

Purchase Order



PURCHASE ORDER NO: SER/0745 **Date of Order: 16 February 2018**

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

<p>FROM (Customer):</p> <p>Water Services Regulation Authority Centre City Tower 7 Hill Street Birmingham B5 4UA</p> <p>Customer's Representative: Harpreet Atwal</p> <p>T: +44 (0)121 644 7520 M: +44 (0)7458 086 151 E: harpreet.atwal@ofwat.gsi.gov.uk</p> <p>www.ofwat.org</p>	<p>TO (Contractor):</p> <p>Ove Arup and Partners Ltd Rose Wharf 78 East Street Leeds LS9 8EE</p> <p>Contractor's Representative: [REDACTED]</p> <p>[REDACTED]</p> <p>www.arup.com</p>
<p>SERVICES TO BE DELIVERED TO:</p> <p>Not applicable</p>	<p>INVOICE ADDRESS:</p> <p>finance@ofwat.gsi.gov.uk</p> <p>or</p> <p>Finance Team Water Services Regulation Authority Centre City Tower 7 Hill Street Birmingham B4 5UA</p>
<p>Any agreement arising from this Purchase Order shall be governed by the: Conditions of Contract for Professional Services including Consultancy Services as attached at Appendix A; the Customer's Invitation to Tender dated 24 January 2018; the Contractor's Tender dated 9 February 2018, revised quotation dated 14 February 2018 and clarification emails dated 15 - 16 February 2018 (payment profile); and any enhancements thereto and provisions expressly listed herein.</p>	

Description of Services Requirement:

Wastewater Infrastructure Engineering Expertise and Technical Support (PROC.01.0590)

To undertake a discrete first piece of work which must be completed by **30 March 2018**. The work will provide the engineering expertise and technical support needed to review and summarise data and information relating to the management, operation and performance of relevant wastewater infrastructure – specifically Wastewater Treatment Works (WwTW) and to draw conclusions as to whether the data and information summarised suggests that the company operating those WwTW has (or not as the case may be) met its licence and statutory obligations.

The Customer may also then require ad-hoc follow up advice and support linked to and following the completion of the above described work during April and May 2018. Such ad-hoc follow up advice and support may be in the form of telephone or written advice. The Customer will confirm its exact requirements on timing with the Contractor as soon as it is practicable.

As set out above, sewerage companies have a clear set of obligations and commitments in regards to the way in which they deliver wastewater services i.e. how they collect, transport, treat and ultimately dispose of wastewater.

While the Customer relies on companies to assure themselves to the Customer about the reporting of their performance in meeting their wastewater services obligations and commitments, the Customer will step in if it has concerns. This includes asking for and reviewing information about a particular aspect of a company's performance e.g. data and information about the performance of individual WwTWs.

The Contractor will be reviewing data and information (which will be available in electronic PDF format) provided by a sewerage company relating to the management, operation and performance of several (no more than 10) of its WwTWs in order to produce short written summaries that include:

- a. An overview of the performance of each WwTW, including any issues that have occurred at each site (over approximately a 5 year period) and the causes and outcomes of those issues;
- b. A comparison of the performance of each WwTW against the EA permit conditions and expectations and requirements set out in relevant EA guidance and Operational Instructions eg Operational Instruction 16_02 Recording and categorising water industry self-reported pollution incidents;
- c. A comparison of the performance of each WwTW as evidenced by the data and information reviewed against EA data on permit breaches and pollution incidents (which the Customer will provide);
- d. A professional opinion as to whether the issues identified at each WwTW suggest or clearly show that the company has (or not as the case may be) the appropriate systems and processes in place to meet its licence and statutory obligations; and
- e. In consultation with the Customer, anything else the Contractor identifies as useful information not listed above.

Based on the above the contractor will also, separately, produce a short summary highlighting any common themes or issues identified across the WwTWs that have been reviewed.

Examples of the above described individual WwTW reports would be provided at the start of the contract to assist the Contractor.

The data and information to be reviewed for each WwTW will vary in size between 100 and 500 A4 pages (with an average of approximately 200 pages) and will contain a combination of text, graphics including charts, diagrams and photographs.

The successful Contractor's findings will help inform/shape the Customer's conclusions about the accuracy of a sewerage company's reported performance in meeting its wastewater services obligations and commitments.

The Customer included an annex (Appendix E within its Invitation to Tender) to show the types of documents that would need to be reviewed for each WwTW.

The Customer requires this work for a confidential case and the timescales will include all summary reports being finalised and provided by no later than **30 March 2018**, with drafts of report summaries being provided before this date.

A full description of the Services required is set out in the Customer's Invitation to Tender.

Term

The commencement date shall be 19 February 2018.

The Expiry Date shall be 18 June 2018, unless extended or terminated in accordance with the agreement.

Charges

Work commissioned under this contract is capped at **£75,000** (excluding VAT and travel and accommodation) over the total contract period.

The capped price for the discrete first piece of work is set out below:

Core activity	Capped price £
[REDACTED]	£54,157.50

Daily charge rates for each of the Key Personnel grades applicable to the requirement are below:

Key Personnel Name	Key Personnel Role	Day rates (£) for 8 hr day
[REDACTED]		



Any ad-hoc follow up advice and support will be invoiced monthly in arrears for days/hours used/expenses incurred during the preceding month.

The capped price and daily charge rates will be all inclusive with the sole exceptions of:

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

The Customer will not pay for:

- Any items which it regards as part of the Contractors' overheads (for example: word processing, secretarial time, cost of faxes and telephone charges); and
- Any mark-up on disbursements.
- Travelling time unless the Contract Manager has authorised in advance the payment of travelling time.

Travel and accommodation expenses will be paid, where applicable, in accordance with prevailing Customer rates (i.e. those in force at the time of incurring such expenditure). The Customer rates current at the time of inviting tenders are detailed in Appendix B. The Customer will notify Contractors of any amendments thereto from time to time.

Tenderers should note that any Charges will remain fixed for the duration of the Contract.

Invoices for payment will be in accordance with the provisions of Clause 4 of the Conditions of Contract for Professional Services including Consultancy Services.

Payment will be made electronically via Banks Automated Clearing Services (BACS).

Key Tasks and Deliverables

The Customer anticipates that the key Deliverable(s) will be 10 written summary report(s) provided to the Customer, by no later than 30 March 2018, of the Contractor's findings and an additional summary report that highlights key themes and issues across the individual summary reports. The Customer will require an electronic (Microsoft Word and PDF) copy of each report (interim and final, if applicable).

The Contractor will also carry out any work necessary which is likely to include:

- Reviewing key documents (see Appendix E of invitation to tender for an example of the types of documents) provided by a sewerage company and, if appropriate, requesting supplementary information. Contact made by phone or email shall be sufficient.
- Contacting the Environment Agency (EA) about environmental obligations to establish how these may relate to a particular WwTW site. Contact made by phone or email shall be sufficient.

- To provide written reports (interim and final) of the findings, which include:
 - An overview of the performance of each WwTW, including any issues that have occurred at each site (over approximately a 5 year period) and the causes and outcomes of those issues;
 - A comparison of the performance of each WwTW against the EA permit conditions and expectations and requirements set out in relevant EA guidance and Operational Instructions eg Operational Instruction 16_02 Recording and categorising water industry self-reported pollution incidents;
 - A comparison of the performance of each WwTW as evidenced by the data and information reviewed against EA data on permit breaches and pollution incidents which the Customer will provide);
 - A professional opinion as to whether the issues identified at each WwTW suggest or clearly show that the company has (or not as the case may be) the appropriate systems and processes in place to meet its licence and statutory obligations; and
 - In consultation with the Customer, anything else the Contractor identifies as useful information not listed above.

Based on the above the Contractor will also, separately, produce a written summary highlighting any common themes or issues identified across the WwTWs that have been reviewed.

The Contractor will be required to produce interim and draft reports by an agreed date. The Contractor should factor in the need to produce multiple iterations of the reports following the Customer's feedback if necessary. The Customer will comment on the reports by agreed dates.

The Contractor will be required to produce copies of any written communications between the Contractor and the parties to the case.

Please note that the above list is not exhaustive.

The anticipated date for Deliverables are set out below. Any changes to the dates are to be agreed in advance between the Parties.

Key Deliverables	Delivery Date
First discrete piece of work	
First set (no more than 5) of interim draft summary reports	9 March 2018
Second set (no more than 5) of interim draft summary reports	21 March 2018
Summary report highlighting any common themes or issues identified across the WwTWs that have been reviewed	23 March 2018
Final (no more than 10) summary reports.	
Final summary highlighting any common themes or issues identified across the WwTWs that have been reviewed	30 March 2018

Payment profile and Invoicing

All costs must be exclusive of travel and accommodation costs and VAT.

The quotation 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 Purchase Order.

The delivery of reports 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 payment profile for the project shall be on the acceptance of the following Deliverables:

Key Deliverables	Percentage payment (%) of capped price
First discrete piece of work	
On provision of comments on the of first set (no more than 5) of interim draft summary reports	40%
On acceptance of final 10 summary reports On acceptance of final summary highlighting any common themes or issues identified across the WWTWs that have been reviewed	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.

Any ad-hoc follow up advice and support will be invoiced monthly in arrears for days/hours used/expenses incurred during the preceding month.

All invoices shall contain the following information:

- the Purchase 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) days of receipt of a valid invoice, submitted in accordance with the payment profile set out above and the provisions of this agreement.

Any travel and accommodation required in connection with the project must be in accordance with the Customer travel and accommodation rates attached at Appendix B. Supporting information must be submitted with the invoices (e.g. copy of receipts, mile log to/from/date/meeting with (name)).

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.

Contract management

Harpreet Atwal – Project Manager (Customer)

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[REDACTED]

Contractor's Key Personnel

The Contractor's Key Personnel shall be:

[REDACTED]

BY SIGNING AND RETURNING THIS AGREEMENT THE CONTRACTOR AGREES to enter a legally binding contract with the Customer to provide the Services. The Parties hereby acknowledge and agree that they have read the Terms and Conditions of Contract and the Purchase Order and by signing below agree to be bound by the terms of this agreement.

The parties acknowledge that, except for any information which is exempt from disclosure in accordance with the provisions of the Freedom of Information Act (FOIA), the content of the agreement is not Confidential Information. The Customer shall be responsible for determining in its absolute discretion whether any of the content of the agreement is exempt from disclosure in accordance with the provisions of the FOIA.

Notwithstanding any other term of the agreement, the Contractor hereby gives his consent for the Customer to publish the agreement in its entirety, including from time to time agreed changes to the agreement, to the general public.

For and on behalf of the Contractor:

Name	[REDACTED]
Position	[REDACTED]
Signature	[REDACTED]
Date	19 Feb '18

For and on behalf of the Customer:

Name	EMMA KELSO
Position	SENIOR DIRECTOR CUSTOMERS + CASEWORK
Signature	
Date	20/2/18

Appendix A

Conditions of Contract for Professional Services including Consultancy Services

Attached as a separate document.

Appendix B

Travel and Accommodation 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. Receipts must be submitted.

