



ORDER FORM

ORDER NO: **SER/0731** Date of Order: **19 December 2017**

(To be quoted on all correspondence relating to this Order)

FROM (Customer): Water Services Regulation Authority Centre City Tower 7 Hill Street Birmingham B5 4UA Customer's representative: Kate Share T: +44 (0) 121 644 7689 E: kate.share@ofwat.gsi.gov.uk	TO (Contractor): KPMG LLP 15 Canada Square Canary Wharf London E14 5GL Contractor's representative: [REDACTED]
SERVICES TO BE DELIVERED TO: Not applicable	INVOICE ADDRESS FOR CUSTOMER : finance@ofwat.gsi.gov.uk or Finance Team Water Services Regulation Authority Centre City Tower 7 Hill Street Birmingham B4 5UA

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 30 November 2017, the Contractor's Proposal dated 14 December 2017 and clarification emails dated 17 December 2017 in relation to breakdown of cost by personnel and 18 December 2017 in relation to a full day workshop between the draft and final report to present findings; and any enhancements thereto and provisions expressly listed herein.

Description of Services Requirement:
Joint Ofwat and Water UK Targeted Review of Common Performance Commitments (PROC.01.0586)

Service Category
Pan-Regulators' Framework Agreement for Economic, Financial and Related Consultancy Services – 4H: Audit

Relationship with Water UK
Ofwat is working in collaboration with Water UK in relation to this project. Appendix B to this Order Form sets out the relevant detail of this arrangement.

Programme: Finance and Governance

Information Security

Any Ofwat and Water UK data shared as a result of the Contract is to be returned to Ofwat (for Ofwat data) and Water UK (for Water UK data) respectively or destruction confirmed and evidenced at the end of the Contract to either Ofwat or Water UK as applicable, within 14 Working Days of the end of the Contract.

Contract Period

The Commencement Date shall be 20 December 2017.

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 KPMG LLP's Key Personnel	Discounted rate to be applied to the Contract (£) for Jacobs UK Ltd's Key Personnel
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*A Working Day is 8 hours.

Project Costs

The capped price for the project is **£160,120**.

Invoicing for the project is to take place as set out in Appendix B to this Order Form.

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 Parties. 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 quotation, the Contractor shall invoice the Customer for the actual value of the Services provided according to the charging structure described in the Order Form.

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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.

Any travel and accommodation required in connection with the project (for travel and overnight stays outside of Birmingham and London) 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.

KPMG LLP Key Personnel	Discounted daily rate (£)	Estimated Time Input in days	Charges (excl VAT & expenses)
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[Redacted]			
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[Redacted]			
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Combined Totals	127.5	£160,120*
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*Included in the overall costs is a full day workshop for external stakeholders at a date to be agreed by the Parties.

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;

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- 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	Draft final report The Customer will comment on the draft final report by 22 February 2018.	15 February 2018
2	A full day workshop for external stakeholders between the draft and final report to present Contractor's findings.	Early March 2018 (date to be confirmed between the Contractor and Customer)
3	Final report (in publishable format)	15 March 2018
4	A presentation and Q&A session, if required, with Ofwat and Water UK teams that summarises the findings and allows the teams to ask questions.	Date to be agreed, if required, between the Contractor and Customer but to be no later than 30 March 2018

Invoicing and Payment

Payment will be due upon Acceptance by Ofwat and Water UK of the Deliverables.

Payment will be made in accordance with Clause 3 of the Call-Off Terms.

Key Deliverables	Percentage payment (%) of capped price
On Acceptance of final Deliverables	100%
A presentation and Q&A session, if required, with Ofwat and Water UK teams that summarises the findings and allows the teams to ask questions.	This payment is in addition to the capped price and shall be in accordance with the daily rates

All invoices shall contain the following information:

- the Order number (as stated above);
- a summary of the Services; and
- the line value; 50% of the total value excluding Value Added Tax (VAT), the VAT percentage and 50% of the total value including VAT.

Ofwat 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. Water UK confirms that while its standard payment terms are that invoices are paid by the end of the calendar month following the month in which a valid invoice is received it will endeavour to make payment within 30 calendar days of receipt of a valid invoice

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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 Ofwat or Water UK.

Ofwat's and Water UKs' Key Personnel

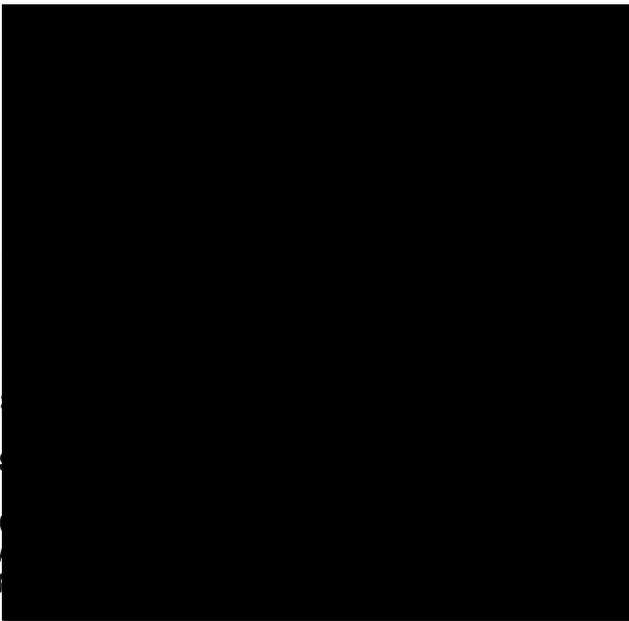
Kate Share - Project Manager (Ofwat)



Contractor's Key Personnel

For the performance of the Services, KPMG LLP have nominated Jacobs UK Ltd, as a Sub-Contractor.

Leadership team



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.

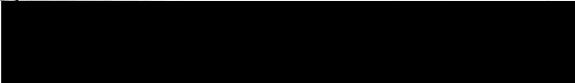
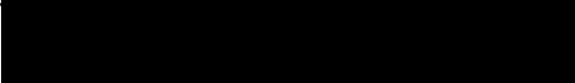
Formation of Call-Off Contract

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	JOHN RUSSELL
Position	SENIOR DIRECTOR, STRATEGY & PLANNING
Signature	
Date	8/1/18

For and on behalf of the Contractor:

Name	
Position	
Signature	
Date	7/02/18

Appendix A - Travel and Accommodation rates for travel to sites not in Birmingham or London

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

Meal Allowance:

Paid on actual expenditure within the following prescribed ceilings:

Breakfast	£10
Lunch	£8
Dinner	£25

These amounts cover the cost of purchasing meals and non-alcoholic beverages. Receipts must be submitted.

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.



Appendix B – Relationship between Ofwat and Water UK with regard to the Order Form

Introduction

Ofwat and Water UK are collaborating on this project and have entered into a separate agreement setting out the basis for that collaboration.

This Appendix B confirms for the Contractor the agreement between Ofwat and Water UK with regard to invoicing.

Invoicing

Ofwat and Water UK have agreed that the total project costs are to be divided between them on an equal basis – i.e. Ofwat must be invoiced for and will pay 50% of the project costs and 50% of travel and accommodation expenses and similarly Water UK must be invoiced for and will pay 50% of the project costs and 50% of travel and accommodation expenses. VAT will be payable separately by Ofwat and Water UK.

Water UK confirms that while its standard payment terms are that invoices are paid by the end of the calendar month following the month in which a valid invoice is received it will endeavour to make payment within 30 calendar days of receipt of a valid invoice.

Separate invoices are to be sent to Ofwat and Water UK (contact details for Ofwat and Water UK are set out on page 1 of the Order Form and Appendix B respectively).

Invoice address for Water UK is:

Rob Wesley, Water UK, 3rd Floor, 36 Broadway, London SW1H 0BH or rwesley@water.org.uk.

Signed by for and on behalf of
the Water Services Regulation Authority

8/11/18

Ofwat

Date

Signed by for and on behalf of
Water UK

10/1/18

Date