



ORDER

ORDER NO: SER/0664	Date of Order: 13 February 2017
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(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: Kate Share</p> <p>T: +44 (0) 121 644 7689 E: kate.share@ofwat.gsi.gov.uk</p>	<p>TO (Supplier):</p> <p>PricewaterhouseCoopers LLP UK (PwC) The Portland Building 25 High Street Crawley RH10 1BG</p> <p>Supplier's representative: [REDACTED]</p>
<p>SERVICES TO BE DELIVERED TO:</p> <p>Ofwat, 4th Floor, 21 Bloomsbury Street, London, WC1B 3HF</p> <p>With travel as required to:</p> <p>Ofwat, Centre City Tower, 7 Hill Street, Birmingham, B5 4UA</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 Contract arising from this Order shall be governed by the Terms and Conditions of Contract for Consultancy Services (attached at Appendix A); the Customer's Invitation to Tender, dated 24 January 2017 and clarification paper (attached at Appendix B); the Supplier's tender submitted on 7 February 2017 and clarification email of 7 February on Phase 1 fees; and any enhancements thereto and provisions expressly listed herein.</p>	
<p>Description of Services Requirement:</p> <p>Business Cycle and Process (PROC.01.0548)</p> <p>Programme: Compliance & Assurance</p> <p>Contract Period</p> <p>The commencement date shall be 16 February 2017.</p>	

The Order end date is expected to be 30 September 2017; unless extended or terminated earlier in accordance with the Contract.

Charges

Charges per Working Day

The table below provides the Charges per Working Day for the proposed roles involved in the performance of the Services.

Framework Grade	Charges per Working Day ** (£) for Contract
Engagement Leader	£2,496
Engagement Director	£2,496
On-site Senior Manager	£2,112
On-site Manager	£1,760

*A Working Day is based on 8 hours excluding lunch break and travel time.

Contract Charges

The capped Phase 1 contract price for the project is **£55,936** (excluding VAT and travel outside of London and accommodation) and the breakdown is attached at Appendix C.

If required, the Customer may request a quote for phase 2 from the Supplier following successful delivery of Phase 1. Phase 2 work will be charged at the same Charges per Working Day for contract as for Phase 1. Phase 2 work will carry on from the end of Phase 1, we anticipate that phase 2 work should be completed by 30 September 2017.

The capped price payable by the Customer for the project 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 contract.

Where the resource costs incurred by the Supplier in performing the Services falls below the quotation as set out below, the Supplier shall invoice the Customer for the actual value of the Services provided (i.e. number of days worked) according to the charging structure described in this Order.

The delivery of draft and final reports and visual representation which satisfactorily address any points raised by the Customer (including points raised on previously submitted draft reports and visual representation) and their acceptance by the Customer will signify successful completion of that phase of the project.

Any travel outside of London and accommodation must be in accordance with Ofwat's standard travel and accommodation rates as attached at Appendix D as updated and amended from time to time. Any travel and accommodation required in connection with the provision of the Services will be reimbursed on acceptance of receipts and where appropriate a mileage log.

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The Customer will not pay for:

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

The costs are all inclusive with the sole exceptions of:

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

Deliverables

The tables below sets out the Deliverables and timescales and payment profile:

Key Deliverables	Date
Phase 1: Production of draft progress report for ARAC in advance of its meeting on 28 March 2017	8 March 2017
Phase 1: Production of final progress report for ARAC in advance of its meeting on 28 March 2017	10 March 2017
Phase 1: Production of draft visual representation of the overall business cycle	13 April 2017
Phase 1: Production of final clear visual representation of the overall business cycle	28 April 2017

Acceptance of Key Deliverables/Outputs	Percentage payment (%) of capped price
Phase 1: On acceptance of the final progress report for ARAC	50%
Phase 1: On acceptance of the final clear visual representation of the overall business cycle	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.

Invoicing and Payment

Invoices for payment will be due upon acceptance of each Deliverable by the Customer. Payment will be made electronically via Banks Automated Clearing Services (BACS). Any payment will be in accordance Clause 6 of the Terms and Conditions of Contract for Consultancy Services.

All invoices shall contain the following information:

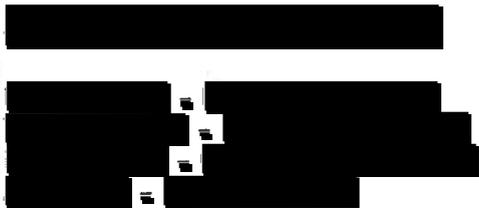
- the Order number (as stated above);
- a summary of the Services; and
- the line value; total value excluding Value Added Tax (VAT), the VAT percentage and total value including VAT.

The Customer shall pay the Supplier 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 Supplier's terms and conditions, nor can reference be made to the Supplier's terms and conditions. Invoices with the Supplier's terms and conditions printed on them or referred to therein will not be accepted by the Customer.

Customer's Key Personnel

Kate Share - Project Manager



Variation to contract

Any amendments to the contract must be agreed in writing in accordance with the provisions of Clause 25.3 of the Terms and Conditions of Contract for Consultancy Services.

Formation of Call Off Contract

BY SIGNING AND RETURNING THIS ORDER FORM THE SUPPLIER 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 Terms and Conditions of Contract for Consultancy Services.

For and on behalf of the Supplier:

Name	
Position	
Signature	
Date	

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For and on behalf of the Customer:	
Name	JENNY BLOCK
Position	GENERAL COUNSEL
Signature	
Date	15/2/17

Appendix A

Terms and Conditions of Contract for Consultancy Services



Appendix A - Terms
and Conditions for Cc

Appendix B

Clarification – Written Questions and Answers to the ITT Document

No.	Submitted	Question	Answer	Answered
1	02/02/2017 11:52	We note that phase 2 will be dependent upon the outcome of phase 1, but can we clarify whether we should include an indicative scope and budget for phase 2 of the review based on the information that has been provided to date? In terms of clarifying the difference between phase 1 and phase 2, whilst phase 1 will identify gaps in controls phase 2 will be a fundamental review of both control design and operation?	If Suppliers are able to include an indicative scope and budget for phase 2 of the review based on the information that has been provided to date would be helpful but not essential. This can be refined when discussion on the scope for phase 2 at the time we decide to proceed with it. Phase 1 will identify the processes and controls that should be in place, but will not include any assessment of what we have in place. Phase 2 will include reviewing what processes and controls we have in place and provide a view on whether they are appropriate.	02/02/2017 16:11

Appendix C

Charges breakdown for Phase 1 work

Key Personnel	Day rates (£) *	Estimated time inputs in Days	Total excluding VAT and travel outside London and accommodation
Total Phase 1 Project Cost £			£55,936

All time incurred by Dave Gandee on Phase 1 will be at nil cost.

Appendix D - 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.