

DPS SCHEDULE 4: LETTER OF APPOINTMENT AND CONTRACT TERMS

Part 1: Letter of Appointment

Dear Sirs

Letter of Appointment

This letter of Appointment is issued in accordance with the provisions of the DPS Agreement (RM6018) between CCS and the Supplier dated 20/07/18.

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:	The Department for Transport ("Customer")
To:	Ipsos MORI UK Limited ("Supplier")

Effective Date:	08/08/18
Expiry Date:	End date of Initial Period 18/12/18 End date of Maximum Extension Period 01/01/19 Minimum written notice to Supplier in respect of extension: 5 days

Services required:	Set out in Section 2, Part B (Specification) of the DPS Agreement and refined by: · the Customer's Project Specification attached at Annex A and the Supplier's Proposal attached at Annex B; and
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Key Individuals:	REDACTED
[Guarantor(s)]	N/A

Contract Charges (including any applicable discount(s), but excluding VAT):	£91,002.50
Insurance Requirements	None
Customer billing address for invoicing:	REDACTED

Alternative and/or additional provisions (including Schedule 6 (Additional clauses)):	None
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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:

Name and Title: REDACTED

Signature:

Date:

For and on behalf of the Customer:

Name and Title: REDACTED

Signature:

Date:

ANNEX A

Customer Project Specification

1. INTRODUCTION

- 1.1 The Department for Transport (hereafter referred to as the Authority) invites proposals for the Provision of Market Research (delivery of an omnibus survey and focus groups) to assist with formulating the Aviation Strategy.

2. PURPOSE

- 2.1 The purpose of the requirement is to undertake an Omnibus survey and run focus groups on the consumer experience of aviation. The aim of this work is to generate evidence to inform the Aviation Strategy, which will shape the long term vision for aviation in the UK, to 2050 and beyond. The focus will predominantly be on the consumer experience of aviation, and related issues. Research is needed to improve the way the aviation industry works for its customers.

3. BACKGROUND TO THE CONTRACTING AUTHORITY

- 3.1 The Authority works with external organisations such as the Civil Aviation Authority (CAA) to support the transport network that helps the UK's businesses, and gets people and goods travelling in and out of the country.

- 3.2 In July 2017 the government, led by the Authority, launched a process for developing a strategy for aviation, seeking to build on the existing success of the sector. The government's aim is to ensure a safe, secure and sustainable aviation sector that meets the needs of consumers and of a global, outward-looking Britain. The strategy will be guided by three overarching principles:

3.2.1 **Being consumer focussed** by putting passengers and businesses at the heart of decision making;

3.2.2 **Being market driven** by making sure government acts as an enabler rather than a deliverer; and

3.2.3 **Being evidence led** by targeting intervention on specific problems or market failures, which government can address, and avoiding activity that does not respond to a clear problem.

- 3.3 The proposed aviation strategy aims to meet six policy objectives:

3.3.1 Help the aviation industry work for its customers;

3.3.2 Ensure a safe and secure way to travel;

3.3.3 Build a global and connected Britain;

3.3.4 Encourage competitive markets;

3.3.5 Support growth while tackling environmental impacts; and

3.3.6 Develop innovation, technology and skills.

- 3.4 A call for evidence¹ ran from July to October 2017. Over the coming months, the Authority will continue to gather evidence and consult with passengers and industry to inform policy development. The Aviation Strategy programme concludes with the launch of an Aviation White Paper in the middle of 2019.
- 3.5 The published Strategy will use findings from the consultations and set the framework for aviation policy up to 2050 and beyond. The results from this survey will be used to assist in the shaping of this Strategy by allowing us to fill in existing knowledge gaps.
- 3.6 The Department for Transport will also be providing guidance and assistance in the questionnaire formulating process.

4. BACKGROUND TO REQUIREMENT/OVERVIEW OF REQUIREMENT

- 4.1 To ensure that the Aviation Strategy is successful, it is essential to gauge public attitudes and behaviour towards air transport and to ensure that it works for the public. Therefore the Potential Provider must provide robust evidence in decision making.
- 4.2 There are numerous sources of data available on attitudes and preferences towards air travel. Despite the vast amount of evidence that exists, the Authority have identified key areas within the consumer side of aviation where information gaps exist. The Authority wish to fill these information gaps through the use of surveys and focus groups with aviation users. Several hypotheses have been identified that the Authority would like to test. Given the above, research is required that:
 - 4.2.1 Comes from an Omnibus survey that is representative of all the adults (aged 16+) living in the UK;
 - 4.2.2 Can be used to analyse differences between population subgroups; and
 - 4.2.3 Has a short turnaround time between fieldwork and results being available.
- 4.3 Given the short turnaround time between commissioning the work and delivering work under this contract, the Potential Provider will need to have sufficient experience and resilience within their team to successfully deliver it. This contract requires a Potential Provider with a range and depth of experience and knowledge that is relevant to the work. The core team of which, should ideally include subject-matter specialists with an understanding of the transport sector – specifically aviation. The Potential Provider should understand the Authority’s priorities and the related issues (e.g. consumer attitudes & aviation security).

¹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/698247/next-steps-towards-an-aviation-strategy.pdf

5. DEFINITIONS

Expression or Acronym	Definition
EU	European Union
DfT	Department for Transport
SBR	Social & Behavioural Research
CAA	Civil Aviation Authority

6. SCOPE OF REQUIREMENT

- 6.1 The Authority has formulated hypotheses regarding the consumer experience and is interested in testing them. The Authority wish to test out the issues identified in the recent Call for Evidence with regards to the consumer experience of aviation. The Authority want to measure the prevalence of these issues and support for the solutions amongst the general public. The research will begin with focus groups and the rationale behind this is to further ‘tease out’ these issues, for inclusion in the survey.
- 6.2 The Authority has already prepared some questions for an Omnibus survey and wants to use outputs from the focus groups to influence, shape and improve the questions in the survey.
- 6.3 The research questions to be explored are described below;
- 6.3.1 Information & Consumer Preferences: The Authority are testing whether consumers have all the information they need to choose the journeys that suit their needs best. This includes how much information is available to consumers when they are booking flights, and how they use this to inform their decisions.
- 6.3.2 Information & Surface Access: What information needs do passengers have on surface access? What information do they source, when and where from? What are the perceptions of this information? What are the gaps between information needs and information provision? What are the consumer preferences on potential additional sources of information - what information would they like and where would they like it from?
- 6.3.3 Delays: Do consumers have the right information to make the necessary adjustments when delays occur. How do consumers respond to delays when they occur and what are their opinions on it?
- 6.3.4 Compensation: What is passenger awareness of when and how to claim and how does it differ from reality? What are passenger views on the claims process and how this could be improved (based on actual experience for those who’ve been through the process and an explanation of the process for those who are not familiar with it)?
- 6.3.5 Disruptive passengers: Do consumers’ perceptions around disruptive passengers affect their desire to use aviation in the future? Questioning consumers who have experienced disruption and not just heard of it will be valuable and ensure that not only insights into disruptive behaviour are received.

- 6.3.6 Insolvency protection: The Authority wish to test whether the existing insolvency protection regimes provide adequate protection for consumers. Do consumers have knowledge of what protections they have when an airline or travel agent collapses? The Authority further seek to examine the gap between reality and their expectations, and to explore consumer appetite for updating insolvency protection.
- 6.3.7 Borders and immigration control: the Authority wish to test consumers' perceptions of border and immigration controls, to understand how far their experiences affect their choice of airport or airline? Are consumers aware of how immigration and border control varies by airport? Do they use this knowledge to determine the airport they fly from?
- 6.3.8 Persons with reduced mobility: How do persons with reduced mobility interact with aviation, and what improvements they wish to see in the sector? The Authority would like to include people with hidden disabilities among this group and to also see if their experiences are similar or different. It is worth noting that numbers of disabled flyers are likely to be low and so a greater, in-depth insight into this may not be received.
- 6.4 To ensure as wide a range of views as possible is received, the Authority are interested in hearing from all consumer groups even if they have not travelled recently.

7. THE REQUIREMENT

- 7.1 This survey will be representative of the UK population and so the usual range of demographic markers will need to be collected. The Authority will not expect these questions to be charged as additional questions as they are normally included in most surveys. In addition to the demographic questions, the Authority will also require some questions to gather key pieces of information from consumers about their flight behaviour over the past 12 months. Key pieces of information that the Authority are interested in include the airport they flew from and the number of flights taken. Some questions will require the Potential Provider to differentiate respondents by nationality.
- 7.2 The investigation will employ the use of focus groups and an omnibus survey to obtain its desired results:
- 7.2.1 **Focus Groups:** The group sizing will be between eight to ten people, however the Authority are open to suggestions. These will be required to dive into consumer attitudes and behaviour in significantly more detail. These groups will be structured by research participant characteristics instead of topic area. It is suggested that the focus groups are split as follows;
- 7.2.1.1 2-3 focus groups with the more frequent flyers;
- 7.2.1.2 1-2 with less frequent flyers
- 7.2.1.3 and 1 or 2 with disabled flyers.
- 7.2.1.4 Within these categories, there must be a good mix of characteristics such as gender, age etc. A list of issues and topics to be discussed are provided in line with the Authority's hypotheses - paragraph 6.3

- 7.2.1.5 Consumer Choice: This discussion will be centred on understanding the motivations consumers have when purchasing air travel, what information they consider, what factors they deem important and how they perceive the information that is presented and/or available to them. Demographic characteristics: all participants, however be aware that the more frequent flyers will have more to contribute to this discussion.
- 7.2.1.6 Disruptive Passengers: a discussion about recent flyers' perceptions and motivations for drinking alcohol at the airport, who they see is at fault and why passengers think this way. Demographic characteristics: all participants with the expectation that the more frequent flyers will contribute more to this discussion, as will the less frequent flyers.
- 7.2.1.7 Airport Chokepoints (baggage reclaim, security, immigration): A discussion aiming to understand consumers' frustrations with getting through an airport, whether the information they receive is sufficient, and what improvements they might want to see. Demographic characteristics: people who have flown in the last 12 months, and this issue should stimulate discussions from all the participants.
- 7.2.1.8 Non-frequent flyers: A focus group comprised of people who have not flown recently, to understand their motivations for why they don't fly and what conditions they need in order to make them fly again. Demographic characteristics: people who haven't flown in at least 5 years. This will also likely include some disabled people.
- 7.2.1.9 PRM (persons with reduced mobility) and people with mental illness / hidden disabilities: A focus group comprised of people with reduced mobility, and people with the aforementioned and with hidden ailments such as diabetes. Whilst this may not necessarily reduce their mobility, it will affect the experience of aviation. The aim is to gain insight into their thoughts about flying, barriers towards flying, an understanding of their rights and whether they feel it is as inclusive as other forms of transport. Demographic characteristics: people who consider themselves disabled. The authority would also like the elderly to be represented within this group as they may have mobility issues, and due to the UK's age demographics, they will form a greater proportion of the population.
- 7.2.1.10 Airline insolvency: a discussion aiming to understand consumer awareness of insolvency protection, their understanding of the risks and potential impacts when an airline or travel company fails, and to explore potential options for improving protection. Demographic characteristics: all participants, as different groups may have different tolerance of the risks, or specific needs from protection (for example, a need to be repatriated urgently).

- 7.2.1.11 Business Flyers: The Authority would like to hear from business travellers about their aviation experiences. These interviews will likely be done via telephone due to diary co-ordination difficulties.
- 7.2.1.12 There will be a placeholder for two more focus groups that the Authority will identify at a later stage.
- 7.2.1.13 The Potential Provider will be expected to run approximately seven focus groups with each group containing eight to ten people. The focus groups will help the Authority identify issues that are yet to be discovered. Furthermore, all these focus groups need to be demographically representative of the UK population.
- 7.2.1.14 The locations for the surveys will be London, the North and the Midlands (based on six focus groups). The split would be two groups per location.
- 7.2.1.15 The Authority would like to view one of the London focus groups (conducted in the evening) and costing for this should be provided separately (refer to Appendix E).

7.2.2 **Face-to-face questionnaire.** After the focus groups, The Authority will require approximately 75 questions in a face-to-face questionnaire in total and this is the main focus of our research. The Authority anticipate a sample size of approximately 3,500 individuals; bids should indicate a firm price for 70 questions - including placeholders and contained in Annex A - covering 3,500 individuals. The Potential Provider should also indicate the incremental costs of including one additional question, up to a total of five additional questions. These unit costs should assume that questions will be fielded to all respondents. The Authority would like unit costs for yes/no questions, closed questions with up to ten pre-coded options. Furthermore, these unit costs should assume that these additional questions will be asked to all respondents (refer to Appendix E).

- 7.2.2.1 Most of the questions have already been formulated, however the Authority have put in some placeholders for additional questions should they be required. The Authority are willing to work with the Potential Provider to create more questions.
- 7.2.2.2 The questions will have a maximum of ten pre-coded categories for respondents to select. The Authority are not expecting any open-ended questions because it is anticipated that these issues will be discussed in the focus groups.
- 7.2.2.3 Many of the questions will be akin to those included in similar travel surveys and so similar format has been adopted whilst formulating the questions.

7.2.2.4 The questions take into account demographic factors and the sample needs to be nationally representative. This is because the Aviation Strategy will apply to the whole of the UK and so it is necessary to capture a nationally representative view.

7.2.3 **Outputs**

7.2.3.1 The Authority will require the full data file used for the analysis, saved in a non-proprietary format (e.g. comma separated value). The data should be clearly labelled and accompanied by appropriate meta-data.

7.2.3.2 A report of the survey results themselves is also required and this should be provided to the Authority in a publishable condition in Word format. This document should contain an explained summary of the findings, and be no longer than ten pages.

7.2.3.3 The survey report should analyse responses by the following subgroups; age (by ten year group), gender, frequent flyers vs non-frequent flyers, socioeconomic group (proxy by household income and employment status), nationality and region of residence. The Authority would also like the data broken down by the participants characteristics so therefore by; frequent flyer; non-frequent flyer; disabled flyers (those with reduced mobility) and business travellers vs non-business travellers.

7.2.3.4 For the focus groups, the Authority requires a written report on the findings of the focus group discussions. This should be presented according to Plain English Standards and be in a publishable condition in Word format. This report should be no longer than ten pages.

7.2.3.5 The Authority will also require a PowerPoint containing an overview of the results from the survey and the focus group discussions to be sent, with a subsequent face-to-face presentation of the findings to be delivered after feedback from the Authority.

7.2.3.6 The raw survey data provided as a statistical dataset will also be required. This is to allow future analysis to be conducted without incurring additional cost.

7.2.3.7 There are of course risks associated with this such as the misuse of data or the possibility of it leaking into the public domain. To mitigate this, the data will need to be anonymised as much as possible and handled securely. Complying with the new General Data Protecting Regulation will ensure that this requirement is met.

7.2.3.8 The data will also need to be transferred securely between organisations and stored securely within the Department. Consulting with statistical experts at the Authority's offices will assist with this.

7.2.3.9 The Potential Provider will ensure that all complaints and escalations are acknowledged within 24 hours. These should be investigated and resolved within 4 working days.

8. KEY MILESTONES

8.1 The Potential Provider should note the following project milestones that the Authority will measure the delivery against. The Authority has also built in a 2 week buffer to allow for any project overruns that may occur.

Milestone	Description	Timeframe
1	Project Inception meeting	Within one week of Contract Award
2	Review Point 1: Contractor and Authority approve plan (submitted by Provider) for managing the project	Within week 2 of Contract Award
3	Review Point 2: Contractor completes focus groups and informs Authority of key findings.	Within week 6 of Contract Award
4	Review Point 3: Contractor begins Omnibus survey using findings from focus groups.	Within week 8 of Contract Award
5	Review Point 4: Contractor completes Omnibus survey	Within week 12 of Contract Award
6	Review Point 5: Contractor submits draft report of survey, focus group findings and cleaned dataset	Within week 14 of Contract Award
7	Review Point 6: Contractor submits final report of survey and focus group findings	Within week 18 of Contract Award
8	Dissemination workshop	Within week 20 of Contract Award

9. AUTHORITY'S RESPONSIBILITIES

9.1 The Authority commits to providing a dedicated point of contact to the Potential Provider and will provide final approval of the questionnaire, data outputs, focus group stimulus material and presentation.

9.2 The Authority is responsible for providing the Potential Provider questions and for working through them collaboratively.

10. REPORTING

- 10.1 Throughout the contract, the Authority will require that the Potential Provider maintains regular contact on progress against the plan set out in the inception meeting. Updates on progress against the deliverables will be provided to the Contract Manager, at least once a week via telephone.
- 10.2 The Potential Provider must identify one named point of contact through whom all enquiries can be filtered. The Authority will assign a project manager to the project, who will be the central point of contact.
- 10.3 The Authority will require at minimum, weekly updates on progress, either by email or telephone during times when there are regular activities happening on the project e.g. fieldwork or question development.
- 10.4 The evaluation of the work is intended to be ongoing and will happen after each of the milestones outlined in 8.1. A project board consisting of the Authority's policy and analytical colleagues will evaluate the project after each and every of the above stages (Section 8). For the work to be acceptable, it must provide clear details of the methodology and findings.
- 10.5 The final report shall include an Executive Summary no longer than five pages. Technical material should be included in annexes and the report should be comprehensible to a non-expert audience with acronyms and terminology explained.
- 10.6 While the Potential Provider will be responsible for proofreading the final report, the Authority retains responsibility for the final sign-off of the report.

11. CONTINUOUS IMPROVEMENT

- 11.1 The Potential Provider will be expected to continuously improve the way in which the required services are delivered throughout the duration of the contract.
- 11.2 Changes in which the services are to be delivered are to be brought to The Authority's attention and agreed prior to any changes being implemented.

12. QUALITY

- 12.1 The Potential Provider is expected to state how they will ensure that quality assurance will be maintained and highlight the quality control processes that will be in place.
- 12.2 The Potential Provider will be responsible for any work supplied by sub-contractors and should therefore provide assurance that all work in the contract is undertaken in accordance with the Code of Practice.
- 12.3 This project must comply with the UK Statistics Authority Code of Practice (<https://www.statisticsauthority.gov.uk/code-of-practice/>) and the Potential Provider must set out their approach to quality assurance in their response.
- 12.4 Sign-off of the quality assurance must be undertaken by someone of sufficient seniority within the Potential Providers organisation. Acceptance of the work by the Authority will take this into consideration. The Authority reserves the right to refuse to sign off outputs which do not meet the required standard specified.

12.5 Contractors should be willing to facilitate the Authority's research staff to attend face to face questionnaires as part of the quality assurance process.

12.6 The report and supporting documentation should be reviewed and signed off by a senior member of the Potential Provider's team.

13. PRICE

13.1 Bids shall include all necessary and relevant travel, subsistence and expenses for meeting the requirement. It shall include any travel expenses to visit the Authority and any stakeholders. Bids shall contain one firm price (refer to Appendix E).

13.2 The Potential Provider should specify the unit cost for each additional question i.e. the cost of each additional yes/no question and the cost for each categorical question, with up to 10 pre-coded questions. The Potential Provider should assume that these questions will be asked to all respondents. This will allow The Authority to calculate the total cost, should additional questions be included.

13.3 Prices are to be submitted via the e-Sourcing Suite using Appendix E and excluding VAT.

14. STAFF AND CUSTOMER SERVICE

14.1 The Potential Provider is expected to ensure and demonstrate that they have the expertise, capability and capacity to undertake this work as set out in section 7. The team engaged on this project must be flexible, adaptable and responsive to changing circumstances, ensuring ample availability of personnel working on this project.

14.2 The Authority requires the Potential Provider to provide a sufficient level of resource throughout the duration of the contract in order to consistently deliver a quality service.

14.3 Potential Provider's staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Contract. The Authority is seeking a Potential Provider who is highly experienced in conducting large scale consumer targeted surveys and focus groups. This experience should ideally have been gained in the transport sector, although this requirement is not a strict one.

14.4 The Potential Provider 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.

14.5 The Potential Provider will acknowledge any queries within 24 hours and will respond within 3 working days.

14.6 The Potential Provider will acknowledge any complaints and escalations within 24 hours and these shall be resolved within 4 working days.

15. SERVICE LEVELS AND PERFORMANCE

15.1 This shall give the Authority assurance that the work is progressing on track to the Key Milestones, that the right depth and quality is being investigated, and that the products that the Potential Provider generates are robust and fit for purpose.

15.2 Additionally, the Authority will measure the quality of the Potential Provider's delivery by:

KPI/SLA	Service Area	KPI/SLA description	Target
1	Delivery Timescales	All milestones will be completed on time and within budget	100%
2	Account Management	Queries will be acknowledged within 24 hours and responded to within 3 working days.	100%

16. SECURITY REQUIREMENTS

16.1 The Potential Provider is expected to work with and protect potentially confidential and commercially sensitive data and must demonstrate their preparedness to do so by ensuring that all staff assigned to the project sign non-disclosure agreements for the duration of the project. The non-disclosure agreement will be provided by the Authority post award.

16.2 No government level security clearances will be required.

17. INTELLECTUAL PROPERTY RIGHTS (IPR)

17.1 Any Intellectual Property arising from the contract shall be treated in line with the Terms & Conditions of the contract as outlined in Appendix C –Terms and Conditions. All Intellectual Property Rights on material collated and produced for this contract will be held by DfT.

18. PAYMENT

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

18.2 The payment structure for this project is as follows:

18.2.1 Upon written sign-off from the Authority of Milestone 3 (completion of focus groups), payment of 20% of the total Contract Value shall be made.

18.2.2 Upon written sign-off from the Authority of Milestone 6 (submission of draft report), payment of 40% of the total Contract Value shall be made.

18.2.3 Upon completion of Milestone 8 (dissemination workshop), payment of 40% of the total Contract Value shall be made.

18.3 Payments shall be processed through the submission of invoices to the Authority. Each invoice must include a detailed elemental breakdown of work completed and the associated costs before payment is made.

18.4 Paper invoices shall only be sent to the Authority's Shared Service Centre (address below) upon agreement with the Project Lead. At the same time, electronic copies shall be sent to the Project Lead by email.

18.5 Invoices shall be submitted to: REDACTED

19. LOCATION

19.1 The services will be carried out at the Potential Provider's premises, however the fieldwork will not be.

19.2 Some aspects of the project will require meetings at the Authority's offices:

19.2.1 REDACTED

ANNEX B
Supplier Proposal

REDACTED

Part 2: Contract Terms



RM6018 - Contract
Terms v3.1.docx