

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 11/05/2021 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:	IFF Research Ltd
Effective Date:	11/05/2021
Expiry Date:	End date of Initial Period 11/03/2022 End date of Maximum Extension Period: 11/09/2022 Minimum written notice to Supplier in respect of extension: 6 months
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
Key Individuals:	<div><div></div><p>Information redacted under section 43 (2) of FOI Act 2000.</p></div>
Guarantor(s)	N/A

Contract Charges (including any applicable discount(s), but excluding VAT):	Total contract value is £100,000. 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:	<div style="border: 1px solid black; padding: 10px; text-align: center;">  Information redacted under section 43 (2) of FOI Act 2000. </div>

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:
13 May 2021

Name and Title:
Lorna Adams
Director

Signature:

DocuSigned by:

A7BB08667624449...

Date:
11 May 2021

ANNEX A

Customer Project Specification



Research Specification to explore emerging contracting
trends in the labour market

CCS Research Marketplace Agreement (RM6018)

Invitation to Tender

March 2021

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Overview of Requirements

1. Introduction

- 1.1 HM Revenue & Customs (HMRC) invites suppliers from the Research Marketplace agreement (RM6018) to undertake research aimed at gaining a better understanding of contractual arrangements in the labour market.
- 1.2 HMRC intends for this contract to be in place by 16th April 2021, with interim findings delivered in September 2021 and final outputs expected by the end of January 2022
- 1.3 HMRC will maintain the overall management of the project.
- 1.4 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 18.

- 1.5 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

- 2.1. The UK labour market has changed markedly in recent years, adapting to the more flexible way individuals want to provide their services and the more flexible ways engagers¹ want to contract workers for those services.
- 2.2. This has resulted in more flexible hiring models and contractual arrangements that are different from those seen only a decade ago. For instance, according to the ONS Labour Force Surveys, the number of people with zero-hours contracts has increased fivefold since 2001², whilst the number of people who claim to be self-employed has increased from 3.3 million in 2001 to 4.6 million in 2020³.
- 2.3. There has also been a steady increase in the use of digital platforms through which individuals access work across a range of industries and sectors. For example, research from the Foundation for European Progressive Studies (FEPS)⁴ indicates the number of adults in the UK performing paid tasks via online platforms has doubled from 4.7% in 2016 to 9.6% in 2019.
- 2.4. To maintain a tax system which is relevant and responsive to contractual and technological developments, HMRC requires a greater understanding of the prevalence of workers' more flexible contractual arrangements through external research.
- 2.5. By workers, HMRC refers to an individual who has a work contract, be that written or unwritten, which sets out what is required of them and what they receive in return. The focus of this study is on understanding the situation of those who earn their living by selling their own labour to an employer or client. Individuals who provide their own small tools, handheld electronics, computers etc are part of this category. Individuals who sell their labour but also supply their own raw materials to the customer, and/or those who utilise substantial self-owned assets other than

¹ In this context, an engager refers to the organisation with whom the worker has a contract for the provision of their services. This might be an end-client, or an employment intermediary such as an employment agency, an umbrella company or similar, providing labour or services to end-clients.

² <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworking/hours/articles/contractsthatdonotguaranteeaminimumnumberofhours/mar2017>

³ <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/trendsinselfemploymentintheuk/2018-02-07>

⁴ [https://www.feps-europe.eu/attachments/publications/platform20work20in20the20uk202016-201920v3-converted.pdf#:~:text=The%20number%20of%20people%20working,the%20adult%20population%20to%209.6%25.&text=The%20majority%20of%20people%20doing,wit h%2067.1%25%20in%202016\).](https://www.feps-europe.eu/attachments/publications/platform20work20in20the20uk202016-201920v3-converted.pdf#:~:text=The%20number%20of%20people%20working,the%20adult%20population%20to%209.6%25.&text=The%20majority%20of%20people%20doing,wit h%2067.1%25%20in%202016).)

- vehicles e.g. a tree surgeon using their own chipper, or a mechanic with their own premises would be excluded.
- 2.6. An example of somebody supplying materials to a customer would be a bricklayer supplying bricks, a builder supplying building materials, an electrician supplying wiring and fittings. However, charging for the use of a vehicle (a moped, a taxi, a delivery van) which they drive as part of their job would not count as supplying materials. We also want to understand what is happening in that part of the labour market.
 - 2.7. Currently, internal HMRC data is not able to identify the overall number of UK workers who flexibly offer labour or services and there is limited evidence regarding the incidence rate of such individuals. HMRC estimates that roughly 2-3 million UK workers may have work contracts of this nature, however these figures are based on limited information and subject to a wide range of uncertainty.
 - 2.8. HMRC will use gleaned insight to: understand the wider tax implications of the changes in the way workers and engagers contract with each other; gain a richer understanding of how workers are impacted by such changes; and learn which sectors of the economy are more likely to employ labour in this way.

3. Research Aims & Objectives

3.1. The core objectives of this research are to:

- a. Establish a prevalence rate of individuals in the UK workforce whose work contracts allow them to set their own working pattern, and do not require them to accept the work being offered by their engager. This includes workers who have more than one engagement, whose work with different clients may run consecutively or simultaneously.
- b. Estimate the number of individuals in the UK workforce who work in this way and who also use a digital platform or their engagers' website to get access to paid work.
- c. Understand the tax treatment applied for such engagements; i.e. whether the pay is subject to PAYE deductions.
- d. Understand whether such individuals have ever considered their employment status. If so, establish:
 - a) how individuals who are working in these ways perceive their employment status
 - b) which sources they use to get their information on employment status from.
- e. Establish the sectors of the economy in which these arrangements and workers are most commonly found.

- f. Understand whether the worker supplies their labour only or also supply their own vehicle.

3.2. The research aims to answer the following questions:

- a. What is the prevalence rate of individuals in the UK that have work contracts which allow them to select their own working hours or shifts and do not require them to accept work offered?
- b. What proportion of individuals in the UK workforce who work in this way also use a digital platform or their engagers' website to get access paid work?
- c. How the taxes due from such engagements are generally accounted for.
- d. Have these individuals considered their own employment status? If so, how do they perceive their employment status? E.g. do they believe they are employed or self-employed?
- e. Where do these individuals get information on employment status? E.g. engager, the press, HMRC, friends and family, the digital platform or website the individual accesses work through, etc.
- f. What sectors do these individuals work in?

4 Methodology & Scope

- 4.1 An indicative methodology for the research is proposed below. Where Tenderers believe an amendment to the indicative methodology provided below would better meet HMRC's research aims and objectives as set out within Section 3 or otherwise deliver added value to HMRC, Tenderers are permitted to include these amendments in their bids so long as their proposed benefits are clearly justified in the bid.
- 4.2 Tenderers must ensure all approaches are fully justified, and any risks fully explained.
- 4.3 Tenderer's proposed methodology must be fully costed in the manner set out in paragraph 17.

Methodology

- 4.4 HMRC anticipate the project aims and objectives will be best met by conducting a large-scale quantitative survey, either via an ad-hoc survey or by adding questions to an existing survey. The method proposed should be carried out in a timely and cost-

effective way, whilst providing an accurate generalisation of findings to the UK⁵ working population.

- 4.5 Our understanding is that the incidence rate is in the region of 1.9 million (likely between 6% and 9% of the UK working population) and therefore screening in individuals with these contractual arrangements will need to be well-defined. HMRC generated this incidence rate internally but want to validate these assumptions via some external research. Due to this, HMRC envisions survey fieldwork to have a duration of 2-6 months, depending upon the observed incidence rate and rate of completes per the survey method chosen. Assuming an incidence rate of 6%, running questions for this period should allow screening of enough applicable respondents to supply a statistically robust sample size. Given the previously mentioned uncertainties around the incidence of the target population, HMRC is not specifying an exact number of completed interviews for this requirement. However, all bidders' proposals must adhere to the expected levels of statistical power outlined below.
- 4.6 Tenderers must clearly explain and/or provide evidence to illustrate the robustness and representativeness of their sampling approach. Tenderers should also outline any feasibility checks they will make to ensure effective identification of the target individuals and a robust calculation of prevalence. All prevalence rates should aim to yield a confidence interval of +/- 3% for results at the total sample level.
- 4.7 To meet budgetary requirements and given the low prevalence rate of the target sample, tenderers may suggest a multi-stage approach. Tenderers should clearly outline any trade-offs (e.g. relating to representativeness or robustness) related to their decision to include or exclude additional research stages.
- 4.8 In terms of survey mode, HMRC's initial expectation is that this survey could be conducted using a mobile/landline-blended Random Digit Dialling (RDD) approach. However, this is not fixed. Indeed, HMRC would welcome bids utilising alternative, but at least as equally as robust online approaches (like random-probability panels). As such, tenderers are invited to recommend the most suitable survey methodology that would achieve robust and representative results for the research objectives within the provided budget. A full justification for the recommended approach, including strengths and weaknesses, must be provided.
- 4.9 We expect the research to also include basic demographic information such as gender, age, high-level region information etc.

Methodological Challenges

- 4.10 HMRC anticipates there will be methodological challenges to carrying out this research. One key challenge will be ensuring that respondents understand and can answer the survey questions accurately. It will therefore be important that the screening questions are carefully presented in order to screen-in the correct

⁵ While HMRC has a preference for findings which are representative of the UK population, it will also accept bids for which findings are representative of the population of Great Britain.

individuals. Bidders should outline their approach to mitigate screening risks (e.g. through Piloting and/or Cognitive testing).

- 4.11 A further issue could arise around individual's knowledge (or lack of knowledge) of their own work contract. However, given that this is a fundamental feature of employment, HMRC expects individuals to be able to articulate their contractual obligations accurately if the questions are phrased appropriately and carefully. HMRC can help with question design in this area.
- 4.12 Bidders should also consider potential impacts of Covid-19 when determining a methodology for establishing prevalence and outline how they intend to mitigate such risks where appropriate.
- 4.13 The challenges provided in the above section are not exhaustive, and bidders are encouraged to outline additional challenges where relevant.

Sampling

- 4.14 It will not be possible to draw a sample from internal data sources in HMRC, such as Self-Assessment (SA) data, as this would only provide a partial picture of the proportions of the UK population in scope. As mentioned above, a cost-effective sampling approach which provides results that are representative of the UK working age population is required. As such, random probability sampling methods, or other approaches that eliminate or minimise coverage biases in the target population, are therefore recommended.

Data processing and analysis

- 4.15 Tenderers should present their proposed approach for data capture and processing, as well as a brief analysis plan.
- 4.16 As part of this, tenderers should specify a strategy to deliver the prevalence rate of individuals in the UK that have work contracts which allow them to select their own working hours or shifts and do not require them to accept work offered at the 95% confidence level, ideally yielding a confidence interval of +/- 3% for results at the total sample level.
- 4.17 If the sampling approach requires later weighting, bidders should outline how they will handle weighting schema to minimise design effects.
- 4.18 The successful contractor will be required to draft and agree all research instruments and analysis plans with HMRC.

Materials Development

- 4.19 HMRC anticipates that the survey will require a cognitive testing and pilot phase to test how effectively the questionnaire is screening in the required participants. This will verify that participants can answer the questions sufficiently, as well as identifying a preliminary incidence rate.
- 4.20 Tenderers should outline how they will ensure this can be achieved within the timeframe outlined below, to derive maximum value from this exercise and develop suitable strategies to overcome emerging issues at this stage.
- 4.21 HMRC will input and advise on suitable screening questions to determine whether questions sufficiently identify the contractual arrangements required to meet the research aims.

5 Timetable

- 5.1 The timeline provided below is indicative of the timelines expected by HMRC.
- 5.2 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
Deadline for queries on ITT	12.03.2021
HMRC response to ITT queries	18.03.2021
Deadline for response to ITT	26.03.2021
Contract awarded	12.04.2021
Set-up meeting	w/c 19.04.2021
Initial survey design	April 2021
Opt-out	May 2021
Cog testing and pilot stage	May/June 2021
Fieldwork	June-September 2021 (depending on no. of waves needed)
Presentation of interim findings	September 2021
Presentation of findings	October/November 2021
Final outputs signed off, project close	January 2022

- 5.3 Suggestions to condense the timetable above would be welcomed.
- 5.4 Interim findings must be presented to HMRC no later than the end of September 2021. Tenderers should outline what they intend to cover in their interim findings presentation, based on the delivery dates of their proposed timetable.
- 5.5 The successful supplier will be expected to attend a set-up meeting in the week commencing 19.04.2021.

6 Length of Contract

- 6.1 All stages of the project must be completed by January 2022. Tenderers should state if they can meet this deadline but can also suggest alternative timetables with an accompanying justification. HMRC reserves the right to exclude Tenderers who cannot deliver the final outputs by the deadline stated within Section 5.
- 6.2 The total contract duration will be for 10 months with an optional extension period of 4 months.

7 Outputs

- 7.1 HMRC expects the appointed supplier to provide the following research outputs in consultation with HMRC's project manager.
 - i. A detailed project plan outlining key dates and milestones, clearly indicating any actions for HMRC.
 - ii. A set up meeting with the agency and key HMRC stakeholders before the project begins.
 - iii. Weekly progress updates to HMRC's project manager.
 - iv. Summary of findings from the pilot/cognitive testing stage.
 - v. A final survey, to be developed and agreed with HMRC.
 - vi. A presentation, with slide pack, to key stakeholders of the interim findings of the work.
 - vii. A final presentation, with slide pack, to key stakeholders to present the results of the work.
 - viii. Draft and final publishable report to be agreed by the project manager following a drafting and reiteration process. Tenderers should plan for 3 drafts being required. This is not an upper limit depending on the amount of redrafting required. The report should be no longer than 30 pages (plus appendices), including an executive summary.
- 7.2 A complete dataset of results (compatible with SPSS), including weightings and accompanied by an appropriate data dictionary. All summaries, reports, data outputs (e.g. tables and graphs) and presentations should be provided in an

electronic format, compatible with Microsoft Office applications. All presentations and reports should be concise and written in plain English. They should be of a high standard suitable for online publication.

- 7.3 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. Tenderers should assume that reports, topic guides and presentation will require amendment in light of comments made by HMRC, 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 and costings for the research.
- 7.4 HMRC may arrange for any final reports produced to be peer-reviewed, either in-house or externally.
- 7.5 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>

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. This should cover the following:
- Development of recruitment materials;
 - Fieldwork stage;
 - Analysis;
 - Reviewing data in the final outputs, including the presentation and report.
- 8.3 It is the responsibility of the contractor to quality assure the data. As part of this, HMRC will review a set proportion of the figures in the outputs. If HMRC deems the level of error to be systemic, HMRC will expect the contractor to conduct a further full review of all outputs before re-submission.
- 8.4 In addition to the above, contractors are expected to outline their quality assurance processes and/or systems for the project in accordance with bid evaluation criterion (Section 16). This should also be accompanied by a named member of the project, at an appropriate level of seniority, who will be responsible for the overall quality of the project and provide, where necessary, written confirmation that quality assurance has been performed.

- 8.5 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 A.

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. Experience of conducting research to inform policy development.
 - b. Knowledge and experience of quantitative techniques, in particular of conducting large-scale representative surveys, surveys where over-sampling is required of 'hard to reach' populations and/or populations on which little evidence is available, and surveys to reliably measure the size of populations.
 - c. Experience conducting research and developing survey questionnaires around tax topics, including potentially sensitive topics, such as non-compliance.
- 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.

10 Project Management and Contract Administration

- 10.1 [REDACTED] is the HMRC Manager for this project. He 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 him. The research organisation will be required to appoint a contract manager who will act as the principal point of contact for the Department. (Information redacted under section 43 (2) of FOI Act 2000.)
- 10.2 The research organisation will be expected to work closely with the HMRC project manager and through him, with internal customers within HMRC throughout the duration of the contract. He 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. [REDACTED] is responsible for all decisions that involve funding. (Information redacted under section 43 (2) of FOI Act 2000.)
- 10.3 In costing your tender you should allow for attendance at a minimum of 3 meetings. Most meetings are expected to take place over Microsoft teams, due to Coronavirus restrictions. Although, if we are in a place where face to face presentations may take place, we expect them to take place 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 initial findings / ensure robustness of the research; and
 - c. Presentation of key findings and final analysis.

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 4pm on 12th March 2021. Responses will be sent to all suppliers. (Information 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] by 4pm, 19th March 2021. (Information redacted under section 43 (2) of FOI Act 2000.)

- 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 address [REDACTED] and [REDACTED] no later than 4pm on 26th 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 should be submitted separately from the proposal to the following email address [REDACTED] by the same time as stated in 12.2. You should not send the costs information to the named contact in 12.2.
- (Information redacted under section 43 (2) of FOI Act 2000)
- 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 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 '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	Contact
ITT issued	01.03.2021	[REDACTED]
Suppliers to confirm receipt of ITT	By 05.03.2021	[REDACTED]
Submit queries	By 4pm, 12.03.2021	[REDACTED]

Action	Start date	Contact
Answers will be provided by	18.03.2021	[REDACTED]
Notify your intention to submit a proposal	By 4pm, 19.03.2021	[REDACTED]
Submit read only tender and cost proposal via email	By 4pm, 26.03.2021	[REDACTED]
Evaluation	29.03.2021 – 02.04.2021	[REDACTED]
Contract award completed	w/c 12.04.2021	[REDACTED]
Unsuccessful providers noted of outcome	w/c 12.04.2021	[REDACTED]

(Information 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 include the following information:

- a. A written proposal in a read-only pdf including:
 - 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 include details of the methodology. 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).
 - A detailed timetable for the proposed research for each specific information requirement, taking into account that outlined in Section 5;
 - A quality control plan as requested in 8.2 to demonstrate the procedures that will be implemented to assure quality control. This particular document should be attached to the written proposal as an annex.
 - A risk register as outlined in 8.5 which outlines in detail the risks to the project and methods for mitigating them. This particular document should be attached to the written proposal as an annex.

- The Curriculum Vitae (CV) of key personnel proposed, their status within the company and area of expertise. This particular document should be attached to the written proposal as an annex.
- b. A firm price (exclusive of VAT) in a read-only pdf as detailed in Section 17. This should be separate from the proposal. It should include:
- a firm and specific total price;
 - 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.
- c. A fully completed 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. This particular document should be attached to the written proposal as an annex.
- d. A fully completed security plan is provided in Annex B. 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 22.3 and 22.4 of this ITT, each tenderer will need to complete this in full prior to be considered for award.

13.2 Tenders should not exceed 25 pages (including annexes). Information included after this limit will not be considered.

14 Alternative Bids

14.1 HMRC is not accepting alternative bids for this research.

Evaluation Criteria

15 Tender Evaluation approach

15.1 HMRC will evaluate the contract based on MEAT. Quality forms 80% and price 20% of our assessment of MEAT.

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 16.2.

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 on:

a. Addressing Aims & Objectives (10%)

- 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 (35%)

- The extent to which the proposed methodology meets the requirements as set out in Section 4 in full.
- The extent to which the tenderer proposes an appropriate and effective recruitment strategy for the specified research participants
- The extent to which data collection strategies maximise successful contact with the sample.
- The extent to which the tenderer can demonstrate that their approach incorporates proven methods to maximise response rates and manage recruitment risk.

- The extent to which bidders explain that their chosen sampling approach will yield representative results.
- 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 (10%)

- 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 (15%)

- 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. Quality standards (10%)

- Whether the tenderer has satisfactorily demonstrated that they are able to meet the professional accreditation and/or quality standards as set out in Section 8.
- The extent to which the quality control plan submitted by the tenderer satisfactorily demonstrates that the proposed internal procedures will effectively assure quality control as set out in clause 8.3 of the ITT.

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 budget available for this research is within the range of £80k to £100k. Tenderers are asked to submit costings within this range.

- 17.2 If a bid is submitted with a total cost below the range included within 17.1, the bidder must demonstrate how this cost will be sustainable and viable throughout the lifetime of the contract. HMRC reserves the right to exclude bids where sufficient justification for a lower cost is not provided.
- 17.3 Due to budgetary constraints HMRC reserves the right not to award to a bid where the total costs exceed the range specified within 17.1.
- 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 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:
- Lowest price is £400 and is awarded a score 100
 - The next lowest price is £425 therefore $\frac{£400}{£425} = 0.94 \times 100 = \text{Score of } 94$
 - The next lowest price is £522 therefore $\frac{£400}{£522} = 0.77 \times 100 = \text{Score of } 77$
- 17.6 Tenderers must separately provide a firm total cost offer (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 the lead contractor and any collaborator.

Team to specify detail of costs table

Activity	Personnel (level of staff)	Number of days per team member	Day rate per team member	Over- heads	Total (£)
Project Management – including initial set-up meeting, regular updates, progress checks, and any additional meetings.					
Development – including survey development and development meetings.					
Cognitive testing of survey/pilot stage.					
Sampling for survey.					
Quantitative fieldwork.					
Quantitative analysis.					

Activity	Personnel (level of staff)	Number of days per team member	Day rate per team member	Over- heads	Total (£)
Reporting – including presentations of interim and final findings, and writing of draft/final reports (inclusive of corrections).					
Provision of full dataset.					
Other costs including administration, travel and subsistence.					

- 17.7 For the avoidance of doubt, the unit costs/rate provided in the cost model at 17.5 must be the total cost of delivering that activity/service, inclusive of all third-party costs.
- 17.8 Tenders 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 paragraph 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.

18 Summary of evaluation criteria

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

Evaluation criteria	Weighting
Quality	80%
a) Addressing aims & objectives	10%
b) Methodology & scope	35%
c) Delivery to Time	10%
d) Team	15%
e) Quality standards	10%
Price	20%
Total	100%

- 18.2 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.
- 18.3 Clarifications with suppliers may be required at any point of the tendering process in order to clarify any aspects of their proposals.

General Terms

11. HMRC's rights in the Competitive Procurement Exercise

11.1 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.

12. Tax Compliance

12.1 General

- 12.1.1 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.
- 12.1.2 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.

12.2 Scope and Conduct of the Revenue Compliance Checks

12.2.1 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.

12.2.2 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.

20.2.3 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.

13. HMRC eTrading System

21.1 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.

21.2 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.

21.3 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.

21.4 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.

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

14. Data security and protection

14.1 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.

14.2 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.

14.3 A Security Plan questionnaire is attached (please see Annex B) 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.

14.4 Where the highest scoring bidder is not awarded the contract due to failing to meet HMRC's data security requirements as per 22.3, HMRC reserves the right to award the contract to the next highest scoring bidder, subject to that bidder meeting HMRC's data security requirements.

15. Other Ethical Issues

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

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

16. Procurement Transparency

16.1 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.

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

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

17. Group Bids

- 17.1 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.

18. Access to Government Information

- 18.1 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.

19. Commissioning Conditions

- 19.1 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.

Contract Award

17. Acceptance of Offers

- 17.1 The Department reserves the right not to accept the lowest cost, or any, tender.
- 17.2 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.
- 17.3 Acceptance of a tender/ award of contract will be confirmed by written communication from the Department.

18. Financial Capacity

- 18.1 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.
- 18.2 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 the contract.

ANNEX B

Supplier Proposal

[REDACTED]

Information redacted under section 43 (2) of FOI Act 2000.