

DPS FRAMEWORK SCHEDULE 4: LETTER OF APPOINTMENT AND CONTRACT TERMS

Part 1: Letter of Appointment

REDACTED

Managing Director

Watermelon Research Limited

REDACTED

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 15/08/2019.

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

Order Number:	To be provided post award
From:	DFT Department ("Customer")
To:	Watermelon Research Limited ("Supplier")

Effective Date:	30 th August 2019
Expiry Date:	End date of Initial Period 29 th August 2020 End date of Maximum Extension Period 28th August 2021 Minimum written notice to Supplier in respect of extension: to be agreed between the customer and supplier

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; and
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Key Individuals:	REDACTED Managing Director REDACTED
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	REDACTED
[Guarantor(s)]	N/A

Contract Charges (including any applicable discount(s), but excluding VAT):	<p>Annex 1 - Contract Charges - Contract Terms.</p> <ol style="list-style-type: none"> 1. For the avoidance of doubt, the total contract value shall not exceed £198,864.30 (excluding VAT) and will be paid on completion of the following deliverables as detailed in the table within Annex 1. 2. The Provider shall add VAT to the Contract Price at the prevailing rate as applicable and the Customer shall pay the VAT to the Provider following its receipt of a valid VAT invoice. 3. Invoices to be submitted in line with milestone payments to be agreed with the Customer. 4. Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.
Insurance Requirements	(Clause 19.1 of the Contract Terms):
Liability Requirements	Suppliers limitation of Liability (Clause of the Contract Terms);
Customer billing address for invoicing:	<p>Payment can only be made following satisfactory delivery of pre-agreed products and deliverables.</p> <p>Before payment can be considered, each invoice must include a detailed breakdown of work completed and the associated costs.</p> <p>Invoices should be submitted to:</p> <p style="text-align: center;">Accounts Payable, DfT Shared Service Centre,</p>

	<p>REDACTED</p> <p>Or via email to: REDACTED</p>
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Alternative and/or additional provisions (including Schedule 8(Additional clauses)):	N/A
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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:

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

To be determined by the Customer at Call for Competition stage

1. PURPOSE

- 1.1. The Department for Transport (DfT) invites proposals for a statistical survey of the activity of the Light Utility Vehicle (LUV) sector and LUV driver behaviour in Great Britain.
- 1.2. This study relates to all types of registered LUVs as defined by DVLA i.e. freight vehicles less than 3.5 tonne.
- 1.3. The survey will provide robust and timely evidence of LUV travel activity and behaviours. The analytical outcomes from this will inform several core transport policy areas, economic forecasting models, and external research. It will also provide Highways England with additional information about LUV use on the Strategic Road Network (motorways and trunk 'A' roads in England).
- 1.4. This invitation to tender seeks to let a contract from June 2019, with the anticipation of fieldwork in summer/Autumn 2019 and findings published by end 2019. There may be scope to conduct follow-up surveys based on the findings of this survey.
- 1.5. The Provider will be responsible for questionnaire development, data collection and capture, editing/imputation, weighting, and supply of the data to the DfT.

2. BACKGROUND TO THE CONTRACTING AUTHORITY

- 2.1 DfT may be referred to as the Contracting Authority / Department in this document.
- 2.2 DfT works with its agencies and partners to support the transport network that helps the UK's businesses and gets people and goods travelling around the country. DfT plans and invests in transport infrastructure to keep the UK on the move.
For more information about DfT:
<https://www.gov.uk/government/organisations/department-for-transport/about>

3. BACKGROUND TO REQUIREMENT/OVERVIEW OF REQUIREMENT

- 3.1 Statistical surveys on van activity were conducted by the Department in 2003-05 and again in 2008.

For information on the 2008 survey:

<http://webarchive.nationalarchives.gov.uk/20110204013931/http://www.dft.gov.uk/pgr/statistics/datatablespublications/freight/surveyformsnotes/vabs/>

- 3.2 It has been over a decade since the Department conducted this research into LUV Travel. As a consequence, an evidence gap exists and this new statistical research project is required to address this.
- 3.3 Annual Road Traffic Estimates produced by the Department indicate that LUV travel has grown substantially over the last 20 years. LUV mileage as a proportion of all motor vehicle miles has increased from 11% in 1997 to 15% in 2017. During this time, miles travelled by LUVs increased to a high of 50.5 billion vehicle miles. There has also been major diversification in the types of LUVs on the market, including an expanse of car-derived vans, and their propulsion type.
- 3.4 The key requirement therefore is to secure resource that can manage survey activities. We require a Service Provider with proven skills in research design, data collection and analysis. In addition, we would like this study to enable follow up research.

4. DEFINITIONS

Expression or Acronym	Definition
DfT	means Department for Transport (the Contracting Authority / Department)
DVLA	means Driver and Vehicle Licensing Agency
LCEV	means Low carbon emission vehicles
LUV	means Light utility vehicles (under 3.5 tonne)
SRN	means the Strategic Road Network

5. SCOPE OF REQUIREMENT

- 5.1 The Service Provider will be required to administer the survey of registered LUV vehicle keepers. This includes questionnaire design, data collection and secure data capture, data cleaning and weighting, and supply of final datasets to the Authority. The appointed Service Provider will be required to provide a technical report on the survey methodology, and a brief report on headline findings.

- 5.2 Detailed analysis and publication of the results of the survey are the responsibility of the Contracting Authority. The Service provider will be prohibited from using data and findings from the survey without the Contracting Authority's permission.
- 5.3 There may be scope to conduct follow-up surveys based on the findings of this project via the optional extension, however this will be at the Authority's discretion.

6. THE REQUIREMENT

- 6.1 The survey of registered LUV keepers will provide statistically robust answers to a range of key Research Questions relating to LUV travel in Great Britain.
- 6.2 Timing of the survey fieldwork will be in summer/Autumn 2019 and therefore the Contracting Authority would like to have a Service Provider in place by end-June 2019. Validation, analysis and findings will be conducted in order that results may be published by the Authority by end 2019.
- 6.3 The sample size has been specified to ensure the findings of the survey are representative of LUV activity occurring across the road network in Great Britain. Highways England's are specifically interested in additional information about LUV use of the Strategic Road Network (motorways and trunk 'A' roads in England).

SAMPLING

- 6.4 The survey sample will need to be large enough to secure a response rate that ensures that findings are representative and robust in answering the research questions. The current assumption is a minimum sample size of 60,000. The Authority will provide this sample, including contact information, to the Service Provider.
- 6.5 The geographic coverage of the survey will be Great Britain.
- 6.6 A stratified random sampling approach will be applied by the Authority, for example incorporating regional geography, commercial vs privately owned vehicle, vehicle age, fuel type and vehicle type. A boost sample will also be created by the Authority that allows for robust findings on low carbon emission vehicles.

QUESTIONNAIRE DESIGN

- 6.7 The Service Provider will be required to design the survey questionnaire, ensuring that the Research Question topics are covered in a clear easily understood way. The survey length should however consider the burden on prospective respondents and the effect on response rates.
- 6.8 The Service Provider should provide information on how they plan to test / pilot the questionnaire.

RESEARCH QUESTIONS

- 6.9 All respondents will be required to provide findings on all research questions. Results of the survey should provide statistically robust findings on the following:
- Who are using LUVs, in terms of basic driver demographic information and their industry types?
 - What purposes are LUVs being used for, particularly in terms of commercial vs personal use?
 - What is being carried in LUVs and how often are trips made without a cargo?
 - Where do owners use their LUVs (including data on time of day use)?
 - How often are LUVs maintained?
 - The kinds of journeys undertaken in terms of local, medium or long distance?
 - What parts of the Strategic Road Network are used more by LUVs?
 - When are trips being made?
 - What are the important criteria in LUV purchasing decisions (including new/second-hand vehicles, environmental considerations, or as a replacement to HGVs)?
 - What impact would legislative changes into vehicle excise have on the demand for LUVs (including the substitution effect with regulated HGVs)?
 - What incentivises people to buy LCEVs?
 - What are LUV drivers' attitudes towards environmental policies including Clean Air Zones (including awareness of retro-fitting measures to reduce emissions)?

- Where do drivers source information on LUVs (including government sources, trade magazines, and internet sources)?
- In addition, we would like to identify vehicle keepers who would be open to further follow up surveys.

DATA COLLECTION, CLEANING AND WEIGHTING

- 6.10 The Service Provider will be responsible for holding personal data including names and addresses. It is anticipated that the survey will be via the postal service, although other communication and data capture methods will be considered. Prospective Provider's pricing should take into consideration the cost of all survey materials, postage, contacting and capturing responses.
- 6.11 Accurate data capture is crucial. The Service Provider shall agree the details of their proposed coding, editing, and checking procedures as part of the Key Milestones (section 7).
- 6.12 A weighting process will need to be developed by the Service Provider once the sample design has been fixed. This will adjust for the effect of non-response bias. The Provider will be required to produce the weights, and set out the approach in the Technical Report.

RESPONSE RATES

- 6.13 One of the key risks of the project is securing a sufficient response rate (>50%) from this sector. Prospective Service Providers should provide guidance on how they mean to mitigate against this risk. This should include:
- What response rate you expect to achieve.
 - What measures/incentives you will use to achieve it.
 - Equivalent response rates you have achieved in other complex similar surveys for which you are / have been responsible.
 - The maximum number of attempts that will be made to try to chase responses, and any special measures taken to reach 'hard to contact' vehicle keepers.

DATA SUPPLY

- 6.14 The Service Provider will be required to deliver a structured record-level file. This will contain all sample information, all data collected, and any derived weight fields. The layout, documentation, and format of this file will be agreed with the Authority. This file will be provided to the timescales set out in the Key Milestones (section 7) and accompanied by a relevant technical report.

TECHNICAL REPORT

- 6.15 The provision of a final technical report, ready for publication, is the Service Provider's responsibility. The technical report contents will be agreed with the Authority as part of the Key Milestones (section 7).

FOLLOW-UP STUDIES

- 6.16 It is expected that the survey will be followed by further work focusing on where light utility vehicle trips are being conducted, in particular trip origin and destination. This is likely to be a short travel diary. Therefore, the service provider should produce a usable follow-up sample for this research.
- 6.17 This optional extension may be invoked on the satisfactory completion of the survey.

7. KEY MILESTONES AND DELIVERABLES

- 7.1 The Service Provider will provide the designated DfT project lead with the following deliverables:
- Questionnaire document.
 - Monthly meeting on progress/response rates.
 - Structured .csv files containing raw data on responses.
 - Brief report on headline findings (circa 10-20 pages).
 - Technical report on survey & sampling method.
- 7.2 Key Milestones are provided in the table below. Methodology and questionnaire design would be conducted in summer 2019, with the fieldwork being conducted before end autumn 2019.

7.3 The following Contract milestones/deliverables shall apply. Note that we are expecting to receive a sample of vehicle keepers from DVLA by the time the contract is awarded:

Milestone	Description	Timeframe or Delivery Date
1	Inception meeting. Survey methodology, and questionnaire design agreed and completed.	By week 4 following Contract Award.
2	Survey fieldwork & data capture completed.	By week 12 following supply of sample data.
3	Data validation & weighting of responses agreed and completed.	By week 14 following supply of sample data.
4	Provision of record-level file, and headline findings.	By week 18 following supply of sample data.
5	Provision of an agreed final version of the technical report	By week 20 following supply of sample data.

8. MANAGEMENT INFORMATION/REPORTING

8.1 It is expected that the Service Provider provides a brief interim report on fieldwork progress. The Provider will be required to provide brief monthly performance reports (linked to key milestones) to the Contracting Authority. During the fieldwork, more frequent weekly information should be provided indicating response rates, the number and method of chasing-up responses and consent in the case of follow-up surveys. These reports will be discussed at monthly liaison meetings between the Authority and the Service Provider. These will typically be held at the Authority's offices or another suitable location in central London. Meetings at less frequent intervals may be sufficient at a later stage when the survey has been shown to be running smoothly. Key survey management staff should attend monthly meetings with the Authority.

9. VOLUMES

9.1 The current assumption is a minimum sample size of 60,000 vehicle keepers.

9.2 The minimum acceptable response rate is 50%.

10. CONTINUOUS IMPROVEMENT

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

- 10.2 The LUV study aims to be a high-quality survey, with high response rates. This can only be achieved by the Service Provider and Authority working together to look for continuous improvement. Survey materials need to be attractive, look up-to-date, and be easy for respondents to use, including meeting industry standards for accessibility. Questions need to seem relevant to respondents' travel experiences. The Authority expects regular feedback from the Provider, to help maintain the necessary standards. All changes to survey materials and questions need to be approved by the Authority before being implemented.
- 10.3 The Service Provider should present new ways of working to the Authority at liaison meetings as appropriate.

11. SUSTAINABILITY

- 11.1 The Service Provider and any subcontractors should have regard to sustainability in planning all aspects of their work, for example when planning travel and purchasing equipment.

12. QUALITY

- 12.1 The Response is measured using response rate i.e. the number of valid questionnaire returns. The Service Provider shall state what response rate they expect to achieve and equivalent rates they have achieved in similar surveys. The Service Provider will provide a level of fieldwork follow-up to secure a sufficient robust sample size (>50%).
- 12.2 Data and findings provided by the Service Provider will be devoid of errors. The Service Provider will correct any errors from reports and data-sets identified by the Authority within 48 hours.
- 12.3 The Authority reserves the right to examine any aspect of the Service Provider's work, or to commission suitable agents to do this, particularly in the early months of the contract.

13. PRICE

- 13.1 Prices are to be submitted via the e-Sourcing Suite Attachment 4 – Price Schedule excluding VAT and including all other expenses relating to Contract delivery.
- 13.2 The Authority requests a Capped cost to deliver the activities detailed with section 6.1 – 6.15 of this Attachment 3 - Statement of Requirements. This will account for 100% of the Price Evaluation.

13.3 In addition the Authority request the Potential Providers submit a Total Capped cost for the Follow-Up Studies (Optional Extension), as detailed within section 6.16 of Attachment 3 – Statement of Requirements. This will be for information purposes only and will not form part of the Price Evaluation.

14. STAFF AND CUSTOMER SERVICE

14.1 The Service Provider shall provide a sufficient level of resource throughout the duration of the Contract in order to consistently deliver a quality service.

14.2 The Service Provider’s staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Contract to the required standard.

14.3 The Service 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.

15. SERVICE LEVELS AND PERFORMANCE

15.1 The Authority will measure the quality of the Service Provider’s delivery by:

KPI/SLA	Service Area	KPI/SLA description	Target
1	Response rate	As a minimum achieve the standard response rate for England.	50%
2	Meeting the research questions	The questionnaire and responses received must meet the requirements of all research questions.	100%
3	Reporting	Provision of accurate, quality assured data to the Authority within agreed timescales.	100%

15.2 The Service Provider shall be required to provide a full incident report which describes the issues and identifies the causes. The Service Provider will also be required to prepare a full and robust ‘Service Improvement Action Plan’ which sets out its proposals to remedy any service failure. The Service Improvement Action Plan shall be subject to amendment following the performance review meeting and agreed by both parties prior to the implementation.

15.3 The Authority agrees to work with the Service Provider to resolve service failures. However, it will remain the Service Provider’s sole responsibility to resolve any issues.

15.4 Where the Service Provider fails to provide a Service Improvement Action Plan or fails to deliver the agreed Service Improvement Action Plan to the required standard, the Authority reserves the right to seek early termination of the contract in accordance with the procedures set out in the Terms and Conditions.

16. SECURITY AND CONFIDENTIALITY REQUIREMENTS

- 16.1 Data for the sample, including address details, will be provided by the Authority. Prospective contractors will therefore be required to demonstrate a history of adherence to personal data handling best practice. This will include the process for securely collecting, validating, storing, structuring, managing and appropriate destruction of personal data. Full details of GDPR and security requirements are provided in the contract Terms and Conditions.

17. INTELLECTUAL RIGHTS

- 17.1 The Service Provider shall assign full title guarantee to all Intellectual Property Rights for the products of the Service to the Authority. All data collected, reports produced, materials used and any other documentation associated with the delivery of the contract shall remain the property of the Authority. Furthermore, the Successful Provider shall make available, at the request of the Authority, all such material to any other organisation on written instruction to do so from the Authority's Contract Manager.

18. PAYMENT AND INVOICING

- 18.1 Payment can only be made following satisfactory delivery of pre-agreed products and deliverables.
- 18.2 Before payment can be considered, each invoice must include a detailed breakdown of work completed and the associated costs.

Invoices should be submitted to:

Accounts Payable,

DfT Shared Service Centre,

REDACTED

Or via email to: REDACTED

19. CONTRACT MANAGEMENT

19.1 Attendance at Contract Review meetings shall be at the Service Provider's own expense.

20. LOCATION

20.1 The location of the Services will be carried out within Great Britain. Meetings between the Service Provider and the Authority will take place at the Authority's offices: REDACTED unless agreed otherwise.

Pricing Schedule - REDACTED

IN THE EVENT THE CONTRACTING AUTHORITY DECIDES TO TAKE UP THE FOLLOW-UP STUDIES (EXTENSION OPTION), IT RETAINS THE RIGHT TO AGREE THE EXACT SCOPE, DELIVERABLES AND MAXIMUM NUMBER OF DAYS FOR THE WORK WITH THE APPOINTED PROVIDER.

THE PROVIDER'S DAILY RATES FOR FOLLOW-UP STUDIES (EXTENSION OPTION) WILL NOT EXCEED THOSE STATED IN THE "RATES" TAB OF THIS ATTACHMENT 4 - PRICE SCHEDULE.

ANNEX B
Supplier Proposal

REDACTED