



Financial Reporting Council

Invitation to Tender (ITT) 2025

**Research into the use of
artificial intelligence and other
disruptive technologies in
corporate reporting
FRC2025-066**

May 2025

The FRC does not accept any liability to any party for any loss, damage or costs howsoever arising, whether directly or indirectly, whether in contract, tort or otherwise from any action or decision taken (or not taken) as a result of any person relying on or otherwise using this document or arising from any omission from it.

© The Financial Reporting Council Limited 2025

The Financial Reporting Council Limited is a company limited by guarantee.
Registered in England number 2486368. Registered Office:
13th Floor, 1 Harbour Exchange Square, London, E14 9GE

Contents

	Page
1. Background	4
2. Project Requirements	5
3. Your tender response	9
4. Tender Process	13
5. Additional Information	16

1. Background

The Financial Reporting Council (FRC) regulates auditors, accountants and actuaries and sets the UK's Corporate Governance and Stewardship Codes. As the Competent Authority for audit in the UK, we set auditing and ethical standards and monitor and enforce audit quality.

The purpose of the FRC is to serve the public interest and support UK economic growth by upholding high standards of corporate governance, corporate reporting, audit and actuarial work.

The FRC's core objectives are: -



To deliver our objectives, the FRC work has four core dimensions.



Please see overleaf for information on this specific project / requirement.

2. Project Requirements

Purpose & Background

Companies are using artificial intelligence (AI) and other disruptive technologies¹ within their business operations. However, there is currently a limited understanding of, and evidence on, their use of AI and other disruptive technologies in the production of narrative/financial information in corporate reports ('corporate reporting').

The FRC is seeking research services into the use of artificial intelligence and other disruptive technologies in corporate reporting. This research project will gather evidence about the use of AI and other disruptive technologies in corporate reporting to inform FRC regulatory practice and policy.

The research project will answer the following research questions:

What specific AI and other disruptive technologies are most commonly used in corporate reporting, and *how* are they being used? For example:

- For which topics/sections of their corporate reporting are companies typically using AI and other disruptive technologies to produce/support corporate reporting?
- What tasks and stages of the corporate reporting process are AI and other disruptive technologies being used for?
- How do different industries/sectors, and different sizes of company, vary in their adoption and application of specific AI and other disruptive technologies for corporate reporting?
- What are the main challenges companies face when integrating AI and other disruptive technologies into their corporate reporting processes?
- What are the specific barriers to and risks in implementing AI and other disruptive technologies in corporate reporting?
- What benefits and opportunities are companies seeking to gain, or have already transpired, from the use of AI and other disruptive technologies in corporate reporting?

How is the use of AI and other disruptive technologies in corporate reporting influencing changes to governance and audit processes? For example:

- What are the internal controls, including those related to governance, associated with sourcing, deploying and using AI and other disruptive technologies in corporate reporting?
- How does AI influence the role and responsibilities of financial professionals in the corporate reporting process?
- What additional considerations or changes to audit processes, if any, are auditors making to address the use of AI in corporate reporting?

- Is new expertise needed for accountants and auditors?

How do companies believe their stakeholders perceive the reliability and transparency of corporate reports prepared with the use of AI? For example:

- What risks are they identifying, and what mitigating actions are they taking, in response?
- Are stakeholders engaging with companies on the use of AI and disruptive technologies in corporate reporting?

Scope overview

The research population will be companies that meet the UK Public Interest Entity (PIE) definition, i.e. those with transferable securities listed on a UK-regulated market, credit institutions, and insurance undertakings, and their finance and corporate reporting teams.

Suggested approach

Questionnaire and in-depth (qualitative) interviews

The questionnaire, and an interview guide for conducting the (semi-structured) interviews, will be developed by the contractor in collaboration with the FRC policy team. We therefore expect the contractor's research team members to bring prior experience of how information technologies are applied to business information systems and, ideally, to corporate financial/sustainability reporting. Experience/knowledge of recent developments in AI would additionally be advantageous.

We anticipate a significant challenge in this project will be the recruitment of questionnaire respondents and interview participants. The contractor will be responsible for identifying, and obtaining contact details of, the appropriate person(s) in each company (PIE entity) to be invited to respond to the questionnaire and/or participate in interviews.

Please specify in your proposal:

- The range of means by which you would identify and contact the appropriate person(s) from each sampled company. We expect them to be working in their company's financial/sustainability reporting team and/or communications team; participants/contacts might also include the Finance Director or the Company Secretary.
- How you would engage with these persons to ensure a sufficient response rate and a good quality of responses/participation.
- Whether you have existing partnerships, or would establish them for this project, with relevant industry/sector or representative organisations.
- Whether the interview participant sample would be drawn from the pool of completed surveys, or would be (also) recruited via a different means.

- How you would stratify the sampled PIE population (by sector, by size, etc) to achieve a good breadth and depth of coverage from the survey and interviews.
- What balance you would recommend between survey and interviews in order to meet this project's objectives.
 - How many questionnaire responses you confidently expect to receive and analyse within the stated project budget. What questionnaire length (in terms of time taken by an average respondent to complete) would you recommend?
 - How many interviews (and of what duration) you would be able to carry out within the stated project budget. Please also provide us with an optional add-on cost per additional volumes of interviews.

Although we ask for your expectation of the numbers of completed questionnaires and interviews in your proposal, the actual split between questionnaires and interviews, and which topics are best addressed via each means, will be determined in during the project's inception phase.

- It is therefore requested that you detail in your proposal several possible options in the ratio between questionnaires and interviews (and varying the length of the latter). Please advise us which option(s) you believe would be better for meeting the objectives of this project in addressing the research questions for the scope of companies described above.

Outputs and Deliverables

The outputs from this research project will be:

- Tabulated questionnaire data compiled from the responses of all participating PIEs and a presentation analysing that data, both at full-population level and for subsets of the population.
- Full transcripts from the in-depth interviews with PIEs and a presentation drawing out themes that emerged, with illustrative quotes, etc.
- A detailed report which outlines findings, methodologies and conclusions of the research and includes:
 - Statistical analysis demonstrating the impact of AI and other disruptive technologies on corporate reporting, e.g. the scale of use, and improvements in accuracy and efficiency.
 - Case Studies: Analyses of specific companies or industries that have successfully implemented AI (and/or other disruptive technologies) in their corporate reporting processes. These case studies would provide practical examples and insights on existing practice, technologies being onboarded and plans in the process of implementation.

Progress updates and interim findings from both questionnaire and interviews will be expected around mid-October 2025, with final deliverables in January 2026.

If it is deemed necessary (during the project inception phase) that participant anonymity is required for recruitment to be successful, the contractor will anonymise all outputs so the FRC will not be able to identify which companies or individuals participated.

If it is not deemed necessary to offer participant anonymity (or if individual participants opt-out of anonymity) then the contractor will share participant details with the FRC.

Data/findings from the research may be referred to and quoted in published FRC documents (e.g. public consultation documents). The successful research contractors will be cited accordingly.

Liaison arrangements

The FRC team should be consulted on key decisions in the research design and its implementation. This will include regular project progress calls via Microsoft Teams and email updates.

Cost

Bidders should provide a fixed fee for the work, exclusive of VAT, inclusive of all expenses. As noted above, your proposal should offer different options in the ratio of questionnaire length/numbers and qualitative interview numbers. Costs should be detailed in the Tender Response Documents in the format specified. No other costs should be charged on top of the fixed fee, unless the scope materially changes from what is set out / agreed. Changes to the scope / cost of the project must be mutually agreed.

The FRC does not anticipate tender bids over £70,000 excl. VAT and the amount agreed will be dependent on the approach.

3. Your tender response

The proposal should be no more than 10 pages in total, excluding annexes, and include:

- A succinct summary of the proposal, including an estimated timeline of project milestones.
- Details of the proposed approach. This should include a high-level overview of the data collection strategy, participant recruitment approach (including any challenges identified and proposed mitigations) and the analytical approaches to be adopted by the project. Also, please ensure you have addressed all the bullet points under Suggested approach on pages 6 to 7 .
- An estimated timeline of project milestones.
- Your organisation's transferrable experience of similar projects and relevant research capability.
- The arrangements to be put in place for managing this work and quality assuring outputs.
- A budget, including a breakdown of time and costs per activity, in line with the principal project objectives outlined above.
- Details of personnel to be involved, including their role for this project and their relevant experience.
- CVs for the project team should be included in an annex, along with any additional information about your organisation that you consider relevant.

Bids should identify any real or perceived conflicts of interest.

4. Evaluation

Bids will be assessed against the following principal criteria:

	Weighting	Principal criteria
1	50.00%	The suitability of the approach (including methodology and management).
2	30.00%	Experience / relevant experience of the proposed personnel.
3	20.00%	Pricing / cost of your proposal.

Timelines

Date/Time	Activity
29/05/2025	Publication of the Invitation to Tender
10/06/2025 by 12.00noon	Supplier's Deadline to submit clarification questions
12/06/2025 by 5.00pm	FRC's Deadline for publication of responses to clarification questions FRC will endeavour to meet this deadline
08/07/2025 by 12.00noon	Deadline for supplier submission of tender to the FRC.
15/07/2025	Shortlisted suppliers advised
17/07/2025	Supplier tender clarification session if required <i>Provisionally</i> <ul style="list-style-type: none"> • 10.30am – 11.00am • 12noon – 12.30pm • 3.00pm – 3.30pm
w/c 21/07/2025	Tender Outcome
w/c 28/07/2025	Contract commencement

High-level project timeline

<i>Date</i>	<i>Deliverable / milestone</i>
Late July	Kick-off meeting, agree detailed project timeline and methods for each phase
August	Agree questionnaire text, interview questions and target populations for each. Determine sample sizes.
August to November	Conduct interviews and questionnaires
Mid-October	Discussion/presentation of interim findings
Mid-January 2026	Final deliverables

Scoring approach

Bids will be scored on your ability to meet our requirements using the scoring approach: -

Score	Criteria for awarding score
0	Unacceptable Does not satisfy any part of the requirement. Does not comply with and/or insufficient information provided to demonstrate that the bidder has the ability, understanding, experience, skills, resource and quality measures required to provide the services, with little or no evidence to support the response.
25	Poor Satisfies only minor aspects of the requirement. Or can carry out some or all of the required services but not to a sufficient standard. Strong concerns over relevant ability, understanding, experience, skills, resource, and quality measures required to provide the services.
50	Fair Satisfies part of the requirement only, not the full requirement. Or can carry out all required services but not to a sufficient standard. Minor Concerns over relevant ability, understanding, experience, skills, resource, and quality measures required to provide the services.
75	Good Satisfies the requirement, with minor additional benefits. Supplier has the relevant ability, understanding, experience, skills, resource and quality measures required to

	provide the services, but the supplier has also provided relevant innovative methodology, or relevant added value services which will directly enhance the service required, giving minor additional benefit to FRC.
100	Excellent Satisfies the requirement, with major additional benefits. Supplier has the relevant ability, understanding, experience, skills, resource and quality measures required to provide the services, but the supplier has also provided relevant innovative methodology, or relevant added value services which will directly enhance the service required, giving major additional benefit to FRC.

5. Tender Process

Conduct

The tenderer must not communicate to any person the tender price, even approximately, before the date of the contract award other than to obtain, in strict confidence, a price for insurance required to submit the tender.

The tenderer must not try to obtain any information about any other person's tender or proposed tender before the date of the contract award.

The tenderer must not make any arrangements with any other person about whether or not they should tender, or about their tender price.

The tenderer must not offer any incentive to any member of FRC's staff for doing or refraining from doing any act in relation to the tender.

If the tenderer engages in any of the activities set out in this paragraph or if FRC considers the tenderer's behaviour is in any way unethical FRC reserves the right to disqualify the tenderer from the procurement.

The tenderer represents and warrants that a conflicts of interest check has been carried out, and that check revealed no conflicts of interest.

Where a conflict of interest exists or arises or may exist or arise during the procurement process or following contract award the tenderer must inform the FRC and submit proposals to avoid such conflicts. The successful supplier should be aware that the FRC's conflict of interest assessment is for the whole contract life / ongoing and input from the successful supplier may be required at key stages (such as when new information comes to light).

Tenderers must obtain for themselves at their own responsibility and expense all information necessary for the preparation of tenders. The FRC is not liable for any costs incurred by the tenderer as a result of the tendering procedure. Any work undertaken by the tenderer prior to the award of contract is a matter solely for the tenderer's own commercial judgement.

Tenderers must not undertake any publicity activity regarding the procurement within any section of the media.

Questions & Clarifications

Tenderers may raise questions or seek clarification regarding any aspect of this further competition at any time prior to the tender clarification deadline.

Tenderers may raise questions or seek clarification within the timeframe by sending questions to procurement@frc.org.uk in the following format.

Nature of query / clarification	Query / Clarification

FRC will not enter into exclusive discussions regarding the requirements of this ITT with tenderers.

To ensure that all tenderers have equal access to information regarding this tender opportunity, FRC will publish all its responses to questions raised by Tenderers on an anonymous basis.

Responses will be published in a questions and answers document to all Tenderers who have indicated that they wish to participate.

Due Diligence

While reasonable care has been taken in preparing the information in this ITT and any supporting documents, the information within the documents does not purport to be exhaustive nor has it been independently verified.

Neither FRC, nor its representatives, employees, agents or advisers:

- makes any representation or warranty, express or implied, as to the accuracy,
- reasonableness or completeness of the ITT and supporting documents; or
- Accepts any responsibility for the adequacy, accuracy or completeness of the information contained in the ITT and supporting documents nor shall any of them be liable for any loss or damage, other than in respect of fraudulent misrepresentation, arising as a result of reliance on such information or any subsequent communication.

It is the tenderer's sole responsibility to undertake such investigations and take such advice, including professional advice, as it considers appropriate in order to make decisions regarding the content of its tenders and in order to verify any information provided to it during the procurement process and to query any ambiguity, whether actual or potential.

It is a requirement that the successful supplier is not on the UK Governments debarment list with a mandatory exclusions, furthermore the supplier must (i) comply with all applicable laws and regulations including, without limitation, the Bribery Act 2010, the Equality Act 2010 and the Modern Slavery Act 2015; and (ii) in addition to any contractual requirement(s), inform the FRC immediately upon becoming aware of any event (including actual or threatened court proceedings) which may impact upon the reputation of the FRC, whether or not connected with the Supplies and/or Services.

Submitting a Tender

Tenderers must submit their tender response within the deadline to procurement@frc.org.uk.

Where a **Tender Response Template** is provided, potential providers must align their tender response with that format.

A Tender must remain valid and capable of acceptance by the Authority for a period of 90 days following the Tender Submission Deadline. A Tender with a shorter validity period may be rejected.

The FRC reserves the right to take up references. You may be required to provide references in the Tender Response Document / upon request. References must be relevant to the FRC requirement and in the last five years.

The Terms and Conditions will apply to this proposed Agreement are contained in the Tender Response document and should be accepted with no material changes.

Evaluation

FRC will award the contract on the basis of the tender which best meets the evaluation criteria aligned to the requirements.

Acceptance of Tender & Notification of Award

FRC reserves the right to amend, add to or withdraw all or any part of this ITT at any time during the procurement.

FRC reserves the right to reject your tender submission if there is a conflict of interest that cannot be managed / mitigated.

FRC shall not be under any obligation to accept the lowest price tender or any tender and reserves the right to accept such portion or portions as it may decide, unless the tenderer includes a formal statement to the contrary in the tender. FRC also reserves the right to award more than one contract to fulfil the requirement.

The tenderer will be notified of the outcome of the tender submission at the earliest possible time.

Where the procurement process is subject to EU public procurement directives, a minimum standstill period of 10 calendar days will apply between communicating the award decision electronically to tenderers and awarding the contract.

Nothing in the documentation provided by FRC to the tenderer during this procurement or any communication between the tenderer and FRC or FRC's representatives, employees, agents or advisers shall be taken as constituting an offer to contract or a contract. No tender will be deemed to have been formally accepted until the successful tenderer has received a formal contract award letter from FRC.

6. Additional Information

N/A



Financial Reporting Council

**Financial
Reporting Council**

London office:

13th Floor, 1 Harbour
Exchange Square,
London, E14 9GE

Birmingham office:

5th Floor, 3 Arena
Central, Bridge Street,
Birmingham, B1 2AX
+44 (0)20 7492 2300

www.frc.org.uk

Follow us on
Linked in