



Planning
Inspectorate

Pay Flexibility Business Case

17/2/1084

25 April 2022

Invitation to Tender for the Pay Flexibility Business case

The Planning Inspectorate has identified a requirement for a Pay Flexibility Business Case and invites you to submit a Tender to work with us as a continuation with the work already done on 17/02/916 Pay and Reward. The Planning Inspectorate's Terms and Conditions will apply.

Thank you for taking the time to consider working with us, I look forward to hearing from you and encourage you to ask any questions should you require any clarification once you have reviewed all the documentation.

Please contact me via Linda.Paul@planninginspectorate.gov.uk

Yours sincerely

A handwritten signature in black ink that reads "Linda Paul". The script is cursive and fluid.

Linda Paul
Procurement Manager

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1. Introduction

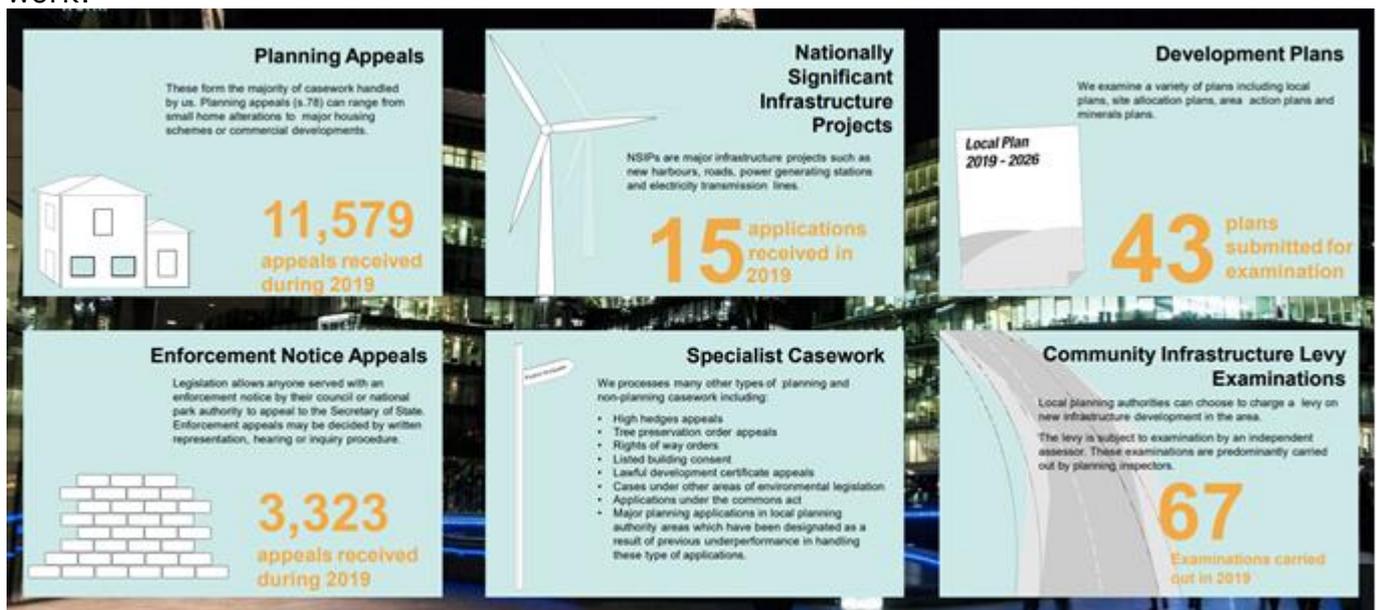
Introduction to the Planning Inspectorate

The Planning Inspectorate is an Executive Government Agency in the Department for Levelling Up, Housing and Communities.

Our work



We deal with planning appeals, national infrastructure planning applications, examination of local plans and other planning and specialist casework in England. These are the core areas of our work:



In this short film, our staff explain our work, our purpose and the values we work by:

<https://www.youtube.com/watch?v=6inT-7zbxsw>



What we do

The Planning Inspectorate deals with planning appeals, national infrastructure planning applications, examination of local plans and other planning and specialist casework across England



We contribute to the creation of great places by enabling:

- New homes and communities to be built where people want to live and work
- National infrastructure to be independently considered
- Local plans to be put in place
- The natural and historic environment to be conserved and enhanced

Our Purpose

We deal with planning appeals, national infrastructure planning applications, examinations of local plans and other planning-related and specialist casework. We share our expertise with communities, businesses, and local and national governments to enable good planning outcomes.



Our Vision (2021–25)

To provide our customers with high quality, timely and efficient services that support the nation's recovery from the COVID-19 pandemic by engaging, empowering and equipping our workforce and by delivering ambitious policy changes.

Our Values



Open: We are transparent in how we work and publish information, and listen to all points of view

Fair: We always act to ensure fair treatment of customers, staff, and everyone we work with

Impartial: We show no favour to any person or organisation

Customer Focused: We put customers at the heart of what we do

Where we are located

Our headquarters are in Bristol and we currently employ about 800 staff. Staff numbers include a mixture of full and part-time employees, home-based salaried Inspectors and office-based staff in the Bristol office (office-based staff currently home-based during COVID-19 pandemic). Support staff carry out a wide range of functions such as those relating to all aspects of casework (including dealing with the public); providing direct support for Inspectors; formal decision making for some types of casework; and ensuring essential organisational support through the provision of Corporate Services such as Finance, Commercial, HR and Digital Services.

Appeals are determined and recommendations are made by our home-based workforce which consists of some 350 Planning Inspectors, all of whom are professionally qualified (for example, as town planners, architects, lawyers or engineers). They come into the Bristol office infrequently, but they are provided with remote access to the Inspectorate's ICT systems. In addition, we contract with approximately 76 Non-Salaried Inspectors who are similarly geographically dispersed.

More information

More information about the Inspectorate is available [here](#).

2. Requirement

Background & Introduction

The HR team has a remit of work with business stakeholders to recommend a reward strategy that would:

- Modernise our approach to reward and simplify if where possible, removing the myriad of allowances that we currently use that sometimes conflict with each other
- Be fair and seen to be fair
- Enable us to attract and retain the people we need
- Be affordable
- Focus on all aspects of reward and not simply pay
- Simplify our approach and review allowances that have built up over time

It was also recognised that by not having all roles within PINS evaluated we carry a not insignificant equal pay risk, particularly acute given our gender pay gap driven largely due to having more males within our Planning Inspector profession.

Prior to JEGs we worked in partnership with Korn-Ferry Hay (KFH) to understand the key issues and drivers for our people and to recommend a reward approach that meets the above aims. We concluded a preliminary analysis and broad possible strategy which ET endorsed. We then paused our work with KFH whilst we undertook the JEGs work because it was not possible to produce further recommendations without this being undertaken.

We have a contract with KFH until May so we need to conclude our final broad reward recommendations before then.

Issues

PINS has always been at risk of equal pay claims because we have not previously used an inclusive job evaluation scheme (i.e. one scheme for all roles). It is never good practice to have more than one pay and grading approach unless it can be explained and justified in some level of detail. A rationale along the lines of "it's always been this way" is unlikely to be an adequate justification. This risk is exacerbated by our knowledge of our gender pay gap. Undertaking this exercise is a major step towards both understanding and mitigating the risk. Further action requiring significant financial investment for our pay bill is likely to be required to mitigate the risk further.

There are equal pay risks if an employee brings and wins a claim that our pay structures significantly disadvantage any of our employees with a protected characteristic. Eg. if our structures favour one gender over another. We should note that we have proportionately more males in our Planning Inspector profession than females.

Band 1 Inspectors (Graduated) currently have a lower minimum pay floor than their equivalent G7s in other professions we need to be able to explain why and what, if anything we plan to do as a result. B1 Graduated ranges are £47,664 - £51,105 and G7s are £54,936 - £59,832). Likely potential costs are £1.3m (on current establishment) to rectify in year 1 and between an additional £0.5m and £1.2m in year 2 (with additional costs of graduated inspectors from 22/23 cohort).

G6s have a lower minimum pay floor than B3s and Professional leads (PFLs). G6s have a pay minimum of £66,760 compared to £71,609 for B3s and £81,152 for PFLs.

39% of B1s are female compared to 55% female population for G7s. G6s are 44% female compared to 39% female in our B3 population and 50% in our Pfl population.

It should be noted that the JEGs points boundaries for G7 are 601 to 685 and 521 to 600 for SEO. Our work for B1(Graduated) indicates a JEGs boundary of 590 to 620. Our B1 (Graduated roles) have been assessed at G7 which on balance we believe to be correct, and this also aligns with similar work undertaken for the Planning Inspectorate in Wales. However, JEGs is not a precise science and the JEGs booklet highlights a 10-point margin. This means that there is a requirement for management decisions where jobs are evaluated near a JEGs boundary point. Given this scenario we do run a risk of challenge that our non-Planning Inspector SEOs might claim that their roles should be at G7. However, we believe that all Band 1 Planning Inspector roles are comfortably over 600 JEGs points so this risk is minimal and can be explained and justified.

Our work found that our Band 3 Inspectors are “weighty” grade 6 level equivalent roles (ie. a high JEGs score near the top of Grade 6). There are cases (not roles) that can be considered as potentially requiring expertise similar to SCS level roles but we did not consider any of the roles themselves to be at SCS level.

Requirement

- a. Review and report on our current pay and reward approach which also identifies the current Equal pay and GPG pay challenges. Benchmark our current and proposed pay strategy against the wider Civil Service and Industry.
- b. Following the Inspector Job Evaluation (JEGS) exercise, help to develop and submit the pay flexibility business case to Cabinet Office via our SoS by November 2022. Which Should include:
 - Rationale and supporting internal and external (benchmarking) data.
 - Evidence based business case for Inspectors and Professional staff.
 - What should be the correct pay structures for PINS going forward.
 - Clear rationale and explanation for how the business case aligns with the reward strategy in terms of intent and affordability.
- c. Formulate a future pay strategy & pay scenario which sets out the provision for:
 - i. Alignment to the PINs Strategy and Business Plan, associated Strategies and current operating models.
 - ii. Equal Pay Audit: where we are now and future strategy.
 - iii. GPG Audit-and how this might be addressed.
 - iv. Pay aligned to professions-Benchmarking.
 - v. Mechanisms for movement within the pay structure - Research into fit for purpose pay structures in the wider industry.
 - vi. Mechanisms and recommended governance for not insignificant but affordable in year non-consolidated reward to “catch and reward people producing exceptional work”.
 - vii. Reward and benefits as part of the pay offer.
 - viii. Recommendations and practical analysis for how we can maximise the use of reward options open to us as part of the wider CS

- d. Equality impact assessment of the recommendations made. This can be done in conjunction with the Planning Inspectorate colleagues and TUS.
- e. Regular updates to the Executive Team (ET).
- f. Conduct facilitated meetings with the TUS and staff groups to present the management side during meetings with the TUS.
- g. In conjunction with the Planning Inspectorate, develop a detailed pay and reward structure by end of March 2023.

Contract deliverables

Work closely with the Planning Inspectorate to deliver a Pay flexibility business case which sets out:

1. Rationale which is backed by the Macro and Micro data.
2. Sets out Governance to manage pay
3. Costings for Min pay and Maximum pay movement.
4. Sets out anomalies
5. Examination/recommendation of any efficiencies which can be made
6. Frameworks suggesting Capability based pay
7. Business case to have evidence-based proposals backed up the robust data.
8. Which meets Equality Legislation
9. Clear measures set out against timelines so that PINS can track progress against the business case
10. Pay framework coherent with the wider Civil Service pay policies.

A reward strategy that is aligned to the pay flexibilities business case including the use of both consolidated and non-consolidated pay in a format that we can use both for now and in the future.

Quality Standards

It is expected that the delivered Business Case will meet the full requirements and standards that will be set by HR at the beginning of the contract.

Contract duration

The duration of the contract will be from the date of award to 31 March 2023.

Contract Location

The successful supplier will be expected to attend meetings in Temple Quay House on an ad-hoc basis in agreement with the contract manager. Any on site meetings will be held in accordance with the latest Government guidance in regards to COVID-19.

Travel/expenses to the primary site in Temple Quay House, Bristol BS1 6PN will not be reimbursed by The Planning Inspectorate.

We expect the supplier to work using agile methodology.

The supplier will also be expected to work openly.

Contract management

Stakeholder kick off meeting – Planning session with Contract Manager

Touch point meetings at sensible junctions, to be agree with Contract Manager and the Supplier at kick off meeting

Final delivery of a business case and a reward strategy as set out in the contract deliverables.

GDPR

The successful Supplier shall have access to and process personal data under this contract including, but not limited to:

- Employee data – Payroll personal data

The Planning Inspectorate shall be the Data Controller and Supplier the Processor. Details on the appropriate use, control and security of data shall be included in the contract.

IR35

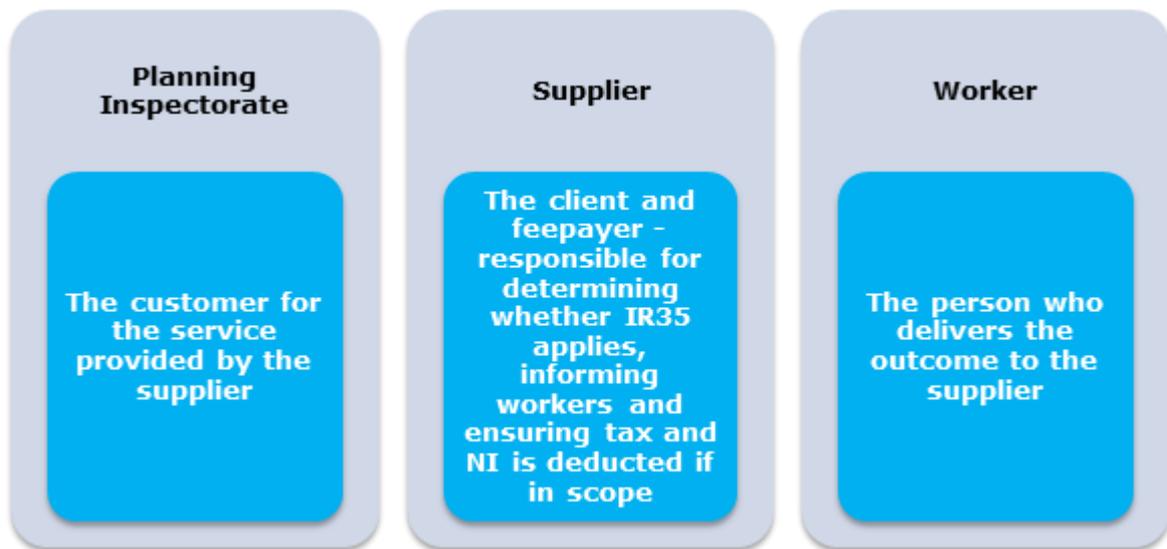
The Inspectorate has determined that this contract shall be delivered as a contracted service to the Inspectorate (also known as an outsourced service)¹. The supplier will therefore be responsible for determining the IR35 status for workers provided and issuing them with a status determination statement.

For the avoidance of doubt:

- The supplier will be provided with a wholly outcome-based requirement by the Inspectorate and will decide the capability needed to meet our demand. They will provide that capability as a service.
- The supplier will determine the work to be completed to deliver the outcome and will manage/control the workers.
- The number of workers needed to deliver the outcome/s and the risks are determined and borne by the supplier. The Inspectorate will not request individual roles/people or be sent workers.
- The supplier will be fully responsible for managing resources provided to ensure that outcomes are delivered. They control the work completed by workers and the subsequent quality provided.
- The Inspectorate will not review CVs or undertake interviews etc. If we are not happy with any work being delivered, we will inform the supplier who will decide what action should be taken i.e. with the worker.
- Workers will personally provide their service to the supplier, not the Inspectorate. They will not be treated like a Planning Inspectorate employee or contractor.
- Access to the Inspectorate's IT systems may be provided to complete outcomes if essential but this will be on a case-by-case basis

The contractual relationship for IR35 purposes is summarised as follows:

¹ [Chapter ESM10010](#) of HMRC's Employment Status Manual covers the basic principles for contracted-out services



Security

The successful supplier must ensure that people provided through this contract to fulfil capability needed:

- are cleared to at least the Baseline Personnel Security Standard, as per this [link](#), and provide evidence if requested; and
- are aware of and understand their responsibilities, in particular related to the appropriate use of personal data.

Terms and conditions of contract

The contract will be subject to the Planning Inspectorate's Terms and Conditions of contract

Charging method

Please provide a total fixed price for completion of the work, including a breakdown of costs. Prices should be in pounds sterling exclusive VAT. Please complete the Pricing Schedule in Annex A.

The Inspectorate reserves the right not to award this contract and will not be responsible for any cost incurred by the supplier.

Contract changes

Any changes to the agreed scope/cost of the contract must be authorised by the Planning Inspectorate's Commercial Team by variation order **prior** to the commencement of work without exception. Any work undertaken which has not been specifically authorised by the Planning Inspectorate must not be invoiced.

3. Procurement dates

The table below sets out the procurement process and associated timescales. Please ensure that you read this carefully and note the key dates and action required.

Activity	Date
Invitation to submit written proposal	25 April 2022
Deadline for clarification question submissions	29 April 2022 15:00
Deadline for reply to clarification questions	04 May 2022 16:00
Written proposal deadline Written proposals must be emailed to: linda.paul@planninginspectorate.gov.uk	06 May 2022 12 noon
Evaluation of written proposal Proposals will be evaluated in accordance with the proposed solution criteria.	9 -10 May 2022
Final Evaluation	11 May 2022
Contract award	13 May 2022
Latest start date	16 May 2022

4. How we will evaluate

Scoring

Criteria will be scored on a scale of 0-5 in accordance with the Planning Inspectorate's standard scoring guide as shown below.



Should any of the criteria score less than 3, the supplier will be 'failed' and discounted from the procurement.

Stage 1 - Evaluation of written proposals

The written proposal shall be scored against how you demonstrate that you meet our evaluation listed here:

1. Previous skills and experience of effectively delivering similar pieces of work, preferably for a Government department
2. Demonstration of how the reward strategy work will be finalised in a manner that we can easily communicate to wider stakeholders and one that aligns with affordability and the pay flexibilities business case
3. The proposed plan to deliver the work, including dependencies
4. The skills and experience of people who will deliver the work
5. Demonstration of how they will approach the compilation of a pay flexibilities business case in a manner that engages a wider variety of internal and external stakeholders to provide the best possible chance of success
6. How will the supplier manage its responsibilities under GDPR

Social Value

As an ALB of a Central Government Department (DLUCH) PINS is required via Procurement Policy Note (PPN06/20) – to take into account Social Value in the Award of Central Government Contracts. Describe the commitment your organisation will make to ensure that opportunities under the contract delivery will support social value and how that will be implemented, monitored and reported. Themes may include (but not limited to):

- Creation of employment (including Apprenticeship), re-training and other return to work opportunities
- Support for people and communities
- Support for the physical and mental health
- Environment activity to limit mitigate waste

Price

Please provide a total fixed price for completion of the work, including a breakdown of costs. Prices should be in pounds sterling exclusive VAT. Please complete the Pricing Schedule in Annex A.

5. Your written proposal

Please provide your written proposal using the 'proposal template' provided in Annex B, clearly setting out how you meet the evaluation criteria included in the Section 4.

The proposal template includes a section for each of the criteria being evaluated. In the template, please also declare any known or perceived conflicts of interest with any employees or contractors of the Planning Inspectorate.

Where to send your written proposal Annex B and Pricing proposal Annex A

Your written proposal and pricing proposal must be submitted to linda.paul@planninginspectorate.gov.uk no later than **12:00 06 May 2022**.