Evidence Centre

Key Commercial Terms

Disclaimer

This information is being shared as part of market warming. The disclaimer contained in the market briefing pack issued on 4 March 2022 applies to this material.

Introduction

This document summarises the Key Commercial Terms for the Motability Evidence centre. It is designed to assist consortium Members looking to participate in Motability’s Evidence Centre grant competition by giving them early sight of the grant terms and conditions.

Only the lead partner will enter into the grant agreement with Motability on the behalf of other members, distributing funds among them to deliver the outcomes under the grant agreement. While the consortium will need to agree terms between its members (the Consortia Agreement), the terms contained in this document are only applicable to the lead partner who will in turn ensure the Consortium Agreement is in line with these terms.

Grant terms and conditions are **indicative** at this stage and subject to change at Motability’s sole discretion.

Any text in *underlined italics* is commentary and designed to aid the understanding of the key terms.

Successful applicants will need to ensure they adhere to all the Terms outlined below to be eligible to partner in the Evidence Centre with Motability and receive the funding that comes with this partnership.

If any of these are blocking terms for bidders, a bidder should submit in full the rationale for why before the launch of the EOI. Motability cannot guarantee that it will amend the terms.

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| Commercial Terms | Grant Term Summary | Bidder comments |
| Legal and Research compliance | Grant Activities must comply with   1. legislation and codes of practice; 2. regulatory requirements; 3. applicable Research Framework [*to be determined during the competition process*]; 4. ethical guidelines and principles.   All necessary licences and approvals must be in place before Grant Activities can proceed. |  |
| Management of the Grant | The overall Grant agreement is between Motability and the Lead partner of the Consortium. Motability will not be a party within the Consortium but will hold the right to appoint (and remove) an independent chairperson overseeing the Consortium Board.  ***Comment:*** *Motability wishes to enter into a grant agreement with the lead partner who will in turn be responsible for managing the other entities in the consortium to deliver the expected outcomes. Motability therefore is seeking light touch oversight of how consortia partners work together and will limit its role in the Consortium Board to appointing the chair of the board.*  The Consortium Board will be established by the lead partner to manage the activities of the Centre and ensure Consortium partners act in line with the Consortium Agreement and the contracted terms from Motability.  Bidders and their Consortium members must ensure:   1. The Grant is **only** to be used for Grant Activities. 2. Grant Activities are supported by adequate resources and facilities. 3. Bidders and their partnered Consortia members will use best endeavours to secure the Grant Activities 4. Bidders will be responsible for any expenditure in excess of the Grant. 5. Motability hold full information and control rights on change of scope/management of Grant Activities and of changes to Lead Partner and Consortium members involvement. 6. Serious incident reporting is obligated and implemented for any matters affecting Consortium members, Motability, or the Evidence Centre’s reputation. |  |
| Reporting and Evaluation | Bidders and their Consortium partners will provide   1. Quarterly progress and evaluation reporting, including financial and IP and Commercialisation content. 2. Input and participation in Motability impact and evaluation activities   Grant funding will be linked to the reporting mechanism stated above and will be released and paid in arrears if reporting standards are met.  ***Comment:*** *The purpose of this term is to provide adequate detail and assurances that the Evidence Centre’s goals and objectives are being pursued and met. Further detail will be provided at a suitable time as the competition progresses.* |  |
| Audit and Financial Administration | Audit and Financial reporting must comply with:   1. Grant expenditure being controlled in accordance with appropriate policies *[policies to be developed during the competition process]* 2. Income and expenditure related to the Grant accounted for via a separate cost centre 3. Motability holding audit and banking approval rights in relation to the use of the Grant 4. Record-keeping obligations   Bidders and Consortium members must provide reasonable assistance for Motability legal requirements |  |
| Funding, Funding Reviews and Payment Terms | **Payment Terms**   1. £10 million of funding will be made available over the first 3 years: 2. part on Grant Award signing (for year 1) 3. part in year 2 (i.e., first anniversary of grant award) in four quarterly instalments in arrears 4. part in year 3 (i.e. second anniversary of grant award) in four quarterly instalment in arrears   ***Note:*** *The proportion of the Grant made available across each of the years will be in line with the Consortium’s proposal and will be evaluated as part of the competition, allowing a tailored approach to ensure adequate resources and facilities are accessible throughout Grant Activities.*   1. Subject to a satisfactory formal review 3 months before the third anniversary of the Grant Award (Year 3 Review) - and a satisfactory review of Grant Activities before the fifth anniversary of the Grant Award (Year 5 Review) - a further £10 million in annual quarterly instalments will be made in arrears for the remaining years of the Grant Term. 2. Year 5 Review will include a funding review for future sources of funding for the Evidence Centre. 3. Payments made under the Grant Award are intended to be outside the scope of VAT but if any VAT is payable our payment to you is deemed **inclusive** of VAT.   ***Comment:*** *The phased release of grant funds in tranches at these points in time is designed to incentivise the consortium in delivering the outcomes of the evidence centre. The five year review point recognises that there may be opportunities for self funding of the evidence centre at this later stage of the grant.*  **Retention Clause**   1. retention of any part of Grant Award e.g., up to 10% may be put in place during the competition process.   ***Comment:*** *The retention sum will be used to incentivise and/or act as a contingency amount. This is currently under consideration by Motability and will be informed by level of perceived risk as well as market feedback.*  **Repayment Clause**  Consortia members agree to repayment of the Grant to Motability if:   1. the purpose of the Grant (or any part of it) proves impossible to achieve or if for some other reason Grant Activities are not continued. 2. any part of the Grant that has not been spent when the Grant Activities have been completed. 3. any part of the Grant is used in breach of the Terms and Conditions of the Grant Award. |  |
| Insurance | Adequate insurance is to be maintained at all times and our interest to be noted on all relevant insurance policies, with copies of confirmation to be provided on request.  **Insurance must include:**   1. Public liability insurance with a limit of indemnity of no less than [ten]million pounds (£10,000,000) in relation to any one claim or series of claims which relate to the same underlying cause or issue; 2. Employer's liability insurance with a limit of indemnity of no less than [twenty] million pounds (£20,000,000) in relation to any one claim or series of claims which relate to the same underlying cause or issue 3. Insurance that covers full replacement value of any assets (including equipment) that we have funded   ***Comment:*** *These insurance amounts are indicative and subject to change. Bidders should feed back their views on whether these amounts would drive cost disproportionately/be difficult to obtain.* |  |
| Data Protection | Bidders and their Consortium members must ensure   1. Data policies in relation to Motability and the Evidence Centre comply with data protection laws 2. Motability and Consortia Members are independent data controllers and typical contractual provisions apply 3. Data sharing and processing arrangements are available across the lead partner, consortium members and Motability |  |
| Safeguarding | Bidders and their Consortium members must ensure   1. Disabled persons and children under 18 are acknowledged as persons at risk 2. Robust and fit for purpose safeguarding policies are in place and that other consortium members and all third parties have these in place and act accordingly 3. Safe recruitment, selection, and vetting checks are in place for staff, contractors, and others 4. No person you employ or engage with will pose a risk to any persons at risk during the Grant Activities |  |
| Conflict of interest | As a bidder you and your Consortium members will   1. Adopt a fit for purpose conflict of interest policy and declaration of interests register for you and your Consortium member’s work in relation to the Grant Activities 2. Avoid any conflict of interest between other Consortium members, third parties, or Motability affiliates 3. Not participate in any Advisory Committee to Motability in connection with the Grant Award or Grant Activities unless you/he/she has Motability’s prior written consent   If you are part of a group of companies, then these conflicts of provisions will also apply to your group company; if you are an individual then these conflict of interest provisions will apply to family members. |  |
| Publication and Publicity | Bidders and Consortium members must permit   1. All original research, findings and outcomes supported by Grant Activities to be published or otherwise disseminated in an appropriate form 2. Motability to reproduce any research relating to the Grant Activities in whole, or part, for Motability’s own use 3. Motability to highlight the Grant and Grant Activities in our annual report and accounts and in our impact report 4. To recognise the grant as restricted funds in their annual report and accounts 5. Motability Press Office to be consulted before release of a press statement about the Grant and the immediate notification of the Motability Press Office if Consortia members become aware of anything related to the Grant Award or the Grant Activities that may have an adverse reputational impact on you, us, the Consortium, the Evidence Centre, or its partners   Prior written consent must be provided by Motability for inclusion or acknowledgement of the Motability name, logo or brand, or any Evidence Centre Grant Activities within any publication, communication, or marketing.  Any branding proposal for the Evidence Centre by you or other Consortium Member will only be agreed following consultation with Motability and in accordance with its policy direction (including any future changes)  ***Comment:*** *This is to allow for the proper dissemination of any of the findings from the Evidence Centre, to ensure the parties are recognised for their efforts and to benefit as much of the public as possible.* |  |
| Intellectual Property (IP) | **Treatment of Intellectual Property**  It is recognised by Motability that IP may be generated by the Grant Activities, examples of categories of such IP may include primary research; product and service pilots; guidance to transport bodies and transport providers; design standards; showcases of exemplar technology or product prototypes (Foreground IP)  Bidders and Consortium members will be permitted to commercialise any Foreground IP generated by Grant Activities for both charitable or commercial purposes.  Permitted commercialisation of IP will be on the basis that Motability also receives an equity share or a share of any revenue generated as a result (without any requirement to transfer Foreground IP to Motability)  Background IP will be retained by all parties  ***Rationale:*** *The IP policy is intended to A) ensure that any benefits generated from the Evidence Centre, and the work it undertakes, realises its full potential, and B) to ensure a fair apportionment of these benefits between Motability and Consortium members is achieved to create the maximum benefit to the public.* |  |
| Liability | Motability have no responsibility for financial or other liability incurred by the Lead Partner, any Consortium Member, or any other person that arises out of the Grant Activities |  |
| Termination and Variation | Motability holds the right to:   1. terminate or suspend Consortia members at any time and in certain specific circumstances e.g. material breach, insolvency 2. amend the Grant Conditions, our Grant funding policies, and the Grant Award |  |
| Subcontracting | If bidders sub-award any part of the Grant, Bidders or Consortium lead partners will   1. Remain accountable to us for the conduct of the Grant Activities and the use and financial management of the Grant 2. Carry out appropriate due diligence on, and put in place written terms and conditions with, the relevant sub-awardee to enable you to comply with your obligations to us under the Terms and Conditions. |  |
| Notes | **These terms are indicative only.**  Other clauses will include matters such as confidentiality, no partnership, no assignment, rights of third parties, announcements etc. |  |