

## DPS SCHEDULE 4: LETTER OF APPOINTMENT AND CONTRACT TERMS

### Part 1: Letter of Appointment

Department of Work and Pensions  
REDACTED.

Dear Sarah,

### Letter of Appointment

This letter of Appointment is issued in accordance with the provisions of the DPS Agreement RM6018 between CCS and the Supplier dated 16<sup>th</sup> February 2018.

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

Order Number:	REDACTED
From:	Department for Work and Pensions ("Customer")
To:	National Institute of Economic and Social Research ("Supplier")

Effective Date:	9 <sup>th</sup> October 2018
Expiry Date:	End date of Initial Period 8 <sup>th</sup> April 2019 For the avoidance of doubt, an extension shall not be permitted in respect of this contact.

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, the Supplier's Proposal attached at Annex B and Annex C Price Schedule.
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Key Individuals:	REDACTED
[Guarantor(s)]	NOT APPLICABLE.

Contract Charges (including any applicable discount(s), but excluding VAT):	£97,910.00
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Insurance Requirements	As per Part 2, Contract Terms, Research Marketplace Dynamic Purchasing System RM6018.
Customer billing address for invoicing:	REDACTED
Alternative and/or additional provisions (including Schedule 6 (Additional clauses)):	REDACTED

**FORMATION OF CONTRACT**

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

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

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

**For and on behalf of the Supplier:**

Name and Title:

Signature:

Date:

**For and on behalf of the Customer:**

Name and Title:

Signature:

Date:

## ANNEX A

### Customer Project Specification

#### 1. Purpose

- 1.1 The Customer commissions this research to understand the relationship between changes in ill health and/or disability and an individual's employment status. The research shall illustrate the characteristics, distribution and journeys of individuals whose employment status is affected by ill health and/or disability and improve understanding of the risk and protective factors associated with changes over time.
- 1.2 The purpose of this study is to inform policy development and targeted support to:
  - 1.2.1 Prevent health-related job loss; and
  - 1.2.2 Help people out of work due to ill health and/or disability to enter employment.
- 1.3 In addition, the research is intended to inform the development of a measurement framework to monitor progress on the improvement of work and health outcomes.

#### 2. Background to the Customer

- 2.1 The Customer is responsible for welfare, pensions and child maintenance policy.
- 2.2 The Customer has a strong track record regarding evaluation of its policies and using the evidence generated to inform policy decisions and improve operational delivery.
- 2.3 This research is being commissioned jointly by the Department for Work and Pensions/Department of Health, Work and Health Unit. The Work and Health Unit exists to prevent health-related job loss and support people affected by ill health and/or disability to enter employment and progress in work.

#### 3. Overview of the Requirement

- 3.1 The recent strategy publication *Improving Lives: the Future of Work, Health and Disability* sets out how the government will work with employers, charities, healthcare providers and local authorities to break down barriers and transform employment prospects for disabled people and people with health conditions over the next 10 years.
- 3.2 This is a complex and challenging agenda. As the strategy acknowledges, building the evidence base is a critical early step in providing the foundation from which to specify the critical challenges and develop effective policy solutions.
- 3.3 Analysis of the Labour Force Survey provides the Customer with robust headline information on the employment of disabled people and/or those affected by ill health. However, it does not allow the Customer to understand the details of the relationship between an individual's employment circumstances and their health and how these change over time periods beyond a year.
- 3.4 A thorough understanding of the pattern, distribution, nature, timing and drivers of changes in employment and health status is a prerequisite to identifying key issues in the current system and developing evidence-based solutions. The focus of this research is to exploit the longitudinal data available within the Understanding Society survey to fill this knowledge gap.
- 3.5 The research shall inform several areas of subsequent policy development by enabling the Customer to:

- 3.5.1 Specify target populations;
  - 3.5.2 Focus on critical intervention points;
  - 3.5.3 Develop efficient interventions; and
  - 3.5.4 Monitor outcomes effectively.
- 3.6 The work could also inform potential testing and trialling to be funded through the Work and Health Unit Innovation Fund.

#### 4. Definitions

Expression or Acronym	Definition
Journey	means trajectory of individuals health and/or employment status.
Transition	means change in (work and/or health) status.
Labour market detachment	means loss of employment or a transition to sickness absence.

#### 5. Scope of Requirement

- 5.1 The research must focus on secondary analysis of the Understanding Society longitudinal dataset for people of working age.
- 5.2 The research may give additional consideration of other data sources where it would complement Understanding Society in addressing the requirements detailed below.
- 5.3 The research objectives are to, among working-age people:
  - 5.3.1 Describe the pattern and distribution of health-related changes in employment status;
  - 5.3.2 Identify the determinants and mediators of health-related changes in employment status; and
  - 5.3.3 Inform how to best measure health and employment outcomes.
- 5.4 The research shall address a range of primary research questions set out below.
- 5.5 Proposals for primary data collection are excluded from this Requirement.

#### 6. The Requirement

- 6.1 The primary research questions to be addressed are as follows.
  - 6.1.1 Descriptive: pattern and distribution of health-related changes in employment.
    - 6.1.1.1 To what extent and how it is best possible to identify health-related changes in individuals' employment status?
    - 6.1.1.2 How are health-related changes in employment status distributed across the working-age population?
    - 6.1.1.3 To what extent are there social gradients in health-related transitions in employment status?

- 6.1.1.4 Which health conditions are most commonly associated with changes in employment status? How common are co-occurring health conditions and which combinations are most prevalent? What is the absolute scale/size of different groups?
  - 6.1.1.5 Which functional impairments are most commonly associated with changes in employment status? How common are co-occurring impairments and which combinations are most prevalent?
  - 6.1.1.6 In what ways can the population of those whose employment status is affected by ill health and/or disability be usefully segmented to identify priority areas that could be targeted and influenced by policy?
- 6.1.2 Predictive: determinants and mediators of health-related changes in employment status.
- 6.1.2.1 What are the underlying causes of labour market detachment? How far do changes in health status predict changes in employment status over and above other risk/protective factors?
  - 6.1.2.2 Are changes in functional impairment, rather than health conditions, better predictors of changes in employment status? How important a factor is severity of condition or impairment?
  - 6.1.2.3 Which factors are the most effective mediators of the impact of changes in health status on employment?
  - 6.1.2.4 Does the presence, or development, of multiple health conditions affect the predictive power of wider risk/protective factors in determining changes in employment status?
  - 6.1.2.5 Does the presence, or development, of multiple functional impairments affect the predictive power of wider risk/protective factors in determining changes in employment status?
  - 6.1.2.6 For those affected by common health conditions, what distinguishes those who encounter a change in employment status from those that remain in work?
  - 6.1.2.7 How important is the nature of an individual's job and work environment as a risk/protective factor in explaining health-related employment transitions?
  - 6.1.2.8 Is it possible to identify points in individual's health journeys that would indicate the optimum time to intervene in relation to employment outcomes?
  - 6.1.2.9 What are the fluctuations in health and disability status and to what extent do they predict transitions in employment status?
- 6.1.3 How to best measure health and employment outcomes.

- 6.1.3.1 What are the most appropriate ways of measuring the flows of disabled people into and out of employment, considering that disability status can change over time?
- 6.1.3.2 In addition to looking at flows into and out of work, what other indicators could be used to measure changes over time in the experiences of disabled people, with regards to work and health?
- 6.1.3.3 What are the most appropriate ways of measuring changes over time in the experiences of the wider population affected by ill health with regards to employment?

## 6.2 Methods

- 6.2.1 The Supplier shall consider innovative methodologies for this research that would best address the questions specified above. The Customer anticipates the work shall involve longitudinal multivariate descriptive and predictive modelling.
- 6.2.2 The Supplier may consider other data sources where it would complement the Understanding Society dataset in addressing the requirements detailed below.
- 6.2.3 Consideration should be given to whether the methodologies and techniques proposed would support effective translation of evidence for a policy audience. In addition, the Supplier shall consider other key methodological considerations, as well as strategies for mitigating potential data or technical limitations.

## 6.3 Outputs

- 6.3.1 The Supplier shall provide the following deliverables:
  - 6.3.1.1 An accessible final report in line with the Customer's publication standards (see section 9.1 for details);
  - 6.3.1.2 Fully quality-assured and documented programming code. The Customer's most commonly used software package for analysis is SAS;
  - 6.3.1.3 A methodological guide documenting the research process and rationale for decisions taken; and
  - 6.3.1.4 Attendance at Customer's premises to share interim findings, final findings and methodological process (half day for each, 3 half days total). This must include delivery of a seminar or workshop that covers the methodological process. See milestones 3-5 in section 7 for details.

## 6.4 Capability building

- 6.4.1 As a corollary of the project the Customer aims to build the capability of its directly employed staff, during the course of the Contract, to apply appropriate longitudinal methods to address these (and other similar)

research objectives. The Customer anticipates this to include but not necessarily be limited to:

- 6.4.1.1 Evaluation and choice of methodological design.
  - 6.4.1.2 Data preparation and formatting for longitudinal analysis.
  - 6.4.1.3 Variable choice, manipulation and derivation.
  - 6.4.1.4 Identification and handling of data issues and other technical challenges.
  - 6.4.1.5 Statistical method choices and application.
  - 6.4.1.6 Inference and interpretation for a policy audience.
  - 6.4.1.7 Caveats.
- 6.4.2 The Supplier shall consider how to best facilitate the learning objectives outlined above. In addition to the deliverables specified in section 6.3, the Customer anticipates approaches should include, but not be limited to:
- 6.4.2.1 Collaborating closely with the Customer during the development of the research.
  - 6.4.2.2 Regular checkpoints to review and discuss requirements, methodological approaches to solutions and the process of choices taken.

## 7. Key Milestones

7.1 The Supplier shall note the following project milestones that the Customer will measure the delivery against:

Milestone	Description	Timeframe
1	Project initiation meeting between Supplier and the Customer	Within week 1 of Contract Award
2	Steering Group meeting to discuss detailed plans	By end of month 1 of Contract
3	Delivery and presentation of interim findings and second steering group meeting	By month 3 of Contract
4	Delivery and presentation of draft final report	By month 6 of Contract
5	Delivery of training documentation and seminar	By month 6 of Contract

## 8. Customer's Responsibilities

- 8.1 The Customer will keep the Supplier informed about relevant policy developments through regular catch-up meetings.
- 8.2 The Customer will arrange for an Expert Steering Group to oversee the work, with three meetings in person over the life of the project and email exchanges between meetings. The Customer anticipates that Steering Group meetings will be held in London.

## **9. Reporting**

- 9.1 A final report of the project will be required, including an accessible summary, in line with the Customer's publication standards:  
<https://www.gov.uk/government/publications/dwp-research-reports-style-guide>. This should clearly state the methods used. The report should cite any relevant research literature, with citations in BMJ Vancouver style.
- 9.2 The Supplier shall provide a fully documented and quality assured copy of any programming code on completion of the project.

## **10. Continuous Improvement**

- 10.1 The Supplier shall continually improve the way in which the required Services are to be delivered throughout the Contract duration.
- 10.2 Any changes to the way in which the Services are to be delivered must be brought to the Customer's attention and agreed prior to any changes being implemented.

## **11. Quality**

- 11.1 The Supplier shall adhere to current Social and Market Research and Data Protection standards.
- 11.2 All outputs shall be clearly written, and written in such a way that it makes them easily accessible to a non-technical audience. All technical jargon and terminology shall be fully explained and plain English used throughout the reports.

## **12. Staff and Customer Service**

- 12.1 The Supplier shall provide a sufficient level of resource throughout the duration of the Contract in order to consistently deliver a quality service to all Parties.
- 12.2 The Supplier's staff assigned to the Research shall have the relevant qualifications and experience to deliver the Contract.
- 12.3 The Supplier shall ensure that staff understand the Customer's vision and objectives and shall provide excellent customer service to the Customer throughout the duration of the Contract.
- 12.4 The Supplier shall:
- 12.4.1 Appoint a dedicated account manager with a named deputy/alternative contact who shall ensure the smooth running of the project.
  - 12.4.2 Attend meetings arranged by the Customer at key points throughout the project timetable. Meetings shall be held at the Customer's offices (London, Sheffield or Leeds).
  - 12.4.3 Prepare for and attend at least two Steering Group meetings.
  - 12.4.4 Provide informal updates and scheduled progress updates at the frequency agreed with the Customer.
  - 12.4.5 Undertake to respond to all queries within 48 hours of receipt.
  - 12.4.6 Demonstrate value for money in their research proposals.

## **13. Service levels and Performance**

- 13.1 The Customer will measure the delivery by:

KPI/SLA	Service Area	KPI/SLA description	Target
1	Delivery of project outputs	Project outputs delivered in line with the timetable	100% on time and in line with DWP publication guidance (Section 9.1)
2	Quality Assurance	Project outputs to be peer reviewed and follow an approval process before submission to assure suitability for publication and for informing policy decisions	100% peer reviewed and signed as checked
3	Response time	Responding to the Customer's questions.	Acknowledgment within 48 hours (Monday – Friday)
4	Project Management	Weekly project updates	100%

- 13.2 The Supplier shall ensure sound processes for quality assurance are in place and should demonstrate their internal procedures to assure and control quality in all aspects of the study.
- 13.3 Where the Customer identifies poor performance against the agreed KPIs, the Supplier shall attend a performance review meeting. The performance review meeting shall be at an agreed time no later than 10 working days from the date of notification at the Customer's premises.
- 13.4 The Supplier shall provide a full incident report which describes the issues and identifies the causes. The Supplier shall also prepare a full and robust 'Service Improvement Action Plan' which sets out its proposals to remedy the service failure. The Service Improvement Plan shall be subject to amendment following the performance review meeting and agreed by both parties prior to implementation.
- 13.5 The Customer agrees to work with the Supplier to resolve service failure issues. However, it shall remain the Suppliers sole responsibility to resolve any service failure issues.
- 13.6 Where the Supplier fails to provide a Service Improvement Plan or fails to deliver the agreed Service Improvement Plan to the required standard, the Customer reserves the right to seek early termination of the Contract in accordance with the procedures set out in Part 2 Terms and Conditions.

#### **14. Security Requirements**

- 14.1 The results of the analysis and any commentary are to be treated as the Customer's official information until published.
- 14.2 The Supplier shall comply with and agree with the Customer's 'Generic Security Accreditation Document' (Part 3 – Generic Security Accreditation Document) without caveats or limitations.

#### **15. Intellectual Property Rights (IPR)**

- 15.1 The Customer shall have ownership of any reports and intellectual property associated with the outputs from the research.

**16. Payment**

16.1 REDACTED

**17. Location**

17.1 REDACTED.

## ANNEX B

REDACTED

**ANNEX C PRICE SCHEDULE**

REDACTED