

DPS FRAMEWORK SCHEDULE 4: LETTER OF APPOINTMENT AND CONTRACT TERMS

Part 1: Letter of Appointment

Dear Sirs

Letter of Appointment

This letter of Appointment dated 26th February 2020 is issued in accordance with the provisions of the DPS Agreement (RM6018) between CCS and the Supplier.

Capitalised terms and expressions used in this letter have the same meanings as in the Contract Terms unless the context otherwise requires.

| | |
|---------------|---|
| Order Number: | TBC. |
| From: | Department for Transport ("Customer"). |
| To: | 7th Sense Research UK Ltd ("Supplier"). |

| | |
|-----------------|--|
| Effective Date: | 4 th March 2020. |
| Expiry Date: | 15 Months until 3 rd June 2021. |

| | |
|--------------------|---|
| Services required: | Set out in Section 2, Part B (Specification) of the DPS Agreement and refined by: <ul style="list-style-type: none">· the Customer's Project Specification attached at Annex A and the Supplier's Proposal attached at Annex B; |
|--------------------|---|

| | |
|------------------|---|
| Key Individuals: | <p>Customer:</p> <p>REDACTED – Head of Rail Statistics, Research & Evaluation.</p> <p>REDACTED – Senior Research Officer.</p> <p>REDACTED – Head of Research & Evaluation (Rail).</p> <p>Supplier:</p> <p>REDACTED – Contract Manager.</p> <p>(See Annex B, Supplier Proposal for full list).</p> |
| [Guarantor(s)] | N/A |

| | |
|---|--|
| Contract Charges (including any applicable discount(s), but excluding VAT): | The total contract charge is £ 7,497,065.90 Exc VAT. (See Part 3 for – Supplier Costings of this document for details). |
| Insurance Requirements | Additional public liability insurance to cover all risks in the performance of the Contract, with a minimum limit of £1 million for each individual claim. |
| Liability Requirements | Suppliers limitation of Liability Clause 18.2 of the Contract Terms); |
| Customer billing address for invoicing: | Shared Services arvato, Department for Transport REDACTED Or electronically to the following email address: REDACTED |

| | |
|--|---|
| GDPR | See Schedule 7 Processing, Personal Data and Data Subjects. |
| Alternative and/or additional provisions (including Schedule 8(Additional clauses)): | N/A. |

FORMATION OF CONTRACT

BY SIGNING AND RETURNING THIS LETTER OF APPOINTMENT (which may be done by electronic means) the Supplier agrees to enter a Contract with the Customer to provide the Services in accordance with the terms of this letter and the Contract Terms.

The Parties hereby acknowledge and agree that they have read this letter and the Contract Terms.

The Parties hereby acknowledge and agree that this Contract shall be formed when the Customer acknowledges (which may be done by electronic means) the receipt of the signed copy of this letter from the Supplier within two (2) Working Days from such receipt

For and on behalf of the Supplier:

For and on behalf of the Customer:

Name and Title: REDACTED

Name and Title: REDACTED

Signature: REDACTED

Signature: REDACTED

Date:

Date:

ANNEX A

Customer Project Specification

Overview of Requirement

Between 2001 and 2005, under the instruction of the Strategic Rail Authority (SRA), the National Rail Travel Survey (NRTS) was conducted. Starting in the South East, which was covered through the London Area Transport Survey (LATS), all stations in Great Britain were surveyed on weekdays outside school holiday periods.

The NRTS provides a comprehensive picture of weekday rail travel by identifying who uses the railways, when, where and for what purposes. It is the only rail data source that provides ultimate origin-destination information for rail users for the whole of Great Britain. It also provides detailed demographic and socio-economic data on rail travellers.

In the previous NRTS, data was collected from passengers by means of a self-completion questionnaire, and passenger counts were carried out at the same time to give details of the volume of people using each station. This enabled the survey responses to be weighted up to represent all rail passengers on an average weekday. The questionnaire asked for details of the whole trip the passenger makes.

The NRTS data is of importance to a wide range of internal and external stakeholders and, despite the age of the data, the outputs produced are still highly sought after by users. There are regular data requests for use on various rail (and other transport) related planning purposes. For example, the data is essential for modelling of both multi-modal travel choices and assessing the impact of rail service options and infrastructure schemes across the whole of Great Britain.

However, as this dataset is now very out of date (the majority of the data is now almost 20 years old) it requires refreshing, meaning that an update of the NRTS is vital to ensure the Authority and wider industry are making decisions based on data that reflects the current use of the rail network by today's passengers.

It is important that Suppliers consider patterns of rail travel on the network, and the complex requirement of conducting an update of the NRTS. For example;

- Over the past 20 years, rail travel has increased considerably, more than doubling during this time.
- Rail passenger journeys in Great Britain reached a record high of 1.8 billion in 2018-19.
- There are around 20,000 daily services on the rail network.

London has the highest level of rail usage, with almost two-thirds of rail journeys in 2017-18 starting or ending in London. 54% of daily arrivals were in the morning peak in London reflecting that most rail journeys are for commuting. This will have implications for distributing questionnaires and counting at busy stations in the morning peak.

Although this project will effectively be an update of the NRTS, the scale of the project and time elapsed since the previous survey means that Suppliers should regard this as a new requirement. However, in order to maintain users' needs for continuity over time, it is expected that the main aspects of the survey will remain unchanged for this project.

There are three main phases for this project, and the Supplier will be responsible for data collection, data processing, and dissemination through an NRTS database. It is unlikely that a single Supplier will be able to adequately provide the level of service required in each stage; therefore, the Authority encourages potential Suppliers to create supplier groupings or consortia to provide the required level of expertise. This could include linking up with market research companies; passenger counts specialists, database and IT specialists. The Authority is happy for consortia to be made with suppliers

not currently on the CCS Market Research Framework. Overall, the companies required will be dependent on the approach preferred by the Bidder.

Definitions

| Expression or Acronym | Definition |
|-----------------------|---|
| DfT | means Department for Transport (The Authority) |
| TOC | means Train Operating Company |
| LATS | means London Area Travel Survey |
| NRTS | means National Rail Travel Survey |
| SRA | means Strategic Rail Authority |
| RSRE | means the Authority's Rail Statistics, Research and Evaluation Team |
| LATS | means London Area Transport Survey |

Scope of Requirement

The required work should be completed in three phases, although aspects of each phase can run concurrently. All phases will be firm price:

| Phase | Activities | Deliverables |
|-----------------------------|--|---|
| Phase 1: Data collection | <ul style="list-style-type: none"> Set-up and project logistics including printing of questionnaires, negotiating access to stations, identifying distribution points, recruiting and briefing field workers (or equivalent if paper distribution of the survey is not being used). Phasing the data collection exercise in a robust yet efficient manner. Distributing the survey at every station in Great Britain or on-train for smaller stations. Tracking every survey to a 15-minute count period at each station. Undertaking the passenger counts exercise at each station. Ensuring the collection of high quality and robust data, distribution and response rates. | <ul style="list-style-type: none"> To administer the NRTS questionnaire to cover every station in Great Britain. |
| Phase 2; Data processing | <ul style="list-style-type: none"> Handling the return and processing of questionnaires. | <ul style="list-style-type: none"> To process responses to yield clean, edited and expanded survey data. |

| | | |
|-----------------------------------|---|--|
| | <ul style="list-style-type: none"> • Cleaning, editing and expanding the data as per the process outline in this document. • Appending the geo-code data. • To QA and ensure high quality robustness in the dataset. • Conducting a bias correction exercise. | |
| Phase 3: Data Dissemination | <ul style="list-style-type: none"> • Producing a final dataset capable of producing quick cuts of the data. Note the Authority will require Bidders' offers to include third party software licences for batch and manual geo-coding processes. | <ul style="list-style-type: none"> • A database or dataset to be used to produce bespoke data extracts for customers. |

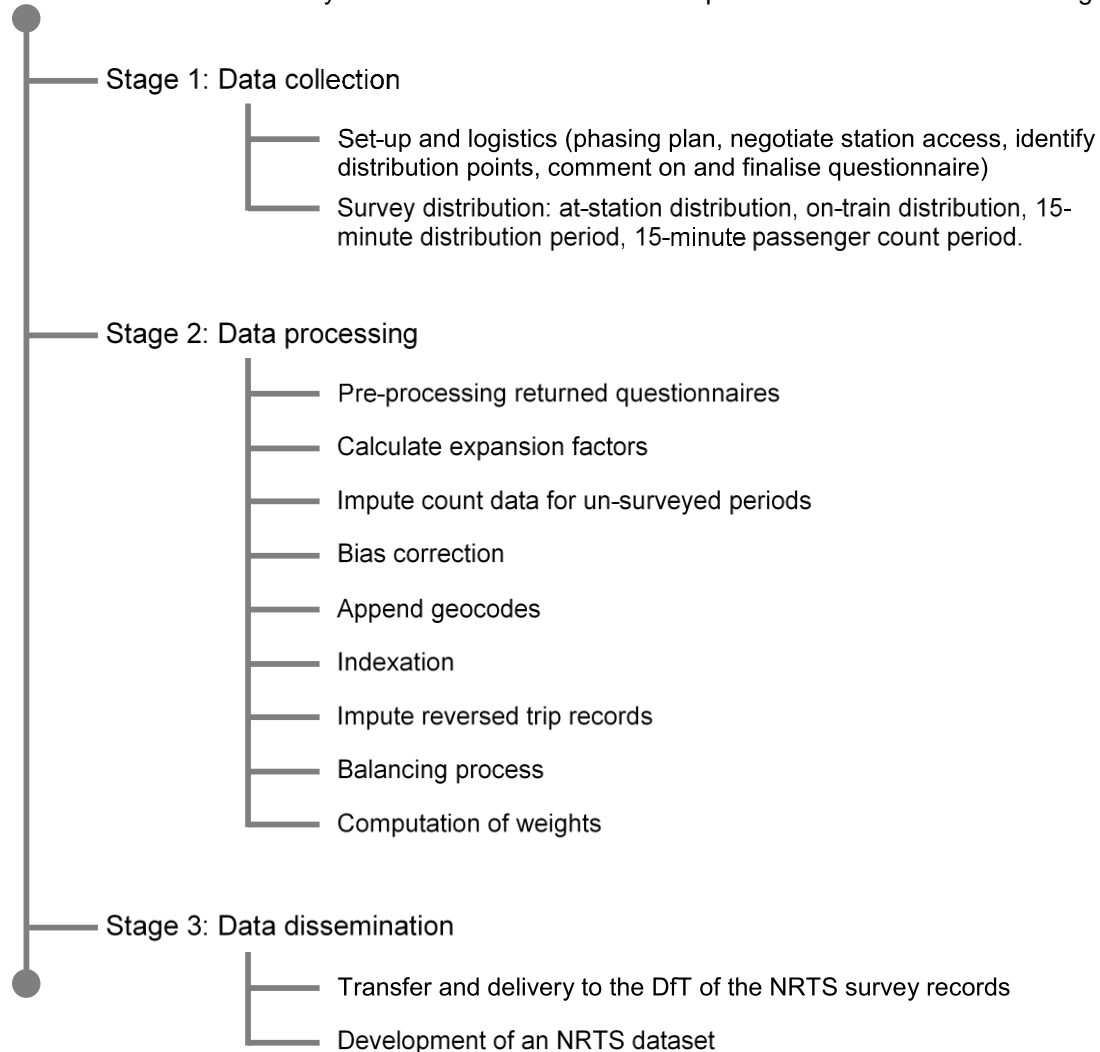
Out of Scope

Potential Providers shall note that this requirement is for the provision of data and the database for the NRTS only. Potential providers are not required to provide ongoing analysis or cuts of the data after the delivery of the database.

The Requirement

The following flowchart outlines the expected primary aspects of each stage. However, within each stage there may be sub stages, especially during the data processing phase. Full details of the process and procedure used last time can be found in Annexes G, H and I. Bidders should consult these

annexes and fully understand the process before making bids:



In summary, the Supplier will be required to meet the key requirements of this project. These are as follows:

To administer the NRTS questionnaire to cover every station in Great Britain (on-train for smaller stations) in order to provide a comprehensive picture of rail travel on a typical weekday. This information should include details of the whole rail trip, the stations used, the access and egress modes, the origin and destination addresses, and journey purpose.

To link every questionnaire to a specific station and 15-minute counting period, and to conduct passenger counts during each 15-minute period at each station. This information is only used to allow the data to be imputed and expanded.

To phase the collection of data in such a way that provides a robust evidence base but is conducted as quickly as possible.

To provide an adequate number of well-motivated and trained fieldworkers (where paper distribution is being used as the method for survey distribution) during the data collection phase in order to conduct the passenger counts and survey distribution at every station in Great Britain.

To process all responses to yield clean, edited, expanded and imputed survey data. During the data processing phase, addresses of origins and destinations should be geocoded. The Supplier should also conduct a bias correction exercise in order to ensure the quality of the data.

To supply raw survey records but also to produce a user-friendly NRTS dataset or database that can be used to produce bespoke data extracts for customers.

To provide regular performance updates to the Authority about progress on the project at each stage (including information about which stations are surveyed, how many forms per station are distributed and how many forms are received).

The project will contain a series of milestones and outputs as part of each project phase.

Whilst the Authority has set out a reasonably detailed methodology based on what it believes will be needed to deliver the final outputs, Suppliers are welcome to propose alternatives that meet the requirements of the project. For example, where possible the Authority strongly encourages the use of innovative methods and technology during the data collection phase. However, alternative proposals from bidders must meet the requirements of the NRTS, as outlined in this Statement of Requirements. Please also see paragraph 3.9 regarding variant bids.

Further details of the Phases outlined here and at Section 5 Scope are set out in the appendices of this document as follows:

- Phase 1 – Data Collection Annex A
- Phase 2 – Data Processing Annex B
- Phase 3 – Data Dissemination Annex C

Key Milestones and Deliverables

The Research Project must be completed across three financial years: 2019/20, 2020/21, and 2021/22.

The Potential Provider should note the following project milestones that the Authority will measure the quality of delivery against:

| Milestone/Deliverable | Description | Timeframe or Delivery Date |
|------------------------------|--------------------------------|-------------------------------------|
| 1 | Phase 1 (data collection) | February/ March 2020 – January 2021 |
| 2 | Stage Review | Spring 2020 |
| 3 | Phase 2 (data processing) | September 2020 – February 2021 |
| 4 | Phase 3 (database development) | Delivery by May 2021 |

The dates specified in the timeline above are indicative, and it is more important to the Authority that the work be completed to a high standard. However, it is important to the Authority and its stakeholders that the work is completed in an efficient manner, and therefore Suppliers should propose a timeline that collects the data in a quick yet robust way.

The final timetable will be agreed by the Authority at the beginning of project.

Management Information/Reporting

The Supplier should provide regular performance updates to the Authority about progress on the project at each stage. These should contain information indicating which stations are surveyed (day, time and

duration), how many forms per station are distributed and how many forms are received, per station and region. Additionally, the reports must also provide a summary of issues encountered during the survey process, such as incidents that caused disruption or delayed the survey schedule.

During the data collection phase, the Supplier will be required to attend a monthly face-to-face meeting with the Authority to discuss progress with the project and raise any issues with data collection. The Supplier should also provide for weekly email or phone updates throughout delivery of the project. The Supplier's attendance at monthly meetings will be at nil cost to the Authority.

As a minimum the monthly update reports, will cover the following areas:

- A list of dependences that the Supplier believes should be taken into account, but have not been identified in the product/service specifications and the proposed ownership;
- Progress on agreed tasks;
- Preparation for future tasks (to be agreed with the Contract Manager);
- Forecast completion dates for phase activities;
- Risks and issues impacting progress; and
- Task implementation plan.

However, any risks or major issues should be brought to the attention of the Authority immediately, rather than waiting for monthly update reports.

Intellectual Property Rights (IPR)

The Authority will have ownership of all 'Outputs' from this project. Outputs are taken to mean: any material, document, report or data developed, written, created or prepared on behalf of the Authority in connection with the NRTS project. This includes, but is not limited to questionnaires, data collected pursuant to the surveys of rail passengers; reports, analysis and/or commentary; datasets and databases. The sole limitation to this is the data that must be retained to meet the 'Market Research Society code of conduct' or achieve data anonymization. The appointed Supplier must agree to assign to the Authority the IPR and to execute all documents and assignments and do all such things as may be necessary to perfect the Authority's title to the IPR. The copyright, database rights and all other intellectual property rights in the Outputs (the "IPR") shall belong to the Authority.

Any Outputs produced under this project may be made publicly available and it is expected that the Authority will publish analysis produced under this Contract where appropriate. However, the appointed Supplier should not, without obtaining the express prior written consent of the Authority: (i) use the Outputs for a purpose which is unrelated to the project, (ii) disclose the Outputs to any third party, (iii) make any announcements connected with the project; or (iv) publish the Outputs.

Volumes

Volumes of surveys printed and processed, numbers of field-workers employed should be sufficient to enable the Supplier to meet the requirements of this specification and deliver the objectives for the project. The total cost of the project must be within the allocated budget of £7.5 million, inclusive of all expenses but exclusive of VAT. The Authority may at its discretion, discount any bid that exceeds the £7.5m maximum allocated budget.

Bidders are encouraged to utilise the information relating to the previous survey that has been shared as part of this competition.

Volumes proposed by the appointed Supplier in its bid and which are detailed in the Contract may be refined in agreement with and at the approval of the Authority following the Stage Review scheduled to be held during Spring 2020. Any changes to volumes contracted will apply unit rates offered under this competition. The Authority retains an option to vary contract charges to reflect any increase or decrease in volume that are +/- 5% of the original volumes.

Continuous improvement

Throughout the duration of the contract, the appointed Supplier should:

- Suggest ways they may improve the way in which the required services are to be delivered.
- Proactively identify opportunities to reduce cost.
- Present new ways of working, including opportunities to reduce cost, to the Authority as considered.
- Bring to the Authority's attention changes to the way in which the Services are to be delivered for agreement prior to any changes being implemented.

Sustainability

There are no explicit sustainability requirements for this Research Project.

Quality

Effective and high standard quality assurance is a fundamental requirement for all work carried out by the successful Supplier. Potential Providers must include details of the Quality Assurance process proposed. With reference to the deliverables, Suppliers must include examples of any specific documents formats that they propose to use during the programme.

The Authority's Contract Manager will assess the Supplier's Performance on a monthly basis.

In addition, upon commencement of the work the successful Supplier should compile a risk register and review this with the Authority's Contract Manager at agreed intervals.

The Authority requires the Potential Provider to detail their Quality Assurance process.

The Authority reserves the right to examine any aspect of the successful Provider's work in detail, or to commission suitable agents to do this.

Potential Providers shall submit a quality control plan with their proposal outlining their internal quality control procedures.

Potential Providers must outline the coverage of the Research Project and methodologies applied in their bids.

Potential Providers must also provide evidence of the quality assurance activities undertaken as outlined in Section 8.

STAFF AND CUSTOMER SERVICE

It is essential that the successful Supplier (or suppliers in any consortium of bidders) for this requirement has the following skills and experience for this project:

Knowledge and experience of:

- Managing and collecting data for similar large/complex surveys;
- Effective quality assurance practice;
- Proven ability to deliver high quality data including high response rates;
- Working effectively with stakeholders and steering groups;
- Providing and managing a large number of fieldworkers; and

- Proven ability to analyse and disseminate large datasets.

The Supplier must be able to work collaboratively and collegiately as part of a focussed, dedicated project team, that collectively delivers project outcomes to tight timescales.

The Authority requires the appointed Supplier to provide a sufficient level of resource throughout the duration of the Provision of the National Rail Travel Survey (NRTS) Contract in order to consistently deliver a quality service to all Parties.

Supplier's staff assigned to the Provision of the National Rail Travel Survey Contract shall have the relevant qualifications and experience to deliver the Contract.

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

The successful Supplier is required to identify individuals who will manage the research and to nominate a representative for day-to-day contact with the Authority's representative. A Project Manager from the Authority will be responsible for the day-to-day management of the project and to whom the Supplier's named representative should liaise.

The Authority's project management for the project will be provided by a member of the Rail Statistics, Research and Evaluation Team (Rail Analysis). The nature and frequency of regular informal and formal contact between the successful Supplier's project manager and the Authority's project manager will be agreed at the start of the project.

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 | Data Collection | Completion of all data collection work by January 2021. | 100% |
| 2 | Report Delivery | Delivery of Final database by May 2021 | 100% |

The Authority will produce a high-level scorecard on the appointed Supplier's performance for discussion monthly. The scoring rationale is set out below:

| KPI/SLA | Service Area | KPI/SLA description | Target |
|---------|--------------|---|------------------------|
| 1 | Deliverables | <p>Overall Project Deliverables:</p> <ul style="list-style-type: none"> • How satisfied is the Authority with the delivery of the services from the Supplier? • Have all the deliverables been met in accordance with the requirements and expectations on quality and timing? • Has the Supplier provided sufficient assurance for its deliverables? | Minimum Score of 8+/10 |
| 2 | Staff | <p>Staff Competence:</p> <ul style="list-style-type: none"> • How satisfied is the Authority with the Supplier's staff appointed to the project? Are they competent and suitably qualified to perform the work required of them? • Do the staff communicate effectively; attend regular meetings / conference calls and follow-up accordingly, as required by the project? • Are the staffs' deliverables consistent with the required reporting / evaluations expected by the Authority team? • Where SMEs are engaged, has the competency and performance of the staff from the SME met with the required expectations? | Minimum Score of 8+/10 |

| | | | |
|---|--|---|------------------------|
| 3 | Mobilisation and Delivery to Programme / Project Deadlines, and exit process | <ul style="list-style-type: none"> • Has the Supplier mobilised in a manner consistent with the Authority team's expectations? • How satisfied is the Authority with the programme management by the Supplier? • Has the Supplier suitably managed project deliverables in a timely manner? If not, has the Supplier provided suitable notice of any possible delays to the programme and/or identified suitable corrective action and acted accordingly? • Is the Authority satisfied that the overall programme is under control? • Has the Supplier passed onto the RSRE team as part of the exit process all information required for future use, therefore, enabling the project to be closed off with no outstanding dependencies? | Minimum Score of 8+/10 |
| 4 | Project Budget Management | <ul style="list-style-type: none"> • The Supplier is responsible for the internal reporting on project costs, which is supported by regular Supplier updates on billing and forecasts. • How satisfied is the Authority with the Supplier's billing processes and forecast updates? | Minimum Score of 8+/10 |
| 5 | Knowledge Transfer | <ul style="list-style-type: none"> • It is expected that the Supplier will attend knowledge sharing meetings with the RSRE Team to share its findings and best practices which may be useful to the Authority. Meetings will be agreed and arranged with the programme lead approximately every two months or as and when required. | Minimum Score of 8+/10 |

A scoring system of 0 - 10 is used to assess the Supplier's performance in each of the areas measured:

0 = Completely Dissatisfied

2 = Highly Dissatisfied

4 = Mildly Dissatisfied

6 = Mildly Satisfied

8 = Highly Satisfied

10 = Completely Satisfied

In the event of poor performance through the failure to deliver KPIs to time and of appropriate quality, the Authority shall meet with the Supplier to understand the root causes of the issue. The Supplier shall formulate a Performance Improvement Plan to rectify these issues and meet the requirements described above. The Performance Improvement Plan must be provided to the Authority's Contract Manager within 21 days in electronic format.

If poor performance continues, following formal written warnings, early termination of the Contract will also be considered.

The Authority will monitor the work of the Supplier throughout the Research Project through regular contact between the Supplier and The Authority's day-to-day contact. It is anticipated that these will be weekly telephone calls or email updates on progress with the project.

The Authority will manage poor performance by the Supplier as set out in paragraphs 16.4 and 16.5.

Security and Confidentiality Requirements

The appointed Supplier shall explain how it intends to transfer the required reports and how the security of the transfer will be ensured. This will need to be reviewed and agreed by the Authority at the kick off meeting before implementation. If any additional cost is associated with this process, this must be made explicit in the bid (Within Attachment 4 - Price Schedule).

Payment and Invoicing

Claims for payment may be submitted at the achievement of a milestone and the receipt and acceptance by the Authority of the deliverables and required supporting documentation.

Payment for the contracted deliverables will be arranged through a BACS system of payment. The appointed Supplier's payment details will be requested by the Authority following contract award.

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

A Purchase Order number will be provided to the Supplier in advance of receipt of the agreed upon deliverables. This number must be included on all Supplier invoices.

Invoices may be mailed to the following address:

Shared Services arvato
Department for Transport
REDACTED

Alternatively, invoices may be sent electronically to the following email address: REDACTED

Contract Management

Contract management reviews will be held monthly at pre-agreed dates and locations.

Attendance at Contract Review meetings shall be at the Supplier's own expense.

Variations required to the contract or sub contracts will be undertaken by the use of the variation notice at Schedule 19 in Attachment 5 - Terms and Conditions.

Location

The location of the Services will be at the Appointed Supplier's own site(s) as well as at multiple train stations and on trains throughout Great Britain necessary to deliver the requirements.

The Provider will also be required to attend a project initiation meeting and monthly contract management meetings at the Department for Transport's London REDACTED

Annex B
Supplier Proposal

REDACTED

Part 2: Contract Terms

Attached as a separate document

Part 3 Supplier Costings

REDACTED

Rate Card

REDACTED