

Dear Sir or Madam,

**Provision of external legal services to the
Northern Ireland Authority for Utility Regulation**

The Northern Ireland Authority for Utility Regulation (the Utility Regulator), invites tenders to be submitted for the above requirement.

Documents relating to this invitation are contained in the Tender Pack which is made up of:

- Part 1. This letter of invite including Instructions to Tenderers
- Part 2. Terms of Reference
- Part 3. Forms and Certificates
- Part 4. Utility Regulator Standard Conditions of Contract

Please note that you must sign and return all of the component parts of Part 3, the "Forms and Certificates".

The closing time and date for submission of tenders is 5pm on **Wednesday 27th January 2010 - late tenders may be rejected.**

Yours faithfully

Ian Campbell

INSTRUCTIONS TO TENDERERS

1. Completion and Submission of Tender Documentation

The documents completed as directed should be returned in the following manner:

Submission of Hard Copy Responses

- i. If manually returning your Tender to our office, three copies must be delivered to the address below before 5pm on the closing date.
- ii. If returning by post, where documentation is bulky, suppliers must ensure that the packaging is strong enough to secure the documents (again, 3 copies are needed). Tenders may not be returned by e-mail or fax. Envelopes or packages should bear no marks indicating the identity of the Supplier, but should clearly identify the tender reference and should be returned to: -

**The Northern Ireland Authority for Utility Regulation
Queens House
14 Queen Street
Belfast
BT1 6ED**

To arrive no later than 5.00pm on 27th January 2010.

- iii. Tenders sent by post should be registered or sent by Recorded Delivery.
- iv. Tenderers are advised that manually delivered Tenders can only be accepted between 9.00 am to 5.00 pm Monday to Friday. Tenders sent by special delivery or delivered by hand **will not** be accepted on either weekends or on Northern Ireland Public and Statutory Holidays. If Tenders are delivered by hand a receipt from the Utility Regulator should be obtained.
- v. The Utility Regulator cannot accept responsibility for postal or delivery delays.
- vi. Late Tenders may not be considered.
- vii. All submissions must be in the English language.
- viii. Tenders must be fully compliant with the requirements detailed in the tender documentation.
- ix. All prices entered in the pricing schedule or other documents must be exclusive of VAT and in pounds sterling. Prices should not be quoted in Euros.

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- x. Tenders may also be rejected if the required information is not given at the time of tendering.

2. Economic and Financial Standing

Tenderers may be required to furnish information as to economic and financial standing for assessment by the Utility Regulator prior to the acceptance of any Tender.

3. Costs and Expenses

Tenderers will not be entitled to claim from the Utility Regulator any costs or expenses which may be incurred in preparing their Tender whether or not it is successful.

4. Period of Validity

Tenderers are required to keep their Tenders valid for acceptance for a period of sixty days from the closing date.

5. Confidentiality

Tenderers should treat the Tender offers as private and confidential between the Tenderer and the Utility Regulator. Tenderers should note that the Utility Regulator shall use the Tender documents for the purposes of evaluation.

6. Official Amendments

If it is necessary for the Utility Regulator to amend the Tender Pack in any way, prior to receipt of Tenders, all Tenderers in receipt of documents will be notified simultaneously. If deemed appropriate, the deadline for receipt of Tenders will be extended.

7. Environmental Benefits

The Utility Regulator as a Northern Ireland public authority honours the principles of sustainable development, environmental-friendliness and value for money for consumers of utility services in Northern Ireland. Accordingly, the Utility Regulator requests that its consultants and advisers endeavour to honour these principles where feasible and where asked evidence commitment to these principles.

8. Canvassing

Any tenderer who directly or indirectly canvasses, seeks to influence or lobby any official of the Utility Regulator concerning the award of contract or who directly or indirectly obtains or attempts to obtain information from such official concerning the proposed or any other tender will be disqualified. This should not, however deter any supplier seeking clarification in relation to the tender.

9. Assumptions

Tenderers must not make assumptions that the Utility Regulator has experience of their organisation or their service provision even if on a current or previous contract. Tenderers will only be evaluated on the information provided in their response.

10. Compliance

Tenders must be submitted in accordance with the instructions contained in this Tender Pack. Failure to comply may result in a Tender being rejected.

11. Freedom of Information Act (FOIA)

The Tenderer should treat the Tender documents as private and confidential between themselves and the Utility Regulator. To ensure full compliance with the Freedom of Information Act please note that unless an exemption provided for under the Act is applicable in relation to any particular information, a public authority will be obliged to disclose that information in response to a request regardless of the terms of any contract.

Tenderers are asked to consider if any of the information supplied in the course of this tender competition should not be disclosed because of its sensitivity. Tenderers must complete the "Freedom of Information Statement contained in "Forms and Certificates: Freedom of Information Statement" identifying which information is considered commercially sensitive and specify the reasons for its sensitivity. The Utility Regulator may need to consult with you further about sensitive information before making a decision on any Freedom of Information requests received.

12 Stage 1 Selection - Criteria for Initial Selection of Tenderers to be Considered Prior to Evaluation (pass or fail)

- Tenderers must comply with all instructions to tenderers, completing all submission requirements, including all forms and certificates, and be able to comply with Utility Regulator Standard Terms and Conditions as required.
- Tenderers must also have at least two years of experience in advising on at least six items listed within either Stream A or Stream B. Tenderers may not mix and match items as between Stream A and Stream B for the purpose of fulfilling this initial selection requirement.

Tenderers that meet the selection criteria in stage 1 above will go forward to stage 2 below – which stages take account of NI Government Best Practice, and recent important European law decisions in the field of procurement law (see for example *Lianakis*¹).

¹ *Lianakis and Others v. Dimos Alexandroupolis (2008) ("Lianakis")*.

13. Stage 2 Award - Evaluation Criteria/Criteria for Award of Place on Framework Panel

In order to ascertain the most economically advantageous offer, Tenders will be evaluated using the following criteria and associated weightings:

CRITERIA	WEIGHTING %
<p>Fee Proposals – Hourly and Daily Rates (inclusive of overheads i.e. word-processing, routine photocopying. Daily Rates must adhere to a 7.5 hours of working with no deviations accepted)</p> <p>For all members of the proposed team, strictly use the following four categories only when costing your team member's hourly and daily rates (regardless as to whether the Tenderer uses these categories for its own business structures or not), indicating clearly where discounts to standard rates shall apply and levels of discount if certain levels of business are given:</p> <ul style="list-style-type: none"> • Trainee • Assistant Solicitor or Junior Lawyer (anyone from newly qualified up to four years qualified minus one day) • Associate/Senior Lawyer/Consultant Solicitor (anyone from 4 years qualified up to partner/director level) • Partner/ Director or equivalent (including salaried and equity partners) 	20
<p>Fee Proposals – Value Added Costs & Services</p> <p>Details of value-added services which might be provided on a complimentary or heavily discounted basis (Possible offerings may include):</p> <ol style="list-style-type: none"> 1. Terms and costs of tenderer providing an extended on-site consultancy service (akin to a secondment for a specific time-bound purpose (a JR, or a competition case, for example)); 2. extranet access; 3. access to legal precedents; 4. useful articles; 5. education and training for Utility Regulator staff; 6. know-how manuals or other guides; 7. innovative approaches to travel time and costs of travel; 8. treatment and costing of repeat advice requests; 9. proposals on other expenses. 	25

<p>Relationship Building & Methodology</p> <p>This must focus on the approach of the Tenderer's proposed team – as distinct from the Tenderer's organisational capacities: Proposals should include (but not be limited to):</p> <ol style="list-style-type: none"> 1. Technical skills and qualities which enable you to <u>understand and deliver</u> on the itemised <u>legal needs</u> of the Utility Regulator as set out in Stream A or Stream B (as the case may be); 2. Envisaged ways of working with the Utility Regulator (including frequency of contacts, update services); 3. Guaranteed response times for instructions and consequences for missing same; 4. Facilitating meetings with the Utility Regulator, variously in Belfast, Brussels, London, Dublin or elsewhere as the case may warrant; 5. Availability & commitment both at short notice and after usual business hours for advice which is required urgently, i.e. within 48 hours or less; 6. Other ways to build a deep relationship with the Utility Regulator (for example, elaborating on any project specific on-site consultancy (secondment) proposals or other services to be offered). 	<p>40</p>
<p>Legal Understanding</p> <p>An answer to each of the three questions which follow:</p> <ol style="list-style-type: none"> 1. What kinds of roles does the Utility Regulator retain for the purposes of (a) making, (b) influencing and (c) implementing legislation? 2. What kinds of data protection, confidentiality and privacy issues could the Utility Regulator face in carrying out its functions and principal objectives? 3. What kinds of conflicts of interest issues do you think could arise by virtue of the Utility Regulator becoming your client? How would you propose to deal with any such issues? 	<p>15</p>

Following receipt, Tenders which pass stage 1 above will be assessed against the above Award criteria and, if deemed appropriate, firms may be invited to attend the

Utility Regulator offices to make a presentation and receive questions as to the merits of their respective tenders.

14. Format of Response

Prospective providers should indicate in full **how they will meet the Utility Regulator's requirements of the Tender Pack. Tenderers are reminded of the following particular points:**

- Stipulate **clearly** which Stream they wish to be considered for (Tenderers may apply for both Streams if they believe they are qualified and wish to do so);
- From time to time the opportunity may arise for a member of the Tenderer's staff to work on Utility Regulator premises for a short term (less than 12 month period) to cover, for example, a particularly resource intensive project, or internal resource/absence needs. For the purpose of the relevant evaluation criteria, please include proposals **on the duration of opportunities, funding arrangements, reporting lines and intended benefits from such arrangements.**
- **Prospective Tenderers should** note also that a tender should be from a single entity or provider. Joint tenders from more than one firm shall not be accepted. In due course, successful Tenderers upon acceptance of a place on the Framework panel accept and agree that the fact of its place on the Framework panel does not confer any guarantee to secure a particular level, type or value of instructions from the Utility Regulator.

15. Conflict of Interest

Tenderers must confirm in their proposals that there would be no actual conflict or perceived conflict of interest in relation to their servicing this contract. Your attention is drawn to the standard terms and conditions, the Conflicts of Interest disclosure form at Part 3, in addition to the right of the Utility Regulator hereby reserved to terminate the framework contract with you should any actual or perceived conflicts of interest come to light during the tenure of the panel.

16. Formal Contact and Communications

Tenderers should seek to clarify any points of doubt or difficulty relating to the Tender documentation before submitting their Tender. For the purposes of this contract the contact point at the Utility Regulator is: -

Martina Maguire
Legal Branch
Queens House
14 Queen St
Belfast
BT1 6ED

PART 2

TERMS OF REFERENCE

THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION

1 Introduction

The Utility Regulator wishes to invite competitive bids from suitably qualified providers for the provision of appropriate legal services across a range of specialist areas.

2 Background to the Utility Regulator

The Utility Regulator is the economic regulator for the gas, power and water industries in Northern Ireland. It is also the National Competition Authority for the industries which it regulates (holding concurrent competition powers with the OFT). The Utility Regulator also holds a number of customer services functions, is a quasi-judicial dispute resolution authority, and is responsible for certain environmental enforcement matters in the sewerage sector. It has seen its legislative remit grow exponentially in recent years, and along with this comes extra statutory powers, duties and functions.

The Utility Regulator was formally created by the Energy (Northern Ireland) Order 2003 (the Energy Order) on 1 April 2003, and was previously known as the Northern Ireland Authority for Energy Regulation. This remained the case until 1st April 2007, when it changed its name to the Northern Ireland Authority for Utility Regulation and took on responsibilities for water regulation.

Prior to 1st April 2003, electricity and gas regulation were carried out by the offices of the Director General of Electricity Supply and the Director General of Gas for Northern Ireland. The Energy Order amended the Electricity (Northern Ireland) Order 1992 and the Gas (Northern Ireland) Order 1996 and transferred most of the functions described in those Orders to the Utility Regulator, and in addition transferred the assets and liabilities of the Director General to it.

The Utility Regulator is an independent non-Ministerial government department. It is headed by a Board of Directors, currently comprising seven non-executive directors (including Chairman), and Iain Osborne – the Chief Executive. The Chairman is Peter Matthews. It is not a traditional policy-making Department of Government and its role is to ensure that the utility industries in Northern Ireland are regulated and developed within strategic policy parameters and defined statutory objectives as set by Ministers.

Within the executive office of the Utility Regulator, there is approximately 69 staff. Its budget is around £8m this year.

Utility Regulator Objectives

Energy

The Utility Regulator's various energy functions are set out primarily in the Energy (NI) Order 2003. It has two main objectives:

- 1 To protect the interests of electricity consumers of electricity supplied by authorised suppliers, wherever appropriate by promoting effective competition between persons engaged in, or in commercial activities connected with, the generation, transmission or supply of electricity.²
- 2 To promote the development and maintenance of an efficient, economic and co-ordinated gas industry in Northern Ireland.³

The Utility Regulator also places a high priority on sustainability and promotes measures which will most effectively support renewables, CHP and energy efficiency.

The small scale of the Northern Ireland gas and power markets creates security challenges and significant cost. In 2004 the UK and Republic of Ireland governments set a policy framework for moving to an all-island energy market. A major element of this strategy was the creation of a Single Electricity Market (SEM), regulated by a SEM Committee, in November 2007. The monitoring of the SEM is undertaken, in part, by the Market Monitoring Unit (MMU) which is based at our offices in Belfast.

Further information about the SEM arrangements can be found at <http://www.allislandproject.org/>.

Our work also to examine the potential of an all-island approach to gas advanced significantly during 2008-09 and has established the benefits that such an approach could deliver for consumers in both parts of Ireland.

Water

The Utility Regulator's energy centric role expanded from 1st April 2007 to encompass the regulation of the water and sewerage industry in Northern Ireland. Its primary duties with respect to water and sewerage are broadly in line with the role currently discharged by Ofwat in England and Wales. The provision of water and sewerage services in Northern Ireland is the responsibility of a government-owned company, Northern Ireland Water Limited. The Utility Regulator is now setting the first price control to take effect from 2010 i.e. at the end of the initial phase-in period being managed and subsidised (in part, by Government). However, we are also responsible for customer service regulation, and certain environmental enforcement matters (in respect to sewerage services) as well.

² Article 12(1) Energy (Northern Ireland) Order 2003

³ Article 14(1) Energy (Northern Ireland) Order 2003

Other Work Streams

The Utility Regulator also holds a number of competition law powers and is Northern Ireland's National Competition Authority for the industries it regulates. It is also uniquely placed as the UK's only Cross-Utility Regulator and Northern Ireland's only Non-Ministerial Government Department. These facts create challenges and opportunities in equal measure which the Utility Regulator is keen to address over the coming years.

The Utility Regulator is also responsible for certain aspects of the Government's "Green" Agenda. We work daily on administrative and monitoring aspects of Northern Ireland's Renewables Obligation (with assistance from Ofgem on an agency basis), via the issuance of Renewables Obligation Certificates. It also has a guiding role to play with the Northern Ireland's Energy Efficiency Levy (to be renamed the Northern Ireland Sustainable Energy Programme (NISEP) from April 2010).

Recently, via various EU and local legislative measures, the Utility Regulator has been given certain quasi-judicial powers to determine certain complaints, disputes and appeals. It is expected that this role will expand over time as both industry and consumers come to terms with their regulatory rights.

A retail unit, charged with driving forward, across the organisation efforts to stimulate retail competition in the utility sector was established in early 2009.

3 Contractual Requirement

The Utility Regulator proposes to appoint a Legal Panel consisting of firms of solicitors/legal advisors to act on its behalf in relation to its constantly increasing statutory remit, in addition to its growing regulatory interfaces and public and administrative law duties.

A contract for provision of legal services to the Utility Regulator is currently in place and is due to expire in March 2010. The Utility Regulator has an established in-house legal department headed by JP Irvine as Head of Legal Services and it is envisaged that successful service providers will liaise very closely with this department.

The provision of legal services will be separated into two distinct sets of Requirements which it is envisaged will be met by the establishment of a Panel structure (or two mini-panels, in effect). The Requirements are provided for in the two work Streams as follows:

Stream A: Major/Specialist Legal Expertise

This will include the following specialist areas:

-
- Knowledge, interpretation and advice on relevant EU infractions, EU Directives, Regulations and Decisions impacting upon regulation and the energy/utilities industries in Northern Ireland;
 - Formal legal opinions, advice on commercial agreements, commercial drafting, and codes;
 - General dispute resolution advice tailored to the regulatory or utilities industries (especially advice connected with disputes, appeals and complaints functions);
 - Competition law expertise, advice on the concurrency regime, EU and UK competition law investigations;
 - Advice where needed in respect of finance law arrangements, loan agreements, debentures, share equity issues, debt financing;
 - Advice where needed in respect of insolvency law, administration, special administration, schemes of arrangement;
 - Advice where needed in respect of environmental law; carbon, emissions, and renewable energy law;
 - Advice where needed in respect of corporate/commercial law including the Companies Act 2006;
 - Advice where needed in respect of International Law, international and global treaties, the ECHR and HRA, cross-border and constitutional law;
 - Any other issues, activities, decisions in relation to work in regulatory law, energy law and water law in respect of which an in-house legal team may require assistance.

It is the intention of the Utility Regulator to appoint a panel of possibly three providers who can provide expertise across all of the above Major/Specialist Legal areas.

Stream B: Northern Ireland law

This will include the following specialist areas:

- Dispute resolution/arbitration advice particular to NI or NI regulators - particularly on EU and NI competence to make binding determinations, hear appeals, resolve complaints, appoint and liaise with arbitrators;
- Advice on Northern Ireland constitutional law;
- Advice on domestic impacts of separate All-island work;

-
- Advice on Northern Ireland legislative processes, Orders in Council, rule-making procedures, other Orders, Regulations and Acts of the NI Assembly;
 - Occasional advice on litigation in Northern Ireland, Northern Ireland courts, judicial review and other aspects of the litigation process;
 - Advice on company/corporate issues, commercial agreements, licences and codes governed by Northern Ireland law;
 - Occasional advice on NI insolvency law;
 - Occasional advice on NI property law (regarding such matters as regulated land disposals);
 - Advice on NI employment and trade union Law;
 - Any other issues, activities, decisions in relation to a Northern Ireland public authority's work requiring NI specific advice and input.

* Please note that in order to provide advice in connection with Stream B; the provider must be capable of directly advising or obtaining advice on all matters of Northern Ireland law (including those areas of work reserved to qualified NI solicitors by the Solicitors (Northern Ireland) Order 1976).

The Utility Regulator intends to appoint around three providers who can provide expertise across all of the above Northern Ireland law specific areas.

4A Relationship between the Utility Regulator and Successful Provider(s)

Relationships must be centred on the need for mutual confidence, transparency in the event of problems or conflicts, understanding of role, co-operation and confidentiality / sensitivity of information. The successful provider(s) must ensure that all services provided respect the highly sensitive nature of the specialist work of the Utility Regulator.

Providers must be able to provide a total legal service from Monday to Friday, including evenings and weekends if particular circumstances require it. Contact with the appointed providers will either be by telephone or e-mail, but face to face legal advice will be required and must also be available.

4B Allocation of Work to the Legal Panel

Guided by the Office of Government Commerce Guidance on Framework Agreements⁴ (which arrangements include Legal Panels), the Utility Regulator is keen to make clear from the outset that the establishment of the Legal Panel shall function as a means to award work under two separate work streams which will avoid the need to re-advertise and re-apply the award criteria for secondary competitions during the tenure of the Legal Panel.

⁴ Framework Agreements: OGC Guidance on Framework Agreements in the new procurement Regulations – January 2006

When making call-offs, or awarding work packages, the Utility Regulator, under the direction of its Head of Legal or the legal department generally, shall have regard to the relative strengths and offerings of each tenderers' team as assessed under the original Legal Panel award procedure. This original assessment, (as supplemented from time to time to take account of notified corporate changes or changes of personnel within teams) will function as the means by which the Utility Regulator, acting under the direction of its Head of Legal or legal department generally, shall select providers and allocate work as it shall deem appropriate in all the circumstances of each particular case. This primary intention does not rule out the use of a mini-competition exercise between Panel members if particular circumstances (exceptional needs or exceptional values) warrant an approach whereby fresh secondary bids (governed by the terms and conditions herein) will be sought.

5 Reporting Requirements

As a general rule, providers will be required to liaise with the Head of Legal/another point of contact within the legal department in respect of every piece of written advice, email communication or other correspondence between the provider and the Utility Regulator. No less frequently than bi-monthly, providers should establish update arrangements to brief the Legal department of ongoing legal matters which the provider is working on or important developments or legal issues on the horizon.

Successful providers will be required to provide a detailed invoice on no more frequently than a monthly basis (at no cost to the Utility Regulator), which should include;

- 1 **Cover sheet** with headline monthly bill, disbursements/non routine expenses, billing period, any applicable discounts;
- 2 **Detailed separate matter narratives** for each separate file/matter opened for the Utility Regulator;
- 3 **Matter Narratives** should include date, time and duration of time spent by fee earners in relation to each aspect of each work product;
- 4 **Name of instructing contact** within the Utility Regulator in relation to the each matter/file;
- 5 **A separate and necessarily brief Matters Overview document.** This should contain details of the ongoing **running total** of the expenditure incurred by the firm on particular matters.

In addition to the invoicing information, the Utility Regulator shall be entitled to establish such monitoring and budgetary arrangements in relation to the operation of the contract as the Utility Regulator acting reasonably may deem appropriate. This shall include access to all matter and Utility Regulator client files held by the provider. Providers will be required to provide such assistance and co-operation as necessary. Model invoicing pro-formas shall be distributed to successful providers prior to contract commencement in April 2010.

6 Timetable

The Framework Panel is scheduled to commence from 1 April 2010.

It is anticipated that this contract will last initially for approximately 1 year but may be extended on agreement between the Utility Regulator and the successful provider(s) for a maximum of two or three further years.

7 Further Information

Copies of The Energy (Northern Ireland) Order 2003, the Electricity (Northern Ireland) Order 1992, the Gas (Northern Ireland) Order 1996, the Water and Sewerage Services (Northern Ireland) Order 2006 and the Competition Act 1998, can be obtained from the OPSI website.

Other relevant legislation governing the activities of the Utility Regulator include: the Electricity (Single Wholesale Market) (Northern Ireland) Order 2007, the Renewables Obligation Order (Northern Ireland) 2007, and various Measuring Instruments related regulations.

Copies of the Utility Regulator's Forward Work Programmes and Annual Reports for recent years, and further information concerning the work of the Utility Regulator, may be obtained from our website - www.niaur.gov.uk

Part 3

Forms and Certificates

Instructions

The following forms are contained in this section and must be completed in full to ensure your tender is valid.

- | | | |
|----|--|-------------------|
| a. | Certificate relating to Bonafide Tender | (Sign and return) |
| b. | VAT Registration | (Sign and return) |
| c. | Fair Employment and Treatment
(Northern Ireland) Order 1998 | (Sign and return) |
| d. | Freedom of Information Statement | (Sign and return) |
| e. | Conflicts Notification Statement | (Sign and return) |

THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION

A. CERTIFICATE RELATING TO BONA FIDE TENDER

1. The essence of tendering is that the client shall receive bona fide competitive tenders from all firms tendering. In recognition of this principle, we certify that this is a bona fide tender intended to be competitive and that we have not fixed or adjusted the amount of the tender by or under or in accordance with any agreement or arrangements with any other person.
2. We also certify that we have not:
 - a. communicated to a person other than the person calling for these tenders the amount or approximate amount of the proposed tender, except where the disclosure, in confidence, of the approximate amount of the tender was necessary to obtain insurance premium quotations required for the preparation of this tender;
 - b. entered into any agreement or arrangement with any other person that he shall refrain from tendering or as to the amount of any tender to be submitted;
 - c. offered or paid or given or agreed to pay or give any sum of money or valuable consideration directly or indirectly to any person for doing or having done or causing or having caused to be done in relation to any other tender or proposed tender for the said work any act or thing of the sort described above.
3. We undertake that we will not do any of the acts mentioned in paragraphs 2a, 2b or 2c above at any time before the acceptance or rejection of this tender.
4. We undertake that the Utility Regulator standard terms and conditions shall be adhered to by us if we are successful.
5. In this certificate the word "person" includes any persons and any body or association, corporate or unincorporated and "any agreement or arrangement" includes any such transaction, formal or informal and whether legally binding or not.

Signed: _____

Block Capitals: _____

For and on behalf of: _____

Date: _____

THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION

B. VAT REGISTRATION

Part 1 or Part 2 and Part 3 to be completed as appropriate by the Tenderer and returned with Tender Documents:-

1. My/Our VAT Registration Number is: _____
Signed by: _____
For and on behalf of: _____

Date: _____

2. I/We are "EXEMPT" from VAT under the terms of the Value Added Tax Act 1994.
Signed by: _____
For and on behalf of: _____

Date: _____

3. Please indicate which of the following best describes the economic status of your company/organisation:-

Small and Medium Sized Enterprise	Y/N
Social Economy Enterprise	Y/N
Voluntary and Community Organisation	Y/N

If other please specify: _____

THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION

C. FAIR EMPLOYMENT AND TREATMENT (NORTHERN IRELAND) ORDER 1998

1. Article 64 of the Fair Employment and Treatment (Northern Ireland) Order 1998 (**the Order**) provides inter alia that a public authority shall not accept an offer to execute any work or supply any goods or services where the offer is made by an unqualified person in response to an invitation by the public authority to submit offers. Article 64(4) also provides that the public authority shall take all such steps as are reasonable to secure that no work is executed or supplies or services supplied for the purposes of such contracts as are mentioned above by an unqualified person.
2. For the purposes of Articles 64-66 of the Order, an unqualified person is a person on whom a notice has been served under Article 62(2) or Article 63(1) of the Order and which has not been cancelled.
3. Mindful of its obligations under the Order, the Utility Regulator has decided that it shall be a condition of tendering that a contractor shall not be an unqualified person for the purpose of Articles 64-66 of the Order.
4. Contractors are therefore asked to complete and return the form endorsed hereon, with their tender, to confirm that they are not unqualified persons and to undertake that no work shall be executed or supplies or services supplied by an unqualified person for the purposes of any contract with the Utility Regulator to which Article 64 of the Order applies.

FAIR EMPLOYMENT AND TREATMENT (NORTHERN IRELAND) ORDER 1998

I/We hereby declare that I am/we are not unqualified for the purposes of the Fair Employment and Treatment (Northern Ireland) Order 1998.

I/We undertake that no work shall be executed or supplies or services supplied by any unqualified person for the purposes of any contract with the Utility Regulator, to which Article 64 of the Order applies.

Signed by: _____

Duly authorised to sign for and on behalf of: _____

Date: _____

THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION

D. FREEDOM OF INFORMATION STATEMENT

With reference to the Instructions to Tenderers please complete where appropriate.

I/We consider that:-

1. The information in this tender is sensitive*.
2. The information in this tender is not sensitive*.

***Delete as Appropriate**

3. If the information supplied in this tender is considered sensitive, please state which information should not be disclosed and provide reasons.

4. Period for which information should remain commercially sensitive. Please state.

Signed: _____

Block Capitals: _____

For and on behalf of: _____

Date: _____

Signed:

Block Capitals:

For and on behalf of:

Date:

Part 4 Standard Terms and Conditions of Contract

CONDITIONS OF CONTRACT

FOR

SERVICES

FOR

**Northern Ireland Authority for Utility Regulation
(The Utility Regulator)**

Consultancy Title: External Legal Services

Contract Reference: CON/44/09

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Appendix A to Part 4: Variation to Contract

1. Interpretation

1.1. In these Conditions the following words shall have the following meanings except where the context otherwise requires:

a	Amendments	The amendments (if any) to the Contract which may be agreed by the Contractor and the Utility Regulator [in writing]
b	Authorised Representative	The nominated representative of the Utility Regulator
c	Commencement Date	1 April 2010
d	Conditions	The terms and conditions set out herein.
e	Confidential Information	Any and all information regarding the Utility Regulator, the Contractor or any aspect of their respective businesses, the Contract, its contents or the transactions contemplated by it and the negotiations relating to the Contract.
f	Contract	The tender completed by the counterparty to these Conditions and to which these Conditions relate, these Conditions; any specification or operational requirements or other stipulation within the Tender Pack; any drawings, any schedule of prices or rates or lump sum as submitted by the accepted tenderer, any letter of acceptance issued by the Utility Regulator to the accepted tenderer together with such correspondence, if any, between the accepted tenderer and the Utility Regulator, as may be agreed by both parties to form part of the Contract.
g	Contractor	The person, firm or corporate body whose tender shall have been accepted by the Utility Regulator and who is a counter party to these Conditions and shall include the Contractor's personal representatives, successors, and permitted assigns.
h	Contractors' Staff	Employees, sub-contractors, employees and agents or any representatives of both Contractor and sub-contractor of the Contractor.
i	Utility Regulator	Northern Ireland Authority for Utility Regulation

j	Equipment	All materials, plant, equipment, and consumables other than the Utility Regulator's property to be used by the Contractor in the provision of the Services.
k	Intellectual Property	All patents, rights to inventions, utility models, copyright and related rights, trademarks, service marks, trade, business and domain names, rights in trade, dress or get-up, rights in goodwill or to sue for passing off, rights in design, rights in computer software, information sets collected and database rights, topography rights, moral rights, rights in confidential information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications for and renewals or extensions of such rights, and all similar or equivalent rights or forms of protection in any part of the world.
l	Premises	Land or buildings where the Services are performed.
m	Services	The services to be provided by the Contractor as set out in Part 2, together with any other services which the Contractor provides or agrees to provide to the Utility Regulator in its accepted tender.

1.2. Words importing the singular shall also include the plural, and importing the masculine shall also include the feminine and vice versa where the context requires.

1.3. A reference to any statute, enactment, order, regulations or other similar instrument shall be construed as a reference to the statute, enactment, order, regulation or instrument as subsequently amended or re-enacted.

1.4. A reference to a law:

1.4.1. includes a reference to any constitutional provision, subordinate legislation, treaty, decree, convention, statute, regulation, rule, ordinance, proclamation, by-law, judgement, rule of common law or equity;

1.4.2. is a reference to that law as amended, consolidated, supplemented or replaced; and

1.4.3. is a reference to any regulation, rule, ordinance, proclamation, by-law or judgment made under that law

1.5. A reference to a document (including these conditions) is a reference to that document (including any schedules, annexures and appendices) as amended, consolidated, supplemented, novated or replaced.

2. Entire Agreement

2.1. The Contract constitutes the entire agreement between the parties relating to the subject matter of the Contract. The Contract supersedes all prior negotiations, agreements, communication, representations and undertakings, whether written or oral, except that this Condition shall not exclude liability in respect of any fraudulent misrepresentation.

2.2. This Contract takes precedence now and for the life of this Contract over any terms, conditions, stipulations or provisos which may accompany or be contained in any correspondence submitted by the Contractor in connection with the Contract or any part

thereof. The Contractor acknowledges and agrees that any reference to, or submission of, its standard terms and conditions of business (whether in whole or in part (e.g. disclosure protocols) or whether signed or unsigned by the Utility Regulator) shall be for information only, and shall not bind the Utility Regulator above and beyond its obligations under these Conditions of Contract.

3. Period of Contract

3.1. The Contract shall take effect on the Commencement Date and shall remain in force for an initial period of up to 1 year but with the written agreement of both parties may be extended for individual periods of one year up to a maximum of three further years unless it is otherwise terminated in accordance with the provisions of these Conditions.

4. Services/Appointment of Contractor

4.1. The Utility Regulator hereby appoints the Contractor to provide the Services during the term of the Contract, and the Contractor shall act in that capacity subject to the Contract.

4.2. Requests to provide the Services may be transmitted by the Utility Regulator in writing by post, fax or other electronic means as may be agreed by both parties. In cases of urgency verbal instructions may be given by the Utility Regulator pending written confirmation.

5. Conditions Affecting Provision of Services

5.1. The Contractor shall be deemed to have satisfied himself as regards the nature and extent of the Services, the means of communication with and access to the Premises, the supply of and conditions affecting labour, the suitability of the Utility Regulator's property and the equipment necessary for the performance of the Services, subject to all such matters being discoverable by the Contractor.

6. Contractor Status

6.1. Nothing in the Contract shall be construed as creating a partnership, a contract of employment or a relationship of principal and agent between the Utility Regulator and the Contractor.

7. NIAUR'S Property

7.1. All NIAUR's property shall remain the property of the Utility Regulator and shall be used in the performance of the Contract and for no other purpose unless the prior approval of the Utility Regulator is obtained.

7.2. On receipt of any item of the Utility Regulator's property the Contractor shall subject it to a visual inspection and such additional inspection and testing as may be necessary to check that it is not defective; within 14 days of receipt of any item of the Utility Regulator's property, or such other period as may be agreed by the parties, the Contractor shall notify the Utility Regulator in writing of any defects discovered; within 14 days after receiving such notification, the Utility Regulator shall inform the Contractor of the action to be taken

7.3. The Utility Regulator shall be responsible for the repair or replacement of the Utility Regulator's property unless the need for repair or replacement is caused by the Contractor's failure to comply with Condition 7.5, or by the negligence or default of the Contractor.

- 7.4. The Contractor shall be responsible for his own costs resulting from any failure of the Utility Regulator's property, unless he can demonstrate that the Utility Regulator's had caused undue delay in its replacement or repair.
- 7.5. The Contractor shall maintain all items of the Utility Regulator's property in good and serviceable condition, fair wear and tear excepted, and in accordance with the manufacturer's recommendations.
- 7.6. The Contractor shall be liable for any loss of or damage to any the Utility Regulator's property unless the Contractor is able to demonstrate that such loss or damage was caused or contributed to by the negligence or default of the Utility Regulator.
- 7.7. The Contractor shall not in any circumstances have a lien on any of the Utility Regulator's property and shall take all steps necessary to ensure that the title of the Utility Regulator and the exclusion of any lien are brought to the attention of any third party dealing with any of the Utility Regulator's property.
- 7.8. The Contractor undertakes the due return of all re-useable Utility Regulator property and will be responsible for all loss thereof or damage thereto from whatever cause. Deterioration in such property resulting from its normal and proper use in the performance of the Contract shall not be deemed to be loss or damage, except in so far as the deterioration is contributed to by any want of maintenance and repair by the Contractor.

8. Equipment

- 8.1. The Contractor shall provide and maintain the equipment in good and serviceable condition.
- 8.2. The Equipment shall be at the risk of the Contractor and the Utility Regulator shall have no liability for any loss of or damage to the equipment unless the Contractor is able to demonstrate that such loss or damage was caused by the negligence or default of the Utility Regulator.
- 8.3. The Contractor shall provide for the haulage or carriage of the equipment to the premises and its off-loading and removal when no longer required.
- 8.4. The Utility Regulator may at its option purchase any item of equipment from the Contractor at any time, if the Utility Regulator considers that the item is likely to be required in the provision of the Services following the expiry or termination of the Contract. The purchase price to be paid by the Utility Regulator shall be the fair market value.

9. Staff

- 9.1. The Contractor warrants and represents that all staff assigned to the performance of the Contract shall possess such skill and experience as is necessary for the proper performance of the Contract.
- 9.2. Where the Contract provides that the work shall be done by named staff the Contractor undertakes to take all reasonable steps to ensure that his staff remain for the full period of the Contract. Unavoidable changes in the Contractor's staff proposed by the Contractor and agreed by the Authorised Representative shall be subject to not less than one month's written notice.

9.3. If for any other reasons changes in the Contractor's staff become necessary in the opinion of the Authorised Representative such changes shall be subject to 1 week's written notice by the Authorised Representative to the Contractor.

9.4. In the event that the Contractor is unable to provide replacement staff acceptable to the Authorised Representative within sufficient time to enable the Contractor to complete the work on time then the Utility Regulator may obtain replacement staff from other sources or terminate the Contract at its discretion.

10. Co-ordination

10.1. The Contractor shall co-ordinate his activities in the provision of the Services with the Utility Regulator (including the Authorised Representative) personnel and other contractors engaged by the Utility Regulator.

11. Use of the Utility Regulator's Premises

11.1. Where the Services are performed on the Utility Regulator's premises the Contractor shall have use of the NIAUR's premises without charge as a licensee and shall vacate those premises on completion or earlier termination of the Contract.

11.2. The Contractor shall not use the Utility Regulator's premises for any purpose or activity other than the provision of the Services unless given prior approval by the Utility Regulator.

11.3. Should the Contractor require modifications to the Utility Regulator's premises, such modifications shall be subject to the Utility Regulator prior approval and shall be carried out by the Utility Regulator at the Contractor's expense. The Utility Regulator shall undertake approved modification work as soon as reasonably practicable. Ownership of such modifications shall rest with the Utility Regulator.

11.4. The Contractor shall not deliver the equipment to the Utility Regulator's premises outside normal working hours without its prior approval. The Contractor shall maintain the equipment and its place of storage within the Utility Regulator's premises in a safe, serviceable and clean condition.

11.5. On the completion or earlier termination of the Contract, the Contractor shall, subject to the provisions of Condition 8.5, remove the equipment and shall clear away the Utility Regulator's premises all waste arising from the performance of the services and shall leave the Utility Regulator's premises in clean and tidy condition.

11.6. Whilst on the Utility Regulator's premises, all Contractors staff shall comply with such rules, regulations and other requirements as may be in force in respect of the conduct of persons attending and working on the Utility Regulator's premises.

12. Right of Access

12.1. The Utility Regulator's reserves the right to refuse to admit to any premises occupied by or on behalf of itself or the Crown any person employed by the Contractor, or by a sub-contractor, whose admission would be, in the opinion of the Utility Regulator's undesirable.

12.2. The Contractor shall comply with the requirements of the Utility Regulator in regard to ensuring the identity and bonafides of all workers and other persons requiring to be admitted to any officially occupied premises in connection with the Contract.

- 12.3. If the Contractor shall fail to comply with condition 12.2 and if the Utility Regulator shall decide that such failure is prejudicial to the interests of the Utility Regulator or the Crown, then the Utility Regulator may terminate the Contract if the Contractor does not comply with such provisions of condition 12.2 within a reasonable time of written notice to do so provided always that such termination shall not prejudice or affect any right of action or remedy which shall have accrued thereafter to the Utility Regulator.
- 12.4. The decision of the Utility Regulator as to whether any person is to be refused admission to any premises occupied by or on behalf of itself or the Crown and as to whether the Contractor has failed to comply with condition 12.2 shall be final and conclusive.

13. Manner of Providing the Services

- 13.1. The Contractor shall perform the Services with all due care, skill and diligence, and in accordance with good industry practice. Punctual provision of the Services, wherever timing is explicitly agreed for a particular call-off, shall be a condition of the Contract and of the particular call-off in question.
- 13.2. The Services shall be performed only on sites previously approved by the Utility Regulator.
- 13.3. The Contractor shall, upon the instruction of the Authorised Representative:
- 13.3.1. remove from the Utility Regulator's premises any materials which are not in accordance with those contained in any standards or quality specified and substitute proper and suitable materials;
 - 13.3.2. remove and properly re-execute any work which is not in accordance with the Contract, irrespective of any previous testing or payment by NIAUR. The Contractor shall at his own expense complete the re-executed work correctly in accordance with the Contract within such reasonable time as the Utility Regulator may specify.
- 13.4. The signing by the Authorised Representative of time sheets or other similar documents shall not be construed as implying the Contractor's compliance with the Contract.

14. Standards

- 14.1. Materials and processes used in connection with the Services shall be in accordance with any standards and quality specified.
- 14.2. At the request of the Authorised Representative, the Contractor shall provide proof to the Utility Regulator's satisfaction that the materials and processes used or proposed to be used, conform to those standards.
- 14.3. The introduction of new methods or systems which impinge on the Services shall be subject to the Utility Regulator's prior approval.

15. Overtime Working

- 15.1. The Contractor shall not normally be prevented from working reasonable overtime hours on the Utility Regulator's premises if he so desires, provided that he obtains the Utility Regulator's prior approval and it is at no additional cost to the Utility Regulator.

16. Progress Reports

- 16.1. If the Utility Regulator requests progress reports the Contractor shall render progress reports at such time and in such form as may be specified or otherwise agreed upon between the parties.
- 16.2. The submission and receipt of progress reports shall not prejudice the rights of either party under the Contract.

17. Payment

- 17.1. The Utility Regulator shall pay the Contractor for work completed at the rates or prices contained in the pricing schedule [or other interest documentation]. Where payment is based upon daily rates the Contractor and his staff will be expected to work 7½ hours per day, exclusive of meal breaks, unless alternative arrangements are agreed with the Utility Regulator.
- 17.2. In cases where payment is via the Government Purchasing Card, all payments shall be made to Service Providers by the nominated Bank in accordance with the provisions of the scheme.
- 17.3. In all other cases payment shall be due within thirty (30) days of receipt by the Utility Regulator of a correct application for payment or invoice or as otherwise specified in the Contract.
- 17.4. The Utility Regulator reserves the right to withhold payment against any invoice which is not submitted in accordance with the Contract or which covers or purports to relate to services which have not been provided in accordance with the Contract and shall forthwith notify the Contractor accordingly in writing.

18. Value Added Tax

- 18.1. The Utility Regulator shall pay to the Contractor, in addition to the charges due for the work performed under the Contract, a sum equal to the value added tax as may be properly chargeable on the value of the Services provided in accordance with the Contract.
- 18.2. Any invoice or other request for payment of monies due to the Contractor under the Contract shall, if he is a taxable person, be in the form and contain the same information as if the same were a tax invoice for the purposes of Regulations made under the Valued Added Tax Act 1994.
- 18.3. The Contractor shall, if so requested by the Utility Regulator, furnish such information as may reasonably be required by the Utility Regulator as to the amount of value added tax chargeable on the value of goods and services supplied in accordance with the Contract and payable by the Utility Regulator to the Contractor in addition to the charges for work. Any over payment by the Utility Regulator to the Contractor shall be a sum of money recoverable from the Contractor.
- 18.4. If the costs of the Contract are increased or decreased any monies thereby payable shall have added to them a sum equal to any appropriate adjustment in respect of value added tax due on the final value of the work.

19. Recovery of Sums Due

- 19.1. Whenever under the Contract any sum of money is recoverable from or payable by the Contractor (including any sum which the Contractor is liable to pay to the Utility Regulator in respect of any breach of the Contract), the Utility Regulator may unilaterally deduct that sum from any sum then due or which at any later time becomes due to the Contractor under the Contract or under any other contract with the Utility Regulator or with any other department, office or agency of the Crown.
- 19.2. The Utility Regulator shall give at least 21 days' notice to the Contractor of its intention to make a deduction under Condition 19.1 giving particulars of the sum to be recovered and the contract under which the payment arises from which the deduction is to be made.
- 19.3. Any overpayment by the Utility Regulator to the Contractor, whether of the contract price or of value added tax, shall be a sum of money recoverable by the Utility Regulator from the Contractor.

20. Price Adjustments

- 20.1. Prices quoted shall remain firm for the initial contract period set out in Condition 3.1.
- 20.2. In the event that the contract period is extended prices shall not be reviewable save to take account of changes in inflation (RPI) which figures can go down as well as up. Work arising from any variation will normally be carried out by the contractor at the daily rate quoted in the original tender.

21. Intellectual Property Rights - Assignment and Indemnity

- 21.1. The Contractor hereby assigns to the Utility Regulator all Intellectual Property Rights owned by the Contractor in any material, including all data and data sets, which are generated by the Contractor and delivered to the Utility Regulator in the performance of the Services and shall waive all moral rights relating to such material. The Contractor shall not reproduce, publish or supply any such material to any person other than the Utility Regulator without prior approval in writing.
- 21.2. In performing the Services the Contractor shall obtain the Utility Regulator's approval before utilising any material which is or may be subject to any Intellectual Property Rights other than those referred to in Condition 21.1.
- 21.3. The Contractor shall indemnify the Utility Regulator against all claims, proceedings, actions, damages, legal costs (including but not limited to legal costs and disbursements on a solicitor and client basis), expenses and any other liabilities arising from or incurred by the use by the Contractor, in the performance of the Services, or the use by the Utility Regulator following delivery by the Contractor, of any material which involves any infringement or alleged infringement of the Intellectual Property Rights of any third party.

22. Security

- 22.1. The Contractor shall take all measures necessary to comply with the provisions of any law or the directions or regulating of any regulatory or governmental authority relating to security which may be applicable to the Contractor in the performance of the Services.
- 22.2. The Contractor shall take all reasonable measures, by the display of notices or other appropriate means, to ensure that staff have notice that all provisions referred to in

Condition 22.1 will apply to them and will continue to apply to them, if so applicable, after the expiry or earlier termination of the Contract.

22.3. Whilst on the Utility Regulator's premises, staff shall comply with all security measures implemented by the Utility Regulator in respect of personnel and other persons attending those premises. The Utility Regulator shall provide copies of its written security procedures to the Contractor on request.

22.4. The Utility Regulator shall have the right to carry out any search of staff or of vehicles used by the Contractor at the Utility Regulator's premises.

22.5. The Contractor shall co-operate with any investigation relating to security which is carried out by the Utility Regulator or by any person who is responsible to the Utility Regulator for security matters and when required by the Authorised Representative:

22.5.1. shall use his best endeavours to make any staff identified by the Authorised Representative available to be interviewed by the Authorised Representative, or by a person who is responsible to the Utility Regulator for security matters, for the purposes of the investigation. Staff shall have the right to be accompanied by a contractor's representative and to be advised or represented by any other person whose attendance at the interview is acceptable to both the Authorised Representative and any contractor's representative; and

22.5.2. shall, subject to any legal restriction on their disclosure, provide all documents, records or other material of any kind which may reasonably be required by the Utility Regulator or by a person who is responsible to the Utility Regulator for security matters, for the purposes of the investigation, so long as the provision of that material does not prevent the Contractor from performing the Services. The Utility Regulator shall have the right to retain any such material for use in connection with the investigation and, so far as possible, shall provide the Contractor with a copy of any material retained.

23. Confidentiality

23.1. Each party must, and must use its best endeavours to ensure that its officers, employees, agents or professional advisers:

23.1.1. treat all Confidential Information as confidential and safeguard it accordingly; and

23.1.2. not disclose any Confidential Information to any other person without the prior written consent of the other party, except to such persons and to such extent as may be necessary for the performance of the Contract or except where disclosure is otherwise expressly permitted by the provisions of the Contract.

23.2. The Contractor shall take all necessary precautions to ensure that all Confidential Information obtained from the Utility Regulator under or in connection with the Contract is given only to such officers, employees, agents or professional advisers engaged to advise it in connection with the Contract as is strictly necessary for the performance of the Contract and only to the extent necessary for the performance of the Contract;

23.2.1. the Contractor shall ensure that its officers, employees, agents or professional advisers are aware of the Contractor's confidentiality obligations under this Contract.

23.3. The Contractor shall not use any Confidential Information it receives from NIAUR otherwise than for the purposes of the Contract.

- 23.4. The provisions of Conditions 23.1 to 23.4 shall not apply to any Confidential Information received by one party from the other:-
- 23.4.1. which is or becomes public knowledge (otherwise than by breach of this Condition);
 - 23.4.2. which was in the possession of the receiving party, without restriction as to its disclosure, before receiving it from the disclosing party;
 - 23.4.3. which is received from a third party who lawfully acquired it and who is under no obligation restricting its disclosure;
 - 23.4.4. is independently developed without access to the Confidential Information; or
 - 23.4.5. which must be disclosed pursuant to a statutory, legal or parliamentary obligation placed upon the party making the disclosure, including any requirements for disclosure under the FOIA, or the Environmental Information Regulations pursuant to Condition 24.3 (Freedom of Information)
- 23.5. Nothing in this Condition shall prevent the Utility Regulator disclosing any confidential information for the purpose of:
- 23.5.1. the examination and certification of the Utility Regulator's accounts; or
 - 23.5.2. any examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Utility Regulator has used its resources; or
 - 23.5.3. disclosing any confidential information obtained from the Contractor; or
 - 23.5.4. to any government department or any other contracting authority; or
 - 23.5.5. All government departments or contracting authorities receiving such Confidential Information shall be entitled to further disclose the Confidential Information to other government departments or other contracting authorities on the basis that the information is confidential and is not to be disclosed to a third party which is not part of any government department or any contracting authority; or
 - 23.5.6. to any person engaged in providing any services to the Utility Regulator for any purpose relating to or ancillary to the Contract;
- 23.6. Provided that in disclosing information under sub paragraph (b) the department discloses only the information which is necessary for the purpose concerned and requires that the information is treated in confidence and that a confidentiality undertaking is given where appropriate.
- 23.7. Nothing in this Condition shall prevent either party from using any techniques, ideas or know-how gained during the performance of the Contract in the course of its normal business, to the extent that this does not result in a disclosure of Confidential Information or an infringement of Intellectual Property Rights.
- 23.8. In the event that the Contractor fails to comply with this Condition 23, the Utility Regulator reserves the right to terminate the Contract by notice in writing with immediate effect.

23.9. The provisions under this Condition are without prejudice to the application of the Official Secrets Acts 1911 to 1989 to any Confidential Information.

24. Freedom of Information

24.1. The Contractor acknowledges that the Utility Regulator is subject to the requirements of the Freedom of Information Act 2000 (the "FOIA") and the Environmental Information Regulations 2004 and shall assist and cooperate with NIAUR (at the Contractor's expense) to enable the Utility Regulator to comply with these information disclosure requirements.

24.2. The Contractor shall and shall procure that its sub-contractors shall:

24.2.1. transfer the Request for Information to the Utility Regulator as soon as practicable after receipt and in any event within two working days of receiving any Request for Information;

24.2.2. provide the Utility Regulator with a copy of all information in its possession or power in the form that the Utility Regulator's requires within five working days (or such other period as the Utility Regulator may specify) of the Utility Regulator requesting that Information; and

24.2.3. provide all necessary assistance as reasonably requested by the Utility Regulator to enable the Utility Regulator to respond to a Request for Information within the time for compliance set out in section 10 of the FOIA [or regulation 5 of the Environmental Information Regulations as the case may be].

24.3. The Utility Regulator shall be responsible for determining at its absolute discretion whether any commercially sensitive information and/or any other information:-

24.3.1. is exempt from disclosure in accordance with the provisions of the FOIA or the Environmental Information Regulations 2004;

24.3.2. is to be disclosed in response to a Request for Information, and

24.3.3. in no event shall the Contractor respond directly to a Request for Information unless expressly authorised to do so by the Utility Regulator.

24.4. The Contractor acknowledges that NIAUR may be obliged under the FOIA, or the Environmental Information Regulations 2004 to disclose Information:

24.4.1. without consulting with the Contractor, or

24.4.2. following consultation with the Contractor and having taken its views into account.

24.5. The Contractor shall ensure that all information produced in the course of the Contract or relating to the Contract is retained for disclosure and shall permit the Utility Regulator to inspect such records as requested from time to time.

24.6. The Contractor acknowledges that any lists or schedules provided by it outlining Confidential Information are of indicative value only and that the Utility Regulator may nevertheless be obliged to disclose Confidential Information in accordance with Clause 24.4.

25. Publicity

- 25.1. The Contractor shall not make any public statement relating to the existence or performance of the Contract without prior approval of the Utility Regulator, which shall not be unreasonably withheld.

26. Right of Audit

- 26.1. The Contractor shall keep secure and maintain until two years after the final payment of all sums due under the Contract, or such longer period as may be agreed between the parties, full and accurate records of the Services plus full and accurate matter and client files, all expenditure reimbursed by the Utility Regulator and all payments made by the Utility Regulator.
- 26.2. The Contractor shall grant to the Utility Regulator or its authorised agents, such access to those records as it may require in its absolute discretion, in compliance with the Contract.

27. Data Protection Act 1998

- 27.1. The Contractor shall not disclose or allow access to any personal data provided by the Utility Regulator or acquired by the Contractor during the course of tendering for or executing the Contract, other than to a person employed or engaged by the Contractor or any sub-contractor, agent or other person concerned with the same.
- 27.2. Any disclosure of or access to personal data allowed under Condition 27.1 shall be made in confidence and shall extend only so far as that which is specifically necessary for the purpose of the Contract.
- 27.3. The Contractor shall store or process such personal data only at sites specifically agreed in writing, in advance, with the Utility Regulator.
- 27.4. If the Contractor fails to comply with any provision of this Condition then the Utility Regulator may summarily terminate the Contract by notice in writing to the Contractor provided always that such determination shall not prejudice or affect any right of action or remedy which shall have accrued or shall accrue thereafter to the Utility Regulator.
- 27.5. If the Contractor or any employee, servant agent or sub contractor of the Contractor, having obtained without the consent of the Utility Regulator personal data within the meaning of the Data Protection Act 1998, directly or indirectly discloses or publishes the data to any other person or allows improper access to the data, or in any event directly or indirectly causes the loss, damage, or destruction of such data, he shall indemnify the Utility Regulator against all claims, proceedings, costs and expenses in respect of any damage or distress suffered whereby by any person.
- 27.6. The decision of the Utility Regulator upon matters arising under this Condition 27 shall be final and conclusive.

28. Indemnity and Insurance

- 28.1. The Contractor shall indemnify the Utility Regulator to a limit of £5 million against all claims, proceedings, actions, damages, legal costs, expenses and any other liabilities in respect of any death or personal injury or loss of or damage to property which is caused directly or indirectly by any act or omission of the Contractor. This Condition 28.1 shall not apply to the extent that the Contractor is able to demonstrate that such death or personal

injury, or loss or damage, was not caused or contributed to by his negligence or default, or the negligence or default of his staff or sub-contractors, or by any circumstances within his or their control.

- 28.2. The Contractor shall effect and maintain with a reputable insurance company a policy or policies of insurance providing an adequate level of cover in respect of all risks which may be incurred by the Contractor, arising out of the Contractor's performance of the Contract, in respect of death or personal injury, or loss of or damage to property. Such policies shall include cover in respect of any financial loss arising from any advice given or omitted to be given by the Contractor.
- 28.3. The Contractor shall hold employer's liability insurance in accordance with any legal requirement for the time being in force.
- 28.4. The Contractor shall produce to the Utility Regulator's Representative, on request, copies of all insurance policies referred to in this Condition or other evidence confirming the existence and extent of the cover given by those policies, together with receipts or other evidence of payment of the latest premiums due under those policies.
- 28.5. The terms of any insurance or the amount of cover shall not relieve the Contractor of any liabilities under the Contract. It shall be the responsibility of the Contractor to determine the amount of insurance cover that will be adequate to enable the Contractor to satisfy any liability referred to in this Condition.

29. Corrupt Gifts and Payments of Commission

- 29.1. The Contractor shall not:
- 29.1.1. offer or give or agree to give any agent, officer or employee of the Utility Regulator any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of this Contract or any other contract for Her Majesty's Service and/or for showing or forbearing to show favour or disfavour to any person in relation to the Contract or any other contract for Her Majesty's Service or the Utility Regulator; or
- 29.1.2. enter into this Contract or any other contract with the Utility Regulator or any government department in connection with which commission has been paid or agreed to be paid by him, or on his behalf, or to his knowledge, unless before the Contract is made particulars of any such commission and of the terms and conditions of any agreement for the payment thereof have been disclosed in writing to the Utility Regulator.
- 29.2. Any breach of this Condition by the Contractor, the Contractors staff or by anyone employed by him or acting on his behalf (whether with or without the knowledge of the Contractor, the Contractors staff and or the Utility Regulator) or the commission of any offence by the Contractor or by anyone employed by him or acting on his behalf, (either with or without the knowledge of the Contractor, the Contractor's staff and or the Utility Regulator) under the Prevention of Corruption Acts, 1889 to 1916, in relation to this Contract or any other contracts for Her Majesty's Service, shall entitle the Department to determine the Contract and recover from the Contractor, the Contractors staff and or the Utility Regulator the amount of any loss resulting from such determination and/or to recover from the Contractor the Contractors staff and or the Utility Regulator the amount or value of any such gift, consideration or commission.

29.3. Any dispute, difference or question arising in respect of either the effect or the interpretation of this condition or the amount recoverable hereunder by the Utility Regulator from the Contractor or the right of the Utility Regulator to determine the Contract, or the amount or value of any such gift, consideration or commission shall be decided by the Utility Regulator whose decision shall be final and conclusive.

30. Statutory and Other Regulations

30.1. The Contractor shall be deemed to have acquainted himself with any and all laws, regulations, recommendations, guidance, practices and organisational official statements of policy as may affect the Services.

30.2. The Contractor shall be deemed to have acquainted himself with British/European Standards, and relevant codes of practice as may be relevant to this Contract.

30.3. The Contractor shall adequately train, instruct and supervise staff to ensure that so far as is reasonably practical the standards and codes of practice are observed.

31. Equality of Opportunity

31.1. The Contractor shall comply with all applicable fair employment, equality of treatment and anti-discrimination laws, including, in particular, the Employment (Northern Ireland) Order 2002, the Fair Employment and Treatment (Northern Ireland) Order 1998, the Sex Discrimination (Northern Ireland) Order 1976 and 1988, the Employment Equality (Sexual Orientation) Regulations (Northern Ireland) 2003, the Equal Pay Act (Northern Ireland) 1970, the Disability Discrimination Act 1995, the Race Relations (Northern Ireland) Order 1997, the Employment Relations (Northern Ireland) Order 1999 and the Employment Rights (Northern Ireland) Order 1996 and shall use his best endeavours to ensure that in his employment policies and practices and in the delivery of the services required of the Contractor under this agreement he has due regard to the need to promote equality of treatment and opportunity between:

1. Persons of different religious beliefs or political opinions;
2. Men and women or married and unmarried persons;
3. Persons with and without dependants (including women who are pregnant or on maternity leave and men on paternity leave);
4. Persons of different racial groups (within the meaning of the Race Relations (Northern Ireland) Order 1997);
5. Persons with and without a disability (within the meaning of the Disability Discrimination Act 1995);
6. Persons of different ages; and
7. Persons of differing sexual orientation

31.2. The Contractor shall take all reasonable steps to ensure the observance of the provisions of Condition 31.1 by all officers, agents, employees, consultants and sub-contractors of the Contractor.

32. Health and Safety

- 32.1. The Contractor shall comply with all relevant environmental and safety law and shall comply with all legal requirements from time to time in force in relation to the Services. The Contractor's attention is drawn to the provision of the Health and Safety at Work (Northern Ireland) Order 1978 and in particular to Article 4 "General Duties of Employers to their Employees".
- 32.2. The Contractor shall adequately train, instruct and supervise staff to ensure that so far as is reasonably practicable, the health and safety of all persons who may be affected by the Services. Before commencing work on the Contract the Contractor, shall prepare a written policy of the health and safety of staff employed in connection with the Contract together with written organisational arrangements for carrying out the policy.

33. Social Security System

- 33.1. The Contractor shall not employ any person whom he knows or ought to know is by reason of his employment engaged in any unlawful procurement of social security benefits or tax exemptions and the Contractor shall not make, facilitate or participate in the procurement of, any unlawful payments whatsoever, whether in the nature of social security fraud, or evasion of tax, or otherwise.
- 33.2. The Contractor shall prepare and maintain such records of his staff and all other persons engaged in the performance of this Contract by the Contractor as NIAUR may from time to time require.
- 33.3. Without prejudice to Condition 33.2 the Contractor shall forthwith on demand by the Utility Regulator furnish the Utility Regulator with the names, addresses and national insurance numbers of all persons employed by him under the contracts of service and shall forthwith on demand furnish the Utility Regulator with the names, addresses, periods of employment and exemption certificates of all persons employed by him under contracts for services.
- 33.4. The Contractor shall permit the Utility Regulator, its servants or agents at all reasonable times to enter on any premises of the Contractor for the purpose of inspection and investigation of the employment, social security and tax records of any person employed by the Contractor or engaged by him to carry out any works under the Contract.

34. Conflict of Interest

- 34.1. Provided that there shall be no conflict of interest and the Contractor shall fulfil his obligations to the Utility Regulator the Contractor shall be at liberty to enter into agreement with other public sector organisations and regulated companies elsewhere in the United Kingdom for the provision of services.
- 34.2. The Contractor warrants that he is not at the date hereof retained by any interest that could be in conflict with the work of the Utility Regulator and that for the duration of this Contract he will not accept instructions from any such interest either directly or indirectly nor do any other act which may give rise to conflict of interest.

35. Official Secrets Act

- 35.1. The provisions of the Official Secrets Act 1911 - 1989 in general and the provisions of the Official Secrets Act 1989 in particular shall apply to the Contractor, the staff and all persons engaged whether as agents or sub-contractors by the Contractor on any work

under the Contract, and shall continue to apply without limitation of time after the expiry or termination of the Contract, and the Contractor shall bring to the notice of each and every such person the provisions of the said Acts.

- 35.2. If the Utility Regulator shall at any time so direct, a declaration of knowledge of these provisions in such terms as the Utility Regulator shall require shall be signed by every such person as the Utility Regulator shall direct and be delivered to the Utility Regulator by the Contractor.

36. Transfer, Sub Contracting and Assignment

- 36.1. The Contractor shall not transfer, assign or in any way dispose of the Contract or a part thereof and shall not sub-contract any part of the provision of the Services without the prior written consent of the Utility Regulator.
- 36.2. It is a condition of such consent that the sub-contractor must undertake directly to perform the terms of the Contract in respect of the sub-contracted services as if he were the Contractor.
- 36.3. Any consent to sub-contract will not release the Contractor from any liability to the Utility Regulator in respect of the sub-contracted section and the contractors shall be responsible for the acts, defaults or neglect of any sub-contractor or its officers, agents or employees in all respects as they were the acts, defaults or neglect of the Contractor or its officers, agents, or employees.
- 36.4. Where the Contractor enters a sub-contract with the Contractor for the purpose of performing the Contract, he shall cause a term to be included in such sub-contract which requires payment to be made to the Contractor within a specified period not exceeding 30 days from receipt of a valid invoice as defined by the sub-contract requirements.
- 36.5. The Utility Regulator may assign or in any other way dispose of its rights and obligations under the Contract or any part of it to any Department, office or agency of the Crown or any other body provided that any such assignment or other disposal shall not increase the burden of the Contractors obligations under this Contract.

37. Severability

- 37.1. If any provision of the Contract is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed and the remainder of the provisions of the Contract shall continue in full force and effect as if the Contract had been executed with the invalid, illegal or unenforceable provision eliminated. In the event of a holding of invalidity so fundamental as to prevent the accomplishment of the purpose of the Contract, the parties shall immediately commence negotiations in good faith to remedy the invalidity.

38. Waiver

- 38.1. The failure of either party to exercise any right or remedy shall not constitute a waiver of that right or remedy.
- 38.2. No waiver shall be effective unless it is communicated to the other party in writing.
- 38.3. A waiver of any right or remedy arising from a breach of contract shall not constitute a waiver of any right or remedy arising from any other breach of the Contract.

39. Variations

- 39.1. The Contract shall not be varied unless such variation is made in writing by means of a Variation to Contract Form as set out at Appendix A.
- 39.2. In the event of an emergency the Utility Regulator shall have the right to vary the Contract by oral instructions given by the Utility Regulator's Authorised Representative, which shall be confirmed by the issue of a Variation to Contract Form within 7 days.
- 39.3. The Utility Regulator shall have the right to vary the Services at any time, subject to the variation being related in nature to the Services being provided, and no such variation shall vitiate the Contract.
- 39.4. The Contractor may request a variation provided that:
- 39.4.1. the Contractor shall notify the Authorised Representative in writing of any additional or changed requirement which it considers should give rise to a variation within 7 days of such occurrence first becoming known to the Contractor;
 - 39.4.2. any proposed variation shall be fully supported by a quotation as detailed in Condition 39.5
- 39.5. The Contractor, within 14 days of being requested by the Utility Regulator's Authorised Representative or where requesting a Variation pursuant to Condition 39.4, shall submit a quotation to the Utility Regulator, such quotation to contain at least the following information:
- 39.5.1. a description of the work together with the reason for the propose variation;
 - 39.5.2. the price, where applicable;
 - 39.5.3. details of the impact, if any, on other aspects of the Contract.
- 39.6. The price for any variation shall, unless otherwise agreed between the parties, be calculated in the following order of precedence:
- 39.6.1. using the prices or rates;
 - 39.6.2. prices pro-rata to the prices or rates;
 - 39.6.3. prices based on the prices or rates.
- 39.7. The Utility Regulator shall either approve or reject any variation proposed by the Contractor.
- 39.8. In the event that the Contractor disputes any decision by the Utility Regulator to reject a proposed variation or contends that a proposed variation is outstanding or continues to be required, the Contractor shall update the information contained in his quotation for the proposed variation every month and shall send the updated information to the Utility Regulator.

40. Performance Monitoring

- 40.1. The performance of the Contractor will be subject to monitoring and review against agreed quality aspects.

40.2. Where applicable, performance and or price indices may be applied by the Utility Regulator to measure the performance of the Contractor.

40.3. The Contractor shall ensure that information, records, and documentation necessary to monitor effectively the performance of the Contract are maintained and are available at all times to the Authorised Representative.

41. Force Majeure

41.1. Neither party shall be liable to the other party by reason of any failure or delay in performing its obligations under the Contract which is due to Force Majeure, where there is no practicable means available to the party concerned to avoid such failure or delay.

41.2. If either party becomes aware of any circumstances of Force Majeure which give rise to any such failure or delay, or which appear likely to do so, that party shall promptly give notice of those circumstances as soon as practicable after becoming aware of them and shall inform the other party of the period for which it estimates that the failure or delay will continue.

41.3. For the purposes of this Condition, "Force Majeure" means any event or occurrence which is outside the control of the party concerned and which is not attributable to any act or failure to take preventive action by the party concerned, but shall not include any industrial action occurring within the Contractor's organisation or within any sub-contractor's organisation.

41.4. Any failure or delay by the Contractor in performing his obligations under the Contract which results from any failure or delay by an agent, sub-contractor or supplier shall be regarded as due to Force Majeure only if that agent, sub-contractor or supplier is itself impeded in complying with an obligation to the Contractor by Force Majeure.

42. Bankruptcy

42.1. In the event of the Contractor becoming bankrupt or making a composition or arrangement with his creditors or having a winding up order made or (except for the purpose of reconstruction) a resolution for voluntary winding up passed or a receiver or manager of his business or undertaking duly appointed, or possession taken, by or on behalf of the holders or any debentures secured by a floating charge of any property comprised in or subject to the floating charge, the Utility Regulator may at its discretion forthwith terminate this Contract.

43. Termination on Default

43.1. The Utility Regulator's decision under this provision shall be final, and accordingly it may terminate the Contract, or terminate the provision of any part of the Services, by written notice to the Contractor with immediate effect if the Contractor is in default of any obligation under the Contract and:

43.1.1. the Contractor has not remedied the default to the satisfaction of the Utility Regulator within 30 days, or such other period as may be specified by the Utility Regulator, after service of written notice specifying the default and requiring it to be remedied; or

43.1.2. the default is not in the Utility Regulator's opinion, capable of remedy; or

43.1.3. the default is in the Utility Regulator's opinion a fundamental breach of the Contract or

43.1.4. the default is such that it represents gross misconduct in the Utility Regulator's opinion.

44. Break

44.1. Notwithstanding powers exercisable pursuant to Contractor default in accordance with Clause 43.1, the Utility Regulator shall have the right to terminate the Contract, or to terminate the provision of any part of the Services, at any time by giving 2 months' written notice to the Contractor. The Utility Regulator may extend the period of notice at any time before it expires, subject to agreement on the level of Services to be provided by the Contractor during the period of extension.

45. Consequences of Termination

45.1. If the Utility Regulator terminates the Contract under Condition 43, or terminates the provision of any part of the Services under that Condition, and then makes other arrangements for the provision of the Services, the Utility Regulator shall be entitled to recover from the Contractor the cost of making those other arrangements and any additional expenditure incurred by the Utility Regulator throughout the remainder of the term of the Contract. Where the Contract is terminated under Condition 43, no further payments shall be payable by the Utility Regulator until the Utility Regulator has established the final cost of making those other arrangements.

45.2. If the Utility Regulator terminates the Contract, or terminates the provision of any part of the Services, under Condition 44, the Utility Regulator shall reimburse the Contractor in respect of any loss, not including loss of profit, actually and reasonably incurred by the Contractor as a result of the termination, provided that the Contractor takes immediate and reasonable steps, consistent with the obligation to provide the Services during the period of notice, to terminate all contracts with sub-contractors on the best available terms, to cancel all capital and recurring cost commitments, and to reduce equipment and labour costs as appropriate.

45.3. For the purposes of Condition 45.2 the Contractor shall submit to the Authorised Representative, within 14 working days after service of the notice, a fully itemised and costed list, with supporting evidence, of all losses incurred by the Contractor as a result of the termination of the Contract, or the termination of any part of the Services, to be updated only in respect of ongoing costs each week until the Contract is terminated.

45.4. The Utility Regulator shall not be liable under Condition 45.2 to pay any sum which, when added to any sums paid or due to the Contractor under the Contract, exceeds the total sum that would have been payable to the Contractor if the provision of the Services had been completed in accordance with the Contract.

46. Arbitration

46.1. All disputes, differences or questions between the parties to the Contract with respect to any matter arising out of or relating to the Contract, other than a matter of things as to which the decision of the Utility Regulator is under the Contract to be final and conclusive, shall after written notice by either party to the Contract to the other be referred to a single arbitrator agreed for that purpose or in default of such agreement within twenty-one (21) days, appointed at the request of either party by the President of the Law Society

of Northern Ireland. The decision of such arbiter shall be final and binding on the parties of the Contract.

46.2. The provision of the Arbitration Act 1996 shall apply to any arbitration under this contract and such arbitration shall be conducted solely within Northern Ireland.

47. Law

47.1. The Contract shall in all respects be governed by and construed in accordance with the laws of Northern Ireland and the parties hereby agree that the Courts of Northern Ireland shall have exclusive jurisdiction to hear and determine any dispute arising out of or in connection with the Contract.

Appendix A (to Part 4)

(See Condition 39.1 of Contract)

Variation to Contract Form

Contract Title: Utility Regulator – provision of external legal services

Contract Reference: CON/44/09

The Contract is varied as follows.

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Words and expressions in this Variation shall have the meaning/s given to them in the Contract.

The Contract, including any previous Variation(s), shall remain effective and unaltered except as amended by this Variation, which Variation can not and shall not take effect until such times as the signatories on behalf of both the Utility Regulator and the Contractor have signed this Form.

Signed			
For the Utility Regulator		For Contractor	
By		By	
Full Name		Full Name	
Grade		Title	
Date		Date	