

## S2 - PRECEDENT CONTRACT FOR THE PURCHASE OF SERVICES

### SECTION A

This Contract is dated Thursday 15<sup>th</sup> July 2021

#### Parties

- (1) **The Department for Business, Energy and Industrial Strategy (BEIS)**, 1 Victoria Street, London, SW1H 0ET (**The Contracting Authority**).
- (2) **Behavioural Insight limited**, a company incorporated and registered in England, United Kingdom with company number **08567792** whose registered office is at 4 Matthew Parker St, London, Greater London, SW1H 9NP (**the Supplier**)

#### Background

The Contracting Authority wishes the Supplier to supply, and the Supplier wishes to supply, the Services (as defined below) in accordance with the terms of the Contract (as defined below).

#### A1 Interpretation

A1-1 **Definitions.** In the Contract (as defined below), the following definitions apply:

**Agent:** Where UK Shared Business Services is not the named Contracting Authority is Parties (1), UK SBS has been nominated as agent on behalf of the Contracting Authority and therefore all communications both written and verbal will be received as issued by the Contracting Authority.

**Associated Bodies and Authorised Entities:** Associated Bodies and Authorised Entities include but are not limited to The Science and Technology Facilities Council, The Medical Research Council, The Engineering and Physical Sciences Research Council, The Economic and Social Research Council, The Natural Environment Research Council, The Arts and Humanities Research Council, The Biotechnology and Biological Sciences Research Council, UK SBS Ltd, Central Government Departments and their Agencies, Non Departmental Public Bodies, NHS bodies, Local Authorities, Voluntary Sector Charities, and/or other private organisations acting as managing agents or procuring on behalf of these UK bodies. Further details of these organisations can be found at:  
<http://www.uksbs.co.uk/services/procure/contracts/Pages/default.aspx>

**Business Day:** a day (other than a Saturday, Sunday or public holiday) when banks in London are open for business.

**Charges:** the charges payable by the Contracting Authority for the supply of the Services in accordance with clause B4.

**Commencement:** the date and any specified time that the Contract starts

**Conditions:** the terms and conditions set out in this document as amended from time to time in accordance with clause C7-11.

**Confidential Information:** any confidential information, knowhow and data (in any form or medium) which relates to UK SBS, the Contracting Authority or the Supplier, including information relating to the businesses of UK SBS, the Contracting Authority or the Supplier and information relating to their staff, finances, policies and procedures. This includes information identified as confidential in the Order or the Special Conditions (if any).

**Contract:** the contract between the Contracting Authority and the Supplier for the supply of the Services, in accordance with these Conditions, any Special Conditions and the Order only.

**Contracting Authority:** The Department for Business, Energy and Industrial Strategy, as specified at Section A (1) and any replacement or successor organisation.

**Deliverables:** all Documents, products and materials developed by the Supplier or its agents, contractors and employees as part of or in relation to the Services in any form, including computer programs, data, reports and specifications (including drafts).

**Delivery Date (Services):** the date or dates specified in the Order when the Services shall commence as set out in the Order and until the end date specified in the Order.

**Document:** includes, in addition to any document in writing, any drawing, map, plan, diagram, design, picture or other image, tape, disk or other device or record embodying information in any form.

**EIR:** The Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such regulations.

**FOIA:** The Freedom of Information Act 2000 and any subordinate legislation made under the Act from time to time, together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such legislation.

**GDPR:** The General Data Protection Regulations as amended from time to time.

**Information:** has the meaning given under section 84 of FOIA.

**Intellectual Property Rights:** all patents, rights to inventions, utility models, copyright and related rights, trademarks, service marks, trade, business and domain names, rights in trade dress or get-up, rights in goodwill or to sue for passing off, unfair competition rights, rights in designs, rights in computer software, database right, topography rights, rights in confidential information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications for and renewals or extensions of such rights, and all similar or equivalent rights or forms of protection in any part of the world.

**Order:** the Contracting Authority's order for the Services and Supplies, as set out in the Contracting Authority's completed purchase order form (including any Specification) which is in the format of the pro forma order form attached at Schedule 2. For the avoidance of doubt, if the Contracting Authority's purchase order form is not in the format of the pro forma order form at Schedule 2, it will not constitute an Order.

**Public Body:** any part of the government of the United Kingdom including but not limited to the Northern Ireland Assembly and Executive Committee, the Scottish Executive and the National Assembly for Wales, local authorities, government ministers and government departments and government agencies.

**Request for Information:** a request for Information or an apparent request under FOIA or EIR.

**Scheme Effective Date:** the date on which the United Kingdom Research and Innovation become a legal entity.

**Services:** The Services, including without limitation any Deliverables and Supplies required to complete the Services, to be provided by the Supplier under the Contract as set out in the Order.

**Special Conditions:** the special conditions (if any) set out in Schedule 1.

**Specification:** any specification for the Services, including any related plans and drawings that is supplied to the Supplier by the Contracting Authority, or produced by the Supplier and agreed in writing by the Contracting Authority.

**Supplier or Suppliers:** the parties to the contract as named in Section A (2).

**Supplier's Associate:** any individual or entity associated with the Supplier including, without limitation, the Supplier's subsidiary, affiliated or holding companies and any employees, agents or contractors of the Supplier and / or its subsidiary, affiliated or holding companies or any entity that provides services for or on behalf of the Supplier.

**Supplies:** any such thing that the Supplier is required to Deliver, that is not Services or Deliverables

**TUPE:** The Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended or replaced from time to time.

**UKRI:** UK Research Council and Innovation, established as a body corporate in accordance with the Higher Education and Research Act 2017.

**UK SBS:** UK Shared Business Services Limited (a limited company registered in England and Wales with company number 06330639). Where UK SBS is not named as the Contracting Authority within section A (1), UK SBS will be acting as an agent on behalf of the Contracting Authority.

**Working Day:** any Business Day excluding 27, 28, 29, 30 and 31 December in any year.

A1-2 **Construction.** In the Contract, unless the context requires otherwise, the following rules apply:

A1-2-1 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).

A1-2-2 A reference to a party includes its personal representatives, successors or permitted assigns.

A1-2-3 A reference to a statute or statutory provision is a reference to such statute or provision as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as amended or re-enacted.

A1-2-4 Any phrase introduced by the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

A1-2-5 The headings in these Conditions are for ease of reference only and do not affect the interpretation or construction of the Contract.

A1-2-6 A reference to **writing** or **written** includes faxes and e-mails.

## **A2 Basis of contract**

A2-1 Where UK SBS is not the Contracting Authority, UK SBS is the agent of the Contracting Authority for the purpose of procurement and is authorised to negotiate and enter into contracts for the supply of Services on behalf of the Contracting

Authority. UK SBS will not itself be a party to, nor have any liability under, the Contract unless it is expressly specified as Contracting Authority in the Order.

- A2-2 The terms of this Contract, any Special Conditions and the Order apply to the Contract to the exclusion of all other terms and conditions, including any other terms that the Supplier seeks to impose or incorporate (whether in any quotation, confirmation of order, in correspondence or in any other context), or which are implied by trade, custom, practice or course of dealing.
- A2-3 If there is any conflict or inconsistency between the terms of this Contract, the Special Conditions (if any) and the Order (including any Specification), the terms of the Contract will prevail over the Special Conditions and the Special Conditions will prevail over the Order (including any Specification), in each case to the extent necessary to resolve that conflict or inconsistency.
- A2-4 The Order constitutes an offer by the Contracting Authority to purchase the Services in accordance with this Contract (and any Special Conditions). This offer shall remain valid for acceptance by the Supplier, in accordance with clause A2-5, for 28 days from the date of the Order. Notwithstanding that after 28 days the offer will have expired, the Contracting Authority may, at its discretion, nevertheless treat the offer as still valid and may elect to accept acceptance by the Supplier, in accordance with clause A2-5, as valid acceptance of the offer.
- A2-5 Subject to clause A2-4, the Order shall be deemed to be accepted on the date on which authorised representatives of both parties have signed a copy of this Contract, at which point the Contract shall come into existence. The Contract shall remain in force until all the parties' obligations have been performed in accordance with the Contract, at which point it shall expire, or until the Contract has been terminated in accordance with clause A3.

### **A3 Termination**

- A3-1 The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may terminate the Contract in whole or in part at any time before the Services are provided with immediate effect by giving the Supplier written notice, whereupon the Supplier shall discontinue all work on the Contract. The Contracting Authority shall pay the Supplier fair and reasonable compensation for work-in-progress at the time of termination, but such compensation shall not include loss of anticipated profits or any consequential loss. The Supplier shall have a duty to mitigate its costs and shall on request provide proof of expenditure for any compensation claimed.
- A3-2 The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may terminate the Contract with immediate effect by giving written notice to the Supplier if:
- A3-2-1 the circumstances set out in clauses B2-1-1, C3 or C4-1 apply;
  - A3-2-2 the Supplier breaches any term of the Contract and (if such breach is remediable) fails to remedy that breach within [30] days of being notified in writing of the breach; or
  - A3-2-3 the Supplier suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or (being a company) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986, or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986, or (being a partnership) has any partner to whom any of the foregoing apply; or

- A3-2-4 the Supplier commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors; or
- A3-2-5 (being a company) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the Supplier; or
- A3-2-6 (being an individual) the Supplier is the subject of a bankruptcy petition or order; or
- A3-2-7 a creditor or encumbrancer of the Supplier attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 14 days; or
- A3-2-8 (being a company) an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator is appointed over the Supplier; or
- A3-2-9 (being a company) a floating charge holder over the Supplier's assets has become entitled to appoint or has appointed an administrative receiver; or
- A3-2-10 a person becomes entitled to appoint a receiver over the Supplier's assets or a receiver is appointed over the Supplier's assets; or
- A3-2-11 any event occurs, or proceeding is taken, with respect to the Supplier in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause A3-2-3 to clause A3-2-10 inclusive; or
- A3-2-12 there is a change of control of the Supplier (within the meaning of section 1124 of the Corporation Tax Act 2010); or
- A3-2-13 the Supplier suspends, or threatens to suspend, or ceases or threatens to cease to carry on, all or substantially the whole of its business; or
- A3-2-14 the Supplier's financial position deteriorates to such an extent that in the Contracting Authority's opinion the Supplier's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy; or
- A3-3 Termination of the Contract, however arising, shall not affect any of the parties' rights and remedies that have accrued as at termination. Clauses which expressly or by implication survive termination or expiry of the Contract shall continue in full force and effect.
- A3-4 Without prejudice to clause A3-3, clauses B1, B2, B5, B6, B7, B8, B9, C1, C2, C3, C4, C6 and C7 shall survive the termination or expiry of the Contract and shall continue in full force and effect.
- A3-5 Upon termination or expiry of the Contract, the Supplier shall immediately:
- A3-5-1 cease all work on the Contract;
- A3-5-2 Deliver to the Contracting Authority all Deliverables and all work-in-progress whether or not then complete. If the Supplier fails to do so, then the Contracting Authority may enter the Supplier's premises and take possession of them. Until they have been returned or delivered, the Supplier shall be solely responsible for their safe keeping and will not use them for any purpose not connected with this Contract;
- A3-5-3 cease use of and return (or, at the Contracting Authority's or UK SBS's acting as an agent on behalf of the Contracting Authority's election, destroy)

all of the Contracting Authority's Materials in the Supplier's possession or control; and

A3-5-4 Cease all use of, and delete all copies of, UK SBS's or the Contracting Authority's or UK SBS's confidential information.

**A3-6 Termination**

The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may terminate the Contract by written notice to the Supplier in any of the following circumstances:

A3-6-1 Where it considers that the Contract has been subject to a substantial modification which would have required a new procurement procedure in accordance with Regulation 72(9) of the Public Contracts Regulations 2015 ("PCR 2015");

A3-6-2 Where it considers that the Supplier has at the time of the award of the Contract been in one of the situations referred to in Regulation 57(1) of the PCR 2015, including as a result of the application of regulation 57(2), and should therefore have been excluded from the procurement procedure;

A3-6-3 Where the Contract should not have been awarded to the Supplier in view of a serious infringement of the obligations under the EU Treaties and Directive 2014/24/EU of the European Parliament and of the Council that has been declared by the Court of Justice of the European Union in a procedure under Article 258 of the TFEU;

A3-6-4 Where the European Commission sends a reasoned opinion to the United Kingdom or brings the matter before the Court of Justice of the European Union under Article 258 of the TFEU alleging that the Contract should not have been awarded to the Supplier in view of a serious infringement of the obligations under the Treaties and Directive 2014/24/EU of the European Parliament and of the Council; or

A3-6-5 Where a third party starts court proceedings against the Contracting Authority seeking a declaration that the Contract is ineffective or should be shortened under Regulations 98 to 101 of the PCR 2015, which the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority considers to have a reasonable prospect of success.

A3-6-6 Such termination shall be effective immediately or at such later date as is specified in the notice. The Contracting Authority shall not incur any liability to the Supplier by reason of such termination and shall not be required to pay any costs, losses or damage to the Supplier. Termination under this clause shall be without prejudice to any other rights of the Contracting Authority.

A3-7 The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority shall at any time have the right for convenience to terminate the Contract or reduce the quantity of Services to be provided by the Supplier in each case by giving to the Supplier reasonable written notice. During the period of notice the Contracting Authority may direct the Supplier to perform all or any of the work under the Contract. Where the Contracting Authority has invoked either of these rights, the Supplier may claim reasonable costs necessarily and properly incurred by him as a result of the termination or reduction, excluding loss of profit, provided that the claim shall not exceed the total cost of the Contract. The Supplier shall have a duty to mitigate its costs and shall on request provide proof of expenditure for any compensation claimed

## SECTION B

### B1 Supply of Services

- B1-1 The Supplier shall from the date set out in the Contract and until the end date specified in the Contract provide the Services to the Contracting Authority in accordance with the terms of the Contract.
- B1-2 The Supplier shall meet any performance dates for the Services (including the delivery of Deliverables) specified in the Order (including any Special Conditions and any applicable Specification) or notified to the Supplier by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority.
- B1-3 In providing the Services, the Supplier shall:
- B1-3-1 co-operate with the Contracting Authority in all matters relating to the Services, and comply with all instructions of the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority;
  - B1-3-2 perform the Services with the best care, skill and diligence in accordance with best practice in the Supplier's industry, profession or trade;
  - B1-3-3 use personnel who are suitably skilled and experienced to perform tasks assigned to them, and in sufficient number to ensure that the Supplier's obligations are fulfilled in accordance with this Contract;
  - B1-3-4 ensure that the Services and Deliverables will conform with all descriptions and specifications set out in the Contract (including any Special Conditions and any applicable Specification), and that the Deliverables shall be fit for any purpose expressly or impliedly made known to the Supplier by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority;
  - B1-3-5 provide all equipment, tools and vehicles and such other items as are required to provide the Services;
  - B1-3-6 use the best quality Supplies, materials, standards and techniques, and ensure that the Deliverables, and all Supplies and materials supplied and used in the Services or transferred to the Contracting Authority, will be free from defects in workmanship, installation and design;
  - B1-3-7 obtain and at all times maintain all necessary licences and consents, and comply with all applicable laws and regulations;
  - B1-3-8 observe all health and safety rules and regulations and any other security requirements that apply at any of the Contracting Authority's premises; and
  - B1-3-9 Not do or omit to do anything which may cause the Contracting Authority to lose any licence, authority, consent or permission on which it relies for the purposes of conducting its business, and the Supplier acknowledges that the Contracting Authority may rely or act on the Services.
- B1-4 The Contracting Authority's rights under the Contract are without prejudice to and in addition to the statutory terms implied in favour of the Contracting Authority under the Sale of Goods Act 1979, the Supply of Goods and Services Act 1982 and any other applicable legislation as amended.
- B1-5 Without prejudice to the Contracting Authority's statutory rights, the Contracting Authority will not be deemed to have accepted any Deliverables until the Contracting Authority has had at least 14 Working Days after delivery to inspect them and the Contracting Authority also has the right to reject any Deliverables as though they had not been accepted for 14 Working Days after any latent defect in the Deliverables has become apparent.

B1-6 If, in connection with the supply of the Services, the Contracting Authority permits any employees or representatives of the Supplier to have access to any of the Contracting Authority's premises, the Supplier will ensure that, whilst on the Contracting Authority's premises, the Supplier's employees and representatives comply with:

B1-6-1 all applicable health and safety, security, environmental and other legislation which may be in force from time to time; and

B1-6-2 any Contracting Authority policy, regulation, code of practice or instruction relating to health and safety, security, the environment or access to and use of any Contracting Authority's laboratory, facility or equipment which is brought to their attention or given to them whilst they are on Contracting Authority's premises by any employee or representative of the Contracting Authority's.

B1-7 The Supplier warrants that the provision of Services shall not give rise to a transfer of any employees of the Supplier or any third party to the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority pursuant to TUPE.

## **B2 Contracting Authority Remedies**

B2-1 If the Supplier fails to perform the Services by the applicable dates, the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority shall, without limiting its other rights or remedies, have one or more of the following rights:

B2-1-1 to terminate the Contract with immediate effect by giving written notice to the Supplier;

B2-1-2 to refuse to accept any subsequent performance of the Services (including delivery of Deliverables) which the Supplier attempts to make;

B2-1-3 to recover from the Supplier any costs incurred by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority in obtaining substitute Services from a third party;

B2-1-4 where the Contracting Authority has paid in advance for Services that have not been provided by the Supplier, to have such sums refunded by the Supplier; or

B2-1-5 To claim damages for any additional costs, loss or expenses incurred by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority which are in any way attributable to the Supplier's failure to meet such dates.

B2-2 **Not Used**

B2-3 These Conditions shall extend to any substituted or remedial Services provided by the Supplier.

B2-4 The Contracting Authority's rights under this Contract are in addition to its rights and remedies implied by statute and common law.

## **B3 Contracting Authority Obligations**

B3-1 The Contracting Authority shall:

B3-1-1 provide the Supplier with reasonable access at reasonable times to the Contracting Authority's premises for the purpose of providing the Services; and



B3-1-2 Provide such information to the Supplier as the Supplier may reasonably request and the Contracting Authority considers reasonably necessary for the purpose of providing the Services.

#### **B4 Charges and Payment**

B4-1 The Charges for the Services shall be set out in the Order and shall be the full and exclusive remuneration of the Supplier in respect of the performance of the Services. Unless otherwise agreed in writing by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority, the Charges shall include every cost and expense of the Supplier directly or indirectly incurred in connection with the performance of the Services.

B4-2 Where the Order states that the Services are to be provided on a time and materials basis, the Charges for those Services will be calculated as follows:

B4-2-1 the charges payable for the Services will be calculated in accordance with the Supplier's standard daily fee rates (as at the date of the Order), subject to any discount specified in the Order;

B4-2-2 the Supplier's standard daily fee rates for each individual person will be calculated on the basis of an eight-hour day worked between such hours and on such days as are agreed by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority and the Supplier;

B4-2-3 the Supplier will not be entitled to charge pro-rata for part days without the prior written consent of the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority;

B4-2-4 the Supplier will ensure that every individual whom it engages to perform the Services completes time sheets recording time spent on the Services and the Supplier will use such time sheets to calculate the charges covered by each invoice and will provide copies of such time sheets to the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority upon request; and

B4-2-5 the Supplier will invoice the Contracting Authority monthly in arrears for its charges for time, as well as any previously agreed expenses and materials for the month concerned calculated as provided in this clause B4-2 and clause B4-3

B4-3 The Contracting Authority will reimburse the Supplier at cost for all reasonable travel, subsistence and other expenses incurred by individuals engaged by the Supplier in providing the Services to the Contracting Authority provided that the Contracting Authority's prior written approval is obtained before incurring any such expenses, that all invoices for such expenses are accompanied by valid receipts and provided that the Supplier complies at all times with Contracting Authority's expenses policy from time to time in force.

B4-4 The Supplier shall invoice the Contracting Authority on completion of the Services. Each invoice shall include such supporting information required by the Contracting Authority to verify the accuracy of the invoice, including but not limited to the relevant purchase order number.

B4-5 In consideration of the supply of the Services by the Supplier, the Contracting Authority shall pay the invoiced amounts within 30 days of the date of a correctly rendered invoice. Payment shall be made to the bank account nominated in writing by the Supplier unless the Contracting Authority agrees in writing to another payment method.

- B4-6 All amounts payable by the Contracting Authority under the Contract are exclusive of amounts in respect of value added tax chargeable for the time being (**VAT**). Where any taxable supply for VAT purposes is made under the Contract by the Supplier to the Contracting Authority, the Contracting Authority shall, on receipt of a valid VAT invoice from the Supplier, pay to the Supplier such additional amounts in respect of VAT as are chargeable on the supply of the Services at the same time as payment is due for the supply of the Services.
- B4-7 The Supplier shall maintain complete and accurate records of the time spent and materials used by the Supplier in providing the Services and shall allow the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority to inspect such records at all reasonable times on request.
- B4-8 The Supplier shall not be entitled to assert any credit, set-off or counterclaim against the Contracting Authority in order to justify withholding payment of any such amount in whole or in part. The Contracting Authority may, without limiting any other rights or remedies it may have, set off any amount owed to it by the Supplier against any amounts payable by it to the Supplier under the Contract.
- B4-9 The Supplier acknowledges and agrees that it will pay correctly rendered invoices from any of its suppliers or other sub-contractors within 30 days of receipt of the invoice.

**B4-10 Payment to Other Parties**

The Supplier shall ensure, pursuant to obligations imposed on the Contracting Authority under Regulation 113(2)(c) of the Public Contracts Regulations 2015 (as amended), that any subcontract awarded by the Supplier contains suitable provisions to impose, as between the parties to the subcontractor, requirements that:

- B4-10-1 any payment due from the Supplier to the subcontract or under the subcontract is to be made no later than the end of a period of 30 days from the date on which the relevant invoice is regarded as valid and undisputed;
- B4-10-2 any invoices for payment submitted by the subcontract or are considered and verified by the Supplier in a timely fashion and that undue delay in doing so is not to be sufficient justification for failing to regard an invoice as valid and undisputed;  
; and
- B4-10-3 any subcontractor will include, in any subcontract which it in turn awards, suitable provisions to impose, as between the parties to that subcontract, requirements to the same effect as those imposed in paragraphs B4-10-1, B4-10-2 and B4-10-3 of this Clause B4-10, subject to suitable amendment to reflect the identities of the relevant parties.

For the avoidance of doubt, in any situations that the Contracting Authority is making payments to the Supplier without being presented with an invoice, the absence of an invoice does not waive any obligation regarding payments made by the Supplier to its subcontractors or supply chain.

**B5 Contracting Authority Property**

- B5-1 The Supplier acknowledges that all information (including confidential information), equipment and tools, drawings, specifications, data, software and any other materials supplied by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority to the Supplier (**Contracting Authority's Materials**) and all rights in the Contracting Authority's Materials are and shall remain at all times the exclusive property of the Contracting Authority and UK SBS (as appropriate). The Supplier shall keep the Contracting Authority's Materials in

safe custody at its own risk, maintain them in good condition until returned to the Contracting Authority or UK SBS, and not dispose or use the same other than for the sole purpose of performing the Supplier's obligations under the Contract and in accordance with written instructions or authorisation from the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority.

## **B6 Intellectual Property Rights**

- B6-1 In respect of any Supplies that are transferred to the Contracting Authority under this Contract, including without limitation the Deliverables or any part of them, the Supplier warrants that it has full clear and unencumbered title to all such items, and that at the date of delivery of such items to the Contracting Authority, it will have full and unrestricted rights to transfer all such items to the Contracting Authority.
- B6-2 Save as otherwise provided in the Special Conditions, the Supplier assigns to the Contracting Authority, with full title guarantee and free from all third-party rights, all Intellectual Property Rights in the products of the Services, including for the avoidance of doubt the Deliverables. Where those products or Deliverables incorporate any Intellectual Property Rights owned by or licensed to the Supplier which are not assigned under this clause, the Supplier grants to the Contracting Authority a worldwide, irrevocable, royalty-free, transferable licence, with the right to grant sub-licences, under those Intellectual Property Rights to maintain, repair, adapt, copy and use those products and Deliverables for any purpose.
- B6-3 The Supplier shall obtain waivers of all moral rights in the products, including for the avoidance of doubt the Deliverables, of the Services to which any individual is now or may be at any future time entitled under Chapter IV of Part I of the Copyright Designs and Patents Act 1988 or any similar provisions of law in any jurisdiction.
- B6-4 The Supplier shall, promptly at the request of the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority, do (or procure to be done) all such further acts and things and the execution of all such other documents as the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may from time to time require for the purpose of securing for the Contracting Authority the full benefit of the Contract, including all right, title and interest in and to the Intellectual Property Rights assigned to the Contracting Authority in accordance with clause B6-2.

## **B7 Indemnity**

- B7-1 The Supplier shall indemnify, and shall keep indemnified the Contracting Authority and UK SBS acting as an agent on behalf of the Contracting Authority, in full against all costs, expenses, damages and losses (whether direct or indirect), including any interest, fines, legal and other professional fees and expenses awarded against or incurred or paid by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority as a result of or in connection with:
- B7-1-1 any claim made against the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority by a third party arising out of, or in connection with, the supply of the Services, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Contract by the Supplier, its employees, agents or subcontractors; and
- B7-1-2 any claim brought against the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority for actual or alleged infringement of a third party's Intellectual Property Rights arising out of, or in connection with, the receipt, use or supply of the Services; and

B7-1-3 Any claim whether in tort, contract, statutory or otherwise, demands, actions, proceedings and any awards arising from a breach by the Supplier of clause B1-7 of these Conditions.

B7-2 This clause B7 shall survive termination or expiry of the Contract.

## **B8 Insurance**

B8-1 During the term of the Contract and for a period of 3 years thereafter, the Supplier shall maintain in force the following insurance policies with reputable insurance companies:

B8-1-1 professional indemnity insurance for not less than £5 million per claim;

B8-1-2 public liability insurance for not less than £5 million per claim (unlimited claims); and

B8-1-3 employer liability insurance for not less than £5 million per claim (unlimited claims)

B8-1-4 The Supplier shall ensure that the Contracting Authority's interest is noted on each insurance policy, or that a generic interest clause has been included.

B8-2 On request from the Contracting Authority's or UK SBS acting as an agent on behalf of the Contracting Authority, the Supplier shall provide the Contracting Authority or UK SBS with copies of the insurance policy certificates and details of the cover provided.

B8-3 The Supplier shall ensure that any subcontractors also maintain adequate insurance having regard to the obligations under the Contract which they are contracted to fulfil.

B8-4 The Supplier shall:

B8-4-1 do nothing to invalidate any insurance policy or to prejudice the Contracting Authority's entitlement under it; and

B8-4-2 Notify the Contracting Authority if any policy is (or will be) cancelled or its terms are (or will be) subject to any material change.

B8-5 The Supplier's liabilities under the Contract shall not be deemed to be released or limited by the Supplier taking out the insurance policies referred to in clause B8-1.

B8-6 If the Supplier fails or is unable to maintain insurance in accordance with clause B8-1, the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may, so far as it is able, purchase such alternative insurance cover as it deems to be reasonably necessary and shall be entitled to recover all reasonable costs and expenses it incurs in doing so from the Supplier.

## **B9 Liability**

B9-1 In this clause B9, a reference to the Contracting Authority or UK SBS's liability for something is a reference to any liability whatsoever which the Contracting Authority or UK SBS might have for it, its consequences, and any direct, indirect or consequential loss, damage, costs or expenses resulting from it or its consequences, whether the liability arises under the Contract, in tort or otherwise, and even if it results from the Contracting Authority's or UK SBS's negligence or from negligence for which the Contracting Authority's or UK SBS would otherwise be liable.

B9-2 The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority is not in breach of the Contract, and neither the Contracting

Authority nor UK SBS has any liability for anything, to the extent that the apparent breach or liability is attributable to the Supplier's breach of the Contract.

- B9-3 Subject to clause B9-6, neither the Contracting Authority nor UK SBS acting as agent on behalf of the Contracting Authority shall have any liability for:

B9-3-1 any indirect or consequential loss or damage;

B9-3-2 any loss of business, rent, profit or anticipated savings;

B9-3-3 any damage to goodwill or reputation;

B9-3-4 loss, theft, damage or destruction to any equipment, tools, machinery, vehicles or other equipment brought onto the Contracting Authority's premises by or on behalf of the Supplier; or

B9-3-5 Any loss, damage, costs or expenses suffered or incurred by any third party.

- B9-4 Subject to clause B9-6, the Contracting Authority and UK SBS's total liability shall be limited to the Charges.

- B9-5 Nothing in the Contract restricts either the Contracting Authority, UK SBS or the Supplier's liability for:

B9-5-1 death or personal injury resulting from its negligence; or

B9-5-2 its fraud (including fraudulent misrepresentation); or

B9-5-3 Breach of any obligations as to title implied by Section 12 of the Sale of Goods Act 1979 or Section 2 of the Supply of Goods and Services Act 1982.

B9-5-4 Nothing in this contract restricts Supplier liability in regard to breaches of Intellectual Property or GDPR.

## SECTION C

### C1 Confidential Information

- C1-1 A party who receives Confidential Information shall keep in strict confidence (both during the term of the Contract and after its expiry or termination) all Confidential Information which is disclosed to it. That party shall only disclose such Confidential Information to those of its employees, agents or subcontractors who need to know the same for the purpose of discharging that party's obligations under the Contract, and shall ensure that such employees, agents or subcontractors shall keep all such information confidential in accordance with this clause C1. Neither party shall, without the prior written consent of the other party, disclose to any third party any Confidential Information, unless the information:

C1-1-1 was public knowledge or already known to that party at the time of disclosure; or

C1-1-2 subsequently becomes public knowledge other than by breach of the Contract; or

C1-1-3 subsequently comes lawfully into the possession of that party from a third party; or

C1-1-4 Is agreed by the parties not to be confidential or to be disclosable.

- C1-2 To the extent necessary to implement the provisions of the Contract (but not further or otherwise), either party may disclose the Confidential Information to any relevant governmental or other authority or regulatory body, provided that before any such disclosure that party shall make those persons aware of its obligations of confidentiality under the Contract and shall use reasonable endeavours to obtain a binding undertaking as to confidentiality from all such persons.

- C1-3 All documents and other records (in whatever form) containing Confidential Information supplied to or acquired by a party from the other party shall be returned promptly to the other party (or, at the election of the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority, destroyed promptly) on expiry or termination of the Contract, and no copies shall be kept.

## **C2 Transparency**

- C2-1 In order to comply with the Government's policy on transparency in the areas of procurement and contracts the Supplier agrees that the Contract and the sourcing documents issued by UK SBS which led to its creation will be published by UK SBS on a designated web site.

- C2-2 The entire Contract and all the sourcing documents issued by UK SBS will be published on the designated web site save where to do so would disclose information the disclosure of which would:

C2-2-1 contravene a binding confidentiality undertaking that protects information which the Contracting Authority at the time when it considers disclosure, reasonably considers to be confidential to Supplier;

C2-2-2 be contrary to regulation 21 of the Public Contracts Regulations 2015; or

C2-2-3 if the reasonable opinion of the Contracting Authority is prevented by virtue of one or more of the exemptions in the Freedom of Information Act (FOIA) or one or more of the exceptions in the Environmental Information Regulation (EIR).

If any of the situations in C2-2-1, C2-2-2, C2-2-3 apply the Supplier consents to the Contract or sourcing documents being redacted by the Contracting Authority to the extent necessary to remove or obscure the relevant material and being published on the designated website subject to those redactions

In this entire clause the expression "sourcing documents" means the advertisement issued by UK SBS seeking expressions of interest, any pre-qualification questionnaire stage and the invitation to tender.

## **C3 Force Majeure**

- C3-1 If any event or circumstance that is beyond the reasonable control of the Supplier, and which by its nature could not have been foreseen by the Supplier or, if it could have been foreseen, was unavoidable, (provided that the Supplier shall use all reasonable endeavours to cure any such events or circumstances and resume performance under the Contract) prevent the Supplier from carrying out its obligations under the Contract for a continuous period of more than 10 Business Days, the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may terminate this Contract immediately by giving written notice to the Supplier

## **C4 Corruption**

- C4-1 The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority shall be entitled to terminate the Contract immediately and to recover from the Supplier the amount of any loss resulting from such termination if the Supplier or a Supplier's Associate:

C4-1-1 offers or agrees to give any person working for or engaged by the Contracting Authority, UK SBS or any Public Body any favour, gift or other consideration, which could act as an inducement or a reward for any act or failure to act connected to the Contract, or any other agreement between the Supplier and Contracting Authority, or UK SBS or any Public Body, including

its award to the Supplier or a Supplier's Associate and any of the rights and obligations contained within it;

C4-1-2 has entered into the Contract if it has knowledge that, in connection with it, any money has been, or will be, paid to any person working for or engaged by the Contracting Authority, or UK SBS or any Public Body by or for the Supplier, or that an agreement has been reached to that effect, unless details of any such arrangement have been disclosed in writing to the Contracting Authority, or UK SBS before the Contract is entered into;

C4-1-3 breaches the provisions of the Prevention of Corruption Acts 1889 to 1916, or the Bribery Act 2010; or

C4-1-4 Gives any fee or reward the receipt of which is an offence under Section 117(2) of the Local Government Act 1972.

C4-2 For the purposes of clause C4-1, "loss" shall include, but shall not be limited to:

C4-2-1 The Contracting Authority's or UK SBS's costs in finding a replacement supplier;

C4-2-2 direct, indirect and consequential losses; and

C4-2-3 Any loss suffered by the Contracting Authority or UK SBS as a result of a delay in its receipt of the Supplies.

## **C5 Data Protection**

C5-1 The Supplier shall comply at all times with all data protection legislation applicable in the UK from time to time.

### **General Data Protection Regulations (GDPR)**

#### **1. Data Protection**

The Supplier will be compliant with the Data Protection Legislation, as defined in the terms and conditions applying to this opportunity. A guide to The General Data Protection Regulation published by the Information Commissioner's Office can be found [here](#).

The only processing that the Supplier is authorised to do is listed in Annex 1 by the Contracting Authority and may not be determined by the Supplier.

### **Annex 1: Processing. Personal Data and Data Subjects**

(1) The contact details of the Contracting Authorities Data Protection Officer are:

Contracting Authority Data Protection Officer  
Department for Business, Energy and Industrial Strategy  
1 Victoria Street  
London  
SW1H 0ET

Email: [dataprotection@beis.gov.uk](mailto:dataprotection@beis.gov.uk)

(2) The contact details of the Suppliers Data Protection Officer (or if not applicable, details of the person responsible for data protection in the organisation) are:



(3) The Supplier shall comply with any further written instructions with respect to processing by the Contracting Authority.

(4) Any such further instructions shall be incorporated into this Annex 1

#### Annex 1A - Schedule of Processing, Personal Data and Data Subjects

The Supplier shall only process in accordance with the instructions as advised below and comply with any further written instructions with respect to processing by the Contracting Authority. Any such further written processing instructions required by the Contracting Authority shall be incorporated into this Schedule and shall be a subject of a formal amendment to this Contract.

Description	Details
Subject matter of the processing	<p>We will be interviewing participants and collecting qualitative data. The data is likely to be in the form of interview transcripts which will then be subject to analysis by trained analysts.</p> <p>The processing of names and business contact details of staff of both Contracting Authority and Contractor will be necessary to deliver the services exchanged during the course of the Contract, and to undertake Contract and performance management.</p> <p>The Contract itself will include the names and business contact details of staff of both the Contracting Authority and the Contractor involved in managing the Contract.</p> <p>The Supplier will need to confirm that they are UK GDPR or GDPR (if operating in the EEA) compliant when submitting a bid. The contractor will provide interviewees with a privacy notice before participating to ensure they understand the nature of the research, how their data will be used and stored.</p>
Duration of the processing	<p>We have yet to finalise the dates of the research, which will determine this. However, participants will likely take part in an interview or workshop in July/August. The data will need to be retained until the final report is published which is expected to be in September or October. The report may include quotes from the interviews, UK GDPR will be taken into account in the drafting of the report.</p> <p>If the report is not published it will be held by Government to inform policy development, which is likely to continue through this decade.</p>



Nature and purposes of the processing	<p>Nature: Recording transcripts of interviews</p> <p>Purpose: Social Research to inform how we design testing opt-out switching. Testing will inform if and how we decide to reform the domestic energy retail market's default tariff arrangements, i.e. whether we introduce opt-out switching as part of these arrangements. The social may also be useful to inform this post testing policy development.</p> <p>Nature: Use of the transcript data in analysis</p> <p>Purpose: To analyse and draw conclusions from the data, to inform how we design opt-out switching testing and any subsequent reforms (as above).</p> <p>The nature of processing will include the storage and use of names and business contact details of staff of both the Contracting Authority and the Supplier as necessary to deliver the services and to undertake the Contract and performance management. The Contract itself will include the names and business contact details of staff of both the Contracting Authority and the Supplier involved in managing the Contract.</p>
Type of Personal Data	<p>Age Gender Disability Race/ethnicity Housing type (e.g. private rented) We will need a method of record which participants said what, a unique identifier. Name is unlikely to be necessary, therefore a number or code will likely be applied instead.</p> <p>Names, business telephone numbers and email addresses, office location and position of staff of both the Contracting Authority and the Supplier as necessary to deliver the services and to undertake the Contract and performance management. The Contract itself will include the names and business contact details of staff of both the Contracting Authority and the Supplier involved in managing the Contract</p>
Categories of Data Subject	<p>Participants in the research Contracting authority Social Researchers</p> <p>Staff of the Contracting Authority and the Supplier, including where those employees are named within the Contract itself or involved within the Contract management.</p>
Plan for return and destruction of the data once the processing is complete UNLESS requirement under union or member state law to preserve that type of	<p>The data will be retained until the research and analysis is completed and the research is published in the form of a report. After this report is completed, the supplier should securely destroy all data from any computers, storage devices and storage media that the supplier intends to retain after the expiry of the contract. If there are any physical copies of the data they should be shredded and</p>

data	<p>then securely disposed of by the supplier. The Supplier will certify to the Contracting Authority that it has completed such deletion.</p> <p>Where Personal Data is contained within the Contract documentation, this will be retained in line with the Department's privacy notice found within the Procurement Documents.</p>
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The nature of the service will require the Supplier to collect personal data directly from data subjects. The Supplier will use the agreed Contracting Authority privacy notice as instructed by the Contracting Authority.

The Contracting Authority will be relying on consent as the relevant legal basis of processing. The Supplier will ensure that all communications requesting the provision on personal data allow for the data subject to provide clear, affirmative, informed, freely given and unambiguous consent, which requires a positive 'opt-in.' The Supplier will have mechanisms in place to ensure that consent is recorded and shown through an audit trail.

## **2. Cyber Security**

In line with HM Government's Cyber Essentials Scheme, the Supplier will hold valid Cyber Essentials certification by the time of contract award. Evidence of the certification must be provided to the Contracting Authority in order for the contract to be awarded.

Evidence of renewal of certification must then be provided to the Contracting Authority on each anniversary of the first applicable certificate obtained by the Supplier for the duration of the Contract. In the event the Supplier fails to comply, the Contracting Authority reserves the right to terminate the Contract for material breach in line with the Standard Terms and Conditions of Contract.

If the Supplier already holds ISO27001 accreditation (or equivalent), no further Cyber Essentials certification will be necessary provided that the certification body carrying out this verification is approved to issue a Cyber Essentials certificate by one of the accreditation bodies.

## **3. GDPR Questionnaire**

The Supplier agrees that during any term or extension it shall complete and return the attached questionnaire as advised below.

Note: The Contracting Authority also reserves the right to amend or increase these frequencies, as it deems necessary to secure assurance with regards to compliance.

The Contracting Authority requires such interim assurances to ensure that the Supplier is still compliant with the needs of the GDPR Act due to the implications of a breach.

The Supplier shall complete and return the questionnaire to the contact named in the Contract on the following date(s) from the Start Date of the Contract.

(01/03/2021)

(01/03/2022)

The Supplier agrees that any financial burden associated with the completion and submission of this questionnaire at any time, shall be at the Suppliers cost to do so and will not be reimbursable.



GDPR Assurance  
Questionnaire May1

## **C6 Freedom of Information**

C6-1 The Supplier acknowledges that the Contracting Authority and or UK SBS may be subject to the requirements of FOIA and EIR and shall assist and co-operate with the Contracting Authority and or UK SBS to enable them to comply with its obligations under FOIA and EIR.

C6-2 The Supplier shall and shall procure that its employees, agents, sub-contractors and any other representatives shall provide all necessary assistance as reasonably requested by the Contracting Authority or UK SBS to enable the Contracting Authority or UK SBS to respond to a Request for Information within the time for compliance set out in section 10 of FOIA or regulation 5 of EIR.

C6-3 The Contracting Authority and or UK SBS acting as an agent on behalf of the Contracting Authority shall be responsible for determining (in its absolute discretion) whether any Information:

C6-3-1 is exempt from disclosure in accordance with the provisions of FOIA or EIR;

C6-3-2 is to be disclosed in response to a Request for Information,

And in no event shall the Supplier respond directly to a Request for Information unless expressly authorised to do so in writing by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority.

C6-4 The Supplier acknowledges that the Contracting Authority and or UK SBS may be obliged under the FOIA or EIR to disclose Information, in some cases even where that Information is commercially sensitive:

C6-4-1 without consulting with the Supplier, or

C6-4-2 Following consultation with the Supplier and having taken its views into account.

C6-5 Where clause C6-4-2 applies the Contracting Authority and or UK SBS shall, in accordance with any recommendations issued under any code of practice issued under section 45 of FOIA, take reasonable steps, where appropriate, to give the

Supplier advanced notice, or failing that, to draw the disclosure to the Supplier's attention as soon as practicable after any such disclosure.

- C6-6 Where the Supplier organisation is subject to the requirements of the FOIA and EIR, C6-7 will supersede C6-2 – C6-5. Where the Supplier organisation is not subject to the requirements of the FOIA and EIR, C6-7 will not apply.
- C6-7 The Contracting Authority and UK SBS acknowledge that the Supplier may be subject to the requirements of the FOIA and EIR and shall assist and co-operate with the Supplier to enable them to comply with its obligations under the FOIA and EIR.

## **C7 General**

### **C7-1 Entire Agreement**

C7-1-1 The Contract constitutes the entire agreement between the Contracting Authority and the Supplier in relation to the supply of the Services and the Contract supersedes any earlier agreements, arrangements and understandings relating to that subject matter.

### **C7-2 Liability**

C7-2-1 Where the Contracting Authority is more than one person, the liability of each such person for their respective obligations and liabilities under the Contract shall be several and shall extend only to any loss or damage arising out of each such person's own breaches.

C7-2-2 Where the Contracting Authority is more than one person and more than one of such persons is liable for the same obligation or liability, liability for the total sum recoverable will be attributed to the relevant persons in proportion to the price payable by each of them under the Contract.

### **C7-3 Assignment and Subcontracting**

C7-3-1 The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may at any time assign, transfer, charge, subcontract or deal in any other manner with any or all of its rights or obligations under the Contract.

C7-3-2 The Supplier may not assign, transfer, charge, subcontract or deal in any other manner with any or all of its rights or obligations under the Contract without prior written consent from the Contracting Authority's or UK SBS acting as an agent on behalf of the Contracting Authority.

C7-3-3 The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may (without cost to or liability of the Contracting Authority or UK SBS) require the Supplier to replace any subcontractor where in the reasonable opinion of the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority any mandatory or discretionary grounds for exclusion referred to in Regulation 57 of the Public Contracts Regulations 2015 apply to the subcontractors.

### **C7-4 Further Assurance**

C7-4-1 The Supplier will promptly at the request of the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority do (or procure to be done) all such further acts and things, including the execution of all such other documents, as either the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may from time to time require for the purpose of securing for the Contracting Authority the full

benefit of the Contract, including ensuring that all title in the Supplies is transferred absolutely to the Contracting Authority.

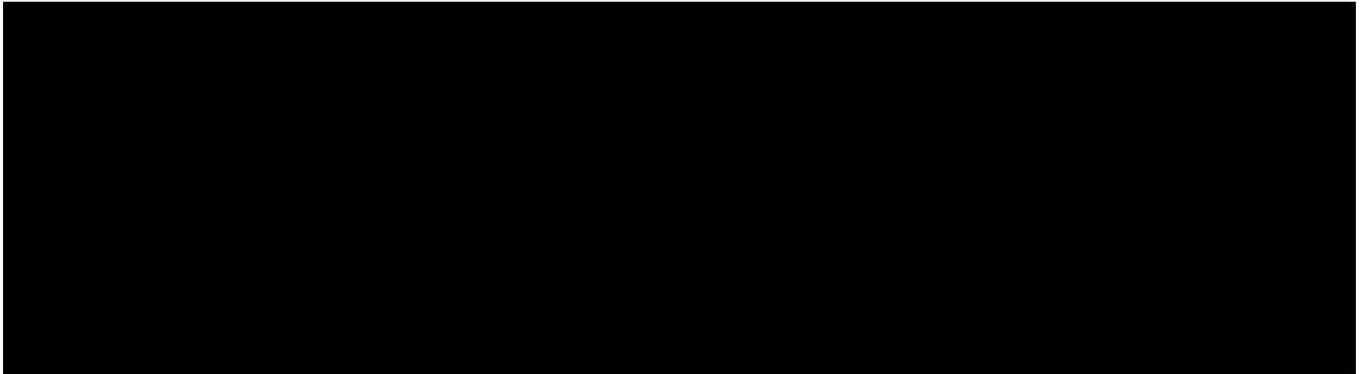
#### **C7-5 Publicity**

C7-5-1 The Supplier shall not make any press announcements or publicise this Contract in any way without prior written consent from the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority.

C7-5-2 The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority shall be entitled to publicise this Contract in accordance with any legal obligation upon Contracting Authority or UK SBS, including any examination of this Contract by the National Audit Office pursuant to the National Audit Act 1983 or otherwise.

C7-5-3 The Supplier shall not do anything or cause anything to be done, which may damage the reputation of the Contracting Authority or UK SBS or bring the Contracting Authority or UK SBS into disrepute.

#### **C7-6 Notices**



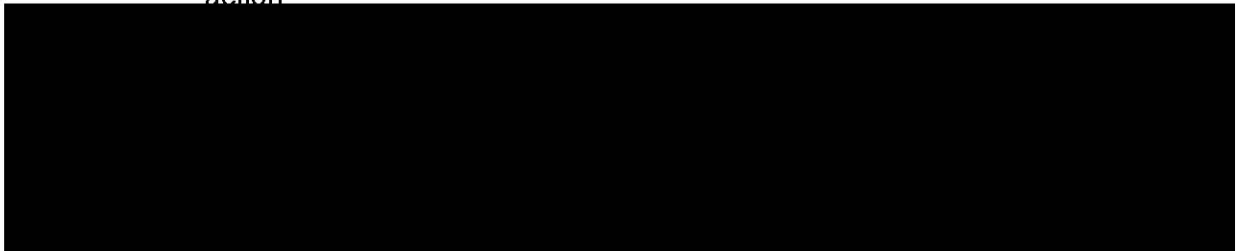
C7-6-1-b in the case of the Supplier: the address, fax number and email address set out in the Order, or any other address, fax number or email address which that party may have specified to the other party in writing in accordance with this clause C7-6, and shall be delivered personally, or sent by pre-paid first-class post, recorded delivery, commercial courier, fax or e-mail.

C7-6-2 A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in clause C7-6-1; if sent by pre-paid first-class post or recorded delivery, at 9.00 am on the second Working Day after posting; if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by fax or e-mail between the hours of 9.00am and 5.00pm on a Working Day, upon successful transmission (provided that the sender holds written confirmation automatically produced by the sender's fax machine of error free and complete transmission of that fax to the other party's fax number), or if sent by fax or e-mail outside the hours of 9.00am and 5.00pm on a Working Day, at 9.00am on the next Working Day following successful transmission (provided that the sender holds written confirmation automatically produced by the sender's fax machine of error free and complete transmission of that fax to the other party's fax number).

C7-6-3 This clause C7-6-3 shall only apply where UK SBS is not the Contracting Authority. In such cases, UK SBS may give or receive any notice under the Contract on behalf of the Contracting Authority and any notice given or

received by UK SBS will be deemed to have been given or received by the Contracting Authority.

C7-6-4 Except for clause C7-6-5, The provisions of this clause C7-6 shall not apply to the service of any proceedings or other documents in any legal action



**C7-7 Severance**

C7-7-1 If any court or competent authority finds that any provision of the Contract (or part of any provision) is invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of the Contract shall not be affected.

C7-7-2 If any invalid, unenforceable or illegal provision of the Contract would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable.

C7-8 **Waiver.** A waiver of any right or remedy under the Contract is only effective if given in writing and shall not be deemed a waiver of any subsequent breach or default. No failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy.

C7-9 **No Partnership, Employment or Agency.** Nothing in the Contract creates any partnership or joint venture, nor any relationship of employment, between the Supplier and either the Contracting Authority or UK SBS. Nothing in the Contract creates any agency between the Supplier and either the Contracting Authority or UK SBS.

C7-10 **Third Party Rights.** A person who is not a party to this Contract shall not have any rights under or in connection with it, except that UK SBS and any member of the UK SBS, Associated Bodies or Authorised Entities that derives benefit under this Contract may directly enforce or rely on any terms of this Contract.

C7-11 **Variation.** Any variation to the Contract, including any changes to the Services, these Conditions, the Special Conditions or the Order, including the introduction of any additional terms and conditions, shall only be binding when agreed in writing by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority and the Supplier.

**C7-12 Governing Law and Jurisdiction.**

C7-12-1 Subject to clause C7-12-2, the Contract, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by, and construed in accordance with, English law, and the parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales.

C7-12-2 The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority shall be free to enforce its intellectual property rights in any jurisdiction.

**C7-13 Modern Slavery Act 2015**

C7-13-1 The Supplier shall not use, or allow its Subcontractors to use, forced, bonded or involuntary prison labour;

C7-13-2 shall not require any Contract or staff or Subcontractor staff to lodge deposits or identify papers with the Employer or deny Supplier staff freedom to leave their employer after reasonable notice;

C7-13-3 warrants and represents that it has not been convicted of any slavery or human trafficking offences anywhere around the world.

C7-13-4 warrants that to the best of its knowledge it is not currently under investigation, inquiry or enforcement proceedings in relation to any allegation of slavery or human trafficking offenses anywhere around the world.

C7-13-5 shall make reasonable enquiries to ensure that its officers, employees and Subcontractors have not been convicted of slavery or human trafficking offences anywhere around the world.

C7-13-6 shall have and maintain throughout the term of each Contract its own policies and procedures to ensure its compliance with the Modern Slavery Act 2015 and shall include in its contracts with its Subcontractors anti-slavery and human trafficking provisions;

C7-13-7 shall implement due diligence procedures to ensure that there is no slavery or human trafficking in any part of its supply chain performing obligations under a Contract;

C7-13-8 shall not use, or allow its employees or Subcontractors to use, physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation of its employees or Subcontractors;

C7-13-9 shall not use, or allow its Subcontractors to use, child or slave labour;

C7-13-10 shall report the discovery or suspicion of any slavery or trafficking by it or its Subcontractors to the Contracting Authority without delay during the performance of this Contract to utilise the following help and advice service, so as to ensure that it suitably discharges its statutory obligations.

The "Modern Slavery Helpline" refers to the point of contact for reporting suspicion, seeking help or advice and information on the subject of modern slavery available online at <https://www.modernslaveryhelpline.org/report> or by telephone on 08000 121 700

C7-13-11 During the Term or any extension of the Contract, the Contracting Authority is committed to ensuring that its supply chain complies with the above Act.

C7-13-12 The Supplier shall provide a slavery and trafficking report covering the following but not limited to areas as relevant and proportionate to the Contract evidencing the actions taken, relevant to the Supplier and their supply chain associated with the Contract.

C7-13-12-a Impact assessments undertaken



C7-13-12-b Steps taken to address risk/actual instances of modern slavery and how actions have been prioritised

C7-13-12-c Evidence of stakeholder engagement

C7-13-12-d Evidence of ongoing awareness training

C7-13-12-e Business-level grievance mechanisms in place to address modern slavery

C7-13-12-f Actions taken to embed respect for human rights and zero tolerance of modern slavery throughout the organisation

C7-13-13 The Contracting Authority or UK SBS when acting as an agent on behalf of the Contracting Authority reserves the sole right to audit any and all slavery and trafficking reports submitted by the Supplier to an extent as deemed necessary and the Supplier shall unreservedly assist the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority in doing so.

Note: The Contracting Authority also reserves the right to amend or increase the frequency of reporting, as it deems necessary to secure assurance in order to comply with the Modern Slavery act.

The Contracting Authority requires such interim assurances to ensure that the Supplier is compliant and is monitoring its supply chain, so as to meet the requirements of the Modern slavery Act.

The Supplier shall complete and return the slavery and trafficking report to the contact named in the Contract on the following date(s) from the Commencement of the Contract.

(01/03/2021)

(01/03/2022)

The Supplier agrees that any financial burden associated with the completion and submission of this report and associated assistance at any time, shall be at the suppliers cost to do so and will not be reimbursable.

#### **C7-14 Changes in Costs Resulting from Changes to Government Legislation, Levies or Statutory Payments**

The Contracting Authority will reimburse during any term or extension (or, where such costs, awards or damages arise following termination/expiry) of this Agreement, any increases in the Supplier's cost of providing the Services by reason of any modification or alteration to the Government legislation duties or levies or other statutory payments (including but not limited to National Insurance and/or VAT and/or introduction of or amendment to working time minimum wages). Subject always to open book access to the Supplier's records and always after a period of due diligence carried out by the Contracting Authority, relevant and proportionate to the value concerned.

#### **C7-15 Taxation Obligations of the Supplier**

C7-15-1 The relationship between the Contracting Authority, UK SBS and the Supplier will be that of "independent contractor" which means that the Supplier is not an employee, worker, agent or partner of the Contracting Authority or UK SBS and the Supplier will not give the impression that they are.

(1.) The Supplier in respect of consideration shall always comply with the income tax Earnings and Pensions Act 2003 (ITEPA) and all other statutes and regulations relating to income tax in respect of that consideration.

(2.) Where Supplier is liable to National Insurance Contributions (NICs) in respect of consideration received under this contract, it shall at all times comply with the Social Security Contributions and Benefits Act 1992 (SSCBA) and all other statutes and regulations relating to NICs in respect of that consideration.

(3.) The Contracting Authority may, at any time during the term, completion extension or post termination of this contract, request (Supplier) to provide information which demonstrates how Supplier complies with its obligations under tax and National Insurance Clauses (1) and (2) above or why those clauses do not apply to it.

C7-15-2 As this is not an employment Contract the Supplier will be fully responsible for all their own tax including any national insurance contributions arising from carrying out the Services.

C7-15-3 A request under Clause (3) above may specify the information which Supplier shall provide and the period within which that information must be provided.

C7-15-4 In the case of a request mentioned in Clause (3) above, the provision of inadequate information or a failure to provide the information within the requested period, during any term or extension, may result in the Contracting Authority terminating the contract.

C7-15-5 Any obligation by Supplier to comply with Clause (1) and (2) shall survive any extension, completion or termination and Supplier obligations to Indemnify the Contracting Authority shall survive without limitation and until such time as any of these obligations are complied with.

C7-15-6 The Contracting Authority may supply any information, including which it receives under clause (3) to the commissioners of Her Majesty's Revenue and Customs for the purpose of the collection and management of revenue for which they are responsible.

C7-15-7 If the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority has to pay any such tax under clauses (1) and (2) then the Supplier will pay back to the Contracting Authority or UK SBS in full, any money that the Contracting Authority or UK SBS has to pay, and they will also pay back the Contracting Authority or UK SBS for any fine or other punishment imposed on the Contracting Authority or UK SBS because the tax or national insurance was not paid by the Supplier.

#### **C7-16 Cyber Essentials Questionnaire**

The Supplier agrees that during any term or extension it shall complete and return the attached questionnaire as advised below, within 14 days from notice and shall send this information as directed by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority. The Contracting Authority and UK SBS acting as an agent on behalf of the Contracting Authority is required to provide such assurances to comply with Government advice and guidance.

Note: The Contracting Authority also reserves the right to amend or increase the frequency of the questionnaire submission due dates, as it deems necessary.

The Contracting Authority requires such interim assurances to ensure that the Supplier is still compliant with the security needs of this Contract.

The Supplier shall complete and return the report to the contact named in the Contract on the following date(s) from the Commencement of the Contract.

(01/03/2021)

(01/03/2022)

The Supplier agrees that any financial burden associated with the completion and submission of this questionnaire and associated assistance at any time, shall be at the suppliers cost to do so and will not be reimbursable.



Copy os Statement  
of Assurance Questio

For and on behalf of **Behavioural Insight Limited (The Supplier)**

Signed

Name

Position

Date

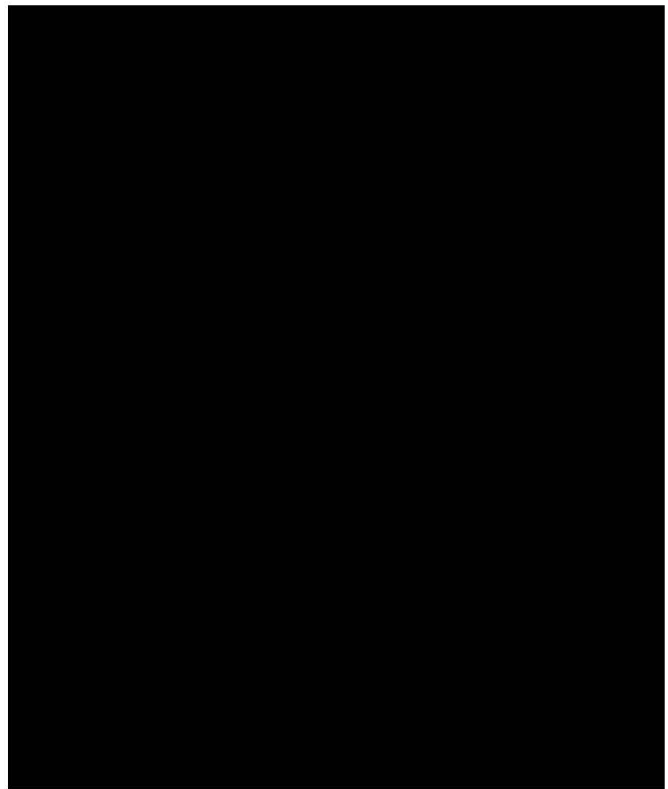
For and on behalf of **The Department for Business, Energy and Industrial Strategy (BEIS) (The Contracting Authority)**

Signed

Name

Position

Date



## Schedule 2 Pro forma purchase order form

The format of the Proforma Purchase Order will be as follows. Please note that the Purchase Order form will be submitted directly to your chosen email address on completion of the receipt of the signed contract and will contain the confirmed value of goods and services as well as the Purchase Order number that must be used for invoicing purposes.

<p>(Contracting Authority Logo)</p> <p>Supplier:</p> <p>Tel:</p> <p>Fax:</p> <p>Ship to: Contracting authority ship to address</p>	<p style="text-align: right;">Purchase Order #0</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;"><b>Order</b></td> <td style="padding: 2px;"></td> </tr> <tr> <td style="padding: 2px;">Order Date</td> <td style="padding: 2px;"></td> </tr> <tr> <td style="padding: 2px;">Revision</td> <td style="padding: 2px;">0</td> </tr> <tr> <td style="padding: 2px;">Revision Date</td> <td style="padding: 2px;"></td> </tr> <tr> <td style="padding: 2px;">Payment Terms</td> <td style="padding: 2px;">As per terms and conditions</td> </tr> </table> <p style="font-size: small;">PLEASE QUOTE THE PURCHASE ORDER NUMBER ON ALL CORRESPONDENCE. INVOICES NOT QUOTING THE PO NUMBER WILL BE RETURNED UNPAID</p> <p style="font-size: x-small;">For all purchase order queries, please contact P2PAdmin@uksbs.co.uk For all Invoicing queries, please contact finance@uksbs.co.uk</p> <p>Invoice to: Contracting Authority Invoice Address</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #ffff00;"> <th style="text-align: left; padding: 2px;">Line</th> <th style="text-align: left; padding: 2px;">Part Number/Description</th> <th style="text-align: left; padding: 2px;">Delivery Date</th> <th style="text-align: left; padding: 2px;">Quantity</th> <th style="text-align: left; padding: 2px;">UOM</th> <th style="text-align: left; padding: 2px;">Unit Price (GBP)</th> <th style="text-align: left; padding: 2px;">Tax</th> <th style="text-align: left; padding: 2px;">Net Amount (GBP)</th> </tr> </thead> <tbody> <tr> <td style="height: 100px; vertical-align: top; padding: 2px;">1</td> <td colspan="6"></td> </tr> </tbody> </table> <p style="text-align: right; margin-top: 10px;">Total</p> <p style="text-align: right;">Grand Total</p> <div style="border: 1px solid black; padding: 5px; font-size: x-small; margin-top: 10px;"> <p>Whenever a UK SBS Contract number is cited within the narrative description of the Purchase Order that Purchase Order is subject to the Terms and Conditions relating to that Contract, otherwise, the Purchase Order is subject to the Terms and Conditions Incorporated herein by this reference. For a copy of the Terms and Conditions please see <a href="http://www.uksbs.co.uk/services/procure/Documents/SSCPOterms.pdf">http://www.uksbs.co.uk/services/procure/Documents/SSCPOterms.pdf</a></p> </div> <div style="display: flex; align-items: center; margin-top: 20px;"> <div style="flex: 1;"> <p style="font-size: x-small;">Commercial In Confidence</p> <div style="border: 1px solid black; padding: 5px;"> </div> </div> <div style="flex: 2; border: 1px solid black; padding: 5px; margin-left: 10px;"> <p>VAT Registration Number GB 618 367 325</p> <p>(Contracting Authority) , Polaris House, North Star Avenue Swindon, United Kingdom SN2 1EU</p> </div> </div>	<b>Order</b>		Order Date		Revision	0	Revision Date		Payment Terms	As per terms and conditions	Line	Part Number/Description	Delivery Date	Quantity	UOM	Unit Price (GBP)	Tax	Net Amount (GBP)	1						
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### Schedule 3 The Service

#### D1 SCOPE OF SERVICES TO BE PROVIDED

D1-1 To carry out work through CR20116 Framework related to reference **ECCBS007 – Energy Labelling Consumer Journeys** as outlined in Annex A - Quotation request template (Specification and Supplier Proposal).

#### D2 COMMENCEMENT AND DURATION

D2-1 This Contract shall commence on, Friday 16<sup>th</sup> July 2021 and subject to any provisions for earlier termination contained in the Standard Terms, shall end no later than Friday 1<sup>st</sup> October 2021.

#### D3 MANAGEMENT AND COMMUNICATIONS



#### D4 – Contract Price

D4-1 Total Contract price shall not exceed £48,282.00 excluding VAT in accordance with the Contract price and breakdown submitted for this contract detailed below:

The agreed price for this research is **£48,282.00**:

- FY 21/22: £48,282.00.

## **Annex A - Quotation request template (Specification and Supplier Proposal)**

# UK Shared Business Services

## Energy Labelling Consumer Journeys

### Quotation Request

#### Framework Details

Title:	<b>Energy and Climate Change Behavioural Science Framework</b>
Reference:	<b>CR20116</b>
Framework End Date:	<b>31 March 2023</b>

#### Call-Off Contract Details

Call-Off Contract Reference:	<b>ECCBS007</b>
Date of Issue:	<b>22<sup>nd</sup> June 2021</b>
Date of Return:	<b>28<sup>th</sup> June 2021</b>

UK Shared Business Services (UK SBS) on behalf of The Department for Business, Energy and Industrial Strategy (BEIS) invites you to submit a quotation for the services as outlined below.

#### Requirement

Please see below full details of our requirement:

##### 1. **Brief background, and Research Questions/Evidence Gaps:**

###### **Background**

The Energy related Products team are in the early stages of developing future policies to maximise energy and carbon savings from energy-related products (ErPs). ErPs are products that use energy, or that have an indirect impact on energy consumption, ranging from household appliances such as washing machines, fridges etc. to more commercial/industrial products such as servers, motors etc. As announced in the Prime Minister's Ten Point Plan for a green industrial revolution, the Government plans to launch a world class policy framework for energy-related products later this year which will set our ambition for pushing products to use less energy, resources, and materials, in turn saving carbon and helping households and businesses to reduce their energy bills with minimum effort.

ErP policy has historically focused on the use of two core policy levers:

- Minimum energy performance standards (MEPS); and
- Energy labels

These two policies have formerly (prior to 1 January 2021) been set through the EU Ecodesign and Energy Labelling regulatory framework. MEPS help to remove the most energy consuming products from the market and energy labels communicate the energy efficiency of specific energy-related products at the point of sale in order to inform sustainable purchasing decisions.

Whilst MEPS are an effective way to remove the most energy-consuming products from the market, consumer purchasing decisions also have an important role to play in limiting the environmental impacts of energy-related products. Energy labels apply to certain energy-related products and allow consumers to identify the least and most efficient products through a colour-coded letter scale (ranging from A+++ to G). Other



information is also included on the label such as annual energy consumption as well as information relating to functionality such as volume and sound power levels in the case of fridges. Products which require an energy label include fridges and freezers, washing machines and dryers, electronic displays including televisions, and light bulbs amongst others. Changes to energy labels for certain products came into force on 1 March 2021, with new labels being re-scaled to display A-G energy rating classes instead of A+++ - D energy rating classes. These products were rescaled to better reflect the relative efficiency of the products. For example, prior to the 1 March rescaling, most products sat within the top classes, and consumers were less able to distinguish between an A+++ and A rated product. Now, the majority of products will be in classes C and below to encourage manufacturers to innovate and make an A rated product aspirational. Since 1 November 2020, suppliers have been required to supply these re-scaled labels with these products. The new re-scaled energy label will also be introduced for lighting products from September 2021.

### **Evidence gaps**

Whilst the energy label has been around since 1994 to assist consumers in sustainable purchasing decisions<sup>1</sup>, there is limited research specific to UK consumers on how they make decisions when purchasing energy-related products and what all the barriers might be to the purchase of energy efficient products. Previous EU impact assessments<sup>2</sup> have identified key market failures/barriers to uptake of sustainable products such as higher up-front costs as a potential barrier to uptake of energy efficient products, and the fact that consumers may not always consider or be aware that this cost is often off-set by lower running-costs over the longer term due to their lower energy usage. This was further echoed by an EU impact assessment on the revision of the Energy Labelling framework<sup>3</sup>, which concluded some of the market failures/barriers such as difficulties for consumers to tell whether one product is more resource efficient during its use phase than another has been addressed by existing policy. However, there is some evidence which suggests not all these barriers may have been sufficiently addressed by energy labels in the UK as a study by Fries et al., 2017<sup>4</sup>, indicated that UK consumers are more price sensitive compared to those in the EU with higher upfront cost for energy efficient products being a lead obstacle. One option, therefore, might be to ensure that running costs are communicated more readily to consumers when purchasing products either through the energy label or other means. However, before pursuing specific policy options we would like to carry out consumer journey mapping to gain a better understanding of what influences consumers' purchasing decisions.

More research is needed particularly on UK consumers on how energy label impact different consumers/products, where evidence does exist on the effectiveness of energy labels, it has focussed on a limited set of products such as white goods, TVs, lighting. As consumers purchasing decisions varies depending on the product type, how they are sold and used, we are seeking to understand the barriers and enablers across a range of different energy-related products. purchasing decisions and what the various existing barriers and enablers are to purchase energy efficient products. Below are specific areas where we would like to gain a better understanding to inform policy options (noting that this should build on any existing evidence and not duplicate:

- 1) What are the most important factors that influence a consumer's purchasing decisions? E.g., price,

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<sup>1</sup> EU Energy Labels: [https://ec.europa.eu/info/energy-climate-change-environment/standards-tools-and-labels/products-labelling-rules-and-requirements/energy-label-and-ecodesign/about\\_en](https://ec.europa.eu/info/energy-climate-change-environment/standards-tools-and-labels/products-labelling-rules-and-requirements/energy-label-and-ecodesign/about_en)

<sup>2</sup> SEC (2008)2110 for the 2008 Sustainable Consumption and Production and Sustainable Industrial Policy Action Plan, SEC (2008)2115 for the 2008 proposal for a recast of the Ecodesign Directive and SEC (2008)2862 for the 2008 proposal for a recast of the Energy Labelling Directive.

<sup>3</sup> EU Impact Assessment - Proposal for a Regulation of the European Parliament and of the Council setting a framework for energy efficiency labelling and repealing Directive 2010/30/EU: <https://ec.europa.eu/transparency/regdoc/rep/10102/2015/EN/SWD-2015-139-F1-EN-MAIN-PART-1.PDF>

<sup>4</sup> [https://www.eceee.org/library/conference\\_proceedings/eceee\\_Summer\\_Studies/2017/7-appliances-products-lighting-and-ict/eu-product-policy-and-consumer-purchase-decisions-empirical-evidence-from-eight-eu-member-states/](https://www.eceee.org/library/conference_proceedings/eceee_Summer_Studies/2017/7-appliances-products-lighting-and-ict/eu-product-policy-and-consumer-purchase-decisions-empirical-evidence-from-eight-eu-member-states/)

energy efficiency/running costs, other environmental criteria (e.g. durability), brand, recommendations etc. How do these factors vary between different types of products?

- 2) What are the behavioural barriers to consumer purchasing energy efficient products? How do these differ between different types of products? Do these differ when purchasing products online or in store?
- 3) Are there existing enablers that encourage consumers to pay higher upfront costs for a more energy efficient product? For example:
  - a) how and when (if at all) does the energy label feature within the decision-making process (for which products)?
  - b) Are there other sources of advice (e.g., retailer advice, manufacturer website) which inform decisions?
  - c) Do enablers vary depending on whether products are being purchased online or in store?

Answers to these questions will help to inform development of future policy options which we would look to test further with consumers as part of additional social research beyond the scope of this piece of research.

## 2. **Rationale**

Minimum energy performance standards (MEPS) have been extremely successful in phasing out the worst energy performing products and technologies from the market forcing manufacturers to innovate and invest in more efficient products. This has helped push the market towards more energy efficient products. However, whilst these strong market interventions at the bottom end of the market have helped to remove the worst performers, they have maintained a level of consumer choice within the market and there is in many instances still a significant range of product efficiency as well as a range of prices - more efficient products tending to be more expensive. Despite higher up-front costs, over time higher levels of efficiency can lower household energy bills and reduce overall emissions – but at the moment, this consumer benefit and the overall benefit to society of lower emissions is being overlooked by consumers. In order to maximise the energy and carbon savings from energy-related products, it is therefore important that we design effective policy which will encourage and properly incentivise consumers to purchase the most efficient products available on the market.

Alongside MEPS, energy labels already provide a tool to consumers to identify the most energy efficient products. Whilst this has helped to plug an information gap, there is still a lack of evidence as to how effective these labels are in influencing purchasing decisions in the UK. There is currently a gap in the evidence for the baseline impact of energy labels on consumer's purchasing more efficient products and the corresponding energy and carbon savings. The BEIS Energy Using Products Policy model, used for assessing the economic impact of products policy, focuses solely on energy savings through setting minimum efficiency standards. The EU Ecodesign Impact Accounting model<sup>5</sup> incorporates data from all EU preparatory studies on ecodesign, energy labelling and tyre labelling regulations. The impacts of collective policies are available, but the individual impacts of energy labelling policies are not.

Whilst evidence on the baseline impact of energy labels has not been found, there have been studies into the potential improvements to the labels that could be made. The EU published an impact assessment<sup>6</sup> comparing consumer purchase choices for different energy label layouts on televisions and washing machines. Four label layouts were tested on consumers. The results were presented as the proportion of consumers that chose the most efficient, middle efficient, and least efficient products. The base-line label was the old energy label which scored products between A+++ and D. There were also two numeric labels and the rescaled energy label (A-G). For the baseline label, 38% of consumers chose the top performing class while 25% went for the least efficient. For the rescaled label- 45% went for most efficient while only 21% picked the least. The rescaled label for a number of domestic products has since been introduced in the EU and GB markets.

We are keen to explore ways that information on energy labels might be improved to make them more

<sup>5</sup> [https://ec.europa.eu/energy/studies/ecodesign-impact-accounting-0\\_en](https://ec.europa.eu/energy/studies/ecodesign-impact-accounting-0_en)

<sup>6</sup> [https://ec.europa.eu/energy/sites/ener/files/documents/1\\_EN\\_impact\\_assessment\\_part1\\_v7.pdf](https://ec.europa.eu/energy/sites/ener/files/documents/1_EN_impact_assessment_part1_v7.pdf)

effective as well as other sources of advice/information and incentives that could increase consumer uptake of energy efficient products. This was explored last year as part of the Energy-Related Products<sup>7</sup> call.

Responses to the call for evidence were largely from manufacturers and other organisations but there is currently a gap in our understanding around consumer behaviour and attitudes towards energy efficient products. Using a Behavioural Insights methodology will enable us to understand how consumer behaviour and decisions can be 'nudged' effectively towards considering and buying more efficient products, potentially reducing the need for more heavy-handed legislative interventions such as banning products from the market. This correlates with the overall aim for 'better regulation', due to it being a relatively low-cost option that avoids placing burden on businesses in the same way as legislation might.

We seek to understand the barriers, enablers, consumers interaction with the energy label and other factors that influence consumers purchasing decisions. We propose consumer journey mapping to first understand the behavioural barriers and motivators to purchasing energy efficient products, covering from the point of pre-purchase research (what information consumer find useful) through to buying energy products either online or in store.

As part of our policy development, we seek not only to understand the factors influencing consumers purchasing decisions, but also how these factors interact with each other. We are using the framework for this piece of research as it is a behavioural insights project and we anticipate that the consumer journey mapping would identify consumers' purchasing decision behaviour, as well as identifying the barriers and enablers when buying the most energy efficient products. The outcome of this research will help to influence future policy design to make future policy as effective and universal as possible. We recognise the rise of online sales and social media playing a role in influencing consumers in their purchasing behaviours - we want a policy that would encourage consumers of all ages and socio-economic background to buy the most energy efficient product. We would also like to diagnose the barriers to and enablers of behaviour change, with the objective of identifying the most fertile ground for policy intervention, in order to maximise the impact on uptake of energy efficient products. Understanding how a consumer decides whether to pay for a higher upfront cost and what information other than the energy label influences their decisions will help us to design effective future policy, fit for 2021 (rather than 1993, when energy labelling was first conceived).

As outlined in the Prime Minister's Ten Point Plan, we are aiming to launch a world class policy framework for energy-related products this year which will set out which energy-related products have the greatest carbon-savings potential and which policy levers we intend to use to realise these savings. Alongside minimum standards, influencing and changing consumer behaviour will form an important part of this framework. Using the behavioural insights framework will, therefore, allow a faster turnaround time for the research to feed into this framework and the development of future policy options, which we intend to consult on in 2022.

### **3. Suggested Methodology, Participant Characteristics and Sample Size (if applicable):**

The consumer journey mapping should investigate what factors influence consumer purchasing decisions of energy-related products and what the barriers and enablers are for purchasing energy efficient products. This would include identifying whether/to what extent certain factors (e.g. the energy label/energy efficiency/running costs) form a part of the consumer's decision-making process. The participants should include a range of consumers of different ages and socio-economic background with a particular focus on those who buy products both in-store and online. We would communicate with the supplier and agree the most suitable methods such as interviews, focus groups and if any other methods would be useful to identify the barriers and enablers in depth.

As well as the journey mapping outputs (including conclusions on the behavioural barriers and motivators), the report should include some practical recommendations (from the supplier and consumer perspective) that consumers might find useful when making purchasing decisions. The report should also explore factors and

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<sup>7</sup> <https://www.gov.uk/government/consultations/energy-related-products-call-for-evidence>

recommendations we can take into consideration to when developing future policy, potentially re-designing labels, communicating the benefits of labels being included in consumer purchasing decisions and at what stage of the purchase journey is best to communicate this and considering the use of behavioural interventions to reach our policy goal.

This research should seek to collect a diverse sample of participants, who are regular consumers and vary according to their social-economic background.

**4. Desired Outputs:**

A final publishable report for the project will be required at the agreed time with the suppliers and will be required to be up to Government publication standards. A prior report and/or presentation should also be prepared for the ErP team to comment, ask questions and provide feedback. This would be accompanied with bi-weekly meetings in which the policy team can offer steers and comment on findings.

Please return your quotation to [Research@uksbs.co.uk](mailto:Research@uksbs.co.uk) by 28<sup>th</sup> June 2021.



# Supplier Response

## Timescales

The timescales of this Project are:

Start date:	16 <sup>th</sup> July 2021
End date:	1 <sup>st</sup> October 2021

Please confirm that you are able to complete by the timescales detailed above: **Yes**

***Please note that the timescales for completion are mandatory, should you be unable to complete by the end date, we will be unable to award this project to you and will move to the next ranked Supplier on the Framework.***

## Price

Please confirm your Firm and Fixed price for completion of this project (you are required to ensure that your rates do not exceed the maximum rates submitted for the Framework)

**N.B. This should include all costs relating to the projects as well as Travel, Subsistence and Overhead costs (For clarity, only the figure quoted will be accepted as firm and final):**

Firm and Fixed Price:	<b>£ 48,282 excl VAT</b>
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Please confirm that in addition to providing your firm and fixed price above, that you have also attached a breakdown of the Staff to deliver, hours and rates applicable (so these can be cross referenced with the Framework rates).

Breakdown of staff to deliver, hours and rates provided with quotation response:	<b>Yes</b>
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## Special Clause(s)

*Where special contract clauses are required for an individual Call-Off Contract these will be provided here. Please note that special contract clause agreement will be mandatory and therefore should the Supplier be unable to accept, we will be unable to award this project to you and will move to the next ranked Supplier on the Framework.*

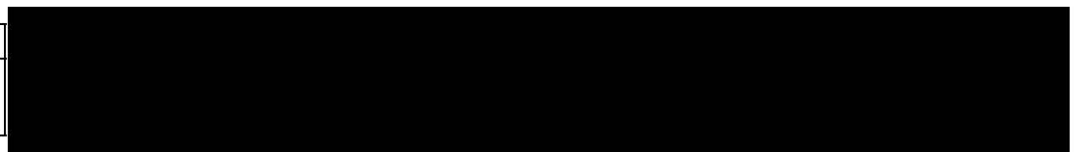
**Enclosed:**

- Appendix C – GDPR Annex A (Attachment)
- Appendix D – Non-Disclosure Agreement (Attachment)

Please confirm your acceptance to the special clause:	<b>Yes</b>
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## Supplier Signature

Supplier Name:
Signature



## Proposal

We are pleased to respond to this RFQ, and present below a methodology we believe will maximise the learning value from this work. Note we have deviated from the suggested methodology within the RFQ in some key ways (summarised in box below).

### Key ways our proposal expands on the RFQ's suggested methodology

#### Qualitative and quantitative

We suggest using quantitative as well as qualitative research. We believe many of the research questions within the RFQ are implicitly quantitative (i.e. understanding the *extent* to which certain barriers are important, the *prevalence* or *relative importance* of different decision factors, the *proportion* who shop online vs. in person, the *most common* perceptions about labels, and so on). Even though BEIS may not feel the need for precise quantitative answers to these questions, it will be impossible to make any claims of prevalence, common vs. rare behaviours and attitudes, and relative importance or ranking, with only qualitative data, and we fear a purely qualitative approach would therefore yield all-too-obvious findings (e.g. *some* people value price, quality, brand, running costs, reliability...). We have therefore proposed an online survey supplemented by a smaller number of interviews, rather than spending the bulk of the budget on interviews or focus groups.

#### Experimental element

We understand that this research is exploratory background research, and BEIS do not (yet) feel the need to test specific policy or label options. However, using BIT's online experimentation and survey platform, Predictiv, we can (since we are proposing an online survey anyway), relatively quickly and cost-effectively expose respondents to a small number of label designs to elicit hypothetical choices across a large range of products. This would be a 'mini RCT' within the survey. This can help to confirm whether or not existing labels have any impact on purchase behaviour across a range of product categories (stated as an evidence gap within the RFQ), allow us to capture useful feedback on useful features of a label, and provide initial data on one promising design feature (including the appliance running costs on labels).

We would be very happy to discuss these points in more detail should you feel we have misunderstood the needs of the project.

### Proposed methodology

#### Task 1: Kick-off meeting

We propose holding a 2-hour kick-off meeting between BIT and relevant BEIS colleagues.

- In the meeting, we will agree ways of working, frequency of meetings and updates, detailed project plan, roles and responsibilities.
- BEIS to present (e.g. 15-20 minutes) an overview of their understanding and evidence to date on the effectiveness of energy efficiency label designs, and the options being considered.<sup>8</sup> This is primarily to assist us in prioritising the most important research questions, i.e. those which address research gaps.
- We will also discuss, clarify and prioritise the research questions for the survey and interviews.

#### Task 2: Online survey and 'mini RCT' experiment

With the key research questions agreed, we will design, implement, and analyse a survey of a large sample of UK consumers, including a mini RCT to test the impact of no label / existing label / new label on product choice. The *indicative* survey/experiment participant flow is shown below:

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<sup>8</sup> BIT has a reasonable knowledge of the literature on energy labelling, as well as wider expertise in the behavioural science of consumer labelling and decision-making. For this project, we do not believe it is good value to undertake an evidence review (assuming this knowledge already exists within BEIS). However, it *is* important that this work builds on, rather than duplicates, existing evidence. We therefore suggest that a quick overview of BEIS' knowledge on this topic within the kick-off meeting is the most efficient way to steer our research towards the most useful topics and avoid duplication.



**Sample recruitment.** online panel n=1800, representative on key demographics (demographic data already available on panel).

**Randomised to one product category** (e.g. washing machine, fridge, lightbulb, dishwasher, drier). Products chosen for their variation in upfront cost and magnitude of savings from low to high efficiency. Each participant sticks with this product category throughout.

**Survey questions.** Respondents will respond to survey questions with respect to the product category they have been assigned, but question identical across all product categories (allows pooled analysis and between product comparisons)

**Experiment.** Respondents randomly assigned to see one of three label conditions (no label, existing label, new label with running costs). Again, relates to their product (i.e. this is a factorial design achieving every label-product permutation). Shown choice of 2 products (high and low EE) and asked to choose as if spending their own money. Additional follow-up questions about their decision and the label they saw.

**Interview recruitment.** Participants invited to volunteer for follow-up interview for incentive. 10 interviewees will then be selected from this pool.

The **sample** (c. 1800) will be 'online representative' - i.e. representative of the UK population on key demographics including age, gender, ethnicity, and income, but necessarily drawing from an online sample.

Participants will be **randomised to one product category** (e.g. 'imagine you are considering buying a new washing machine.... / dishwasher... / refrigerator...'). We will select c. 5 products (n=360 per product). A spread of products allows us to capture data across appliances which differ in their cost, and in the relative savings between more and less efficient units (e.g. a more efficient tumble drier saves more money relative to its upfront cost, than a more efficient dishwasher would relative to its upfront cost).

The **survey** will be designed to answer some or all of the following key questions (depending on which are prioritised within the kick-off meeting). The questions will be identical regardless of which product participants have been assigned, but participants will answer them in relation to that product.

- RQ1: What factors influence consumer purchasing decisions (cost, brand, quality etc...) and to what extent are energy/efficiency and other environmental considerations (such as durability, packaging, repairability) a factor?
- RQ2: What are the most prevalent barriers to purchasing more energy efficient products? How willing are people to pay more upfront for a more efficient product?
- How accurate are consumers' estimates of the financial savings of a more efficient product? (*Eliciting testable estimates from participants may provide more meaningful insight into the upfront cost/long-term saving barrier, than simply asking participants.*)
- RQ3: What enablers or motivations are there to purchasing more energy efficient products?
- RQ4: What is the typical 'purchase journey'?
- Online vs. in-store vs. second-hand purchasing
- When does the research and decision happen, relative to the actual purchase?
- Where do consumers tend to go for product research or advice?
- Because the sample will have been randomly allocated to one of several product categories, comparisons between product categories, as well as consumer characteristics, can be made.

For the **experiment**, we will randomise the participants into one of three 'label conditions' (*no label; existing label; new label showing running costs*). For example, everyone in the 'washing machine' group will see a pair of washing machines (one high efficiency and one low efficiency, otherwise comparable), with one third seeing these with no labels, one third seeing them with current labels, and one third seeing them with 'running cost' labels. **We will discuss experiment design in more depth with BEIS during the beginning of the project, ensuring we choose a trial design and treatments that maximise our ability to answer BEIS's highest-priority research questions.**

- Outcome measures will include hypothetical product choice, as well as questions about the label they saw (understanding, like/dislike, subjective usefulness, importance in their product choice)
- Multiple-choice questions asking for aspects of a label consumers would find most useful to make an informed decision (e.g. running costs, other environmental factors, energy use expressed in different ways).
- **Recruitment for follow-up interviews:** At the end of the survey & experiment, respondents will be invited to volunteer for a follow-up interview in return for an incentive. 10 interviewees will be selected from the pool, ensuring a spread of characteristics (including income, online/in-store purchasing habits, and stated attitudes to or revealed knowledge of labels)

*Sketched example of the comparison shown to participants in the 'running cost' labels group (note that washing machine image and ordering would be random):*



### Task 3: Depth interviews with consumers

In undertaking the project's qualitative research, we will develop an **interview discussion guide** to explore the above research questions qualitatively and in more depth. We will discuss the research questions within the kick-off meeting and ascertain which questions are most useful to explore in depth within interviews, vs. within the survey. For example, it may be more valuable within interviews to discuss the '*decision journey*' for buying a new product - when and how do people tend to research products, when might they become aware of the energy efficiency rating, how and when this impacts their decision, and what contact points (shops, review websites, manufacturer websites etc.) they interact with. This will provide a framework for understanding the quantitative data in context, as well as identifying policy recommendations to optimise the provision of energy efficiency information.



- We will undertake **10 x 30-minute consumer-interviews** with the ten consumers recruited via the online survey. These interviews will be recorded to aid interpretation of findings and drafting of reports, but in order to remain within budget they will not be transcribed.

*Note: due to ongoing social distancing measures, the interviews will be remote by default.*

## **Deliverables**

The **final report** will contain the following sections:

- Executive summary presenting all key findings in plain English
- Key recommendations for future policy and label design, based on the evidence gathered through the interviews, survey and experiment. These recommendations may relate to:
  - Whether to nudge with labels, and whether they merit re-designing (are they, or could they be, effective?)
  - When to nudge with labels (at what points in the purchase journey might the information be most useful?)
  - How to nudge with labels (what features and design elements are most promising, and what barriers could be overcome?)
- Further research needed
- Summary of methodology
- Full findings from qualitative interviews, survey, and experiment summarised in a clear and accessible format with technical details within appendices.

We are also happy to present key findings to officials.

## Costs & expenses

**£48,282** grand total, excluding VAT

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