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Tender

Employment effects of the National Living Wage

Low Pay Commission

UK4: Tender notice - Procurement Act 2023 - view information about notice types

Notice identifier: 2025/S 000-085180

Procurement identifier (OCID): ocds-h6vhtk-05fb00

Published 19 December 2025, 7:20pm

Scope

Reference

LPC 2025/06

Description

The Low Pay Commission (LPC) invites tenders for research using novel methods or data to analyse the impact of recent increases in the minimum wage. We are specifically interested in the impacts on employment (and hours), but research may cover a range of other outcomes.

The Low Pay Commission is a non-departmental public body that advises the government about the National Minimum Wage (NMW), including the National Living Wage (NLW) and the minimum wage rates for young workers and apprentices. We are responsible for evaluating the effects of the NMW and NLW and making recommendations on future rates. To carry out these functions, our work involves:

• carrying out extensive research and consultation with employers, workers and their representatives and taking written and oral evidence from a wide range of organisations;

- analysing relevant data to understand the state of the economy and labour market and the impact of the minimum wage;
- commissioning research projects into these questions.

The LPC carries out its own descriptive and econometric analysis of the labour market and the impact of minimum wage increases, including using econometric methods. However, some of the key data sources we rely on, including the Labour Force Survey, have suffered from data quality issues since the pandemic. We are therefore looking for research that would use alternative data sources and/or develop novel methods to provide robust quantitative estimates of the impact of increases in the minimum wage since 2019.

The estimated maximum cost of the contract is £80,000 (exclusive of VAT; £96,000 including VAT). We recognise that proposed projects may vary significantly in their scale and resource requirements and anticipate bids in the range £50,000 to £80,000.

This procurement is for research delivering its final findings in September 2027 with interim findings in September 2026. If your proposed project could be completed to a shorter timeframe, we strongly encourage you to submit a bid under LPC 2025/05 (Open call for research on the minimum wage).

Total value (estimated)

- £80,000 excluding VAT
- £96,000 including VAT

Below the relevant threshold

Contract dates (estimated)

- 2 March 2026 to 31 December 2027
- 1 year, 9 months, 30 days

Main procurement category

Services

CPV classifications

• 73000000 - Research and development services and related consultancy services

Participation

Particular suitability

- Small and medium-sized enterprises (SME)
- Voluntary, community and social enterprises (VCSE)

Submission

Enquiry deadline

12 January 2026, 2:00pm

Tender submission deadline

2 February 2026, 2:00pm

Submission address and any special instructions

Tenders should be submitted to tim.butcher@lowpay.gov.uk, copying lpc@lowpay.gov.uk,

Tenders may be submitted electronically

No

Award criteria

Tenders shall be evaluated using the Most Advantageous Tender (MAT) methodology. This is where the Authority assesses a Tender based on a combination of commercial, quality, and price elements. The Authority chooses to award the Contract, the Authority shall award the Contract to the Tenderer which submits the highest scoring Tender.

The MAT ratio for this Tender is as follows:

Commercial: Pass/Fail

Quality: 80%

Value for Money: 20%

Any non-weighted elements shall be evaluated as pass/fail and any Tenders which receive a 'Fail' will be excluded from further participation in the Procurement.

Quality will be assessed on three dimensions:

Understanding the requirements and context (A01): 25%

Methodology and approach (A02): 30%

Ability to deliver (A03): 25%

Value for money will be scored based on total contract price, the scale and quality of the proposed deliverables and the staffing resource required to complete the project.

Procedure

Procedure type

Below threshold - open competition

Documents

Associated tender documents

https://www.gov.uk/government/publications/low-pay-commission-call-for-research-for-2026-and-beyond

A detailed description of the project requirements is provided in the Invitation to Tender (ITT) document published on the Low Pay Commission website.

The pricing schedule template can be found alongside the ITT document.

Note that there may be a short delay in the linked page going live. If you are unable to access it initially, please try again on the following working day.

Contracting authority

Low Pay Commission

Public Procurement Organisation Number: PDDW-8983-PTPH

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Contact name: Tim Butcher

Email: lpc@lowpay.gov.uk

Website: https://www.gov.uk/government/organisations/low-pay-commission

Region: UKI42 - Tower Hamlets

Organisation type: Public authority - central government