

DPS FRAMEWORK SCHEDULE 4: LETTER OF APPOINTMENT AND CONTRACT TERMS

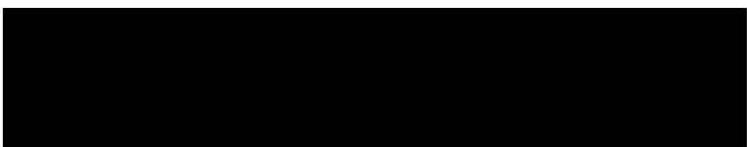
Part 1: Letter of Appointment

Dear Sirs

Letter of Appointment

This letter of Appointment dated Monday 1st February 2021, is issued in accordance with the provisions of the DPS Agreement (RM6018) between CCS and the Supplier.

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

Order Number:	CR20139
From:	The Department for Business, Energy and Industrial Strategy (BEIS), 1 Victoria Street, London, SW1H 0ET ("Customer")
To:	National Centre for Social Research, 35 Northampton Square, London, EC1V 0AX ("Supplier")
Effective Date:	Monday 1 st February 2021
Expiry Date:	Friday 20 th August 2021 Notice period for cancellation is 30 days
Services required:	Set out in Section 2, Part B (Specification) of the DPS Agreement and refined by: <ul style="list-style-type: none">· the Customer's Project Specification attached at Annex A and the Supplier's Proposal attached at Annex B; and the agreed deliverables in Annex C,
Key Individuals:	
Contract Charges (including any applicable discount(s), but excluding VAT):	£198,000.00 excluding VAT in alignment with Schedule 2 and Annex 1 of the CR20139 Contract Terms.

Insurance Requirements	<p>Additional public liability insurance to cover all risks in the performance of the Contract, with a minimum limit of £1 million for each individual claim</p> <p>Additional employers' liability insurance with a minimum limit of £5 million indemnity</p> <p>Additional professional indemnity insurance adequate to cover all risks in the performance of the Contract with a minimum limit of indemnity of £1 million for each individual claim.</p>
Liability Requirements	Suppliers limitation of Liability (Clause 18.2 of the Contract Terms);
Customer billing address for invoicing:	All invoices should be sent to should be sent to finance@services.ukpbs.co.uk or Billingham (UKPBS, Queensway House, West Precinct, Billingham, TS23 2NF).
GDPR	Contract Terms Schedule 7 (Processing, Personal Data and Data Subjects) Annex A

FORMATION OF CONTRACT

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

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

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

For and on behalf of the Supplier:

For and on behalf of the Customer:



ANNEX A

Customer Project Specification

1. Background

Broadly, the aim of this project is to better understand consumer detriment in the UK. We view consumer detriment as the harm or loss that consumers experience, when, for example,

- they are misled by unfair market practices into making purchases of goods or services that they would not have otherwise made,
- they pay more than what they would have, had they been better informed,
- they suffer from unfair contract terms or
- the goods and services purchased do not conform to consumers' (reasonable) expectations with respect to delivery, performance or quality, including product safety and authenticity.

Consumer detriment can manifest itself in many formats, such as a delayed delivery, substandard service or the purchase of a faulty item. Previous surveys suggest that millions of UK consumers experience some form of consumer detriment every year. Through this survey, we want to robustly quantify the problems' incidence and impact.

The previous consumer detriment survey was undertaken in 2016 and its report (including the questionnaire used and the methodology to recruit respondents) is available here: <https://www.citizensadvice.org.uk/about-us/policy/policy-research-topics/consumer-policy-research/consumer-policy-research/consumer-detriment-counting-the-cost-of-consumer-problems/>.

The new survey is being led by the Consumer Protection Partnership (CPP) and associated organisations. The CPP brings together consumer bodies covering all aspects of consumer protection. We represent consumer advocates and consumer law enforcers from all parts of the UK who are uniquely placed to work together to help tackle the issues facing consumers today. Members of the partnership are

- The Advertising Standards Authority
- Citizens Advice
- The Consumer Council of Northern Ireland
- COSLA - Trading Standards Scotland
- The Financial Conduct Authority
- National Trading Standards
- The Northern Ireland Department for the Economy
- The Chartered Trading Standards Institute
- The Scottish Government (Observer status)
- The UK Government Department for Business, Energy & Industrial Strategy
- Citizens Advice Scotland
- The Competition & Markets Authority.

In addition, Which?, the Office of Communications and others are part of the project team.

The project's output will be used to inform and steer consumer and competition policy and enforcement work. For instance, the reports formed a key evidence source for the 2018 Consumer Green Paper ("Modernising Consumer Markets") which pointed to the need to improvement in some high-detriment sectors and the effectiveness of consumer law enforcement. Detriment surveys also direct CPP members to investigate consumer problems in particular markets or practices such as home improvement. The project's outputs will also suggest areas where the BEIS Consumer and Competition Directorate may want to introduce or amend rules in order to improve competition and consumer enforcement.

The ultimate outcome for all this activity is to reduce the level of consumer detriment and so improve consumers' living standards. Consequently, the detriment survey would allow us to understand where the CPP could have the most positive impact.

2. Aims and Objectives of the Project

Consumer detriment can take many forms: it can be structural in nature (i.e. affecting all consumers) or personal (specific to an individual); revealed/known to the consumer or hidden; and financial or non-financial. Consumer detriment may be apparent to consumers immediately, may take time to emerge, or remain hidden. Examples of such hidden detriment might include the impact of monopolistic pricing policies or as yet undiscovered incidences of mis-selling.

This research will explore known personal consumer detriment, both financial and non-financial. In accordance with OECD and European Commission conclusions, consumer surveys are not well-suited to estimate structural or hidden detriment. We intend to obtain evidence on this through different projects, though welcome suggestions from bidders on how small adjustments to this survey could answer some aspects of hidden or structural consumer detriment.

The project's output will be used to inform and steer consumer and competition policy and enforcement work. In particular, we are interested in understanding:

- the scale and nature of problems that consumers experience, including the type of problem, the type of products/services concerned and the impacts of Covid-19 on these.
- the scale of the financial, time, and emotional consumer detriment in the UK and its impact on consumers' lives.
- how consumers seek to resolve the problems encountered and their experiences in the process, including follow-on detriment e.g. costs to resolve the issue.
- prevalence of consumer problems and detriment across different demographic groups, particularly vulnerable consumers. Consumer vulnerability includes characteristics such as age, gender, income, ethnicity, disability/illness, geography, internet usage but also transient vulnerability like bereavement or job loss where possible.

CPP will share its analysis of where the previous questionnaire would benefit from changes and additions as well as its ideas of how these could be implemented. We will ask the successful bidder to independently review the questionnaire and proposed changes. They will then revise the questionnaire accordingly to ensure it is fit for purpose and follows social research best practice. The successful bidder will need to cognitively test and pilot the questionnaire to ensure it is valid, reliable, and objective. We are aiming for an average questionnaire length of around 15 minutes, as discussed below, but welcome views on this.

We want to make this series of surveys more consistent going forward, so the questionnaire redesign will influence our main analytical product for many years to come.

3. Suggested Methodology

We are seeking a robust quantitative survey of UK adults that will meet the research objectives detailed above, using an updated and improved questionnaire to that used in the 2016 survey as explained.

Questionnaire design

The successful bidder will be required to update the questionnaire from the 2016 survey to answer the research questions. We will share our assessment and suggested changes during the course of project kick-off. The successful bidder will also be required to cognitively test the questionnaire and pilot it with a small sample.

Bidders are invited to comment on the maximum average length of questionnaire they consider to be feasible overall. For the purposes of evaluation, please bid on the basis of an average 15-minute questionnaire overall, based on which bids will be assessed. The response length will depend on how many problems a given respondent will report. In the 2016 online sample, around 33% of respondents reported no problem, 16% reported 1 problem, a further 13% reported 2 problems and 34% reported 3 or more problems. We estimate a survey completion time of less than 4 minutes for 0 problems and an additional 6 minutes for each problem explored. Problem incidence rates may be higher than historically due to Covid-19, though we wouldn't expect a major impact on average questionnaire length.

We specifically invite comments on the maximum number of separate problems that could be explored without risking respondent fatigue and response quality. While we are keen to find out as much information about as many problems experienced as we can, we recognise the trade-offs with response length and quality.

The 33% - 66% of respondents who reported no problems in the past (depending on survey mode) have so far been routed straight to the socio-demographic section. We would be interested in suggestions how we could learn relevant insights from this sub-sample, bearing in mind its no-problem bias. Designing (and coding, analysing) such a questionnaire branch would be an optional extra to the bid.

We would like the option to re-contact participants for follow-up research, where they have given consent, to be incorporated in the questionnaire.

Survey mode

A major problem with the previous survey was that the results from the online panel part of the fieldwork could not be used for the headline results, which were, therefore, based only on the relatively low number of face-to-face interviews. The results from the two survey modes used (face-to-face omnibus and the online panel) diverged considerably and various possible reasons were given for this when justifying the choice to use only the 'more conservative' results from the face-to-face interviews. A pilot detriment survey by the European Commission found similarly divergent results by face-to-face omnibus surveys and online panels.

We are open to a variety of survey modes, where proposals are accompanied by a clear rationale and justification. However, we assume that for fieldwork conducted early in 2021 a

face-to-face approach such as an in-home omnibus is unlikely to be possible. If an online panel approach is proposed this time round, bidders will need to discuss how their approach will address the limitations inherent in many online panels and provide an achieved sample that is representative of UK adults. The approach would need to meet certain methodological standards around recruitment to, and sampling from, the panel. Bidders would also need to demonstrate i) how to represent the experiences of the offline minority and ii) whether (or not) this approach risks the population estimates derived considerably overstating the incidence, extent and associated detriment of problems for research of this type.

With those limitations in mind, we consider that a mixed-mode approach is likely to be needed, with recruitment, sampling and interviewing reflecting the make-up of the adult population. We expect that some of the large differences between the 2016 survey's online and offline samples were driven by a mode effect. If bidders propose a mixed-mode approach, they should therefore address issues around mode effects and implications for usability of all the sample.

Where possible, we also favour randomised probability sampling over quota sampling. Bids should discuss the response rates realistically to be expected for the approach(es) proposed and how response will be encouraged, for example by the use of reminders, ring-backs (if appropriate) and/or incentives.

Sample size and recruitment

It is very important that the achieved sample is representative of the UK adult population, as well as allowing for comparative analysis between the UK nations. In particular, as stated above, we want it to be able to represent the views of consumers with low or no internet usage. This is considered crucial for a survey focussing on detriment and where it could be that those who suffer more detriment may be disproportionately present amongst vulnerable consumer groups which may, themselves, be more likely not to be able to complete a survey online.

Recognising that many respondents will not report any problems at all, we seek a sample size of at least 4,000 respondents but with a preference for more than 6,000. The sample should also include at least 500 respondents in each of Wales and Northern Ireland and preferably 1,000 respondents in Scotland. Bidders are invited to set out the additional cost of achieving a total sample of 1,000 respondents in Scotland if that is not already part of the bid. Bidders are asked to separately price these additional responses needed in the second sheet of the AW5.2 Pricing Schedule. While this element will not form part of the evaluation, the fixed quote price will be used if the contract authority is able to obtain additional funding specifically for this and wishes to avail itself of this option.

We recognise that what can be achieved will be heavily dependent on the approach taken and the time and budget available, so bidders are invited to comment on the maximum numbers they expect to be able to deliver and the implications for analysis. For the purposes of evaluation, bidders should quote on the basis of 6,000 achieved interviews. Any incentives proposed at extra cost should be shown separately.

Analysis

The achieved sample needs to be sufficiently large to answer the research questions above and, in particular to allow for analysis by UK nations, and between different socio-demographic groupings as outlined in section 2, different types of problem experienced, and different sector/product markets.

The survey will need to provide robust population estimates for the extent and nature of problems and consumers' experiences in resolving them. Bidders will also be required to derive the monetary value of the different forms of detriment from these estimates, similar to previous survey reports. Bidders should detail how results will be weighted, how they recommend treating outliers and the measures of statistical uncertainty provided.

We expect the report to address the research questions through appropriate drafting, charts, and tables. Further, the report needs to discuss the statistical uncertainty around headline findings throughout the report and describe how its findings relate to similar surveys. Where achieved sub-sample sizes permit, the report should also contain chapters that describe the main results for Scotland and how UK results differ by the socio-economic groups described in section 2.

Previous reports are a guide to the scope and type of analysis, though we expect the structure and content to be informed by the data and its analysis. The previous reports include:

- Oxford Economics on behalf of Citizens Advice (2016): Consumer detriment - Counting the cost of consumer problems
- TNS on behalf of Department for Business Innovation and Skills (2014): Consumer Engagement and Detriment Survey 2014
- TNS for Consumer Focus (2012): Consumer Detriment 2012 (online copy may be hard to locate)
- Office of Fair Trading (2008): Consumer detriment - Assessing the frequency and impact of consumer problems with goods and services

Timing

Bidders are asked to comment on their capacity and ability to meet the survey timetable specified in this invitation to tender. Completing the questionnaire (including test and piloting) and starting fieldwork by March is essential. Completing fieldwork in March would be preferred, though bidders may propose an alternative timetable that would fully meet our project requirements.

4. Deliverables

The project needs to deliver the following:

- An agreed, robust survey methodology that will deliver a representative sample of UK adults of sufficient size to meet the research objectives and allow for disaggregation as outlined.
- An agreed survey questionnaire that:
 - Addresses and implements change requests from the previous questionnaire used in the 2016 survey;
 - Has benefitted from cognitive testing (with particular focus on questions to be specified); and from
 - A small-scale pilot.
 - Optional: additional questionnaire to ask of respondents who did not experience a problem worthy of reporting and will thus skip almost all of the questionnaire.

- Fieldwork conducted to a high standard, including reminders/other methods aimed at eliciting a good response.
- A fully coded, cleaned dataset incorporating weighting variables, to agreed specifications and formats (the latter likely to be Excel and SPSS).
- Summary cross-tabulations to agreed specifications, incorporating appropriate weighting, base counts, effective sample sizes and statistical testing.
- Anonymised versions of the dataset and tables that may be published by CPP should we wish.
- A presentation of, possibly interim, findings to the CPP to allow discussion and feedback ahead of the final report.
- Full research report, including an executive summary and comprehensive technical appendix that can be publicly scrutinised, and will allow the survey to be replicated.

During the project, we expect the successful bidder to provide regular updates on progress towards deliverables.

Project Milestones:

1. Finalised, Tested Questionnaire – February 2021
2. Completed Sampling – March 2021
3. Preliminary Data Tables and Interim Findings – April 2021
4. Final Report – June 2021

ANNEX B

Supplier Proposal

Part 2: Contract Terms



Contract Terms v6.0