

Supply Chain Plan Questionnaire

Contracts for Difference Allocation Round 6

For Solar PV projects equal to or greater than
300MW

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How to complete this questionnaire

This questionnaire is specifically designed for Solar projects that are equal to or greater than 300MW in size.

Please read the Supply Chain Plan guidance before completing this form, which provides valuable information on how to answer this questionnaire. Please ensure your submission is complete and includes all required documentation. Details of any additional documentation required are included in the Supply Chain Plan guidance.

Applicants must provide the information in the format shown in this document. This means that each heading in each scoring table must be explicitly addressed. Applicants may use the Department for Energy Security & Net Zero tables, adapted to their own corporate templates, or make their own response template that sets out explicitly the headings provided in each question. Any use of an applicant's own corporate template must be subject to the formatting rules set out in the guidance.

Where appropriate, all questions need to be answered with a clear, specific, measurable, unambiguous commitment, except where otherwise stated in the scoring table (some questions do not ask for commitments). Any commitment that does not meet those criteria will be awarded no points, regardless of any of the supporting information provided.

Note that applicants cannot include commitments that merely reflect the fulfilment of their legal obligations, unless the commitment in question goes well above and beyond the minimum legal requirement. For example, if the planning process requires an applicant to perform a specific action, that action cannot count as a commitment to the Department for Energy Security & Net Zero, unless it is demonstrably going beyond what is legally expected.

The project summary section is not scored, but must be completed. Your application will not be assessed until the relevant information has been submitted. Sections 1-4 of the Supply Chain Plan questionnaire, excluding annexes, are scored and will count towards the assessment for your Supply Chain Plan Statement of Approval. Examples of what is being sought under most questions can be found in Annex A. Key definitions of terms can be found under Annex B.

Each question comes with a full breakdown of how it will be scored. You must pass this questionnaire, with at least 60% of the total points available to receive your Supply Chain Plan Statement of Approval. Table 1 shows how many points are available per section.

Table 1: Summary of Supply Chain Plan questions and points available.

Question	Points available
1. Green Growth	163
1.1 Supply Chain Competition	45
1.2 Supply Chain Visibility and Fair Contracting	38
1.3 Procurement Value Drivers	20
1.4 Sustainable Procurement	60
2. Infrastructure	68
2.1 Decarbonisation: Monitoring	20
2.2 Planning for Sustainable Decommissioning	48
3. Innovation	120
3.1 Investment in R&D	75
3.2 Using SMEs	45
4. Skills	115

4.1 Skill Gaps and Shortages	65
4.2 Apprenticeships, Scholarships and Trainees	50
4.3 Equality of Opportunities	40
4.4 Modern Slavery	60
Total:	466

Project Summary

Contact Details

Company name		Authorised representative(s)	
Company address		Preferred contact number(s)	
Preferred email (s)		Preferred contact person	

Project Details

Project name		Project size (MW installed capacity)	
Expected Project commissioning date		Project location (Grid Coordinates)	
Expected Project Life		Ownership structure (including ownership share)	

Key Statistics

This section is not scored and does not count towards the assessment of your Supply Chain Plan Statement of Approval, nor your Supply Chain Plan Implementation Statement. You must, however, complete it. Your application will not be assessed until the relevant information has been submitted.

PS1. UK Content

Please anticipate the levels of UK Content to be delivered over the project lifetime, broken down by DevEx, CapEx, OpEx and DecEx (decommissioning) and by the project's major components. Only the headline total lifetime UK Content figures will be published.

The method to calculate anticipated UK Content is provided in Annex C and should be followed closely. Note that where a precise figure cannot yet be derived, ranges are acceptable although will need to be explained in the narrative summary below. Alternatively, an Applicant may use an industry-agreed UK content methodology for the technology they intend to use.

PS2. Job Creation – Direct Jobs

How many direct jobs are linked to the development, construction, operations and maintenance phases of your project? A direct job refers to one that is directly involved in the development, manufacturing, installation, operations and maintenance of a project. Please refer to annual FTE figures only and indicate the year you expect these FTE to be created. Note the figures should distinguish between UK jobs and international jobs and provide a sum total for both. Please state the methodology used for calculating UK jobs and international jobs.

Please break your answer down into the following categories:

- development phase
- manufacturing phase
- installation phase
- operations & maintenance phase

PS3. Job creation – Indirect Jobs

How many indirect jobs are linked to the development, operations and constructions phases of your project? An indirect job refers to jobs in industries that supply and support the core activities of renewable energy deployment. Note the figures should distinguish between UK jobs and international jobs and provide a sum total for both. Please refer to annual FTE figures only and indicate the year you expect these FTE to be created.. Please state the methodology used for calculating UK jobs and international jobs.

Please break your answer down into the following categories:

- development phase
- manufacturing phase
- installation phase
- operations & maintenance phase

1. Green Growth

Green Growth is about efficient, competitive and innovative supply chains that can make a material contribution to Net Zero, in a sustainable manner. Any major renewable energy project is a significant opportunity to support business creation, and innovation, but only if a wide range of businesses are given the chance to take part.

This is why, in this section, we ask questions about actions that:

- demonstrate a fair, open and competitive procurement process;
- demonstrate that procurement choices take more than just cost into account;
- improve visibility of opportunities across the supply chain; and
- support the sustainability of the supply chain.

Question 1.1 Supply Chain Competition

The Government is keen to understand who the most capable and competitive key component suppliers are, whether in the UK or internationally, for your chosen renewable energy technology. Please describe the procurement rationale for each key component of your generating station (see Annex B for definitions of key components). Note that you must provide answers for all the key components listed for your technology.

Your answer should be no more than 4 pages.

Please answer the following questions, covering all key components:

Information requested	Points available
<p>Who are the main suppliers being considered, for each key component? This can include preferred bidders if you are still in the early stages of procurement. Please specify the location of the facilities.</p> <p>Note: the location is not scored, but it requested to understand where there are potentially capacity bottlenecks.</p>	<p>3 points if information provided. 0 points if no information provided.</p>
<p>Why were these suppliers chosen (i.e. what was strong about their bids)?</p>	<p>15 points if comprehensive information is provided against all key components. 12 points if detailed information is provided against all key components. 10 points if basic information is provided against all key components. 5 points if superficial detail is provided against key components. 0 points if no information is provided.</p>

<p>Have you set up conditional contracts with any of these suppliers?</p>	<p>15 points if you have set up conditional contracts or preferred supplier agreements with the majority of the suppliers identified. 12 points if you have set up conditional contracts or preferred supplier agreements with at least three of the suppliers identified and can evidence substantial progress in setting up other several conditional contracts, e.g. MOUs. 10 points if you have set up at least one conditional contract and can evidence substantial progress in setting up several other conditional contracts, e.g. MOUs. 5 points if you can evidence substantial progress in setting up several conditional contracts, e.g. MOUs. 0 points if no conditional contracts have been set up or none are in progress.</p>
<p>Which alternative suppliers were considered, and why were they rejected?</p>	<p>12 points for providing a comprehensive description of alternative suppliers and reasons for rejection. 9 points for providing a detailed description of alternative suppliers and reasons for rejection. 6 points for providing a basic description of alternative suppliers and reasons for rejection. 3 points for a superficial description of alternative suppliers and reasons for rejection. 0 points for not providing any information.</p>
<p>Total number of points</p>	<p>45 points available</p>

Q1.2 Supply Chain Opportunities

Are you taking any action to maximise the opportunities to suppliers in international and UK supply chains in the development, construction and operations and maintenance phase of your project by a) improving visibility of opportunities, and b) by ensuring full and fair contracting for all suppliers to access open tenders to compete for projects? Fair contracting means taking reasonable steps to ensure smaller or less experienced firms can compete with larger and more experienced ones. This can include actions taken in partnership with other organisations. Please state:

- evidence of supplier engagement events, online portals or engagement with public or trade bodies;
- your most impactful action in terms of improving visibility of opportunities, not captured by the above, including evidence of the level of ambition compared to existing industry standards or common practice;
- your 2 most impactful actions that evidence a fair contracting approach when it comes to smaller suppliers, or those not familiar with your industry;
- key measurable outcomes/KPIs for each action; and
- how delivery will be assured for each action.

Your answer should be no more than 4 pages.

The question will be scored as follows:

Information requested	Points available
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Evidence of supplier engagement events, online portals or engagement with public or trade bodies.	2 points if evidence provided. 0 points if no evidence provided.
Evidence of ambition compared to existing industry standards or common practice, for your action on improving visibility of opportunities, and for actions evidencing a fair contracting approach	6 points if ambition significantly exceeds industry standards or common practice. 3 points if ambition is only a small incremental improvement on industry standards or common practice. 1 point if ambition is in line with industry standards or common practice. 0 points if ambition is below industry standards or common practice.
Key measurable outcomes / KPIs for each action	3 points for providing clear numerical or objectively measurable targets or outcomes to be completed within a specific timeframe. 2 points for providing qualitative targets or outcomes within a specific timeframe. 1 point for setting out aspirations but no hard targets or outcomes. 0 points if no measurable KPIs provided.
How delivery will be assured for each action	3 points for setting out clear delivery plan which includes: target delivery dates, key milestones building up to final delivery; clear explanation of dependencies necessary to ensure delivery, including known risks, and commitment or enrolment of key stakeholders. 2 points for setting out target delivery dates and key milestones building up to final delivery, but lacking clear explanation of dependencies, 1 point for lack of clear deliverables, milestones, and dependencies. 0 points if no delivery assurances set out.
Total number of points	12 points per action, 38 points available

Q1.3 Procurement Value Drivers

What weight is given in your contracting and procurement strategy to considerations other than price (i.e. your non-price factors that help distinguish between bids). Describe these considerations and support with evidence. Please state:

- The weight given to non-price factors in contracting and procurement strategy;
- Whether any of your non-price factors relate to sustainability (see Annex B for definition)

The Department for Energy Security & Net Zero acknowledges that weightings may differ between key components. Please make clear to which key component each of the non-price factors apply.

Your answer should be no more than 2 pages.

The question will be scored as follows:

Information requested	Points available per action
Weight given to non-price factors in contracting and procurement strategy	<p>15 points: strategy gives significant consideration to non-price factors (i.e., 65% or more weighting is given to non-price factors. Price is not the dominant criteria).</p> <p>9 points: strategy gives equal consideration to non-price factors as well as price. (i.e., between 65% and 45% weighting is given to non-price factors.)</p> <p>8 points: strategy gives some consideration to non-price factors. (i.e., below 45% weighting is given to non-price factors.)</p> <p>0 points: strategy gives no consideration to non-cost factors.</p>
Non-price factors related to sustainability	5 points: factors related to sustainability are considered ¹
Total number of points	20 points available

Q 1.4 Sustainable Procurement

Are you taking action to support the growth of sustainable supply chains that integrate environmentally responsible practices, by increasing the sustainability of the procurement, operations and maintenance phases of your project? See Annex B for definitions.

Examples could include, but are not limited to, using recycled materials, minimising carbon emissions from transportation, adopting new technologies for reducing carbon impacts across the supply chain, collaborating with suppliers to work towards decarbonising their practices, modular design or design for repair.

Please state:

- Your 3 most impactful actions in terms of **increasing the sustainability of the procurement, operations and maintenance phases of your project;**
- evidence of ambition compared to existing industry standards or common practice for each action;
- key measurable outcomes/KPIs for each action; and
- how delivery will be assured for each action.
-

Your answer should be no more than 4 pages.

Your question will be scored as follows:

Information requested	Points available per action
Evidence of ambition compared to existing industry standards or common practice, for each action	<p>10 points if ambition significantly exceeds industry standards or common practice.</p> <p>6 points if ambition is only a small incremental improvement on industry standards or common practice.</p>

¹ See Annex B for definitions.

	<p>2 points if ambition is in line with industry standards or common practice.</p> <p>0 points if ambition is below industry standards or common practice</p>
Key measurable outcomes / KPIs for each action	<p>5 points for providing clear numerical or objectively measurable targets to be completed within a specific timeframe.</p> <p>3 points for providing qualitative targets within a specific timeframe.</p> <p>1 point for setting out aspirations but not hard targets.</p> <p>0 points if no measurable KPIs provided.</p>
How delivery will be assured for each action	<p>5 points for setting out clear delivery plan which includes: target delivery dates, key milestones building up to final delivery; clear explanation of dependencies necessary to ensure delivery, including known risks, and commitment or enrolment of key stakeholders.</p> <p>3 points for setting out target delivery dates and key milestones building up to final delivery, but lacking clear explanation of dependencies,</p> <p>1 point for lack of clear deliverables, milestones, and dependencies.</p> <p>0 points if no delivery assurances set out.</p>
Total number of points	20 points per action, 60 points in total.

2. Infrastructure

This section looks at the activities you are undertaking to monitor the carbon footprint of your infrastructure, and plan for its sustainable decommissioning. The questions ask about work being done to:

- monitor supply chain carbon intensity;
- plan and invest in decommissioning

Q2.1 Decarbonisation: Monitoring (Option 1)

Describe and support with evidence which, if any, carbon footprint calculation methodology you use and/or any supply chain decarbonisation programmes you have signed up to (this can be either an Applicant's own programme or a recognised programme). Please specify the methodology used and include how the data is audited.

Your answer should be no more than 2 pages.

The question will be scored as follows:

Information requested	Points available
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Carbon footprint methodology/Supply Chain Decarbonisation programmes	20 points if information provided. 0 points if no information provided.
Total number of points	20 points available

Q2.1 Decarbonisation: Monitoring (Option 2)

Part 1:

Please state:

- the proportion of suppliers reporting on and meeting their emissions targets;
- the Lifetime CO₂ Equivalent Emissions (LCO₂e) figure, in CO₂ equivalent KG per MW/h, for the construction and operations phases of your project.

To calculate this figure, you must follow the guidance set out in the [government construction playbook](#), specifically the “[Promoting Net Zero and Sustainability in Construction Guidance Note](#)”, and follow the appropriate ISOs contained within (this can include your own proprietary models if they match these standards).

Part 2:

Are you taking part in industry initiatives to harmonise an LCO₂e measurement? Please state:

- Your most impactful action in terms of working with industry to harmonise a LCO₂e measurement.

Your answer should be no more than 2 pages.

Information requested	Points available
LCO ₂ e figure for the construction and operations phases of your project.	10 points if LCO ₂ e figure is below X. 6 points if LCO ₂ e figure is between X-Y. 5 points if LCO ₂ e figure is between Y-Z. 0 points if LCO ₂ e figure is above Z.
Description of work being done with industry to harmonise an LCO ₂ e measurement.	10 points for providing evidence of engagement with industry to harmonise measurements. 0 points if no evidence of engagement provided.
Total number of points	20 points available

Q2.2 Planning for Sustainable Decommissioning

Are you taking action to support the growth of sustainable supply chains by **preparing for the sustainable decommissioning of your project**? This means investing in the knowledge, processes and technologies that will help with decommissioning later down the line, it does not mean the Department for Energy Security & Net Zero expects you to have finalised or detailed decommissioning plans. This question is asked to stimulate early investment in the relevant supply chains to decommission large scale infrastructure. See Annex A for further guidance.

Please state:

- your anticipated recycling rate of decommissioned installations;
- your 3 most impactful actions in terms of **planning for the sustainable decommissioning of your project**;
- evidence of ambition compared to existing industry standards or common practice for each action;
- key measurable outcomes/KPIs for each action; and
- how delivery will be assured for each action.

Your answer should be no more than 4 pages.

The question will be scored as follows:

Information requested	Points available
The anticipated recycling rate of decommissioned silicon mass.	<p>3 points if anticipated recycling rate of decommissioned installations is 85% or over</p> <p>2 points if anticipated recycling rate of decommissioned installations is 75-84%.</p> <p>1 point if anticipated recycling rate of decommissioned installations is 65-74%.</p> <p>0 points if anticipated recycling rate of decommissioned installations is below 64%.</p>
The anticipated recycling rate of decommissioned glass mass.	<p>3 points if anticipated recycling rate of decommissioned installations is 95% or over.</p> <p>2 points if anticipated recycling rate of decommissioned installations is 85 -94%.</p> <p>1 point if anticipated recycling rate of decommissioned installations is 75 - 84%.</p> <p>0 points if anticipated recycling rate of decommissioned installations is below 74%.</p>
The anticipated recycling rate of decommissioned aluminium components.	<p>3 points if anticipated recycling rate of decommissioned installations is 100%.</p> <p>2 points if anticipated recycling rate of decommissioned installations is 90-99%.</p> <p>1 point if anticipated recycling rate of decommissioned installations is 80-89%.</p> <p>0 points if anticipated recycling rate of decommissioned installations is below 79%.</p>
The anticipated recycling rate of decommissioned ferrous components.	<p>3 points if anticipated recycling rate of decommissioned installations is 100%</p> <p>2 points if anticipated recycling rate of decommissioned installations is 90- 98%</p> <p>1 point if anticipated recycling rate of decommissioned installations is 80 89%</p> <p>0 points if anticipated recycling rate of decommissioned installations is below 79%</p>
Total number of points	12 Points available

Evidence of ambition compared to existing industry standards or common practice, for each action	<p>6 points if ambition significantly exceeds industry standards or common practice.</p> <p>3 points if ambition is only a small incremental improvement on industry standards or common practice.</p> <p>1 point if ambition is in line with industry standards or common practice.</p> <p>0 points if ambition is below industry standards or common practice.</p>
Key measurable outcomes / KPIs for each action	<p>3 points for providing clear numerical or objectively measurable targets to be completed within a specific timeframe.</p> <p>2 points for providing qualitative targets within a specific timeframe.</p> <p>1 point for setting out aspirations but not hard targets.</p> <p>0 points if no measurable KPIs provided.</p>
How delivery will be assured for each action	<p>3 points for setting out clear delivery plan which includes: target delivery dates, key milestones building up to final delivery; clear explanation of dependencies necessary to ensure delivery, including known risks, and commitment or enrolment of key stakeholders.</p> <p>2 points for setting out target delivery dates and key milestones building up to final delivery, but lacking clear explanation of dependencies,</p> <p>1 point for lack of clear deliverables, milestones, and dependencies.</p> <p>0 points if no delivery assurances set out.</p>
Total number of points	12 points per action 36 points in total.

3. Innovation

Innovation drives growth, creates jobs and can help make technology cleaner. Developing and deploying new ideas, products and processes is central to our ambition of being the world's most innovative economy.

The growth of the renewable sector in the UK over the past two decades, together with cost reductions, has been driven by innovation. Cost reduction and efficiency have been underpinned by practical learning on how to overcome the technical challenges of renewable electricity generation, but also by bringing in new entrants and helping SMEs scale up new ideas. By delivering against the innovation objectives, you will ensure that ongoing research and development will bring forward new methods, products and processes which will drive our progress towards Net Zero and sustainable industrial growth.

This is why in this section we ask questions about:

Your project's:

- investment in R&D;
- use of new technology; and
- role in bringing in SMEs and new entrants to disrupt the market.

Q3.1 Investment in R&D

Are you taking action to **invest in R&D** that relates to the challenges faced by Solar PV? Please state in your description the level and type of involvement in the R&D that you have, the timescales, and the Technology Readiness Level (TRL) to be achieved from each action.

- your 3 most impactful actions;
- expected/desired impact(s) on the project for each action;
- your level and type of involvement in the innovation action;
- evidence of impact² compared to existing industry standards or common practice, for each action;
- key measurable outcomes/KPIs for each action;
- how delivery will be assured for each action.

Your answer should be no more than 4 pages.

In this question, one of your actions can relate to a previous project, provided that there are demonstrable links between the past activity undertaken and the current project. See Annex B for the definition of 'demonstrable links'.

The question will be scored as follows:

Information requested	Points available per action
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² High impact research would be looking into solutions that will substantially (a) speed up deployment; (b) reduce costs; c) substantially change how and where your technology is deployed.

Expected/desired impact(s) on the project for each action.	<p>4 points if comprehensive description of expected impacts is provided.</p> <p>3 points if detailed description of expected impacts is provided.</p> <p>2 points if basic description of expected impacts is provided.</p> <p>1 point if superficial description of expected impacts is provided.</p> <p>0 points if no description of expected impacts is provided.</p>
Your level and type of involvement for each action	<p>2 points if leading the activity or part of a wider partnership.</p> <p>1 point if delegated to a third party.</p> <p>0 points for no involvement or no information.</p>
Evidence of impact compared to existing industry standards or common practice, for each action.	<p>12 points if impact significantly exceeds industry standards or common practice.</p> <p>7 points if impact is only a small incremental improvement on industry standards or common practice.</p> <p>2 points if impact is in line with industry standards or common practice.</p> <p>0 points if impact is below industry standards or common practice</p>
Key measurable outcomes / KPIs for each action.	<p>4 points for providing clear numerical or objectively measurable targets to be completed within a specific timeframe.</p> <p>3 points for providing qualitative targets within a specific timeframe.</p> <p>2 points for setting out aspirations but not hard targets.</p> <p>0 points if no measurable KPIs provided.</p>
How delivery will be assured for each action.	<p>3 points for setting out clear delivery plan which includes: target delivery dates, key milestones building up to final delivery; clear explanation of dependencies necessary to ensure delivery, including known risks, and commitment or enrolment of key stakeholders.</p> <p>2 points for setting out target delivery dates and key milestones building up to final delivery, but lacking clear explanation of dependencies,</p> <p>1 point for lack of clear deliverables, milestones, and dependencies.</p> <p>0 points if no delivery assurances set out.</p>
Total number of points	25 points per action, 75 points in total

Q3.2 Using SMEs

New entrants and SMEs³, can help bring disruptive practices, ideas and products to the supply chain.

³ [Use the gov.uk and EU definition of SMEs](#): An SME is any organisation that has fewer than 250 employees and a turnover of less than €50 million or a balance sheet total less than €43 million

Please state how much DevEx and CapEx will be performed by SMEs (this includes both UK and international SMEs). This should be provided as a percentage of total DevEx and CapEx spend allocated to SMEs.

The question will be scored as follows:

Information requested	Points available per action
SMEs involvement in DevEx and CapEx phases of the project	<p>45 Points if above 9% of total CapEx and DevEx spend is carried out by SMEs.</p> <p>28 points if between 9% and 7% of total CapEx and DevEx spend is carried out by SMEs.</p> <p>23 points if between 7% and 5% of total CapEx and DevEx spend is carried out by SMEs.</p> <p>0 points if less than 5% of total CapEx and DevEx spend is carried out by SMEs.</p>
Total number of points	45 points in total.

4. Skills

This section looks at the actions you are taking to invest in the skills needed to strengthen the supply chain and drive the sustainable growth of the renewable energy industry.

A skilled workforce will be crucial to delivering our green growth ambitions. High quality education and skills training plays a vital role in sustaining productivity growth and supports individuals to reach their potential.

As the renewable energy sector expands, opportunities will emerge for the sector to contribute to the provision of new skills and quality jobs which will support our push towards Net Zero. It will be important for the sector to tap into the largest possible pool of talent to ensure relevant existing skills are being drawn upon, and to better reflect modern society by having a diverse and inclusive workforce.

This is why in this section we ask questions about:

work being done to:

- address skills gaps and shortages in the industry;
- estimate the creation of skilled positions and jobs; and
- ensure a diverse, fair and safe workforce that will contribute to a strong, sustainable supply chain, that remains free from modern slavery.

Q4.1 Skill Gaps and Shortages

Are you taking action to address **skills gaps** or **skills shortages in the industry**, and **encourage transitioning** into the industry? Please state:

- which technical qualified personnel you have the greatest gaps/shortages in;
- your 3 most impactful actions in terms of reducing skills gaps or shortages;
- evidence of ambition compared to existing industry standards or common practice for each action;
- key measurable outcomes/KPIs for each action; and
- how delivery will be assured for each action.

Your answer should be no more than 3 pages.

In this question, one of your actions can relate to a previous project, provided that there are demonstrable links between the past activity undertaken and the current project. See Annex B for the definition of 'demonstrable links'. Actions can be taken at an industry or company level provided they can show a direct role played by the project and Applicants can evidence the impact.

The question will be scored as follows:

Information requested	Points available per action
Evidence of ambition compared to existing industry standards or common practice, for each action	<p>10 points if ambition significantly exceeds industry standards or common practice.</p> <p>6 points if ambition is only a small incremental improvement on industry standards or common practice.</p> <p>2 points if ambition is in line with industry standards or common practice.</p> <p>0 points if ambition is below industry standards or common practice</p>
Key measurable outcomes / KPIs for each action	<p>5 points for providing clear numerical or objectively measurable targets to be completed within a specific timeframe.</p> <p>3 points for providing qualitative targets within a specific timeframe.</p> <p>2 points for setting out aspirations but not hard targets.</p> <p>0 points if no measurable KPIs provided.</p>
How delivery will be assured for each action	<p>5 points for setting out clear delivery plan which includes: target delivery dates, key milestones building up to final delivery; clear explanation of dependencies necessary to ensure delivery, including known risks, and commitment or enrolment of key stakeholders.</p> <p>3 points for setting out target delivery dates and key milestones building up to final delivery, but lacking clear explanation of dependencies,</p> <p>1 point for lack of clear deliverables, milestones, and dependencies.</p> <p>0 points if no delivery assurances set out.</p>
State which technical qualified personnel you have the greatest gaps/shortages in	<p>5 points if information provided.</p> <p>0 points if information is not provided.</p>
Total number of points	20 points per action, 65 points in total

Q4.2 Apprenticeships, Scholarships and Trainees

Part 1

How many scholarship positions (undergraduate and/or post-graduate) with a duration of one year or more duration, are you planning to sponsor, and at which educational institutions?

Part 2

How many apprenticeships, trainee positions and positions for workers transitioning from other sectors are linked to the development, construction, operations and maintenance phases of your project? How many of these are related to the skill gaps identified in question 4.1?

Your answer should be broken down into the following categories:

Employed by you:

- apprenticeships;
- trainee positions/ T level industry placements or equivalents; and
- positions for workers transitioning from other sectors.

Employed by T1 suppliers:

- apprenticeships;
- trainee positions/ T level industry placements or equivalents; and
- positions for workers transitioning from other sectors.

Part 3

How do you plan to support these workers into employment at the end of their scholarship position/ apprenticeship/trainee position/ placement?

Your answer should be no more than 4 pages.

The question will be scored as follows:

Information requested	Points available
Number of scholarship positions with a duration of one year or more	5 points if scholarship positions created. 0 points if no positions created
Breakdown of apprenticeships, trainee positions, positions for workers transitioning from other sectors and T level placements or equivalents provided	5 points if data breakdown provided. 0 points if data not provided or broken down.
Total number of apprenticeships, trainee positions, positions for workers transitioning from other sectors and T level or equivalent placements across your organisation and employed by your T1 suppliers	35 points if total positions across your organisation and employed by your T1 suppliers > 200 (a maximum of 50 positions for workers transitioning from other sectors can be included). 25 points if total positions are between 150-200 (a maximum of 30 positions for workers transitioning from other sectors can be included). 10 points if total positions are between 100-150 (a maximum of 20 positions for workers transitioning from other sectors can be counted within the number) 5 points if total positions are below 100 (a maximum of 10 positions for workers transitioning from other sectors can be counted within the number). 0 points if no information is provided.
How do you plan to support these workers into employment at the end of their scholarship position/ apprenticeship/trainee position/ placement?	5 points if comprehensive plan provided. 3 points if detailed plan provided. 2 points if basic plan provided. 1 point if superficial plan provided. 0 points if no plan provided.
Total number of points	50 points in total

Q4.3 Equality of Opportunity and Reducing the Disability Employment Gap

Are you taking action to **promote equality of opportunities in the workforce, which includes reducing the disability employment gap?**

- your 2 most impactful actions in terms of promoting equality of opportunities in the workforce and to reducing the disability employment gap;
- evidence of ambition compared to existing industry standards or common practice for each action;
- key measurable outcomes/KPIs for each action; and
- how delivery will be assured for each action.

Your answer should be no more than 3 pages.

Note: stating, or summarising your overall corporate strategy does not count as an individual action.

The question will be scored as follows:

Information requested	Points available
Evidence of ambition compared to existing industry standards or common practice, for each action	<p>10 points if ambition significantly exceeds industry standards or common practice.</p> <p>6 points if ambition is only a small incremental improvement on industry standards or common practice.</p> <p>5 points if ambition is in line with industry standards or common practice.</p> <p>0 points if ambition is below industry standards or common practice.</p>
Key measurable outcomes / KPIs for each action	<p>5 points for providing clear numerical or objectively measurable targets to be completed within a specific timeframe.</p> <p>3 points for providing qualitative targets within a specific timeframe.</p> <p>2 points for setting out aspirations but not hard targets.</p> <p>0 points if no measurable KPIs provided.</p>
How delivery will be assured for each action	<p>5 points for setting out clear delivery plan which includes: target delivery dates, key milestones building up to final delivery; clear explanation of dependencies necessary to ensure delivery, including known risks, and commitment or enrolment of key stakeholders.</p> <p>3 points for setting out target delivery dates and key milestones building up to final delivery, but lacking clear explanation of dependencies.</p> <p>1 point for lack of clear deliverables, milestones, and dependencies.</p> <p>0 points if no delivery assurances set out.</p>
Total number of points	20 points per action, 40 points in total

Q4.4 Modern Slavery

Are you taking action to **ensure there is no modern slavery or labour exploitation and that workers are paid properly and treated fairly**? Please state:

- Your 3 most impactful action in terms of ensuring there is no modern slavery or labour exploitation and that workers are paid properly and treated fairly.
- Evidence of ambition compared to existing industry standards for each action:
- Key measurable outcomes/KPIs for each action.
- How delivery will be assured for each action.

Note: stating or summarising your overall corporate strategy does not count as an individual action.

Your answer should be no more than 4 pages.

The question will be scored as follows:

Information requested	Points available per action
Evidence of ambition compared to existing industry standards or common practice, for each action	<p>10 points if ambition significantly exceeds industry standards or common practice.</p> <p>6 points if ambition is only a small incremental improvement on industry standards or common practice.</p> <p>5 points if ambition is in line with industry standards or common practice.</p> <p>0 points if ambition is below industry standards or common practice.</p>
Key measurable outcomes / KPIs for each action	<p>5 points for providing clear numerical or objectively measurable targets to be completed within a specific timeframe.</p> <p>3 points for providing qualitative targets within a specific timeframe.</p> <p>2 points for setting out aspirations but not hard targets.</p> <p>0 points if no measurable KPIs provided.</p>
How delivery will be assured for each action	<p>5 points for setting out clear delivery plan which includes: target delivery dates, key milestones building up to final delivery; clear explanation of dependencies necessary to ensure delivery, including known risks, and commitment or enrolment of key stakeholders.</p> <p>3 points for setting out target delivery dates and key milestones building up to final delivery, but lacking clear explanation of dependencies,</p> <p>1 point for lack of clear deliverables, milestones, and dependencies.</p> <p>0 points if no delivery assurances set out.</p>
Total number of points	20 points per action, 60 points in total

Annex A: Examples of what is being sought.

Note: examples are not meant to be exhaustive. These are indicative and other types of action can be taken than those specified below, so long as they are relevant to the question they come under.

Question	Example ⁴
Green Growth	
1.1 Supply Chain Competition	Guidance in the question.
1.2 Supply Chain Opportunities	Examples of routine actions include meet the buyer events, workshops, online procurement portals, multi-contract procurement etc. Examples of further actions supporting visibility of opportunity include collaborating with other projects to pool opportunities, running procurement workshops, making sure your Tier 1 suppliers maximise visibility of opportunities downstream of your project, running bespoke events for smaller groups of suppliers, and using multiple supplier portals.
1.3 Procurement Value Drivers	Examples include any weight given in your procurement process to factors such as carbon emissions, environmental impact, job creation, system integration and innovation, benefits to local communities, action against modern slavery, etc. Specific examples that fall into these factors could include developers that reward companies which: contribute to a Just Transition replacing fossil fuel generation with renewables and re-skilling workers; apply and invest in the development of new technology solutions; have a greenhouse gas emissions reduction plan.
1.4 Sustainable Procurement, Operations and Maintenance	Examples include, but are not limited to, using recyclable materials, minimising carbon emissions from transportation, adopting new technologies for reducing carbon impacts across the supply chain, collaborating with suppliers to work towards decarbonising their practices.
Infrastructure	
2.1 Decarbonisation: Monitoring	Guidance in question.
2.2 Planning for Sustainable Decommissioning	Examples could include investing in/contributing towards the research of recyclable materials, participating in working groups that think about end-of-life issues and initiatives, contributing to the research of the design of modular components, activities that promote repair before scrap.
Innovation	
3.1 Investment in R&D	Examples include any R&D project that you are involved in or driving that relates to new surveying, construction, maintenance methods, to new component design, or that could lead to a drop in carbon emissions, costs, and higher productivity etc.
3.2 Investment in New Technologies	Examples include any new technology that will be commercialised or tested as a direct, or partial result, of your project's needs.
3.3. Bringing in New Players	Guidance in question.
Skills	
4.1 Skill Gaps and Shortages	Examples of actions to address skills gaps and shortages could include the following: work to support the transition of workers from non-renewables sectors, recognition of equivalent training qualifications from other industries ; working in partnership with regulators and safety forums, educational institutions to address gaps and shortages, setting up your own training programmes, collaboration with others (developers or suppliers) to set up skill programmes including apprenticeships and STEM programmes.
4.2 Apprenticeships, Scholarships and Trainees	Guidance in the question.
4.3 Equality of Opportunities	Examples of actions that promote equality of opportunities in the workforce and reduce the disability employment gap could include: work to: support in-work progression to help people from diverse backgrounds, perspectives and needs, (including age, ethnicity, education and other abilities) to move into the industry or into higher paid work by developing new skills relevant to the contract; increase the representation of disabled people in the contract workforce; support disabled people in developing new skills relevant to the contract, including through training schemes that result in recognised qualifications; and influence staff, suppliers, customers and communities through the delivery of the contract to support disabled people.
4.4 Modern Slavery	Examples of actions to ensure there is no modern slavery or labour exploitation and that workers are paid properly and treated fairly could include the following: policies that guarantee fair rates of pay, fair working hours and

⁴ This is not an exhaustive list of examples.

	a safe working environment in line with International Labour Organization (ILO) standards both within your workplace operations the supply chain, demonstration that you are auditing your supply chains and taking action where appropriate.
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Annex B: Key Definitions

“Key components”

1. Solar panels
2. Inverters
3. Mounting structures
4. Electrical Infrastructure Balance of Plant
 - a. Electrical
 - b. Structural
5. Installation (other equipment used in installation/construction process)

“Demonstrable links” between the past activity undertaken and the current project

This means evidence of how activity in a previous project has direct and practical implications for the current project. For instance, lessons learnt applied to the current project, a procurement exercise that covers several projects, R&D investment or new technologies being rolled across several successive projects or infrastructure used across several projects. Activities by parent companies or consortium members can be used provided that the link to the project is within this definition.

“Ambition significantly exceeds industry standards or common practice”

An ambitious activity means one that goes clearly further in scale, scope, material impact, or represents a wholly different or new approach, to what has commonly been done in the relevant industry in the past five years. For instance, building a ‘supplier portal’ in offshore wind, has become standard practice in recent years and would therefore not be considered ambitious but instead “industry standard or common practice”. The nature of a project’s technology and its size are considered in relation to ambition.

“Key measurable outcomes / KPIs”

This refers to the key outcomes you will be monitored against. These should ideally be clear numerical or objectively measurable targets to be completed within a specific timeframe. Qualitative targets (e.g. producing a report) are also acceptable but will score less highly than numerical KPIs.

“How delivery will be assured”

This requires a summary of how your intent, policy or initiative will be translated into concrete outcomes. This usually would include timelines for delivery and an overview of the key steps necessary to translate an intent into an outcome.

“Detailed” or “comprehensive” information vs. “some” or sufficient information vs. superficial” or “insufficient” information

Comprehensive: clear statement of desired effects, timelines, key risks, mitigations, wider context, and industry impacts.

Detailed: clear statement of desired effects with supportive details on at least three of the following: timelines, key risks, mitigations, wider value and industry impacts.

Basic: clear statement of desired effects but with supportive detail on two or fewer of the following: timelines, key risks, mitigations, wider value and industry impacts.

Superficial: information on desired effects is unclear.

“Sustainability”

Defined as any measure, action or initiative that seeks to reduce the environmental impact of your project. This can include, for example, a reduction in greenhouse gas emissions, or the use of recyclable or re-usable components.

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Annex C – Anticipated UK Content Calculation Methodology (PS1)

This UK content methodology is endorsed by the Offshore Wind Industry Council described in *BVG Associates (2015) Methodology for measuring the UK content of UK offshore wind farms, for UK Government, Department of Energy and Climate Change, RenewableUK and The Crown Estate, May 2015.*⁵

Appendix G provides summary guidance to support consistent application of the methodology by developers across different renewable power generation technologies, both for forecasting UK Content in uncommitted expenditure and for tracking and reporting UK Content within committed expenditure. This summary is provided as an aid to developers in applying the full methodology, which should be followed in detail and is that contained in the document by BVG (2015).

Table G.1 of this questionnaire is provided as a template to guide the calculation of anticipated lifetime UK Content in a project.

Submission tables for Applicants are available at the following link

<https://www.gov.uk/government/publications/contracts-for-difference-cfd-allocation-round-4-supply-chain-plan-questionnaire-and-guidance>

Table G.1 Template to Guide Calculation of UK Content in Project Expenditure

Definitions

Term	Definition
Generator	A Developer or Generator is the company that owns a project development. The term 'Developer' refers to the owner up to the point that they are awarded a CfD Contract in a specific Contracts for Difference Allocation Round. The term 'Generator' refers to the owner thereafter. In Appendix G the single term 'Generator' is used.
Development expenditure (DevEx)	DevEx costs incurred by the Generator from the award of development rights by The Crown Estate to FID
Capital expenditure (CapEx)	CapEx includes costs incurred from FID to works completion date (WCD). It includes the cost of constructing the transmission assets that will be sold to the Offshore Transmission Owner (OFTO).
Operational expenditure (OpEx)	OpEx includes costs incurred by the project Generator from works completion date (WCD) to the end of active life
Decommissioning expenditure (DecEx)	DecEx includes costs incurred in the decommissioning, dismantling and disposal or recycling of the project
Works Completion Date (WCD)	WCD is the date at which the project's full rated generation capacity has been commissioned

⁵ You may use other industry approved methodologies, such as the update provided by BVG in 2021: "UK content calculation for AR4: guidance for industry".

Term	Definition
Total expenditure (TotEx)	TotEx includes all costs incurred from award of development rights to the end of decommissioning, and is the aggregation of DevEx, CapEx, OpEx and DecEx
Final Investment Decision (FID)	FID is the point of a project life cycle at which all consents, agreements and Contracts that are required to commence project construction have been signed (or are at or near execution form). At this point there is a firm commitment by equity holders or debt funders to provide or mobilise funding to cover the majority of construction costs
Committed Expenditure	Committed expenditure includes past and current contracts, and future contracts for which expenditure has been committed and the supplier selected
Uncommitted Expenditure	Uncommitted expenditure is all expenditure related to the project for which a supplier has not yet been selected
Customer	A Customer is a purchaser of goods or services for the project, which may be a project Generator or a Supplier at any tier of the supply chain (except the bottom tier)
Supplier	A Supplier is a provider of goods or services to a Customer. A Tier 1 Supplier is a supplier directly contracted by the project Generator
Internal Supplier	An Internal Supplier refers to the activities performed by a Customer that are not passed through to Suppliers, for example, expenditure by a civil works contractor in deploying their own equipment and inhouse (i.e. internal) work teams to execute part of a scope of work, and then sub-contracting the remaining portion of the work scope to Suppliers
Sub-supplier	A Sub-supplier is a company that is two or more steps down the supply chain from the Customer
Contract	A Contract is an agreement between a Customer and a Supplier to provide a goods or services to an agreed value. It covers the aggregated payment by the Customer to the Supplier for a defined scope of work or supply of goods. Purchase Orders (POs) are considered a type of Contract. The total Contract value could be made up of a number of transactions
Sub-contract	A Sub-contract is an agreement between a Supplier and a Sub-supplier
Contract Value	The Contract Value is the price paid by a Customer to a Supplier inclusive of profit margin (exclusive of VAT where applicable)
Base Cost	Suppliers calculate UK Content within their Base Costs. Base Cost is the Contract Value less the Supplier's profit margin, and is comprised of the value of the Supplier's aggregated internal and external Sub-contracts. (Profit margins plus Base Cost form the Contract price to the Customer and the Contract Value to the Supplier). VAT is excluded from all calculations [tbc]
Margin	Margin means profit margin as EBITA [tbc] Suppliers calculate and report percentage UK Content in their Base costs. Total % UK Content across multiple Contracts is the weighted average of UK Content in the Base Cost of each Contract. Total % UK Content is reported by a generator as % UK Content in TOTEX. The country destination of profit margins or the company's taxation are not considered in the calculation of UK Content. Therefore, when applying total % UK Content to TOTEX to derive a monetary figure for UK Content, the level of UK Content within aggregated profit margins will be proportionate to the percentage of UK Content in Base Cost. (An alternative is for the monetary value of UK Content to be % UK Content within aggregated Base Costs x aggregated Base Cost, which will be a lower monetary figure). [tbc] A Supplier may include a margin in the cost of an Internal Sub-contract.
Internal Contract or Sub-contract	An Internal Contract is the discrete volume of expenditure on activities performed by an Internal Supplier. The value of an Internal Contract may include a profit margin, for example, where there is a cross charge between different company operations (ie an internal transaction). Where this is

Term	Definition
	the case, the internal margin is deducted from the Internal Contract value to derive the Base Cost for calculating UK Content within the Internal Contract.
FTE	Direct jobs (employees or direct hires) created or maintained by suppliers, expressed as Full Time Equivalent
UK FTE	UK FTE jobs are direct jobs (employees or direct hires) created or maintained by suppliers operating in the UK as registered companies or with an operating license, expressed as Full Time Equivalent positions.
RFQ	Request for quote
RFP	Request for proposal
ITT	Invitation to tender

Summary Guidance for Calculation of UK Content *(Work in Progress)*

Component	Summary of Methodology	UK Content Calculation
UK Content	% UK Content is reported by a generator as percentage of DevEx, CapEx, OpEx and DecEx and as % of TOTEX.	<p>UK Content is calculated as a proportion (%) of Base Cost for each contract or internal contract (or each component or category of unallocated expenditure).</p> <p>Total project lifetime UK Content is calculated as the aggregated weighted average of % UK Content across all current and past contracts (and all components/categories of unallocated expenditure) across DevEx, CapEx, OpEx and DecEx, as follows:</p> <p>Total project lifetime % UK Content = $\frac{\sum (\text{£ UK Content} / \text{£ Base Cost}) \times 100\%}{\text{Total project lifetime } \text{£ UK Content} = \text{Total project lifetime \% UK Content} \times \text{TOTEX}}$</p>
Committed expenditure	<p>Committed expenditure includes past and current contracts, and future contracts for which expenditure has been committed and the supplier has been selected.</p> <p>Committed expenditures are at prices of the day.</p> <p>For committed expenditures:</p> <ul style="list-style-type: none"> Supplier undertakes UK Content calculation for contracts > £10 million Customer undertakes UK Content calculation for contracts < £10 million <p>For committed expenditure with contract values >£10 million, the Customer asks suppliers to undertake the UK Content calculation following in the methodology summarised in Appendix G (this document) and described in detail in BVG (2015).</p> <p>For committed expenditure with contract values <£10 million the Customer undertakes the UK Content calculation based on professional judgement following the guidance in Appendix G (this document), supported by the information in BVG (2015).</p>	<p>Calculation of UK Content as % of Base Cost in a Contract</p> <p>V Contract Value M Contract profit margins OH Overheads apportioned to Contract G Expenditure on internal and external Goods S Expenditure on internal and external Services Di Incremental depreciation of asset over contract period</p> <p>cOH UK Content in Overheads, apportioned to Contract value cG UK Content in Goods, apportioned to Contract value cS UK Content in Services, apportioned to Contract Value cDi Incremental depreciation of asset over contract period</p> <p>% UK Content = $\frac{(cOH + cG + cS + cDi)}{(V - M + Di)} \times 100\%$</p> <p>["Di" in denominator- tbc]</p>
Uncommitted Expenditure	<p>Uncommitted expenditure is all expenditure related to the project for which a supplier has not been selected</p> <p>Uncommitted expenditure is in real terms and undiscounted</p> <p>For all uncommitted expenditure the Customer undertakes the UK Content calculation based on</p>	<p>Calculation of UK Content as % of Base Cost in a project component or goods/service category</p> <p>U Uncommitted expenditure allocated to a specific project component or category of goods/service M profit margin (assumed) Cp % Capacity of UK suppliers to meet demand</p>

Component	Summary of Methodology	UK Content Calculation
	<p>professional judgement following the summary guidance in Appendix G (this document) and the detailed methodology described in BVG (2015).</p>	<p>Pr % Probability of UK suppliers capturing orders</p> <p>cOH UK Content in Overheads, apportioned to component or category</p> <p>cG UK Content in Goods, apportioned to component or category</p> <p>cS UK Content in Services, apportioned to component or category</p> <p>cDi Incremental depreciation of asset over contract period</p> <p>% UK Content = $[(cOH + cG + cS + cDi) \times Cp \times Pr] / (U - M + Di) \times Cp \times Pr \times 100\%$ </p> <p>["Di" in denominator- tbc]</p>
<p>Margins</p>	<p>Profit margins</p> <p>Where commercially confidential or otherwise unable to identify Margins, assume margin is 10% of Contract Value or 10% of uncommitted [tbc]</p>	<p>Committed expenditure</p> <p>To derive Base Cost, remove actual profit margin from contract value.</p> <p>Uncommitted expenditure</p> <p>To derive Base Cost, remove assumed profit margin from Uncommitted expenditure allocated to a specific project component or category of goods/service.</p>
<p>Overheads</p>	<p>A portion of corporate overheads are included in the calculation of UK Content as part of Base Cost, and include:</p> <ul style="list-style-type: none"> • asset maintenance • finance • IT • sales • research and development • human resources • training not directly associated with project <p>For committed expenditure with contract values >£10 million, calculation of UK Content in Overheads is by the Supplier as the number of UK FTE within total FTE Overheads workforce, proportioned to the ratio of the contract value to total sales of the company over the contract period.</p> <p>For committed expenditure with contract values <£10 million, calculation of UK Content in Overheads is by the Customer as the number of UK FTE within total FTE Overheads workforce of the supplier, proportioned to the ratio of the contract value to estimated total sales of the Supplier over the contract period.</p> <p>For uncommitted expenditure, expenditure is allocated to a specific project component or category of service or goods, and UK Content is then calculated as follows:</p> <ul style="list-style-type: none"> • assume Overheads are 10% of Base Cost [tbc] • assume that for suppliers operating in UK overheads are 100% UK Content* • assume that for suppliers not operating in UK overheads are 0% UK Content 	<p>Committed Expenditure</p> <p>OH Total Annual Overhead</p> <p>CP Period of Contract in years</p> <p>V Contract Value</p> <p>TS Total sales over the contract period</p> <p>TFOH Total average FTEs in Overheads function in contract period</p> <p>UKFOH Total average UK FTEs in Overheads function in contract period</p> <p>% UK Content in OHs = $[(OH \times CP) \times (V/TS)] \times (UKFOH/TFOH)$ </p> <p>Uncommitted expenditure</p> <p>% UK Content in OH = (U - M) x 10%</p>

Component	Summary of Methodology	UK Content Calculation
Supply of Goods (manufactured products, equipment, materials)	<p>*given that definition of UKFTE is any employee or direct hire created or maintained by suppliers operating in UK, then can assume all (100%) of FTE Overheads workforce is UKFTE [tbc]</p> <p>For committed expenditure with contract values >£10 million, UK Content is calculated by the Supplier as the actual weighted average (by sales price) of % UK Content in all goods produced by the supplier in the year the Contract is fulfilled. This % UK Content figure is reported to all Customers in that year, regardless of product or product model/type sold to Customer [tbc]</p> <p>For committed expenditure with contract values <£10 million, UK Content is calculated by the Customer as the estimated weighted average (by sales price) of % UK Content in all goods produced by the Supplier in the year the Contract is fulfilled.</p> <p>For uncommitted expenditure, expenditure is allocated to a specific project component or category of service or goods, and UK Content is then calculated as follows:</p> <ul style="list-style-type: none"> for suppliers operating in UK, UK Content is a professional judgement based on 100% minus estimated imported value of intermediary goods used in manufacturing process (equivalent to CIF*). [tbc] for suppliers not operating in UK, UK Content is professional judgement of whether intermediary components in the overseas manufacture process are exported from UK, and if so the UK-retained export value. [tbc] <p>*CIF – IncoTerm ‘Cost, Insurance, Freight’: https://www.trade.gov/know-your-incoterms</p>	<p>Committed expenditure</p> <p>PT Total sales of all products in final year of contract P1 Total sales of all of product type number 1 in final year of contract P2 Total sales of all of product type number 2 in final year of contract C1 % UK Content in P1 C2 % UK Content in P2</p> <p>% UK Content in Goods = $[\sum (P1 \times C1) + (P2 \times C2) + \text{etc}] / PT$ or % UK Content in Goods = C1 (where P1 is the supplied good)</p> <p>Uncommitted expenditure</p> <p>% UK Content in Goods = $1 - [(CIF / (U - M - OH))]$</p>
Supply of Goods (fuel)	<p>Fuel</p> <ul style="list-style-type: none"> Apply 70% UK Content to expenditures on fuel bought in the UK Apply 0% UK Content to expenditures on fuel bought overseas 	
Supply of Goods (internal manufacturing)	<p>Internal Manufacturing</p> <p>For the purposes of calculation % UK Content, manufacturing processes that are performed by the supplier of a service (eg a marine vessel services company that produces spare parts in their own workshops) are treated as an Internal Supplier. Treat this internal manufacturing as per the calculation for UK Content for external suppliers of goods.</p>	As above
Supply of Services	<p>For all calculations of UK Content in services, first deduct from the Base Cost the value of any goods components within the service (eg products, equipment materials). If these goods are entirely consumed during the contract period (eg aggregates), then calculate % UK Content in these goods as per the Supply of Goods methodology above. If the goods deducted from service are a ‘Capital Investment’ (eg supplier-owned equipment deployed during contract such as earth movers or vessels, then calculate % UK Content as per the Capital Investment methodology below.</p> <p>This leaves labour-in-Services as the basis of the calculation for % UK Content in services, as follows.</p>	<p>Committed Expenditure >£10m</p> <p>V Contract Value M Contract profit margins cOHs Overheads apportioned to Contract value and then pro rata to labour-in-Services only Gs Value of Goods within service contract (includes Overheads apportioned to Contract and pro rata to Goods-in-Service only) TFs Total average FTEs in supplier of service in final year of contract UKFs Total average UK FTEs in supplier of service in final year of contract</p> <p>% UK Content in Services (less Goods-in-Services) = $(UKFs/TFs) * (V - M - Gs - cOHs)$</p>

Component	Summary of Methodology	UK Content Calculation
	<p>For committed expenditure with contract values >£10 million, UK Content in service contracts is calculated by the Supplier as the actual total number of UK FTEs employed by the Supplier (or division of Supplier) in the last year of the contract, as proportion of total number of FTEs employed by the Supplier (or division of Supplier) in the last year of the contract</p> <p>For committed expenditure with contract values <£10 million, total UK Content is calculated by the Customer as the estimated number of UK FTEs employed by the Supplier (or division of Supplier) in the last year of the contract, as proportion of total number of FTEs employed by the Supplier (or division of Supplier) in the last year of the contract:</p> <ul style="list-style-type: none"> for suppliers operating in UK assume UK Content in total workforce of supplier is 100%* for suppliers not operating in UK assume UK Content in total workforce service is 0% <p>For uncommitted expenditure, expenditure is allocated to a specific project component or category of services, and UK Content is then calculated as follows:</p> <ul style="list-style-type: none"> for suppliers operating in UK assume service (less overheads) is 100% UK Content* for suppliers not operating in UK assume service is 0% UK Content <p>*given that definition of UKFTE is any employees or direct hire created or maintained by suppliers operating in UK, then assume 100% of FTE within services meets the definition of UKFTE</p>	<p>Uncommitted expenditure</p> <p>Gs Value of Goods within service component or category (includes Overheads apportioned to Contract and pro rata to Goods-in-Service only)</p> <p>or category</p> <p>UKFs Total UK FTEs in provision of service component or category</p> <p>cOHs Overheads apportioned to service component or category and then pro rata to labour-in services only</p> <p>% UK Content in Services (less Goods-in-Services) = (UKFs/TFs) * (U - M - Gs - cOHs)</p>
Supply of Services (land rent)	<p>Land rent</p> <p>The UK content is the percentage of UK FTEs involved in administering the land asset. To calculate % UK Content in insurance treat as a 'service'</p>	as above
Supply of Services (insurance)	<p>Insurance</p> <p>UK Content in insurance considers only the premiums paid by the Customer. To calculate % UK Content in insurance treat as a 'service'</p>	as above
Supply of Services (warranty)	<p>Warranty</p> <p>To calculate % UK Content in a warranty treat as a 'service'</p>	as above
Supply of Services (internal services)	<p>Internal Services</p> <p>For the purposes of calculation % UK Content, services that are performed by the suppliers' own workforce (excluding labour in Overheads) (eg engineering services, construction team) are treated as an Internal Supplier. Treat this internal service as per the calculation for UK Content for external suppliers of services.</p>	as above
Capital Investments (applicable to committed expenditure only)	<p>A Supplier may have made a capital investment in equipment or a manufacturing facility that is used to fulfil a Contract. The equipment or manufacturing facility depreciates during the fulfilment of a Contract. For the purposes of this methodology, % UK Content is calculated as portion of the depreciation cost of the investment.</p> <p>For committed expenditure where the supplier's depreciated investment value over the contract period is >£10 million, UK Content within capital investments is calculated by the Supplier as the incremental depreciation of the asset over the period of the contract, apportioned to the ratio of the contact</p>	<p>Committed expenditure - where the supplier's depreciated investment value over the contract period is >£10 million:</p> <p>CP Period of Contract in years</p> <p>V Contract Value</p> <p>TS Total sales over the contract period</p> <p>Di Incremental depreciation of asset over contract period</p> <p>Io % UK Content in original investment</p> <p>% UK Content in Investments = [(V x CP) / TS] x Di x Io</p>

Component	Summary of Methodology	UK Content Calculation
	<p>value to total sales of the supplier over the contact period.</p> <p>If a Supplier has an established process for attributing an investment cost to a particular Contract, it should use this as a basis for the UK Content calculation. If a Supplier has no established process, a linear depreciation model should be used over 20 years for a marine vessel (ie 5% per year) and 10 years for other capital investments (ie 10% per year).</p> <p>The % UK Content of the depreciation equals the UK Content in the original investment, which is calculated by determining the % UK Content in the original investment from analysing the Contracts awarded at the time. Making this analysis will become more difficult with time, therefore for investments made more than five years before they are used in fulfilling a Contract, a Customer may make its own estimate of the UK Content in the supplier's investment.</p> <p>For committed expenditure where the supplier's depreciated investment value over the contract period is <£10 million (or is >£10 million but investment was made > 5 years before contract) UK Content within capital investments is estimated by the Customer following the guidance above.</p>	<p>Committed expenditure - where the supplier's depreciated investment value over the contract period is <£10 million, or is >£10 but investment was made > 5 years before contract):</p> <p>% UK Content in Investments = $[(V \times CP) / TS] \times Di \times Io$ (est.)</p>
Contingency	Treat all contingency sums as Uncommitted expenditure and follow the guidance above.	

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