined above as being interlinked. We would therefore expect consultants to employ methodology that support's a holistic overview of the creative industries' economic landscape and potential.

We have outlined a requirement for data at national level, across the separate UK nations across the 9 English regions for both the supply chain analysis in Part A and the Economic Forecasting in Part C. We would welcome these parts of the research being taken down to a more granular geographic level (to combined authority areas or LEP areas), and we encourage tenderers to outline if it is possible to run these analyses at this level and how they would do so.

We are also aware of issues raised around potential limitations in the data needed to support the analysis outlined above, including time lags in the availability of industry statistics and the ongoing debate around the ability of current definitions to accurately capture the breadth of the creative industries. We would expect consultants to explore where and how these issues might be mitigated.

We have included time for consultants to ask high-level clarification questions on this brief (please see Section 1).

Please note, on appointment an inception meeting will be set between the appointed consultants and the Creative Industries Federation at the very start of this project. This meeting will be an opportunity to firm up any outstanding issues around the project brief, key areas for exploration and to identify any areas where the methodology might be further tightened. **Consultants are required to produce a short Project Initiation Document (PID)** outlining all project deliverables and milestones and documenting any modifications to the methodology from their original proposal.

5. Outputs and Deliverables

Unless otherwise agreed, bidders should provide:

- A high-level analysis summary of findings
- A detailed report comprised of analysis of the three areas set out above, including graphs and tables, drawing out specific issues, comparisons and conclusions
- A presentation of key findings to the Creative Industries Federation, Creative England and other key stakeholders (designed in Creative UK's house style)

The Creative Industries Federation will require consultants to share drafts of all outputs and research tools produced throughout the duration project. All outputs and deliverables from the study will remain the property of the Creative UK Group.

As mentioned in Section 3, this research will form part of a wider project report. Our intended audience will range from other sector bodies, government departments and academics, to creative business and individuals and members of the public. We require all outputs to be detailed and robust whilst at the same time, accessible and avoiding being overly technical.

6. Format of proposal

A full proposal (**maximum 15 pages, not including appendices**) – which will be scored on the basis of quality, and covering **as a minimum**:

(i) Research Approach, Delivery & Project Management (50% weighting)

- Methodology – demonstrating a clear understanding of what is required in terms of the delivery of the services to be provided and demonstrates effectiveness
- Outputs and deliverables.
- Risks and contingency arrangements.
- Timetable for delivery, including key milestones and deliverables.
- Delivery team including full details of the managers responsible for successful delivery of the final analysis.
- Providing details of relevant project experience, including reference to similar research studies that your team/organisation have delivered.

All submissions should be submitted in size 11 font minimum. Any appendices must be clearly indexed or labelled. **The Creative Industries Federation reserve the right to exclude from evaluation any inappropriately large appendices.**

(ii) A full pricing schedule (50% weighting)

We require tenderers to submit three costing options, outlining what they are able to deliver at each. An outline of the full budget and our instructions for tenderers on pricing is outlined on page 12.

Please note that any subcontractors to be used must be stated in the contractor's bid, with costs outlined in full, and cannot be changed without prior written permission of the Creative Industries Federation. We reserve the right to reject proposals that do not comply with this format and criteria without further scoring. The Creative Industries Federation also reserve the right not to appoint the lowest cost or any bidder.

The Creative Industries Federation reserves the right to reject proposals that do not comply with this format and criteria without further scoring. We also reserve the right not to appoint the lowest cost or any bidder.

7. Experience & Project Team

Tenderers must have a strong research track record: They must also demonstrate expertise and a sound national and regional knowledge base of the creative industries and established expertise in economic research, the collection and analysis of quantitative and qualitative data, and desk research. Additionally, potential contractors should demonstrate a record of managing and successfully delivering high-quality research within time constraints.

The tender should name the key members of the proposed team for delivering the work, their respective roles and relevant experience. A Project Manager should be nominated, and evidence should be provided of that person's track record of delivering work on time.

8. Risk Assessment & Quality Assurance

Whilst it would be unrealistic to plan for every contingency, there are some risks that would pose a more serious threat to the successful completion of the research than others. Tenderers are required to describe any risks that might prevent or delay the achievement of the project objectives, and for each risk identified should:

- Assess the likelihood of each risk occurring.
- Assess the likely impact on the project.
- Identify the risk owner.
- Outline any steps that will be taken to minimise / avoid the risk, and
- Discuss procedures for monitoring / managing the risk.

Tenderers are required to outline their quality assurance procedures. This should include details on any professional codes of conduct adhered to, membership of any professional associations etc.

9. Evaluation Criteria

Tenders will be evaluated on the extent to which they:

- Demonstrate value for money
- Display a clear understanding of both the project requirements, context and understanding of the landscape within which the creative industries operate.
- Present an appropriate approach to this work, identifying potential problems.
- Assemble an appropriate project team (including sector/policy familiarity, methodological expertise, and project management experience)
- Propose sound project management arrangements (including ethics, risk management and quality assurance)

- Provide appropriate outputs and ensure that these are in line with the requirements of this research brief.
- Display the capacity to meet the project timetable.
- Demonstrate overall clarity of the proposal and outlined approach.

To ensure that the selection process is carried out in a fair and equitable manner, we may seek clarification/information from Tenderers. Tenderers may also be required to make presentations on elements of their submission to the Creative Industries Federation and/or to attend post-bid clarification meetings. Any such presentations and/or meetings will form part of the evaluation process, following the initial tender evaluations.

10. Pricing

We are looking for proposals to provide the most economically advantageous offer, in terms of the quality and volume of analysis.

We request that tenderers provide a detailed cost outline for delivery of this project at three budget ranges: At £50,000 - £55,000, at £60,000 - £65,000 and at £70,000.

Tenderers are required to provide a clear breakdown of the methodology they are able to deliver at each of the three budget ranges

IMPORTANT - Please note:

- **Tenderers must submit proposals with costs at all three budget ranges outlined above. Unfortunately, proposals that do not follow this form will be rejected.**
- We do not pay any fees for tenders submitted, nor do we pay for attendance at any subsequent interview, should one be required.
- The contract will be let on a Firm Price basis. As such, tenderers are encouraged to base their costings on careful consideration of the proposed methods. Prices must be fully inclusive and will not be subject to variation. Costs not stated in the tender proposal cannot be considered for payment.
- Tenderers are required to provide details of the number of days that would be spent by each member of the research team on the study, their grade and daily rate.
- Tenderers should provide costings exclusive of VAT and state whether VAT would be charged.
- Invoicing arrangements will be linked to the satisfactory achievement of jointly agreed milestones. As such, tenderers are invited to make suggestions regarding appropriate milestone payments.

11. Timetable

Tenderers are required to set out a detailed timetable and programme of work demonstrating how they will meet the project objectives and deliver the project outputs within the required timeframe. Tenderers should identify any anticipated difficulties or constraints in meeting this timetable and are invited to propose solutions for overcoming these.

The deadline for tender submissions is **Friday 19th March 2021 at 12:00 hrs** We have included timings for **shortlisting interviews on Wednesday 24th March 2021** and an **inception meeting** with the appointed consultants on **Friday 26th March 2021**, and therefore request that tenderers keep these dates free.

Key delivery milestones are as follows

Date	Task
19/03/21	Deadline for proposal submissions
24/03/21	Shortlisting interviews
26/03/21	Project initiation meeting with the Creative Industries Federation's project team
25/03/21 – 10/05/21	Research design/fieldwork/analysis
23/04/21	Summary of headline results submitted to Creative Industries Federation
17/05/21	Final research outputs
TBC	Informal debrief to the Creative Industries Federation project team and wider colleagues

12. Submission of Tenders

Tenderers are invited to submit proposals by **Friday 19th March 2021 at 12:00 hrs**. Proposals submitted after this deadline will not be accepted. Guidance on submissions is outlined in **Appendix A**.

Appendix A

SUGGESTED TENDER CONTENT

To aid comparisons and promote fair competition, please make sure that your tender follows the format outlined below. Proposals should be written in plain English and should not exceed 15 pages (excluding annexes).

Summary Statement

This should be a summary of your research proposal that would be easily understood by non-specialists. If your proposal is successful, this summary (including any agreed amendments) may be published on the Creative Industries Federation & Creative England's websites.

Contact Details

Provide contact details for the person within your organisation who will act as first point of contact during the tendering process. You should include title; name; position held; telephone and fax numbers; email and postal addresses.

Background

Outline your understanding of the policy / research context and your perception of the key issues and challenges involved in this project.

Proposed Approach / Methods

Describe your proposed approach to achieving the project objectives and responding to the research questions outlined in the Research Brief.

Project Outputs

Provide an outline of all project outputs. You are expected to identify key audience groups and explain how you will ensure that the chosen style and format will maximise knowledge transfer.

Timetable and Programme of Work

Describe the programme of work, demonstrating how you will meet the project objectives and deliver the project outputs within the required timeframe. This must identify the main tasks and key milestones that should be used to monitor progress and payments. It is recommended that you illustrate your programme of work with a summary table or Gantt chart and also include a more detailed table that identifies the number of person days allocated to each key task (see Table 1).

Table 1: Person Days per Task

Task	Person Days			Total
	Person 1	Person 2	Etc.	
Task 1				
Task 2				
Etc.				

Proposed Team

Include a summary statement that explains why your proposed team has the appropriate skills and expertise to successfully undertake the project. You should name all the members of the proposed team and outline their respective roles and relevant expertise. You are also required to submit short CVs (no longer than 2 pages) for each member of the proposed team. Any sub-contractors or associates who may be employed to undertake any sections of the research should be separately identified, along with their respective roles and how they will be managed. The main contractor will be responsible for the delivery of any sub-contractors.

Project Management

You should identify the individual(s) who will have overall management responsibility for the research (Project Director) and nominate a representative for day-to-day contact with the Creative Industries Federation. You should also outline how you plan to keep us informed of progress made and of any difficulties encountered, as well as the level of input and guidance that you will require from the Creative Industries Federation.

Quality Assurance

Outline the procedures that you will operate for quality assurance. You should provide details of any professional codes of contact adhered to and/or membership of any professional associations.

Risk Assessment

Describe any risks that might prevent or delay the achievement of project objectives, including an assessment of the likelihood of each risk occurring, the likely impact on the project, and any steps that will be taken to minimise / avoid the risk.

Additional Information

Use this section (or an appendix) to provide any additional information to support your bid.

Pricing Schedule

You are required to submit a detailed outline of costs.