

**ORDER FORM**  
**Framework Agreement**

**FROM**

<b>Customer</b>	Water Services Regulation Authority (Ofwat)
<b>Service Address</b>	Centre City Tower 7 Hill Street Birmingham B5 4UA
<b>Invoice Address</b>	Centre City Tower 7 Hill Street Birmingham B5 4UA
<b>Contact Ref:</b>	Name: Jasminder Oberoi Tel: 0121 644 7510 Mobile: 07458 120 275 E-mail: jasminder.oberoi@ofwat.gsi.gov.uk
<b>Order Number</b>	To be quoted on all correspondence relating to this order: PROC.01.0599
<b>Order Date</b>	22/2/18

**TO**

<b>Provider:</b>	Navigator Research Planning Communication Ltd
<b>For the attention of:</b>	██████████
<b>E-mail</b>	██
<b>Telephone number</b>	██████████
<b>Address</b>	Fiola, Mayfield Drive, Pinner, HA5 5QT

## 1. SERVICES REQUIREMENTS

### (1.1) Services required:

The definition of services from defined in the Water Services Regulation Authority's Invitation to tender (ITT) for: Designing and running C-MeX and D-MeX pilots for PR19 published on mytenders on 31 January 2018 and the Navigator Research Planning Communication Ltd tender for this work dated 14 February 2018 shall also apply to this Order.

The main objective of this project is to:

1. Test all aspects of C-MeX and D-MeX so the incentives meet the success criteria outlined in point 4 and are developed to the point where they can be run in shadow form (as a full scale dry run) in 2019-20, and have financial incentives applied on an annual basis from April 2020 onwards. This involves design and running at least two waves of pilot customer surveys for C-MeX and D-MeX that are consistent with the design decisions of each incentive outlined in the methodology statement 'Delivering Water 2020: our methodology for the 2019 price review'.

Two further subsidiary objectives are to:

2. Provide advice and make evidence-based recommendations on some of the outstanding elements of the C-MeX design not covered by the decisions published in the PR19 methodology statement, including:
  - whether NPS should form part of the financial incentive;
  - the weightings of the customer service and customer experience surveys within the C-MeX calculation;
  - the most appropriate source of data for the cross-sector challenge in C-MeX; and
  - how to adapt C-MeX, if necessary, based on the results of the C-MeX pilot.
3. Provide advice on and make evidence-based recommendations on how to adapt D-MeX, if necessary, based on the results of the D-MeX pilot.
4. The final C-MeX (and D-MeX) methodology will need to meet the following success criteria; that it
  - encourages companies to improve customer experiences and innovate;
  - is simple and meaningful for companies and customers;
  - is proportionate;
  - is practical to implement;
  - measures performance across companies consistently, reliably and fairly; and reflects customer behaviour changes and market changes.

The plan is to have fully operational, tested, incentive mechanisms that water companies can implement from 1 April 2020 onwards.

## Scope of Work

Stage 1 involves helping Ofwat to devise a detailed methodology for piloting C-MeX and D-MeX. It involves adding the methodological detail to the PR19 methodology statement relating to the design of C-MeX and D-MeX, determining the most appropriate surveying methodology.

Stage 2 involves running at least two waves of the surveys for C-MeX and D-MeX in pilot form. C-MeX consists of two surveys and our current preference is for two surveys for D-MeX so the project consists of running four surveys for two waves.

The provider will be required to familiarise themselves with areas of work referenced and hyperlinked in Appendix 3 of the methodology statement on C-MeX and D-MeX. They will also be required to keep up to date with policy developments in these areas, which may include liaising with relevant stakeholders. The successful provider could choose to run stakeholder workshops as part of the project.

The scope will not require the provider to support Ofwat in finalising the selection of the quantitative measures to be included in D-MeX.

All decisions on the final design of C-MeX and D-MeX will remain for Ofwat.

It is estimated that the start of this contract will be 22 February 2018 and the finish will be 31 January 2019.

**(1.2) Commencement date: 27 February 2018**

**(1.2) Price payable by customer**

**The information in this section is ts the revised spend profile submitted by the Provider on 22 February 2018.**



TOTAL				£143,610
<b><u>Breakdown of Rates</u></b>				
(1.4) Completion date: 31 January 2019				

2 ADDITIONAL REQUIREMENTS
(2.1) Supplemental requirements in addition to Call-Off Terms and Conditions:
None

## **(2.2) Variations to Call-Off Terms and Conditions**

UK SBS Travel and Expenses shall not apply to this agreement. The following travel and expenses arrangements shall apply:

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

### **Rail Travel:**

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

## **3. PERFORMANCE OF THE SERVICES [AND DELIVERABLES]**

### **(3.1) Key personnel of the provider to be involved in the services and deliverables:**



### (3.2) Performance standards

Performance will be assessed against the information specified in Water Services Regulation Authority's Invitation to tender (ITT) for: Designing and running C-MeX and D-MeX pilots for PR19 published on mytenders on 31 January 2018 and the Navigator Research Planning Communication Ltd tender for this work dated 14 February 2018 including but not limited to the Key Deliverables:

Key Deliverables	Date
1: Project plan/detailed timetable	5 March
2: Weekly C-MeX and D-MeX feedback reports (format to be confirmed at project setup meeting)	tbc
3: Engagement (either meetings/ workshops or via correspondence) with C-MeX and D-MeX working groups	Between 5 and 30 March
4: C-MeX and D-MeX methodology design recommendations	30 March 2018
5: C-MeX and D-MeX wave 1 pilot guidance for companies	4 May 2018
6: C-MeX and D-MeX survey questionnaires for Ofwat sign-off	4 May 2018
7: C-MeX pilot wave 1 results report and slides	29 June 2018
8: D-MeX pilot wave 1 results report and slides	27 July 2018
9: C-MeX and D-MeX wave 2 pilot guidance for companies	31 August 2018
10: Revised C-MeX and D-MeX questionnaires for Ofwat sign-off	31 August 2018
11: C-MeX pilot wave 2 results report and slides	28 September 2018
12: D-MeX pilot wave 2 results report and slides	26 October 2018
13: Draft company guidance	25 January 2019
14: Pilot results data to each company	25 January 2019

### (3.3) Location(s) at which the services are to be provided:

1.

**Centre City Tower**

**7 Hill Street**

**Birmingham**

**B5 4UA**

2.

**Ofwat London Office,**

**Bloomsbury House,**

**21 Bloomsbury Street,**

**London, WC1B 3HF**

### (3.4) Quality standards

Quality standards are as specified in the the Water Services Regulation Authority's Invitation to tender (ITT) for: Designing and running C-MeX and D-MeX pilots for PR19 published on mytenders on 31 January 2018 and the Navigator Research Planning Communication Ltd tender for this work dated 14 February 2018 and and any legislation and industry based standards applicable to this work.

### (3.5) Contract monitoring arrangements

The Provider will attend progress meetings as agreed with the Customer's Contact Representative and will submit **two-weekly** progress reports to the Customer giving:

- Brief details of work carried out to date
- Brief details of work planned in next reporting period
- Progress against agreed timescales
- Spend to date against planned spend
- Projected spend
- Projected timescales
- Issues to be resolved
- Status green/amber/red

## 4. CONFIDENTIAL INFORMATION



**(4.1) The following information shall be deemed Commercially Sensitive Information or Confidential Information**


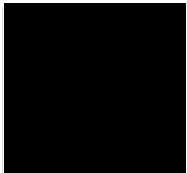
**The Contractor's price structure for for this work.**

**(4.2) Duration that the information shall be deemed Commercially Sensitive Information or Confidential Information**


**2 years from Commencement Date**

**BY SIGNING AND RETURNING THIS ORDER FORM THE PROVIDER AGREES** to enter a legally binding contract with the Customer to provide the Service specified in this Order Form together with, where completed and applicable, the mini-competition order (additional requirements) set out in section 2 of 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 Provider and UK SBS on 24.02.2014 and any subsequent signed variations to the terms and conditions.

For and on behalf of the Provider

Name and Title	
Signature	
Date	23/2/2018

For and on behalf of the Customer

Name and Title	Rachel Fletcher, Chief Executive
Signature	
Date	27/02/2018