

DPS FRAMEWORK SCHEDULE 4: LETTER OF APPOINTMENT AND CONTRACT TERMS

Part 1: Letter of Appointment

Dear Sir/Madam,

Letter of Appointment

This letter of Appointment dated 23/04/2021 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:	
From:	HMRC ("Customer")
To:	Kantar UK Limited

Effective Date:	23 April 2021
Expiry Date:	End date of Initial Period 30/06/2024 End date of Maximum Extension Period: 30/12/2024 Minimum written notice to Supplier in respect of extension: 3 month

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;
--------------------	--

Key Individuals:	<u>HMRC</u> <div style="border: 1px solid black; padding: 2px; margin: 5px 0;">[REDACTED] Information redacted under section 43 (2) of FOI Act 2000.</div> <u>Kantar</u> <div style="border: 1px solid black; padding: 2px; margin: 5px 0;">[REDACTED] Information redacted under section 43 (2) of FOI Act 2000.</div>
------------------	---

Guarantor(s)	<div style="background-color: black; width: 150px; height: 15px; margin-bottom: 5px;"></div> Information redacted under section 43 (2) of FOI Act 2000.

Contract Charges (including any applicable discount(s), but excluding VAT):	Total contract value charge is £1,150,000.00. The full Contract Charge breakdown can be found within Annex 1 of Schedule 6 of the Contract.
Insurance Requirements	<p>Additional public liability insurance to cover all risks in the performance of the Contract, with a minimum limit of £5 million for each individual claim</p> <p>Additional employers' liability insurance with a minimum limit of £5 million indemnity</p> <p>Additional professional indemnity insurance adequate to cover all risks in the performance of the Contract with a minimum limit of indemnity of £1 million for each individual claim.</p>
Liability Requirements	Suppliers limitation of Liability (Clause Error! Reference source not found. of the Contract Terms);
Customer billing address for invoicing:	Ralli Quays, West Building, 3 Stanley Street, Salford M60 9HL.

Commented [PA(KOS&T1)]: Should this be redacted.

Commented [CJ(2R1)]: No this would not as far as I know.

GDPR	See Contract Terms Schedule 7 (Processing, Personal Data and Data Subjects)
Alternative and/or additional provisions (including Schedule 8(Additional clauses)):	<p>The additional terms which will apply to this contract are as set out within the following annexes at Schedule 8:</p> <p>a. Annex 1: HMRC Mandatory Clauses</p> <p>b. Annex 2: Protection of Information</p>

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:
Catherine Moore

Principal Sourcing Specialist

Signature:

DocuSigned by:

68438C186C9C44C...

Date:

26 April 2021

Name and Title:
Craig Watkins

CEO, Kantar Public UK

Signature:

DocuSigned by:

716B2D30CD164E2...

Date:

26 April 2021

Commented [PA(KOS&T3)]: I do still wonder if we should do something with the signatures – we don't have permission to have Craig's in the public domain and I do feel uncomfortable with this.

Commented [CJ(4R3)]: I will double check with Cat but as far as I'm aware, when we go into tender, they are made aware the contract will be published. Therefore, in this case I think it would be ok.

ANNEX A
Customer Project Specification

Overview of Requirements

1. Introduction
 - 1.1 HM Revenue & Customs (HMRC) invites suppliers from the Research Marketplace agreement (RM6018) to undertake the HMRC Customer Survey 2021-2023, covering Individuals, Small Businesses and Financial Agents (Agents)¹.
 - 1.2 This annual Customer Survey enables HMRC to monitor Individuals, Small Businesses and Agents experiences and perceptions of HMRC. The survey has been conducted in its current form every year since 2015, allowing HMRC to track progress over time. The findings and technical annexes from 2015 to 2019 can be viewed on GOV.UK. Link details for the 2018² and 2019³ findings and technical annexes have been added as footnotes to this page.
 - 1.3 Whilst it will be necessary to retain some continuity with the previous survey approach to enable trends to be tracked over time, a review of the existing methodology and research materials will be required. This year HMRC would also like to include the following (section 4 provides additional details):
 - 1.3.1 Qualitative research to gain more detailed insight into the views of our customers on strategic priority topics.
 - 1.3.2 Research to help us understand the link between experience, wider perceptions of HMRC and compliance and contact behaviour.
 - 1.4 HMRC intends for this contract to be in place by Week Commencing 12th April 2021. The final outputs for year one need to be delivered by May 2022.
 - 1.5 HMRC will maintain the overall management of the project.
 - 1.6 The contract will be awarded to the organisation that is deemed to have submitted the Most Economically Advantageous Tender (MEAT). Assessment will be based on the factors outlined in sections 15 to 19.

Commented [PA(KOS&T5)]: Jonathon – I've had to amend the numbering on this as it was all over the place – it went from 2 to 17 then 18 then back to 4? Can you please have a look and check it's not gone back again (or that I haven't missed any!) please.

Commented [PA(KOS&T6)]: I do understand we want to be transparent – but this is a lot more information than we would even publish in the report. Could we get away with just giving the Introduction

Commented [PA(KOS&T7)]: Please redact – we still don't know how this could be done, so may not appear in the reports.

¹ For the purposes of the HMRC Individuals, Small Businesses and Agents Customer Survey, financial agents are defined as 'businesses that are paid to deal with the tax affairs of others.'

²https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/817381/HMRC_individuals_small_business_and_agents_customer_survey_2018.pdf
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/817397/HMRC_individuals_small_business_and_agents_customer_survey_2018_-_technical_annex.pdf

³https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/933105/HMRC_research_report_585_ISBA_customer_survey_2019.pdf
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/932906/HMRC_research_report_586_ISBA_customer_survey_2019_technical_annex.pdf

1.7 To ensure fairness all tenderers are required to submit their tenders in accordance with these instructions and any further requirements contained in the invitation letter. Failure to comply could invalidate your tender.

2. Context

Customer Focus in HMRC

2.1 HMRC is the UK's tax and customs authority. We're here to collect the money that pays for the UK's public services and give financial support to people.

2.2 To help us deliver our core purpose in a changing world, we've defined a new vision for HMRC: to be a trusted, modern tax and customs department.

2.3 HMRC is currently developing its strategic objectives for 2021 to 2025. The first three of these are as follows⁴ :

1. Collect the right tax and pay the right financial support
2. Make it easy to get tax right and hard to bend or break the rules
3. Maintain taxpayers' consent by treating everyone fairly and protecting society from harm

2.4 HMRC's commitment to providing a good customer experience is reflected in two published documents:

1. **Building a trusted, modern tax administration system**⁵ sets out some of the key reforms we will need to deliver to successfully achieve our new vision. Being a trusted, modern tax and customs department will fit with the way our customers run their businesses and their lives, reduce the tax gap, enhance the customer experience, keep costs down, and operate in a way that is recognised as fair. It means we'll be on the side of our customers when they're trying their best to get things right, while tackling the small minority who set out to cheat the system.
2. **'Your Charter'**⁶ pledges that HMRC will help customers meet their tax responsibilities and make sure they get any benefits, tax credits, refunds or other support they can claim. However, firm action will be taken against the small minority who bend or break the law.

2.5 The survey findings will provide a means of assessing and demonstrating progress on these commitments⁷. To do this, we need to evaluate our customers' perceptions of HMRC and their experiences of dealing with us. We also need to track customer experience and perceptions over time to help us evaluate how customer experience is changing, particularly as we transform delivery of tax and payments.

⁴https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/938052/SR20_Web_Accessible.pdf (page 86 - section 6.105)

⁵<https://www.gov.uk/government/publications/tax-administration-strategy/building-a-trusted-modern-tax-administration-system>

⁶<https://www.gov.uk/government/publications/hmrc-charter/the-hmrc-charter>

⁷<https://www.gov.uk/government/publications/hmrc-charter/hmrc-charter-performance-indicators>

How HMRC will use evidence from the survey

- 2.6 This survey will be a key source of robust, balanced evidence on customer experience and perceptions of HMRC and the tax system. The findings provide a means of assessing progress on HMRC's Strategic Objectives.
- 2.7 HMRC will use the findings internally to assess the impact of past initiatives and identify areas where further action needs to be taken to improve services.
 - 2.7.1 In previous years the findings have fed into transformation programmes such as Making Tax Digital (MTD), by showing awareness of MTD for VAT registered customers and advising on areas for improved engagement.
 - 2.7.2 In the 2020 survey we asked whether customers had received Covid-19 Government support. This enabled us to breakdown overall customer experience by those that have/haven't received support, but we did not assess respondents' experiences of the individual schemes. In future we may need to look more specifically at the Self-Employed Income Support Scheme (SEISS) and the furlough schemes. We will work with the appointed agency to develop this if required.
- 2.8 The survey will provide strategic insight of where HMRC should focus effort to improve customer experience. Findings will then be used alongside feedback from stakeholders and transactional level feedback (e.g. exit surveys across HMRC's digital and other channels, and social media monitoring) to provide a holistic picture of HMRC customer experience.
- 2.9 The published report will also provide information on the Department's performance to the general public, Parliament, and other external stakeholders (e.g. the National Audit Office).
- 2.10 Tracking customer experience and perceptions over time is also of importance. The new survey will continue the annual time series of data which began with the updated Individuals, Small Businesses and Agents Customer Survey in 2015.

Background to the research need

- 2.11 The core purpose of the survey will continue to be providing robust evidence on overall customer experience and perceptions of HMRC, and how these change over time. Proposals should include details of how the supplier will ensure robust comparisons to earlier waves can be made.
- 2.12 This year we will be looking to have:
 - 2.12.1 A set of core questions to be asked every year to fulfil HMRC's requirement to report our progress in relation to the Strategic Objectives and Your Charter. We expect to reduce the length of the core questionnaire in this contract compared with previous survey years and will work with the successful supplier to do this (see section 4.4).
 - 2.12.2 An additional flexible module of questions, which are likely to change annually. This will enable us to gather detailed evidence related to a strategic priority topic which will be set each year, e.g. fairness, trust. (see section 4.4).
 - 2.12.3 Qualitative research to gain more detailed insight into the views of our customers on strategic priority topics. (see section 4.40 to 4.42).

2.13 An understanding of the link between experience, wider perceptions of HMRC and compliance and contact behaviour. We are interested in innovative proposals to help us achieve this. (see section 4.27 to 4.31).

3. Research Aims & Objectives

3.1 The overall aim of this project is to develop and implement a survey design and questionnaire for the 2021-23 HMRC Individuals, Small Businesses and Agents Customer Survey. The survey should:

- a. Track changes in overall customer experience over time, maintaining the current time series;
- b. Track changes in overall perceptions of HMRC over time, maintaining the current time series;
- c. Be a highly robust, representative survey using random probability sampling methods;
- d. Help HMRC identify where to focus effort to improve customer experience;
- e. Provide robust, transparent evidence to the general public and external stakeholders;
- f. Provide in-depth follow up qualitative interviews to drill down into the results of the quantitative survey.
- g. Understand the link between experience, wider perceptions of HMRC and compliance and contact behaviour.
- h. Be flexible, able to respond to any changes in HMRC's services and requirements between 2021 and 2023; and,
- i. Provide value for money

3.2 The principal objectives for the project are to:

- a. Review and update the survey design, procedures and materials to ensure the 2021-23 Survey is robust, of high quality, and enables sufficient continuity with the 2015-20 Survey.
- b. Conduct survey fieldwork and report results annually for each of the three customer groups.
- c. Gain more detailed insight into the views of our customers on strategic priority topics.

4 Methodology & Scope

4.1 Tendering agencies are invited to propose a detailed methodology that will fully address the aims and objectives of this research project. We anticipate that the research would be conducted using:

- 4.1.1 A quantitative survey. This will be the primary focus of this research.
- 4.1.2 Qualitative research to gain more detailed insight into the views of our customers on strategic priority topics.

Quantitative Survey

4.2 The survey covers three separate customer groups: Individuals, Small Businesses and Agents. Each group is surveyed separately and the results are reported separately.

4.3 The contractor will be required to review the existing questionnaire for year 1 of the survey (2021/2022), examining overall customer experience, perceptions, and demographics

modules. The questionnaire will need to be updated according to HMRC's needs and the priorities in HMRC's customer strategies.

- 4.4 In previous years each interview lasted around 20 minutes and consisted of a core set of questions and a smaller flexible module. This year we will be looking to change the proportion of core and flexible questions as follows:
- 4.4.1 We would have a reduced set of core questions, which would fulfil HMRC's requirement to report progress on our Strategic Objectives and Charter. We anticipate this section to be 14 minutes and would welcome thoughts from tendering agencies on the content we would need to retain in order to meet our reporting requirements and maintain continuity.
- 4.4.2 An additional flexible module of questions, which are likely to change annually. This will enable us to gather detailed evidence related to a strategic priority topic which will be set each year, e.g. fairness, trust. We would look for this section to be 6 minutes, ensuring that the overall survey is no more than 20 minutes.
- 4.5 The contractor will also need to consider routing, timings, and sample sizes for each question. Any new questions, or other significant changes to questionnaires will need to be piloted with each customer group to provide confidence these will work in practice and content can be covered within appropriate interview lengths. If necessary, this includes recommending and implementing adjustments post-pilot to improve questionnaires.
- 4.6 A smaller scale questionnaire review will be required for the start of subsequent waves to make sure that the questionnaire remains fit for purpose.
- 4.7 Respondents for the survey are selected using random probability sampling. More detail on each of the groups and their sampling strategies is included below and in the 2019 technical report⁸.

Individuals

- 4.8 The survey will cover all UK individuals aged 16 or above, whether or not they have interacted with HMRC in the last 12 months. All respondents will be asked questions about perceptions of HMRC and compliance. Those with interactions (around 70% of all individuals) will also be asked questions about their customer experience.
- 4.9 Please note that HMRC will not be able to supply a sample of Individuals to the contractor, so any proposed approach and mode will need to take account of this.
- 4.10 Due to the falling efficacy of the previous Random Digit Dialling (RDD) approach, since 2018 we have been using an Address-Based online surveying (ABOS) approach, using combined online and postal questionnaires (details of the trial of ABOS completed in 2017 are on GOV.UK⁹). The sample was drawn from the Postcode Address File to post invitations to

⁸https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/932906/HMRC_research_report_586_ISBA_customer_survey_2019_technical_annex.pdf

⁹https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/721602/490_HMRC_Individuals_Customer_Survey_ABOS_Trial_2017_Report.pdf

participate in the survey to randomly selected addresses, with up to three adults per address eligible to take part.

- 4.11 Overall the ABOS approach has been working well, with stable response rates, however we would welcome innovative ideas for delivering a random-probability survey of Individuals. Tenderers should consider issues such as response rates and overall sample profile (for example ensuring representation of younger people and deprived households who are currently under-represented in the survey). Tenderers should include, why the proposed approach is appropriate and how it will provide a representative sample. If a change in the current methodology is proposed, the tender should explain the impact of this on HMRC's ability to present the results for Individuals as a time series.

Small Businesses and Agents

- 4.12 For the purpose of the survey, Small Businesses are currently defined as having a turnover of between £8.6K and £10m and with between 0 and 19 employees. Small Businesses are sampled and surveyed at the Enterprise level (rather than the local unit/site level).
- 4.13 For the purpose of the survey, Agents are defined as 'businesses that are paid to deal with tax affairs of others.' Agents are sampled and surveyed at the Enterprise level (rather than the local unit/site level).
- 4.14 Both the Small Businesses and Agents surveys currently use two sample sources:
- 4.14.1 The Office for National Statistics' Inter-Departmental Business Register (IDBR) – this is the primary sample frame and covers businesses that operate a PAYE scheme or have a turnover above the VAT threshold;
 - 4.14.2 HMRC's Self-Assessment (SA) database – this provides coverage of businesses below the VAT threshold and are therefore missing from the IDBR;
- 4.15 HMRC will be able to provide these samples to the successful tenderer. The successful contractor will be required to review and confirm the exact sampling approach to ensure the best possible sample coverage.
- 4.16 It should be noted that response rates for Small Businesses and Agents have remained at acceptable levels. As such, it is anticipated that the current Computer Assisted Telephone Interviewing (CATI) approach using a HMRC sourced sample will be retained for these customer groups.
- 4.17 The successful agency would be required to do tele-matching. As part of the tender we would welcome suggestions on how to improve telephone matching rates to ensure a representative coverage. For reference, within the 2020 sample 5% of the IDBR records had a telephone number and 87% of the SA records had a telephone number.
- 4.18 Customers for whom details have been obtained from an HMRC database must be provided with the option to opt out of taking part in the survey through the use of an advance opt out letter. A suitable opt-out period must be provided prior to fieldwork (usually a two-week period).

Response Rates

- 4.19 We invite agencies to propose the most appropriate sampling framework. This should include:
- 4.19.1 The sampling approach
 - 4.19.2 How the agency will conduct recruitment
 - 4.19.3 Maximising how representative the achieved sample is of the population, considering factors such as response rates and sample profile.
 - 4.19.4 Consideration and comment to the key risks of their chosen approach and how these will be mitigated
- 4.20 The completeness of coverage of each group provided by different sampling options should be considered, with strategies to ensure a representative sample of each group recommended as far as possible. We also need to be able to identify change in results over time.
- 4.21 Response rates achieved as part of the 2019¹⁰ Survey are provided below for each of the customer groups. We would like to match this number across all groups and would welcome ideas on how this could be maximised.
- 4.22 In previous years a £5 voucher was provided to those who completed the Individuals survey. We would accept a modest value incentive for the Individuals survey, but you should include a description of the type of incentive to be used, their total cost and justification for the proposed approach in your tender (See section 13.2a).

2019 Response Rates – Small Businesses & Agents

Outcome	Small Businesses	Agents
Total sample issued	11,431	8,623
I = Complete Interviews	2,700	2,349
R = Refusal and break off	2,360	1,333
U = Unknown eligibility (scope unknown)	3,036	2,210
NE = Ineligible or non-working numbers	3,335	2,731
e = estimated eligibility	60%	57%
e(U) = eligible unknowns	1,821	1,259
Response Rate: $[I / (I + R + (e(U)))]$	39%	47%

¹⁰https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/932906/HMRC_research_report_586_ISBA_customer_survey_2019_technical_annex.pdf

2019 Response Rates – Individuals

Outcome	Online	Paper
Completed questionnaires	2197	539
Data quality algorithm (removed cases)	108	
Final sample size	2110	518
Interactions with HMRC	1,804	
Response rate	9.3%	
Weighted response rate	9.4%	

*The population-level response rate is not known exactly because we have no specific knowledge about the number of eligible individuals resident at each non-responding address. However, we estimated response rates by (i) using contemporary 'gold standard' survey data (in this case, from the Labour Force Survey from April-June 2019) to estimate the number of eligible individuals per sampled address, and (ii) comparing the respondent profile to the population profile obtained from the same survey. A weighted response rate was also calculated to account for the variation in sampling probabilities, though this was only very slightly different from the unweighted response rate.

Providing comparability to the 2015-20 Individuals, Small Businesses and Agents Customer Survey

- 4.23 We wish to be able to compare results from the 2021-23 Survey to those from the 2015-20 Survey. We would like to maintain a form of time series of data for key questions. Should the Individuals sampling method and mode change from the current ABOS approach, a methodology to calibrate the data to form a quasi-time series will need to be developed. Please include a proposal for modest testing or parallel running of the fieldwork detailing, why the proposed approach is appropriate, the relative benefits and risks with the scale of the proposed testing and how these risks could be mitigated. We will be able to supply full, anonymised datasets including demographic information for the 2015 to 2020, to the successful tenderer to facilitate this.
- 4.24 In order to measure changes in customer perceptions and experience over time it is critical that the survey delivers robust results. To do this, HMRC expects tendering agencies to adopt a probability approach to sampling and survey design. A survey using a quota methodology will not be acceptable for meeting the research aims and objectives.
- 4.25 We require the survey design to enable a statistically significant year on year change of 3.5% to be identified at the 95% confidence level for each of the three customer groups, for key questions about customer experience and perceptions.

Requirements

- 4.26 The Department is seeking a Contractor that can work flexibly, and deliver robust, workable approaches that will maximise the quality of the data within the new HMRC Individuals,

Small Businesses and Agents Customer Survey design. Bidders should outline their sampling and fieldwork strategies detailing organisational capacity to undertake fieldwork within the given timeframes, quality control procedures and methods to maximise response rates and minimise bias for each customer group.

Behavioural insight

- 4.27 At the moment, the survey data provides a useful measure of customers' overall experience in the last 12 months, their wider perceptions of HMRC and what they think of key issues such as compliance. We also gather some information about their contact with HMRC, such as taxes paid, benefits or credits received, or use of particular contact channels, although the level of detail is limited.
- 4.28 The data does not currently inform us about how respondents' views or experiences are linked to their compliance behaviour. This is an area we are keen to understand.
- 4.29 The overall aims of understanding any links between customer experiences/attitudes and behaviour are:
 - 4.29.1 To understand the operating costs to HMRC. If we know that customers with certain views and experiences behave in a particular way, what is the cost of this to HMRC? Can we identify opportunities to change this behaviour and so reduce costs?
 - 4.29.2 To understand whether views and/ or experiences are linked to non-compliance. If we improve customer experience, would customers become more compliant?
- 4.30 This could be achieved by:
 - 4.30.1 Linking to administrative data, such as what regimes they are in, levels of customer contact and levels of non-compliance (although instances of the latter within the sample population may be small and difficult to determine).
 - 4.30.2 Inclusion of additional questions to provide greater detail about customer behaviour. Tenderers would need to provide details of the additional survey time (over the previously specified 20 minutes), along with full justification, required to do this.
- 4.31 HMRC welcomes innovative suggestions from tenderers either using one of the above or alternative methods of how this could be approached. Tenderers should include details of the limits of what we can conclude from observing correlation and what else would we need to do to evidence causation. We would like details of how to complete a feasibility test within the first year with an option to implement in the second and third year if successful. Costs should be provided as per section 17.6.

Fieldwork, analysis and reporting

- 4.32 Consideration will need to be given to the effective application of sampling procedures, including respondent selection, cleaning and enhancing of sample (e.g. supplementing available telephone numbers), administration of any advance letters, invitations to participate, and/or reminders and opt-out procedures.
- 4.33 The contractor will be required to collect representative data on HMRC customers' overall experience and perceptions using the final questionnaire for each customer group.

- 4.34 The contractor will need to develop a fieldwork strategy to ensure timely completion of all fieldwork for each customer group, including appropriate steps to maximise response rates and ensure high quality in data collection.
- 4.35 HMRC requires the contractor to manage the opt-out process and provide an appropriate opt-out period (2 weeks).
- 4.36 HMRC would like to understand where we need to expend our efforts in order to improve customer experience and perceptions, so we would welcome innovative suggestions for achieving this. This should include cross-sectional and trend analysis and multivariate analysis examining the key drivers of customer experience and perceptions of HMRC, or an alternative solution to obtain strategic insights.
- 4.37 The contractor will need to develop effective and insightful methods/formats for communicating survey results both internally and externally. This should draw on innovative approaches and industry best practice to generate engaging outputs¹¹. This should include fast turnaround reporting of headline results and more in-depth reports including sub group analysis and up to three annual presentations:
- 4.37.1 Tenderers should provide details of how their presentations would provide:
- a. Compelling outputs that will engage HMRC senior leaders.
 - b. Strategic insights from the results that would enable us to measure and inform HMRC's high-level direction of travel in relation to customer experience.
 - c. Key insights that will allow internal stakeholders to understand the impact of the findings on each of their business areas, including highlighting action to be taken to provide future improvements.
- 4.38 Agreed analysis plans will need to be implemented to help HMRC get most value from the results and should include a short turnaround summary reporting of results after each wave of fieldwork. Information on headline measures will need to be presented in an agreed format, suitable for use internally by HMRC.
- 4.39 In-depth results should be reported annually through a written report of publishable standard, presentations, and any other outputs recommended by the contractor. Outputs need to be accessible, attractive and insightful.

Qualitative interviews

- 4.40 The qualitative element will allow us to further explore reasons for experiences and perceptions as measured in the quantitative stage. We would anticipate the use of depth interviews to obtain the relevant details. We would welcome recommendations from tendering agencies about the qualitative element of the research, including the best approach for meeting the research objectives. Tenderers should provide a full justification for their proposed approach which should be fully costed within their cost model.

¹¹ Tenderers should note that any proposed outputs will need to be hosted within the HMRC IT environment, rather than on an externally hosted website. As such, any proposed outputs will need to meet HMRC's IT requirements, details of which will be provided if relevant.

4.41 We will work with the appointed agency to develop topic guides for the qualitative element to fulfil the research objectives. Emerging findings from the quantitative fieldwork should be used to shape the qualitative fieldwork.

4.42 Findings from the qualitative research should be included with the quantitative outputs in presentations and final reports. Tenderers should provide details of the feasibility of providing this within the timescale outlined in section 5.3 including an accompanying justification if not.

5 Timetable

5.1 The contract will commence w/c 12 April 2021. HMRC would like mainstage fieldwork to begin at a similar time to the 2015-20 Survey, i.e. by the start of September 2021. Please outline your approach to meeting this deadline in your tender.

5.2 We are fully committed to working with the successful supplier to ensure that key deliverables from us are provided promptly. We welcome creative thought in defining a work programme that generates project outputs within the key dates on the timetable below. We anticipate this may be achieved by breaking down the work, so that different elements of the project can be worked on concurrently.

5.3 The timeline provided below is indicative of the timelines expected by HMRC. Tenderers are required to demonstrate in their tenders that they will be able to complete the research within the below timelines or sooner.

Activity	Date
Invitation to Tender (ITT) issued	1 March 2021
Agencies to confirm receipt of ITT	1pm on 2 March 2021
Deadline for queries on ITT	1pm on 10 March 2021
HMRC response to ITT queries	1pm on 16 March 2021
Agencies to confirm their intention to tender	1pm on 19 March 2021
Deadline for response to ITT	1pm on 22 March 2021
Presentations by shortlisted agencies	w/c 5 April 2021
Contract awarded	w/c 12 April 2021
Set-up meeting	w/c 19 April 2021
Fieldwork	September – November 2021
Presentation of findings	March 2022
Final outputs signed off, project close	May 2022

5.4 The successful supplier will be expected to attend a set-up meeting in the week commencing 19 April 2021.

Commented [PA(KOS&T8): I think we should look to redact this too – it just feels that we are being too transparent and I don't think we would want this in the public domain. It is much more than is in the reports!

6 Length of Contract

- 6.1 HMRC intends for this contract to be in place by week commencing 12 April 2021, with final outputs for the first year delivered by the end of May 2022. Final outputs for the second and third projects should be delivered by the end of May 2023 and May 2024 respectively. Tenderers should state if they can meet these deadlines.
- 6.2 The full contract term will be for thirty-eight months with an optional extension period of six months.
- 6.3 The first project (year one) is expected to run from April 2021 to May 2022, the second project (year two) is expected to run from May 2022 to May 2023 and the third project (year three) is expected to run from May 2023 to May 2024.
- 6.4 Tendering organisations are required to set out a detailed timetable covering the duration of the research project. The full timetable will be agreed with HMRC following award of the tender and is likely to be subject to minor changes during the lifetime of the contract.
- 6.5 Tenderers should provide projected costs for completing all three annual surveys up until May 2024, following delivery of the final 2023 Survey outputs. The costs for year two and three should highlight any savings to be made in later years as a result of reduced initial costs.
- 6.6 HMRC reserves the right to pause or cancel a project at any point, in line with clause 9.8 of the Call-Off Contract.

Years Two and Three

- 6.7 Alongside the completion of fieldwork and outputs for year one of the research, HMRC will review whether they want to proceed with the additional years under the call-off contract. HMRC reserves the right at the end of the delivery of a year to commission the subsequent years of research outside of this call-off contract.
- 6.8 If HMRC chooses to proceed with the further research and is interested in delivering it within the scope of this contract, then the Supplier will work with HMRC to discuss the research needs and potential research approaches to clarify the potential approach, issues and timescales. It is not expected that these will differ significantly from the Specification provided for the first year.
- 6.9 Should HMRC wish to proceed with the Supplier's proposals as a result of these discussions, the Supplier will then provide a detailed written work plan for the subsequent year. The Supplier will commit to proposing a strategy which delivers the greatest value for money to HMRC in terms of time, cost and quality.
- 6.10 HMRC will review the work plan and then decide whether to proceed with that approach or not. HMRC reserves the right at this stage to cancel the work or to commission it outside of this contract. HMRC also reserves the right to make some suggestions or amendments to the proposed strategy if in agreement with the Supplier. If HMRC decides to proceed then the written work plan will form the basis of the Statement of Requirements for that year.

- 6.11 Assuming that HMRC agrees to the proposal, the assignment will be formalised through the issues of a specific Service Order detailing the cost of this assignment and the invoicing dates.”
- 6.12 Should HMRC wish to proceed with the second and third years under the scope of this contract and there are no amendments to HMRC’s requirements, then the costs submitted by the successful tenderer for the second and third year will be fixed within the subsequent statement(s) of work. Any cost amendments required as a result of potential changes to HMRC’s requirements will be calculated using the ‘Annex D Call-Off Rate Card’ (see sections 17.12 to 17.15 for further details) submitted by the successful supplier at tender stage.

7 Outputs

- 7.1 We anticipate working closely with the contractor. The deliverables required for this research are:

Kick-off meeting and updates:

- 7.2 An initial detailed project plan outlining key dates and milestones, clearly indicating any actions for HMRC.
- 7.3 Weekly progress meetings by telephone between the research contractor’s project manager and the HMRC project manager during the life of the project, updating on progress towards key milestones and actions needed by the research agency and HMRC.
- 7.4 An initial virtual or face-to-face set-up meeting at the beginning of the contract and an annual review at the end of each year.

Research Drafting

- 7.5 Agreed versions of any research instruments (e.g. advance letters) and a final agreed questionnaire for each customer group with details of content, structure and routing.
- 7.6 A Welsh translation of all welcome letters and the Individuals questionnaire will be provided by HMRC, but successful Tenderers will need to translate the Small Businesses questionnaire into Welsh. The Agents survey does not need to be translated into Welsh. Tenderers should advise within their tender of the availability of a Welsh speaker to conduct quantitative telephone interviews for Small Businesses. The Individuals online surveys will need a toggle (Cymraeg/English) on every page and use “persistent language choice” (cookies or similar) to ensure language preference is remembered from page to page.
- 7.7 Successful tenderers should produce a MS Word version of the qualitative interview topic guide(s) and any recruitment materials and the topic guide must be translated into Welsh during the development stage for Individuals and Small Businesses. Tenderers should state in their tenders the availability of a Welsh speaker for the qualitative research with Individuals and Small Businesses.

Raw data requirements

- 7.8 HMRC requires an anonymised copy of any dataset produced as part of the project, in a SAS and SPSS-compatible format, for each year. This should include all cases, variables (including analysis variables), clear labelling, correct bases and all coded responses, including coded

open-ended responses.

- 7.9 All open-ended responses to be provided separately in an Excel file and to include selected analysis variables.
- 7.10 Full data tables to include all analysis variables, including coded open-ended responses, and relevant cross-breaks.
- 7.11 Sample of qualitative transcripts.
- 7.12 An agreed analysis plan, including all details of the fields and logic used to produce the quantitative reporting outputs, as well as an agreed approach for the qualitative analysis.
- 7.13 Tenderers are also invited to suggest any additional outputs they feel would be relevant to this particular piece of research.

Presentations and reports of findings:

- 7.14 Summary reporting of results after each wave of fieldwork – delivered to an agreed timetable.
- 7.15 Up to three presentations each year of annual results virtually or at HMRC London offices, with accompanying slide decks as described in section 4.37.
- 7.16 A full technical report for the survey will be required annually, setting out the details of the survey methodology, sampling approach and actual weighting used, non-response bias analysis and response rates and, thus, the effective sample size.
- 7.17 A report of the research findings each year that will be published on the HMRC website, in accordance with the standard Government publication processes.
- 7.18 HMRC may require additional analyses to be conducted. These will be agreed with the successful bidder. At the end of this contract, all materials, outputs and final deliverables should be collated for handover to HMRC and any new contractor
- 7.19 All summaries, reports, data and presentations should be provided in an electronic format, compatible with Microsoft Office applications. Reports should be concise and written in plain English. They should be of a high (publishable) standard suitable for online publication. HMRC expects all drafts to be complete, to have been proof-read before delivery and for data in the drafts to have been quality assured. All reports and presentations should be assured by a senior member of the Contractor's project team before delivery. HMRC may arrange for any final reports produced to be peer-reviewed, either in-house or externally. Tenderers should assume that reports, questionnaires and presentations will need to be amended in the light of comments made by the Department, and that at least two drafts will normally be required before agreeing a final draft. Allowance should be made for this in the proposed timetable for the research. We will strive to provide timely comments.
- 7.20 Contractors are also reminded that any research reports to be published on www.gov.uk must meet the accessibility requirements for public sector bodies' publications:
<https://www.gov.uk/guidance/accessibility-requirements-for-public-sector-websites-and-apps#accessibility-standards>

Commented [PA(KOS&T9)]: Happy if this remains – as we'd be expected to produce a report.

Commented [PA(KOS&T10)]: Can we please redact this section – it's very specific and we think it is commercially sensitive.

8 Quality and Risk Management

- 8.1 Tenderers must include a project plan and time schedule for the work that identifies the main tasks and key milestones that will be used to monitor progress, indicating clearly where HMRC is expected to contribute.
- 8.2 Tenderers should include a quality control plan with their proposal, which should demonstrate their internal procedures to assure quality control.
- 8.3 Proposals should also include an assessment of the key risks to this project. This should identify the most significant risks to successful completion of the programme of work, assess the degree of risk (likelihood and impact), and set out strategies for minimising these risks and managing the consequences if problems occur. A risk register template is at Annex B.

9 Expertise and Capability

- 9.1 HMRC acknowledges that considerable resources are required for the successful delivery of this project to time. It is possible that agencies invited to tender have the skills and ability within their organisation to undertake all or part of this research but do not have sufficient resources required to successfully deliver the whole research requirement. We therefore encourage agencies to collaborate with other suppliers if required to ensure that they are fully capable of undertaking this work.
- 9.2 HMRC is looking for suppliers who can demonstrate that their proposed team incorporates those with:
 - a. The ability to look at research within a broader strategic context;
 - b. A proven track record of providing 'actionable' research that has been used to improve customer experience;
 - c. Experience of working with comparable public and private sector organisations involved in a range of different transactions with individuals and businesses;
 - d. Expertise in survey methodology and design including random probability surveys;
 - e. Expertise in sample design;
 - f. Expertise in question development and testing;
 - g. Experience of developing and delivering qualitative research;
 - h. The ability to utilise expertise and experience to apply industry best practice through all phases of the research; and
 - i. Experience of delivering large-scale customer research;
 - j. Experience of linking perceptions and behavioural data through survey research;
 - k. Experience of presenting to senior audiences including presenting technical and methodological issues in an accessible and engaging manner and drawing out strategic insights from complex research findings.
- 9.3 Proposals should summarise the skills and expertise relevant to this requirement that particular members of staff bring to the team and clearly identify the project manager, with CVs included as an annex.
- 9.4 The proposal should specify details of which parts (if any) of the project will be sub-contracted, the name of the sub-contractor who will work on the project, their experience of related research, and their responsibilities within the project. If it is proposed to sub-

contract any of the work, the same details as those provided by the tenderer should be given about the qualifications, experience and responsibilities of sub-contractor staff involved along with a description of their respective roles and the management arrangements put in place. Ultimately, the successful contractor will be held to account for the performance of any sub-contractor and needs to demonstrate their confidence to successfully manage sub-contractors. This should also be considered for any joint submissions, as the second contractor will be treated as a sub-contractor.

Commented [PA(KOS&T11)]: Can we please redact.

10 Project Management and Contract Administration

10.1 [REDACTED] is HMRC Manager for this project. She will be responsible for the day to day management of the contract. Once the contract has been awarded, all contact with HMRC concerning the project should be made through her. The research organisation will be required to appoint a contract manager who will act as the principal point of contact for the Department.

10.2 The research organisation will be expected to work closely with the HMRC project manager and through them, with internal customers within HMRC throughout the duration of the contract. They must be kept informed of progress and be involved in key decisions. Proposed changes in project staffing (at all levels) or deviations from the agreed work programme must be discussed and agreed with the project manager in advance. Rebecca George is responsible for all decisions that involve funding.

Commented [PA(KOS&T12)]: Needs to be redacted please

10.3 In costing your tender you should allow for attendance at a minimum of five meetings. The majority of meetings are expected to take place either virtually or at HMRC offices in London, although some may take place at the research organisation's premises by arrangement. These might include the following:

- a. Project set-up meeting;
- b. A briefing to discuss the interim findings and
- c. Up to three presentations of full findings analysis (section 4.37).

11 Queries on this research specification

11.1 Tenderers with any queries about the research specification should contact [REDACTED] on e-mail: [REDACTED]. The deadline for queries is 1pm on 10 March 2021. Responses will be sent to all suppliers 1pm on 16 March 2021. (Redacted under section 43(2) of FOI Act 2000)

11.2 Please note that the responses to any queries will be shared with all tenderers.

Submission of Tenders

12 Information on how and when to return tenders

12.1 Tenderers should provide notification of their intention to submit a proposal by email to [REDACTED] on e-mail: [REDACTED] (Redacted under section 43(2) of FOI Act 2000) by 1pm on 19 March 2021.

12.2 You should send a PDF or read-only electronic copy of your proposal (excluding costs information which will be sent separately as per 12.3) by e-mail to arrive at the following addresses [REDACTED] (Redacted under section 43(2) of FOI Act 2000) no later than

1pm on 22 March 2021 (unless the date is subsequently amended in writing by the Department). No hard copies of the tender are required.

- 12.3 Costs information (cost model and 'Annex D Call-Off Rate Card') should be submitted, in excel format, separately from the proposal to the following email address [Redacted] (Redacted under section 43(2) of FOI Act 2000) by the same time as stated in section 12.2. You should not send the costs information to the other named contact in section 12.2.
- 12.4 The Department will safeguard all tenders received and action them once the tender deadline has expired.
- 12.5 All late tenders will be rejected. It is your responsibility to ensure that your tender is received on time.
- 12.6 You must not alter any of the Department's Invitation to Tender documents.
- 12.7 Tenders may not be considered if any of the information requested is not supplied with the tender or the tender is otherwise non-compliant or incomplete.
- 12.8 You must not tell anyone else, even approximately, what your tender price is or will be, before the date of the contract award. The only exception is if you need an insurance quotation to calculate your tender price – in which case you may give your insurance company or brokers any essential information they ask for, provided that you do so in strict confidence.
- 12.9 You must not try to obtain any information about anyone else's tender or proposed tender before the date of contract award.
- 12.10 You must not make any arrangements with anyone else about whether or not they should tender, or about their or your tender price. The only exception is where tenderers are considering joint or team bids, which will be allowed providing all participants to the discussions surrounding the bid are clearly stated in the tender response. (See also section 26 'Group Bids').
- 12.11 Tender documents must not be transferred to anyone (other than the firm named in the Invitation to Tender) without the prior specific approval of the Department in writing.
- 12.12 You must ensure that your tender is completely legible, in English, with all prices in Sterling (exclusive of VAT). In summary, Tenderers should note the following:

Action	Start date	End date	Contact
ITT issued	N/A	01/03/21	[Redacted] (Redacted under section 43(2) of FOI Act 2000)
Agencies to confirm receipt of ITT	01/03/21	1pm 02/03/21	[Redacted] (Redacted under section 43(2) of FOI Act 2000)
Submit queries	01/03/21	1pm 10/03/21	[Redacted] (Redacted under section 43(2) of FOI Act 2000)
Answers will be provided by	10/03/21	1pm 16/03/21	[Redacted] (Redacted under section 43(2) of FOI Act 2000)

Action	Start date	End date	Contact
Notify your intention to submit a proposal	N/A	19/03/21	██████████ (Redacted under section 43(2) of FOI Act 2000)
Submit read only tender proposal via email	01/03/21	1pm 22/03/21	██████████ (Redacted under section 43(2) of FOI Act 2000)
Submit read only cost proposal via email	01/03/21	1pm 22/03/21	██████████ (Redacted under section 43(2) of FOI Act 2000)
Evaluation	22/03/21	09/04/21	██████████ (Redacted under section 43(2) of FOI Act 2000)
Face to face presentations by shortlisted agencies	N/A	w/c 05/04/21	██████████ (Redacted under section 43(2) of FOI Act 2000)
Contract award completed	N/A	w/c 12/04/21	██████████ (Redacted under section 43(2) of FOI Act 2000)
Unsuccessful providers noted of outcome	N/A	w/c 12/04/21	██████████ (Redacted under section 43(2) of FOI Act 2000)

12.13 The Department will assume that your tender will remain open for acceptance for a minimum of 60 days from the Tender Deadline or for such other period as may be specified by the Department, unless you specifically state a different period in your tender.

12.14 If your tender is submitted in the name of one company or organisation but you intend submitting invoices in the name of another, or require payments to be made to another, please give full details. Otherwise there may be delay in payment.

13 Summary of requirements

13.1 Tenders should not exceed 50 pages. This should consist of 40 pages of the main body as detailed in section 13.2a below – which need to answer all assessment criteria, plus up to 10 pages of annexes as detailed in section 13.2b below.

13.2 Tenders should include the following information:

- a. The main body should not exceed 40 pages; information beyond this limit will not be considered during evaluation. You should include:
 - A detailed written proposal detailing how you will meet the requirements, aims and objectives as outlined in Sections 3-10 of the ITT. This should also include the proposed team composition including the staffing level of each member of the team and the number of days given to each key stage of the project per team member in this section (excluding costs).
 - Where incentives are proposed, you should include a description of the type of incentive to be used and their total cost in your written proposal (no other cost should be contained within your written proposal);

- A detailed timetable for the proposed research for each specific information requirement, taking into account that outlined in Section 5.
- b. Annexes should not exceed 10 pages. You should include;
- A quality control plan as requested in 8.2 to demonstrate the procedures that will be implemented to assure quality control.
 - The Curriculum Vitae (CV) of key personnel proposed, their status within the company and area of expertise.
 - A fully completed 'ANNEX B Risk Register' as requested in 8.3, which outlines in detail the risks to the project and methods for mitigating them. This can be a separate document but must be included within the 10 page count.
- c. A firm price (exclusive of VAT) for each of the three years in a read-only Excel document as detailed in Section 17. This should be separate from the proposal. It should include:
- a firm and specific total price for the first year and projected costs for year two and three;
 - Details of key individual personnel's chargeable day rates;
 - Chargeable rates for other personnel proposed. Where these can be identified as groups (e.g. administration, support etc.) then a group rate will suffice;
 - Any further costs identified;
 - Bidders will also be required to submit a fully completed 'Annex D Call-Off Rate Card' as part of the procurement exercise, as outlined within sections 17.12 to 17.15.
- d. The following will be included as separate documents and do not form part of the page counts mentioned above:
- A fully completed 'ANNEX A Compliance Check Form' which provides the information necessary for HMRC to undertake the appropriate tax compliance checks. By providing the details requested on this form the tenderer consents to HMRC completing tax compliance checks on their organisation.
 - A fully completed 'ANNEX C Security Plan Questionnaire'. The purpose of this is to outline the tenderer's security arrangements. This will not be evaluated to determine the highest-scoring tenderer as part of the tender, but as per sections 23.3 and 23.4 of this ITT, each tenderer will need to complete this in full prior to be considered for award.

14 Alternative Bids

14.1 HMRC will not allow bidders to submit alternative bids.

Evaluation Criteria

15 Tender Evaluation approach

- 15.1 HMRC will evaluate the contract based on MEAT.
- 15.2 The initial evaluation stage will be based on both Quality (80% of total score) and Cost (20% of total score) to determine MEAT.
- 15.3 HMRC reserves the right to hold a presentation stage subsequent to the initial procurement stage. Should HMRC require a presentation stage then the two highest-scoring Tenderers will be invited to present (Section 16.4e).

16 Quality criteria and how we assess quality

- 16.1 A Tenderer's written proposal will be evaluated to determine their Quality score.
- 16.2 Quality will be assessed separately to cost. Quality criteria will be evaluated on a scale from 0 to 100 (where 0 = totally fails to meet the criteria and 100 = fully meets the requirement, with detailed explanation/evidence in support). A detailed breakdown of the evaluation methodology is as follows:

Score	'Open' Question Criteria
100	The response is excellent and completely relevant. The response is comprehensive, unambiguous and demonstrates an excellent understanding of, and meets, the requirements in all aspects, with no clarification required. The response is well thought out and/or provides <ul style="list-style-type: none">• highly credible examples;• benefits; or• innovation
80	The response is good and highly relevant. The response indicates a good understanding of the requirements and provides sufficient detail across all areas. The response demonstrates how the requirements will be met in the main, which may require minor clarification only.
60	The response is satisfactory and relevant. The response indicates a satisfactory understanding of the requirements in most aspects, although may lack detail in certain areas. The response suggests that the requirements would be met satisfactorily, but may require some clarification.
40	The response is limited and partially relevant. The response indicates partial understanding of the requirement. The response contains ambiguities which suggests that the requirements would not be met unless significant revisions were made to the proposal.
20	The response is poor and only partially relevant. The response addresses some aspects of the requirements but contains insufficient/limited detail or explanation. The response demonstrates only limited understanding of the requirement. The response contains deficiencies which suggest the requirements would not be met.
0	The response is not considered relevant. The response is unconvincing, flawed or otherwise unacceptable. Response fails to demonstrate an understanding of the requirement.

- 16.3 HMRC reserves the right to not consider for award a tender that scores below 60% in any of the quality criteria as listed at section 16.4.

16.4 Tenderers must submit a written proposal demonstrating how they can best meet HMRC's research and service delivery requirements as set out within sections 3-10 of this ITT. In their tender bidders will be evaluated for quality see section 19 for breakdown of weightings:

a. Addressing Aims & Objectives

- The extent to which the proposed approach demonstrates that it will deliver in full the aims and objectives as specified in Section 3.
- The extent to which the tenderer demonstrates that they have understood the context and key issues for the project and have subsequently presented an approach which has been tailored to meet HMRC's requirements.

b. Methodology and scope

- The extent to which the proposed methodology meets the requirements as set out in Section 4 in full.
- The quality of the proposed methodology, including full details of the recruitment approach.
- The extent to which the tenderer can demonstrate that their approach incorporates proven methods to maximise successful contact with the sample, maximise response rates and manage recruitment risk.
- The extent to which the approach to developing research tools meets the requirements for robust findings.
- The extent to which the proposed outputs meet the requirements as set out in Section 7 in full, and the extent to which these have been tailored to best suit the aims and objectives.
- The extent to which key risks to the project have been identified in the risk register and how effective the proposed mitigation strategies are in minimising the impact and/or likelihood of these risks.

c. Delivery to Time

- Whether the tenderer has satisfactorily demonstrated that their strategy will deliver each of the required activities as set out in Section 5 and any additional activities as outlined by the tenderer in their approach, in full within the required timelines or sooner.

d. Team

- The extent to which the tenderer can demonstrate that their proposed team meets the required experience and expertise in full as outlined in Section 9. Please include the staffing level of each member of the team and the number of days given to each key stage of the project per team member in this section (but do not include the costs).

- The extent to which the tenderer demonstrates that their proposed team composition and team management approach will ensure that the team has the capacity to deliver the requirement in full, even during busy periods or in periods of absence and/or illness.

e. Presentation (if required)

- Suppliers invited to the presentation stage will be required to attend a meeting via Microsoft Teams. Suppliers should deliver a short PowerPoint presentation (up to 15 minutes), followed by Q+A from the tender evaluation panel. The details to be examined in the presentation and the scoring will be as follows:
- Explanation and justification of proposed methodological approach - the extent to which tenderers can explain their proposed methodological approach including how it achieves the aims and objectives of the project, and can answer follow-up questions, indicating their understanding of their approach. (10%)
- Identification and understanding of key risks to project - the extent to which tenderers understand the key risks to the project and can outline ways to mitigate these, and answer follow-up questions indicating their understanding of these risks. (5%)
- Explanation of presentation of findings - the extent to which tenderers can successfully explain how their proposed outputs and approach to presenting the findings meet our requirements in sections 4.36 to 4.39 and answer follow-up questions from HMRC. (5%)

16.5 Tenderers should set out their tender according to the quality criteria set out under 16.4 but can add additional sections such as an introduction and summary.

16.6 HMRC may invite suppliers to clarify elements of their proposal as part of the tender process to assess the quality score.

17 Price and how we assess price

17.1 The total three-year budget available for this research is within the range of £950,000 to £1,150,000. Tenderers are asked to submit costings within this range.

17.2 Due to budgetary constraints, HMRC will not consider for award a bid with a total cost exceeding £1,150,000.

17.3 HMRC may consider for award a bid where the total cost across the three projects is less than the range specified at section 17.1, so long as the Tenderer can demonstrate to HMRC's satisfaction that their costs will be sustainable across the lifetime of the contract.

17.4 For evaluation purposes, price forms 20% of the tenderer's overall score.

17.5 Each cost proposal will be scored up to a maximum of 100. Using the lowest total price submitted to complete years one to three as the benchmark, a calculation will be made to establish in percentage terms how much cheaper the lowest bid is relative to other bids and the percentage will then be used to provide a score, as in the following example:

Commented [PA(KOS&T13)]: Redact please

Commented [PA(KOS&T14)]: Redact please

- Lowest price is £400 and is awarded a score 100
- The next lowest price is £425 therefore $\frac{£400}{£425} = 0.94 \times 100 =$ Score of 94
- The next lowest price is £522 therefore $\frac{£400}{£522} = 0.77 \times 100 =$ Score of 77

17.6 Tenderers must separately provide a firm total cost offer, by year for the thirty-eight months¹² (excluding VAT) giving a breakdown of costs in person days to each task, as outlined below. This should be sent separately from the main tender. Separate tables should be provided for each year for the lead contractor and any collaborator and should be in an excel format.

Activity	Personnel (level of staff)	Number of days per team member	Day rate per team member	Overheads	Total cost (£)
Survey design Review and update methodology and sampling strategy for each customer group.					
Questionnaire design Reviewing and updating questionnaires, including piloting of any new questions (including Welsh translation and Welsh speaker section 7.6)					
Advance Notification Letters					
Fieldwork with Individuals					
Fieldwork with Agents					
Fieldwork with Small Businesses					

¹² The first project (year one) is expected to run from April 2021 to May 2022, the second project (year two) is expected to run from May 2022 to May 2023 and the third project (year three) is expected to run from May 2023 to May 2024.

Qualitative fieldwork (including Welsh translation and Welsh speaker section 7.7)					
Behavioural insight Feasibility test (Year 1) Implementing (Year 2 and 3)					
Analysis					
Results Presentations					
Reporting					
Project Management					
Other Costs					
TOTAL	-	-	-	£	£

Commented [PA(KOS&T15)]: Redact the table please

- 17.7 For the avoidance of doubt, the unit costs/rate provided in the cost model at section 17.6 must be the total cost of delivering that activity/service, inclusive of all third-party costs.
- 17.8 Tenderers that do not supply a schedule of costs in the format outlined above will not be accepted. Rows/columns can be added to the above table as necessary.
- 17.9 HMRC may require additional meetings and presentations to those as itemised in section 10.3 above. Tenderers should supply costs per meeting and presentation.
- 17.10 If the decision not to continue with this project at any stage has additional costs associated, this should be clearly identified and a justification for these costs provided. Any additional costs identified will be subject to negotiation and agreement with HMRC prior to any contract being awarded.
- 17.11 The total cost to deliver the first year will be fixed in line with the Tenderer's cost submission.
- 17.12 The total cost to deliver the second and third years will be projections based on the assumption that HMRC's requirements will be consistent from years one to three. Should HMRC wish to proceed with the second and third years under the scope of this contract and there are no amendments to HMRC's requirements then the costs submitted during the tender will be fixed within the subsequent statement(s) of work. Any cost amendments required as a result of potential changes to HMRC's requirements will be calculated using the rate card.

17.13 Tenderers must include a fully completed rate card as part of their cost submission. The rate card template is included with this invitation to tender as 'Annex D Call-Off Rate Card'.

17.14 The rate card will not be evaluated as part of the tender but will be included within the final contract to calculate any amendments to the year 2 and 3 costs if necessary.

17.15 The unit costs/rates provided within the cost proposal should be the same as the unit costs/rates provided within the rate card. HMRC reserves the right to clarify or exclude a Tenderer if they submit a cost proposal that has been calculated with unit costs/rates different to those included within their rate card where HMRC is not satisfied that the cost difference is not reasonable.

18 Presentation Stage

18.1 HMRC reserves the right to hold a presentation stage subsequent to the initial evaluation stage.

18.2 If HMRC proceeds with the presentation stage only the two highest-scoring Tenderers during the initial evaluation stage will be considered for invitation. All other bidders will be excluded from the competition at this stage.

18.3 The second highest-scoring Tenderer will only be invited to the presentation stage if they have scored within 10% of the highest scoring Tender at the initial evaluation stage.

18.4 The final evaluation round will be evaluated based on the scores the Tenderer received for their written proposal and cost at the initial evaluation stage, as well as a new score they will be awarded based on a presentation. The weighting breakdown has been provided within section 19.

18.5 The 20% presentation score will be broken down as per 16.4.e.

18.6 The evaluation methodology will be as Section 16.

19 Summary of evaluation criteria

19.1 The scores for quality and cost will be added to provide an overall score from 0 to 100, as summarised below.

Scoring Matrix (at initial evaluation stage):

Evaluation criteria	Weighting
Quality - tenders	80%
a) Addressing aims & objectives	13.34%
b) Methodology & scope	40%
c) Delivery to Time	13.33%
d) Team	13.33%
Price	20%
Total	100%

Scoring Matrix (with face to face presentation):

Evaluation criteria	Weighting
Quality - tenders	60%
e) Addressing aims & objectives	10%
f) Methodology & scope	30%
g) Delivery to Time	10%
h) Team	10%
Quality – face to face presentations	20%
Price	20%
Total	100%

19.2 The tender with the highest overall mark will be selected by HMRC as the tendering organisation deemed to best meet the requirement and provide greatest value for money.

19.3 Clarifications with suppliers may be required at any point of the tendering process in order to clarify any aspects of their proposals.

General Terms

20 HMRC's rights in the Competitive Procurement Exercise

20.1 HMRC reserves the right to:

- a. waive or change the requirements contained in this document or in the procurement documentation from time to time without prior (or any) notice being given by HMRC;
- b. seek clarification or documents in respect of a Tenderer's submission;
- c. disqualify any Tenderer that does not submit a compliant tender in accordance with the instructions contained in these Tendering Instructions or in the procurement documentation;
- d. disqualify any Tenderer that is guilty of serious misrepresentation in relation to its Tender, expression of interest, or the competitive procurement exercise;
- e. annul a competitive procurement exercise and reject all tenders at any time prior to Award of Contract without incurring any liability to the Tenderer in respect of the cost of participating in the competitive procurement exercise and preparing/submitting a tender;
- f. withdraw this competitive procurement exercise at any time, or to re-invite tenders on the same or any alternative basis;
- g. choose not to award any contract as a result of the current competitive procurement exercise; or
- h. make whatever changes it sees fit to the Timetable, structure or content of the competitive procurement exercise, depending on approvals processes or for any other reason.

21 Tax Compliance

21.1 General

- 21.1.1 As referred to in Regulation 57(3) and 57 (4) of the Public Contracts Regulations, Tenderers may be subject to mandatory or discretionary exclusion if they are found to be in breach of obligations relating to the payment of taxes or social security contributions.
- 21.1.2 HMRC, as a revenue collecting Government Department, reserves the right to (a) conduct revenue compliance checks and enquiries throughout the procurement process and (b) exclude any economic operator from participation in the competitive procurement exercise and/or potential delivery of the contract or framework agreement where it can demonstrate the non-payment of taxes or social security contributions, including in instances where no binding legal decision has been taken by a judicial or administrative body.

21.2 Scope and Conduct of the Revenue Compliance Checks

- 21.2.1 HMRC will undertake revenue compliance checks in connection with the fulfilment of obligations relating to the payment of taxes and social security contributions over the last three years of trading.
- 21.2.2 Where revenue compliance enquiries identify certain circumstances such as, but not necessarily limited to those listed below, the Tenderer may be required to provide additional explanations or background information necessary for a full understanding of the situation:
 - a. time to pay arrangements;
 - b. late payment of taxes;
 - c. late payment of taxes resulting in interest charges; and
 - d. a breach of obligations, which has been established by a judicial or administrative body having final and binding ruling in accordance with the legal provisions of the country in which it is established or with those of any of the jurisdictions of the United Kingdom.
- 21.2.3 Decisions whether to exclude any party will be taken on a case by case basis and will take account of (a) the regulatory provisions, (b) any clarification or additional information that might subsequently be provided by the Tenderer, (c) information available to HMRC from its own resources by virtue of its special status as a revenue collecting Department and administrator of direct and indirect taxes and (d) any other relevant information from any other appropriate source.

22 HMRC eTrading System

- 22.1 HMRC has a "Purchase Order Mandatory Policy" and with effect from 11th November 2019 will process all purchase orders and all invoices using its eTrading system, provided by SAP Ariba.
- 22.2 Successful Tenderers are required to register on the SAP Ariba Network in order to transact with HMRC via the eTrading system and to ensure that they will continue to be able to receive purchase orders from and issue invoices to HMRC.
- 22.3 Registration for HMRC's eSourcing and eTrading portals is undertaken concurrently and instructions are set out here: <http://hmrc.supplier->

eu.ariba.com/ad/register/SSOActions?type=full. SAP Ariba will not charge suppliers to HMRC, VOA or RCDTS to register on the SAP Ariba Network and suppliers will not incur any fees when transacting with HMRC, VOA or RCDTS across HMRC's eTrading system. However, fees may apply when transacting with suppliers' other customers over the SAP Ariba Network.

22.4 Suppliers to HMRC, VOA and RCDTS are not required to invest in any additional products or services from SAP Ariba or from any other supplier in order to transact with HMRC, VOA or RCDTS using HMRC's eTrading system.

22.5 Payment will be made by BACS within 30 days of receipt of a valid invoice.

23 Data security and protection

23.1 The successful contractor will be required to submit a security plan before the start of the contract. This will detail your approach to safeguarding confidential information including your company policies for handling sensitive documents and computer files from unauthorised access. This will contain details of how the following will be administered:

- a. How tenderers will hold data on sampled participants;
- b. How long tenderers will keep data on sampled participants;
- c. What details about participants will be passed to recruiters and/or interviewers; and
- d. How tenderers will destroy data once they have been used. This must include originally transferred data files, copies of data files held on all computers, and copies held on archived back-up systems.

23.2 If you intend to involve sub-contractors at any stage of the project please include details of how you will ensure their compliance with all aspects of the Security Plan.

23.3 'ANNEX C Security Plan Questionnaire' is attached which is assessed on a pass/fail basis. Where suppliers are unable to meet HMRC's data security requirements, they will not be awarded the contract.

23.4 Where the highest scoring bidder is not awarded the contract due to failing to meet HMRC's data security requirements as per section 23.3, HMRC reserves the right to award the contract to the next highest scoring bidder, subject to that bidder meeting HMRC's data security requirements.

24 Other Ethical Issues

24.1 To preserve confidentiality and anonymity, details of individual participants in the research must not be included in the analysis and reports.

24.2 Published outputs of statistics will be consistent with statistical disclosure guidelines, as advised by HMRC.

25 Procurement Transparency

25.1 HMRC is obliged to publish tender documents for all contracts with a whole life value of over £10,000. It is a condition of bidding for this work that applicants agree to the subsequent publication of the contract once awarded.

25.2 If Bidders believe that any of the information requested is commercially sensitive they should provide such information in a separate letter marked as such.

25.3 HMRC ITTs are commercially sensitive documents; the contents of any HMRC ITT should not be divulged to those without a business need to know.

26 Group Bids

26.1 In the event of a group of service providers, suppliers or contractors submitting an acceptable offer, the group will be required to nominate a lead partner with whom the Department can contract. Alternatively the group will need to form themselves into a single legal entity before the contract is awarded. An undertaking that the group will so form themselves, if required by the Department, must be provided when the tender is submitted.

27 Access to Government Information

27.1 Under the Government Code of Practice on Access to Government Information, the Department must reserve the general right to disclose either information about your tender or the tender itself, including your price or range of prices, once a contract is awarded. However, you may request that certain information is not disclosed if to do so would prejudice your legitimate commercial interests. Requests for non-disclosure must accompany your tender and include clear and substantive justification together with a time limit when any confidential information could be disclosed – this is not normally expected to be more than 7 years. It would be helpful, if appropriate, if you could keep the areas that you consider should not be disclosed separate from other areas of your tender. The terms of any confidentiality agreement (not the items themselves – they would remain confidential) would, if necessary, be available for publication.

28 Commissioning Conditions

28.1 By submitting a response to the tender exercise HMRC will deem the Bidder accepts the HMRC additional clauses which are included within the HMRC Clauses Document.

28.2 Additional contractual information relating to the Protection of Information is included in 'RM6018-Call-Off-Contract-Terms'.

Contract Award

29. Acceptance of Offers

29.1 The Department reserves the right not to accept the lowest cost, or any, tender.

29.2 Unless you make any formal statement to the contrary, the Department reserves the right to accept any part of the tender without accepting the remainder.

29.3 Acceptance of a tender/ award of contract will be confirmed by written communication from the Department.

30. Financial Capacity

30.1 HMRC will act in accordance with the Public Contracts Regulations 2015 and Cabinet Office Procurement Policy Note 02/13 (Supplier Financial Risk Issues) when specifying any minimum financial standards and undertaking financial assessments.

Where considered appropriate, on the basis of a financial assessment, award of contract may be conditional on a successful Tenderer providing a Parent Company Guarantee. If the guarantor is a charity, HMRC would need to establish whether anything in the charity's constitution prevents them from performing this role and, if so, whether an alternative guarantor may be required. Where suppliers are unable to satisfy HMRC's minimum financial standards, they will not be awarded

ANNEX B

Supplier Proposal

[REDACTED] (Redacted under section 43(2) of FOI Act 2000)