

**Bid Pack**

**Attachment 3 – Statement of Requirements**

Contract Reference: CCMK20A04

CS Pay and Reward Provision of Annual Reward Benchmarking Report - 2021

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# PURPOSE

## Civil Service Employee Policy, referred to as the 'Authority' within this document, requires a Supplier to produce a report that supports Civil Service (CS) Departments with the development of their annual pay remit and strengthening the positioning of the critical functions required to drive the CS reform agenda; boosting government capabilities. It will include data on the current state of the UK labour market across all relevant CS grades. These critical functions are: Analyst, Commercial, Communications, Digital, Data and Technology (including Cyber Security), Finance, Counter Fraud, Fraud Error Debts and Grants, HR, Internal Audit, Policy, Legal, Project Delivery, Property and Science and Engineering.

## This contract will support government departments and the CS Employee Policy Pay and Reward Service by:

### Supporting the cross-Departmental strategic approach to Pay and Reward

### Sharing knowledge and expertise to continue the development of the Pay and Reward Service

### Engaging with stakeholders to communicate and advise upon key Pay and Reward issues

## There is a requirement to provide Departments with comprehensive market pay data across the public, private and not for profit sectors, to inform their reward strategies. Benchmarking data is also required for senior levels to inform the centrally managed Senior Civil Service (SCS) reward system.

# BACKGROUND TO THE CONTRACTING aUTHORITY

## Civil Service Employee Policy (CSEP), the main sponsor of the project, was launched in April 2011 and is one of the Expert Services established under Civil Service HR. They provide a specialist HR policy service across government departments to promote simplified and modernised policies and people practices.

## CSEP provides a Pay and Reward Service to support the improvement and quality of reward strategies and practices across Departments, so as to build expert capability in the CS and fit with the ongoing reform of the CS of the future.

# Background to requirement/OVERVIEW of requirement

## The provision of a report on benchmarking pay and pay movements has been a critical asset in the creation of departmental pay structures while also providing wider intelligence of the UK labour market to inform other reward projects.

## The need for robust benchmarking data is underpinned by the need to deliver maximised economic value for the taxpayer in the Civil Service’s wage bill, ensuring the correct talent can be attracted and retained for an informed price.

# definitions

|  |  |
| --- | --- |
| **Expression or Acronym** | **Definition** |
| CS | means Civil Service |
| CSEP | means Civil Service Employee Policy  |
| HR | means Human Resource  |
| QA | means Quality Assurance |
| SCS | means Senior Civil Service  |

# scope of requirement

## The Supplier shall provide data to support implementation of their pay and reward strategies and systems with departments.

## The Supplier shall provide data to assist decisions around pay and reward challenges currently facing departments, including specialist pay.

## The Supplier shall provide the CS with access to comprehensive market pay information, to allow appropriate benchmark data to be provided for each CS pay level (including SCS), and reward intelligence against employment sector, job family and geographic region.

# The requirement

## The Supplier must have access to, or the means of quickly establishing access to, a comprehensive pay database covering the wider public sector, not for profit sector and the private sector, to provide comparator benchmark data for base pay, total cash and total remuneration.

## The database must be able to provide market data, based on actual salaries, for jobs external to the Civil Service, mapping over to the full range of traditional mainstream CS levels, including the SCS, but also for Departments that do not have the classic CS levels to be able to read across.

## The Supplier must also have, or have access to, a robust method of matching CS roles to comparator jobs, whether or not this is done through a job evaluation scheme that will enable pay data to be provided taking account of job weight.

## As well as overall ‘general’ data, the Supplier must also be able to provide comparator data to meet the majority of requests for pay data by job families/specialist roles that may be specific to particular departments. These will include Finance, Law, and IT/Digital but will also include data on a full range of specialist data.

## In addition to providing the basic benchmark data, the Supplier will provide regular information to put that benchmark data into context, reflecting trends, influences and premia over time, the economic background and variation by geography and job family etc.

## In the past this information has been provided as a formal annual report but more regular quarterly input, or an online service/interactive data tool may equally be appropriate. In recent years this has been achieved through the production of an annual report (final version ready for end of February/beginning March 2021), based on the most recently available data at that point. The report should be provided in Microsoft Word and PDF format and the data tool in Excel Format.

## As far as sample sizes allow, it will be necessary to provide analysis of this data for jobs of comparable weight elsewhere in the economy, by median, upper and lower quartile, nationally and by specified region and/or hot spots as required (details to be provided by the Authority).

## It should be possible to audit the use of the appropriate levels by analysing example Job Descriptions from within or outside the CS to ensure that the comparator salaries match.

# key milestones and Deliverables

## The following Contract milestones/deliverables shall apply:

|  |  |  |
| --- | --- | --- |
| **Milestone/Deliverable** | **Description** | **Timeframe or Delivery Date** |
| 1 | Project Initiation Meeting between Supplier and CSEP - Meet with CSEP to discuss details of project and Supplier to provide project plan. | Within week 1 of Contract Award  |
| 2 | Data analysis and extraction - Supplier to have confirmed their access to data, match data to civil service grades | Within Weeks 2 & 3 of contract award |
| 3 | Draft Report Writing and development of any supporting tools - Production of draft report and associated tools e.g. excel companion tool. | Within weeks 4 to 7 of contract award |
| 4 | Draft report received - Delivery of Draft Report to CSEP for Comment. | Within week 7 & 8 of contract award |
| 5 | Final benchmarking pay report received | Within weeks 12-16 of contract award |
| 6 | Concluding Presentation - Supplier will provide a concluding presentation of around 15-20 minutes in length to the other government departments outlining high level report findings.  | Prior to Contract End Date. |

#

# MANAGEMENT INFORMATION/reporting

## The final benchmarking pay report (milestone 5) should be provided in an appropriate format containing the written analysis and tables regarding the required benchmark data for dissemination to CS Departments and according to the timetables set out. The written element of the report should also be provided in Microsoft (MS) Word and PDF with all supporting data tables provided separately in MS Excel. The version of MS Word/Excel to be used will be agreed between the Authority and the Supplier.

## The report should include:

### The most up-to-date data on pay levels and movements which are equivalent to the generic CS levels (Grades) of Administrative Assistant to SCS Pay Band 3 (Director General) and an agreed set of specialist roles and jobs (including – Commercial, Communications, Digital, Data and Technology, Finance, HR, Internal Audit, Legal, Project Delivery, Policy, Analysis and Property) of comparable weight elsewhere in the economy, by lower; median; and upper quartile covering national, regional and local pay differentials.

### Commentary on the key developments and changes that have taken place in the labour market over the last twelve months as well as location based trends.

### A measure for converting the current CS total reward package (e.g. total remuneration including the value of pension, sick leave etc.) into comparable format for comparison against the total remuneration data provided for public and private sector comparators. The Supplier will provide a breakdown of the methodology for the total remuneration data been calculated. The Supplier will also include in the report upper and lower quartiles for selected data sets, e.g. professional roles within selected regions, local pay zones, etc.

# volumes

## Not applicable to this requirement.

# continuous improvement

## The Supplier will be expected to continually improve the way in which the required Services are to be delivered throughout the Contract duration.

## Changes to the way in which the Services are to be delivered must be brought to the Authority’s attention and agreed prior to any changes being implemented.

# Sustainability

## The end product is to be delivered in a digital format, no paper physical copies are required.

# quality

## The supplier must ensure that data is robust and covers the wider public sector, not for profit sector and the private sector in order to provide comparator benchmark data for base pay, total cash and total remuneration.

# PRICE

## The estimated expenditure is to be no more than £65,000 (exc. VAT) for the pay benchmarking contract. Bids over this amount will be considered non-compliant.

## The cost should be calculated on a capped cost basis.

## Expenses will only be payable for travel outside base location outlined in Section 21. The Authority will pay reasonable out of pocket travel (using the most economical mode of transport) and subsistence expenses, properly and necessarily incurred in the performance of the Services, calculated at the rates and in accordance with the Cabinet Office Travel & Subsistence policy.

## Prices are to be submitted via the e-Sourcing Suite on Attachment 4 – Price Schedule excluding VAT and including all other expenses relating to Contract delivery.

# STAFF AND CUSTOMER SERVICE

## The Authority requires the Supplier to provide a sufficient level of resource throughout the duration of the Provision of Pay Bench-marking Report Contract in order to consistently deliver a quality service to all Parties.

## Supplier’s staff assigned to the Provision of Pay Bench-marking Report Contract shall have the relevant qualifications and experience to deliver the Contract.

## The Supplier shall ensure that staff understand the Authority’s vision and objectives and will provide excellent customer service to the Authority throughout the duration of the Contract.

# service levels and performance

## The Authority will measure the quality of the Supplier’s delivery by:

|  |  |  |  |
| --- | --- | --- | --- |
| KPI/SLA | Service Area | KPI/SLA description | Target |
| 1 | Delivery | Meet with CSEP to discuss details of project and Supplier to provide project plan.  | Within week 1 of Contract Award  |
| 2 | Quality | Supplier to have confirmed their access to data, match data to civil service grades and QA’d the role. | Within Weeks 2 & 3 of contract award |
| 3 | Reporting | Production of draft report and associated tools e.g. excel companion tool.  | Within weeks 4 to 7 of contract award |
| 4 | Reporting  | Delivery of Draft Report to CSEP for Comment  | Within week 7 & 8 of contract award |
| 5 | Quality | Reflected comment from CSEP- conducted revision and reissue final copy. | Between weeks 9 - 16 of contract award |
| 6 | Reporting | Supplier will provide a concluding presentation of around 15-20 minutes in length to the other government departments outlining high level report findings.  | Prior to Contract End Date |

# Security and CONFIDENTIALITY requirements

## New data protection legislation came into force in May 2018, which aims to protect the privacy of all EU citizens and prevent data breaches. It will apply to any public or private organisation processing personal data.

## Established key principles of data privacy remain relevant in the new data protection legislation but there are also a number of changes that will affect commercial arrangements.

## The Data Protection Legislation comprises:

### The General Data Protection Regulation (GDPR) which came into force on 25 May 2018;

### The Data Protection Act (DPA) 2018 which came into force on 25th May 2018.

## The New Data Protection Regulation is considered applicable to this provision of Services, and Contract.

## Additional information on the New Data Protection Legislation, and how this will be applied to the provision of services can be found at <https://www.gov.uk/government/publications/procurement-policy-note-0317>.

# payment AND INVOICING

## Payment can only be made following satisfactory delivery of pre-agreed certified products and deliverables.

## Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.

## Invoices should be submitted to: Cabinet Office, PO Box 405, SSCL, Phoenix House, Celtic Springs Business Park, Newport, NP10 8FZ, email: APinvoices-CAB-U@sscl.gse.gov.uk

# CONTRACT MANAGEMENT

## The Authority will manage the contract in accordance with the key milestones and KPI/SLAs.

# Location

## The location of the Services will be carried out at the Suppliers’ premises. The Authority’s base location for the purposes of this contract will be 151 Buckingham Palace Road, London, SW1W 9SZ.