

**ORDER FORM**ORDER NO: **SER/0734**Date of Order: **12 January 2018***(To be quoted on all correspondence relating to this Order)*

<p>FROM (Customer):</p> <p>Water Services Regulation Authority Centre City Tower 7 Hill Street Birmingham B5 4UA</p> <p>Customer's representative: Daniel Mason</p> <p>T: +44 (0) 121 644 7629 E: daniel.mason@ofwat.gsi.gov.uk</p>	<p>TO (Contractor):</p> <p>KPMG LLP 15 Canada Square Canary Wharf London E14 5GL</p> <p>Contractor's representative: [REDACTED]</p> <p>[REDACTED]</p>
<p>SERVICES TO BE DELIVERED TO:</p> <p>Not applicable</p>	<p>INVOICE ADDRESS FOR CUSTOMER :</p> <p><a href="mailto:finance@ofwat.gsi.gov.uk">finance@ofwat.gsi.gov.uk</a></p> <p>or</p> <p>Finance Team Water Services Regulation Authority Centre City Tower 7 Hill Street Birmingham B4 5UA</p>
<p>Any Contract arising from this Order Form shall be governed by the Call-Off Terms and Conditions as set out in the Ofgem Framework Agreement for Economic, Financial and Related Consultancy Services, between the Gas and Electricity Markets Authority and KPMG LLP with effect from 1 September 2015 (the 'Call-Off Terms and Conditions'); the Customer's Invitation to Tender, dated 15 December 2017; the Contractor's Proposal dated 8 January 2018 and total capped price clarification email dated 12 January 2018; and any enhancements thereto and provisions expressly listed herein.</p>	
<p><b>Description of Services Requirement:</b></p> <p>Review of Credit Arrangements in the Business Retail Market (PROC.01.0584)</p> <p><b>Service Category</b></p> <p>Pan-Regulators' Framework Agreement for Economic, Financial and Related Consultancy Services - 3F: Market Design (UK &amp; International)</p> <p><b>Programme:</b> Market Outcomes and Enforcement (MOE)</p>	

## Contract Period

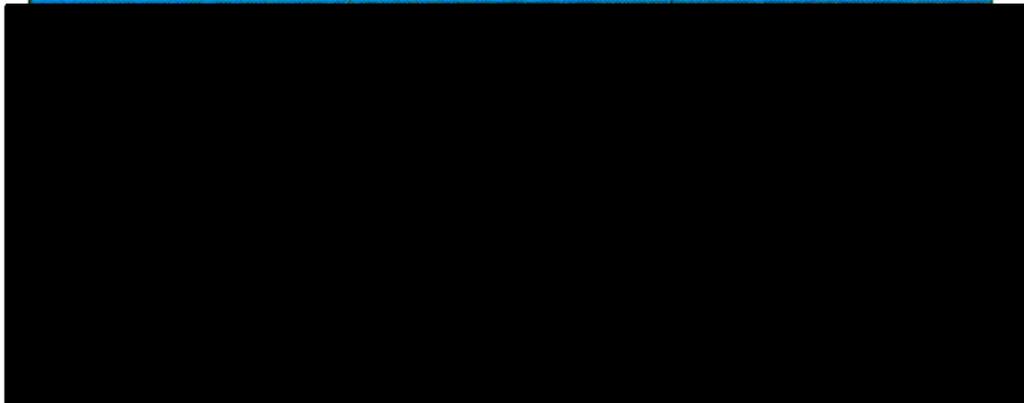
The Commencement Date shall be 15 January 2018.

The expiry date is 30 March 2018; unless extended or terminated earlier in accordance with the Contract.

## Charges

### Charges per Working Day

The table below provides the charges per Working Day.

Framework Grade	Maximum Framework Rates (Daily rate (£) *)	Discounted rate to be applied to the Contract (£) for Key Personnel
		

\*A Working Day is 8 hours.

### Project Costs

The capped price for the project is **£58,996.25**.

The quotation below (and as set out in the Contractor's Proposal) will be the capped price payable by the Customer for the project and will only be exceeded by agreement between the Customer and the Contractor. Such agreement will only be given by the Customer where cost overruns have arisen as a result of the work involved being over and above that reasonably anticipated prior to the commencement of the assignment.

Where the resource costs incurred by the Contractor in performing the Services falls below the capped price, the Contractor shall invoice the Customer for the actual value of the Services provided according to the charging structure described in the Order Form.

The Services/Deliverables which satisfactorily address any points raised by the Customer (including points raised on previously submitted drafts) and their acceptance by the Customer will signify successful completion of the project.

The charge rates are all inclusive with the sole exceptions of:

- Disbursement for travel and accommodation expenses;
- Value Added Tax.

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Any travel and accommodation required in connection with the project will be reimbursed on Acceptance of receipts and where appropriate a mileage log. Any travel and accommodation must be in accordance with the travel and accommodation rates as attached at Appendix A.

Key Personnel	Discounted daily rate (£)	Estimated Time Input in days	Charges (excl VAT & expenses)
<b>Total</b>		<b>28.50</b>	<b>£58,996.25</b>

The Customer will not pay for:

- Any items which it regards as part of the Contractor's overheads (for example; word-processing, secretarial time, cost of faxes and telephone charges);
- Any expenses not authorised in advance by the Customer's representative;
- Travelling time unless the Customer's representative has authorised in advance the payment of travelling time.

**Key outputs and Deliverables and corresponding delivery dates**

The Contractor is required to provide the following Deliverables by the following Deliverable dates:

No	Deliverables	Delivery Dates
1	<b>Interim report and identification of options to address any issues highlighted</b>	28 February 2018 (for interim report)
2	<b>Draft final report</b>	15 March 2018
3	<b>Final report (in publishable format)</b>	30 March 2018

Any changes in Deliverable dates are to be agreed in advance between the Parties.

### Invoicing and Payment

Payment will be due upon Acceptance by the Customer of the Deliverables in accordance with Clause 3 of the Call-Off Terms and the percentage payments specified below.

Key Deliverables	Percentage payment (%) of capped price
On acceptance of interim report	10%
On acceptance of the draft final report	40%
On acceptance of the final report	This payment shall be calculated by deducting the above payment from the total costs, which shall be determined in accordance with the pricing arrangements described above.

All invoices shall contain the following information:

- the Order number (as stated above);
- a summary of the Services; and
- the line value; total value excluding Value Added Tax (VAT), the VAT percentage and total value including VAT.

The Customer shall pay the Contractor within thirty (30) calendar days of receipt of a valid invoice, submitted in accordance with the payment profile set out above and the provisions of this Contract.

Invoices must not contain the Contractor's terms and conditions, nor can reference be made to the Contractor's terms and conditions. Invoices with the Contractor's terms and conditions printed on them or referred to therein will not be accepted by the Customer.

[Redacted]

[Redacted]

#### Subject Matter Expertise

[Redacted]

### Variation to Contract

Any amendments to the Contract must be agreed in writing in accordance with the provisions of the Variation Form at Appendix 1 of the Call-Off Terms and Conditions.

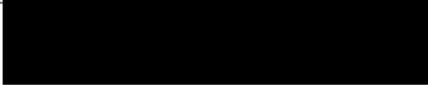
### Formation of Call-Off Contract

BY SIGNING AND RETURNING THIS ORDER FORM THE CONTRACTOR AGREES to enter into a legally binding contract with the Customer to provide to the Customer the Services specified in the Order Requirements set out in this Order Form incorporating the rights and obligations in the Call-Off Terms and Conditions set out in the Framework Agreement entered into by the Contractor and the Gas and Electricity Markets Authority effective from 1 September 2015.

For and on behalf of the Customer:

Name	EMMA KELSO
Position	SENIOR DIRECTOR, CUSTOMERS + CASEWORK
Signature	
Date	15/1/18

For and on behalf of the Contractor:

Name	
Position	
Signature	
Date	7/02/18

## Appendix A - Travel and Accommodation rates

Receipts must be submitted with all claims and must be in accordance with these rates

### Accommodation:

Paid on actual expenditure within the following prescribed ceilings:

London	£165
Elsewhere	£115
Private residence	£25

These rates cover a 24 hour period for accommodation only, inclusive of VAT, receipts must be submitted.

### Mileage Rates:

25p per mile

A mileage log must be submitted (to/from, mileage/date, to see/purpose)

### Rail Travel

The actual cost of public transport (normally rail) may be reimbursed. Economy Class (second class) rail tickets should be purchased.