

SCHEDULE 6 - CALL-OFF CONTRACT TEMPLATE

Framework Number: GLA 80405
Call-Off Contract Number: 0010 - Skills Inquiry Data Research
Lot 4

THIS CALL-OFF CONTRACT is made the _____ day of _____ 2015

BETWEEN:

- (1) **THE GREATER LONDON AUTHORITY** of City Hall, Queen's Walk, London SE1 2AA ("**the Contracting Authority**"); and
- (2) **Centre for Economic and Social Inclusion**, a company registered in England and Wales (Company Registration Number **02458694** whose registered office is 3rd Floor, 89 Albert Embankment, London, SE1 7TP ("**the Service Provider**").

RECITALS:

- A. The Contracting Authority and the Service Provider have entered into an agreement dated **03 February 2014** which sets out the framework for the Service Provider to provide certain Services to the Contracting Authority or the Authority ("**the Agreement**").
- B. The Authority wishes the Service Provider to provide the specific Services described in this Call-Off Contract pursuant to the terms of the Agreement and this Call-Off Contract and the Service Provider has agreed to provide such Services on those terms and conditions set out in the Call-Off Contract.

THE PARTIES AGREE THAT:

1. CALL-OFF CONTRACT

- 1.1 The terms and conditions of this Agreement shall be incorporated into this Call-Off Contract.
- 1.2 In this Call-Off Contract the words and expressions defined in this Agreement shall, except where the context requires otherwise, have the meanings given in this Agreement. In this Call-Off Contract references to Attachments are, unless otherwise provided, references to attachments of this Call-Off Contract.

2. SERVICES

- 2.1 The Services to be performed by the Service Provider pursuant to this Call-Off Contract are set out in Attachment 1.

- 2.2 The Service Provider acknowledges that it has been supplied with sufficient information about this Agreement and the Services to be provided and that it has made all appropriate and necessary enquiries to enable it to perform the Services under this Call-Off Contract. The Service Provider shall neither be entitled to any additional payment nor excused from any obligation or liability under this Call-Off Contract or this Agreement due to any misinterpretation or misunderstanding by the Service Provider of any fact relating to the Services to be provided. The Service Provider shall promptly bring to the attention of the Call-Off Co-ordinator any matter that is not adequately specified or defined in the Call-Off Contract or any other relevant document.
- 2.3 The timetable for any Services to be provided by the Service Provider and the corresponding Milestones (if any) and Project Plan (if any) are set out in Attachment 1. The Service Provider must provide the Services in respect of this Call-Off Contract in accordance with such timing and the Service Provider must pay liquidated damages in accordance with this Agreement of such an amount as may be specified in Attachment 1. The Service Provider shall be liable for the ongoing costs of providing Services in order to meet a Milestone.
- 2.4 The Service Provider acknowledges and agrees that as at the commencement date of this Call-Off Contract it does not have an interest in any matter where there is or is reasonably likely to be a conflict of interest with the Services provided to the Authority under this Call-Off Contract.

3. CALL-OFF TERM

This Call-Off Contract commences on the date of this Call-Off Contract or such other date as may be specified in Attachment 1 and subject to Clause 4.2 of this Agreement, shall continue in force for the Call-Off Term stated in Attachment 1 unless terminated earlier in whole or in part in accordance with this Agreement.

4. CHARGES

Attachment 2 specifies the Charges payable in respect of the Services provided under this Call-Off Contract. The Charges shall not increase during the duration of this Call-Off Contract unless varied in accordance with this Agreement. The Service Provider shall submit invoices in accordance with this Agreement and the Charges shall be paid in accordance with this Agreement.

5. CALL-OFF CO-ORDINATOR AND KEY PERSONNEL

The Authority's Call-Off Co-ordinator in respect of this Call-Off Contract is named in Attachment 1 and the Service Provider's Key Personnel in respect of this Call-Off Contract are named in Attachment 2.

6. PROFESSIONAL INDEMNITY INSURANCE

Professional indemnity insurance to be £5 million in the aggregate per annum for the duration of the Call-Off Contract and for 6 years after expiry or termination of the Call-Off Contract.

This Call-Off Contract has been signed by duly authorised representatives of each of the Parties.

SIGNED

For and on behalf of the [*Authority*]

Signature: _____

Name: _____

Title: _____

Date: _____

SIGNED

For and on behalf of [*the Service Provider*]

Signature: _____

Name: _____

Title: _____

Date: _____

Attachment 1

1. Services to be provided

Please see the Specification issued in our Request for Quotation for details of this commission.

2. Acceptance Criteria

As detailed in the Specification

3. Timetable

Commencement date: 22nd June 2015
Call-Off Termination: 24th July 2015

4. Authority Account Details

To be stated in the Purchase Order

5. Authority Call-Off Co-ordinator

Name: **Redacted**
Phone: **Redacted**
Email: **Redacted**

6. Professional Indemnity Insurance

As stated in the Agreement

7. Additional insurance (if any) to be held by Service Provider

None, insurance levels to be stated in the Agreement

Proposed solution: methodology statement

The Service Provider understands the aim of the work is to investigate the data requirements that are needed to inform future planning of skills provision that will meet London's economic demands. This includes identifying data that is already available and gaps in the evidence base – and recommendations on how those gaps can be filled.

Our approach builds on previous successful projects (described in the experience section) and our experience of using labour market data at the Greater London and London borough level. The Service Provider will produce a data template listing a number of different sources that can provide a picture of current skills and jobs and how these can be projected forward to estimate the likely skills and jobs composition in the future. To meet this aim the data will need to show the present and future demand for skills and qualifications by job role in growth sectors in London and its boroughs.

Employer needs analysis:

The first step in this process will be to describe the growing and falling employment sectors in London currently and forecasted forward and the qualifications required for the growth sectors.

To achieve the current picture of demand we will analyse the existing economic base by sector and number of jobs, for each London borough and London as a whole. We will examine business numbers by local unit size and sector. **The Service Provider will analyse various sources including the Business Register and Employment Survey, the Annual Survey of Hours and Earnings, Annual Population Survey and Interdepartmental Business Register**, to determine whether these different data are illuminating different aspects of the same story, or telling different stories.

In addition, we will use the **National Employer Skills Survey** to produce estimates of skills gaps and hard-to-fill and skill-shortage vacancies, as reported by local employers. This will provide a measure of skills barriers to growth for existing businesses.

To identify growth areas within the area into the future we will make use of '**Working Futures**' published by the UKCES¹. Work Futures provides analysis of employment prospects by industry, occupation, qualification level, gender and employment status for London, up to 2022. The results are meant to be seen as indicative of likely trends given a continuation of past patterns of behaviour and performance, rather than precise forecasts of the future.

Importantly, Working Futures also forecasts job openings created by those who leave the labour market (so called **replacement demands**) which is usually much higher than the creation of new jobs. Replacement demands results in job openings in all industries and occupations, including those in which the net level of employment is expected to decline significantly. This has important implications for individuals who may be considering their future career and education and training

¹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/298510/working-futures-2012-2022-main-report.pdf

options, since even those occupations where employment is projected to decline may still offer good career prospects.

The projections in Working Futures focus on anticipating changing skill needs in the context of changes in general economic conditions. The quantitative occupational projections are based on the results from a detailed multi-sectoral macroeconomic model and are driven by an underlying view of sectoral prospects (both output and productivity) in London. The model of the UK economy was developed by Cambridge Econometrics and detailed occupational and qualification forecasting modules developed by the Institute of Employment Research.

The Service Provider will then factor down the projections from the UKCES from the London level to the borough level to produce **estimates of the future skills needs for boroughs by occupational group and by job 'level'**. Working Futures provides a picture of future demand in terms of broad Industrial Sectors and Major Occupational classification groups. We will endeavour to model these broad categories down further to more detailed classifications, i.e. to SOC level 3 or 4 (as data allows).

The Service Provider's previous analysis of job starts by qualification level suggests there are often significant disparities between minimum occupational qualification levels and those that employers actually demand (which are often higher). As a case in point, many vacancies in retail are filled by either students or parents seeking part-time work. For both groups, the qualification level is frequently higher than the minimum ("no minimum academic qualifications are required although some employers may require GCSEs"²). The same applies to a range of other job roles. To just use minimum qualification requirements therefore risks underestimating the skills that residents will require to successfully compete for future jobs. We can adjust our estimates of qualification demand in growth job roles in line with previous analysis (generally upwards) to match reality.

The Service Provider will use the **Labour Force Survey (LFS) for data on new job starts and jobs in the economy** by occupation. The Labour Force Survey gives us data at the regional level, which can then be modelled down to local authority level using the Census and other data sources. The LFS also tells us the **qualification levels of those in work and new job starts**, disaggregated by occupation. This can be modelled down to LA level using Census data and allows us to present an appropriate proxy for the qualification level needed to enter an occupation.

The Service Provider have used the same method for the projects described in 'our relevant experience' below. However, as with any small area estimation and statistical modelling this involves making certain assumptions. Accompanying the analysis will be a commentary, which will critically evaluate the robustness of the results and take into account the likely impact to the results of external factors such as economic conditions and other external factors which we feel are relevant. We will corroborate our analysis and findings against **additional regeneration information from the London Enterprise Panel** and compare employment projections from Working Futures with **projections produced by GLA Economics** with commentary on any differences.

Earnings/jobs: growth and decline matrix: Analysis of jobs growth against pay growth by occupation offers additional evidence for career choice. Our method uses

² Standard Occupation Classification 2010, Office for National Statistics

employment numbers by occupation from the Annual Survey of Hours and Earnings (ASHE), which are the only ONS employer-sourced occupation numbers. ONS publish them with the caveat that they are 'for indicative purposes only and should not be considered an accurate estimate of employee job counts'. However, the 2 digit SOC estimates for London generally have low coefficients of variation, which indicate reasonably reliable data, which help illustrate general trends at that level of occupational detail.

The matrix shows the number and type of occupations falling into the following categories:

- increasing numbers of jobs, with low earnings growth
- increasing jobs and high earnings growth
- declining jobs and high earnings growth
- declining jobs and low earnings growth.

Added value: Vacancies data: Through our collaboration with Monster (the DWP contractor responsible for Universal Jobmatch) The Service Provider can produce aggregate statistics on monthly vacancies by occupation and qualification levels required for boroughs in London. This will give us an indication of current skill demand at the local level. This is a unique product as it connects job titles (from employer submitted vacancies) to ONS occupation classification codes therefore enabling connections to the other ONS datasets listed in this section.

The above analysis and audit may throw up **gaps in the evidence base** and we will investigate potential alternatives to fill these gaps. We will interrogate the Nesta/ODI jobs open data challenge website plus other initiatives including those organisations that have produced relevant analytic tools and algorithms to connect skill demand and supply.

Stakeholder workshop

The Service Provider will want to organise and facilitate two stakeholder workshops at the earliest possible date after inception.

The purpose of the workshops are to get feedback on the data audit. We plan to target two audiences:

- High level: senior decision and policy makers
- Data users

The Service Provider would appreciate some additional support from the Authority to set these up in the form of contact details and venue and we will also include our own relevant contacts.

Literature review: international good practice

The Service Provider understand the aim of the literature review is to identify examples of international good practice where data is used to inform commissioning, delivery and/or provision so that skills provision, careers and related services are demand-led and more responsive to labour market needs. This includes compiling cases of good practice.

We propose a rapid evidence review of international good practice. The review will look at what has been done and we will record the main outcomes. Rapid evidence reviews are most useful when time and resources are limited; they should not be considered as a comprehensive literature review. Prior to beginning the rapid evidence review search terms will be decided and a list of sources to search for evidence will be agreed on, to enable us to complete a focussed but time-saving evidence review.

The Service Provider literature reviews involve:

- Development of a review protocol - to identify the key search phrases and will help ensure the review process is transparent and replicable
- Defining a clear search strategy – to document and make clear how the relevant literature has been identified, thereby reducing selection bias
- Undertaking data searches – with utilisation of (but not limited to):
 - The OECD i-Library
 - The European Union ESF website
 - key academic databases e.g. SSCI, IBSS
 - existing collections of relevant evaluations and reports at Inclusion
 - our long-standing national and international networks of policy makers and practitioners
 - websites of service delivery organisations
 - government websites (national and international)

Outputs

- An Interim Report showing progress plus findings so far from the audit (to feed into the workshop).
- A final report with findings from the data audit, workshop and literature review

- A comprehensive indexed spreadsheet with all data and links to original sources. This will include a template of sources including information on spatial levels, frequency and robustness and how these sources interconnect to produce the required evidence for careers planning and future skills provision.

The Service Provider will use the above to help develop a page on the London Datastore specifically designed for informing the levels of demand and supply of skills.

Quality Assurance & Risk Management

The Service Provider uses a management system certified under BS EN ISO 9001:2000. This ensures our business processes are of the highest quality and demonstrates our ability to consistently provide services that meet customer and regulatory requirements. We follow a detailed quality assurance policy and have developed a rigorous quality management system (QMS) which is kept up to date and continually improved in accordance with ISO 9001:2000.

The main risks and mitigation for this project are:

Risk/challenge	Likelihood	Impact	Mitigation
Key issues cannot be satisfactorily resolved in time or at all	3	3	Issues Log approach will drive these out and manage them – particularly around subsidy, saturation and scope. Existing expertise and experience will enable us to progress and resolve issues – in particular insights into tailoring Jobs-Plus design from US, and of UK/ London programmes, capacity and capability. Flexible approach will enable us to prioritise key issues and if necessary draw further on the TFG.
Staff absence impacts on delivery to time and budget	2	2	We have assembled a flexible team that can cover absences at short notice. Workflow system and project management will further minimise risks. In the event of long-term absence, any replacements would be agreed.
The project start is delayed	2	2	Flexible approach and experience in working with tight deadlines and being responsive to client needs.

The Service Provider do not consider that there is a risk in the technical capabilities to do this work, nor access to data (within the limits of published data) or other technical information that may be needed.

Timetable

The Service Provider proposed timetable is outlined below. Our approach is flexible and we are willing to work with the Authority (GLA) to accommodate any changes as needed. At the start of the project we would develop this outline timetable into a more detailed project plan and agree dates for milestone and outputs with the Authority. The timetable assumes the project is starting w/c 22nd June. The shaded cells do not indicate number of days for each task but the period in which we will do the tasks taking into account other meetings and projects.

	June							July																		
	22	23	24	25	26	29	30	1	2	3	6	7	8	9	10	13	14	15	16	17	20	21	22	23	24	
Inception and planning meeting																										
Stakeholder workshop																										
STAGE 1: LMI review																										
Data gathering and analysis																										
Data template and methodology																										
STAGE 2: Evidence review																										
Rapid analysis of best practice																										
Interim report																										
STAGE 3 Reporting																										
Final Draft																										
Presentations																										

The Service Provider costs for the delivery of the project are based on our understanding of the brief. The total cost for the work is **£14,525** excluding VAT. This is a fixed cost for delivery of the work described above. We would be prepared to negotiate any aspect of this proposal, including methods and costs, post tender. Should the Authority wish to reduce the cost we would be prepared to discuss options for revising the methodology.

The Service Provider feels that this price is highly competitive and represents significant added value given the level of subject and methodological expertise Inclusion brings. The project will benefit from the ability to draw on our wider bank of knowledge and evidence free of charge. We are confident that we will bring in the project to time, budget and to the high quality standard that the Authority requires.

Attachment 2

1. Charges PRICING SCHEDULE.

Contract Reference Number:	GLA 80405 - 0010
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Name of Contractor:	Centre for Economic and Social Inclusion
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Item Description / Deliverable	Cost of that Item / Deliverable £	Estimate of time taken to complete that Item / Deliverable
Stakeholder workshop	Redacted	
Data gathering and analysis	Redacted	
Data template and audit	Redacted	
Rapid analysis of best practice	Redacted	
Interim report	Redacted	
Final Report and presentations	Redacted	
Total (includes half day each for inception and presentations and 2 days for project management)	£14,525	

Breakdown of the total cost

Personnel	*Day Rate £	Estimated no. days	Total Cost £
Redacted	Redacted	Redacted	Redacted
Redacted	Redacted	Redacted	Redacted
Redacted	Redacted	Redacted	Redacted
Total		29.5	£14,525

2. Key Personnel

Redacted
Redacted
Redacted

3. Proposed sub-contractors (if any)

None

Attachment 3

Special Conditions for Call-Off

None