

This is a published notice on the Find a Tender service: <https://www.find-tender.service.gov.uk/Notice/000621-2021>

Tender

## **Statutory & Regulatory Audit**

Southern Water Services Ltd.

F05: Contract notice – utilities

Notice identifier: 2021/S 000-000621

Procurement identifier (OCID): ocds-h6vhtk-0289c1

Published 12 January 2021, 11:08pm

### **Section I: Contracting entity**

#### **I.1) Name and addresses**

Southern Water Services Ltd.

Southern House

Worthing

BN13 3NX

#### **Email**

[Kirsty.Lodge@southernwater.co.uk](mailto:Kirsty.Lodge@southernwater.co.uk)

#### **Telephone**

+44 1903264444

#### **Country**

United Kingdom

#### **NUTS code**

UKJ - SOUTH EAST (ENGLAND)

**Internet address(es)**

Main address

[www.southernwater.co.uk](http://www.southernwater.co.uk)

**I.3) Communication**

The procurement documents are available for unrestricted and full direct access, free of charge, at

<https://southernwater.bravosolution.co.uk>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://southernwater.bravosolution.co.uk>

Tenders or requests to participate must be submitted to the above-mentioned address

Electronic communication requires the use of tools and devices that are not generally available. Unrestricted and full direct access to these tools and devices is possible, free of charge, at

<https://southernwater.bravosolution.co.uk>

**I.6) Main activity**

Water

---

**Section II: Object**

**II.1) Scope of the procurement**

**II.1.1) Title**

Statutory & Regulatory Audit

Reference number

prj\_2036

### **II.1.2) Main CPV code**

- 79212300 - Statutory audit services

### **II.1.3) Type of contract**

Services

### **II.1.4) Short description**

Southern Water Services (SWS) under all Applicable Law relating to the financial reporting and audit of company accounts, including the statutory audit of public interest entities (PIEs), SWS is seeking to renew, for itself and on behalf of the Greensands Holdings Group (of which it is principal operating company), its statutory audit services by competitive tender.

As part of this process, Southern Water Services SWS is also seeking to renew the audit of its regulatory accounting statements within the annual performance report for each financial year, as required by its Instrument of Appointment (Licence) granted by the Secretary of State for the Environment as a water and sewerage undertaker under the Water Industry Act 1991 and as specified by the Water Services Regulation Authority (Ofwat).

### **II.1.5) Estimated total value**

Value excluding VAT: £6,000,000

### **II.1.6) Information about lots**

This contract is divided into lots: No

## **II.2) Description**

### **II.2.2) Additional CPV code(s)**

- 79212100 - Financial auditing services
- 79212300 - Statutory audit services

### **II.2.3) Place of performance**

NUTS codes

- UKJ - SOUTH EAST (ENGLAND)

Main site or place of performance

West Sussex

#### **II.2.4) Description of the procurement**

The audit Services conducted by the successful Auditor must be conducted in accordance with International Standards on Auditing (UK and Ireland) issued from time to time by the Financial Reporting Council.

The role of the external Auditor will be to report on the financial statements of SWS (or any corporate member of the Greensands Holdings Group as applicable); to carry out the necessary assessments of the statements and underlying records and control systems in order to reach a fair and unbiased opinion on the statements.

Audits must be able to provide assurance that the financial statements are free from material misstatement and give a true and fair view. The successful Auditor must obtain an understanding of the accounting and the internal control systems in order to assess their adequacy as a basis for the preparation of the financial statements and to form an opinion whether adequate accounting records have been maintained by the relevant audited company.

In addition to the regulatory audit required by Ofwat, SWS is also seeking to renew additional assurance on an “Agreed Upon Procedures” basis for other elements of its annual reporting, for example, but not limited to sections of the Annual Performance Report not covered by the Ofwat requirements and the viability statement

The auditor will carry out such investigations as to enable them to form an opinion as to:

- (a) whether adequate accounting records have been kept by SWS and returns adequate for the audit
- (b) whether SWS’s individual financial statements are in agreement with the accounting records and returns.
- (c) whether certain disclosures of directors’ remuneration specified by law have been made.
- (d) whether they have obtained all the information and explanations which, to the best of their knowledge and belief, are necessary for the purpose of our audit; and

The Auditor should provide a management report to SWS which highlights any potential issues, or risks within the audit that was conducted. The Auditor should provide reports on the financial statements of SWS income and expenditure, recognised gains and losses

and statement of cash flow for the year. They should take into account relevant statutory and other mandatory disclosure and accounting requirements and funding body requirements.

The audit services conducted by the successful Auditor must be conducted in accordance with International Standards on Auditing (UK and Ireland) issued from time to time by the Financial Reporting Council, relevant ethical standards and applicable law.

#### **II.2.5) Award criteria**

Price is not the only award criterion and all criteria are stated only in the procurement documents

#### **II.2.6) Estimated value**

Value excluding VAT: £6,000,000

#### **II.2.7) Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months

120

This contract is subject to renewal

Yes

Description of renewals

120 months is required, 12 month periods awarded at any one time subject to annual audit committee and board approval

#### **II.2.9) Information about the limits on the number of candidates to be invited**

Maximum number: 4

Objective criteria for choosing the limited number of candidates:

Pre-Qualification stage will be open to all suppliers, responses will be ranked suppliers as per the criteria

set out in

the Instruction and Invitation To

Tender (IITT).

A maximum of 4 suppliers will be invited to tender

The PQQ will be issued on around 12/1/21 here:

<https://southernwater.bravosolution.co.uk>

The PQQ response time is 15 days

#### **II.2.10) Information about variants**

Variants will be accepted: No

#### **II.2.11) Information about options**

Options: No

#### **II.2.13) Information about European Union Funds**

The procurement is related to a project and/or programme financed by European Union funds: No

---

## **Section III. Legal, economic, financial and technical information**

### **III.1) Conditions for participation**

#### **III.1.1) Suitability to pursue the professional activity, including requirements relating to enrolment on professional or trade registers**

List and brief description of conditions

The audit services conducted by the successful Auditor must be conducted in accordance with International Standards on Auditing (UK and Ireland) issued from time to time by the Financial Reporting Council, relevant ethical standards and applicable law.

Auditor independence is required, which can be considered to be a sub-set of objectivity, focused on the avoidance or management of particular relationships and activities that could, or could be seen to, compromise objectivity. For audits, auditor independence is required by law in the United Kingdom

#### **III.1.2) Economic and financial standing**

Selection criteria as stated in the procurement documents

#### **III.1.3) Technical and professional ability**

Selection criteria as stated in the procurement documents

#### **III.1.4) Objective rules and criteria for participation**

List and brief description of rules and criteria

Pre-Qualification stage will be open to all suppliers, responses will be ranked suppliers as per the criteria

set out in

the Instruction and Invitation To

Tender (IITT).

A maximum of 4 suppliers will be invited to tender

The PQQ will be issued 12/1/21 here:

<https://southernwater.bravosolution.co.uk>

### **III.1.7) Main financing conditions and payment arrangements and/or reference to the relevant provisions governing them**

As advised in the procurement documents and assessed at PQQ

### **III.1.8) Legal form to be taken by the group of economic operators to whom the contract is to be awarded**

The successful partners, whether being a single contractor, prime contractor (which may be an existing

company or special purpose vehicle) or consortium, will be required to be a single legal entity

## **III.2) Conditions related to the contract**

### **III.2.1) Information about a particular profession**

Execution of the service is reserved to a particular profession

Reference to the relevant law, regulation or administrative provision

The audit services conducted by the successful Auditor must be conducted in accordance with International Standards on Auditing (UK and Ireland) issued from time to time by the Financial Reporting Council, relevant ethical standards and applicable law.

### **III.2.2) Contract performance conditions**

As described in the procurement documents

### **III.2.3) Information about staff responsible for the performance of the contract**

Obligation to indicate the names and professional qualifications of the staff assigned to performing the contract

---

## **Section IV. Procedure**

### **IV.1) Description**

#### **IV.1.1) Type of procedure**

Negotiated procedure with prior call for competition

#### **IV.1.4) Information about reduction of the number of solutions or tenders during**



## **negotiation or dialogue**

Recourse to staged procedure to gradually reduce the number of solutions to be discussed or tenders to be negotiated

### **IV.1.8) Information about the Government Procurement Agreement (GPA)**

The procurement is covered by the Government Procurement Agreement: No

## **IV.2) Administrative information**

### **IV.2.1) Previous publication concerning this procedure**

Notice number: [2020/S 235-581564](#)

### **IV.2.2) Time limit for receipt of tenders or requests to participate**

Date

27 January 2021

Local time

5:00pm

### **IV.2.3) Estimated date of dispatch of invitations to tender or to participate to selected candidates**

8 February 2021

### **IV.2.4) Languages in which tenders or requests to participate may be submitted**

English

### **IV.2.6) Minimum time frame during which the tenderer must maintain the tender**

Duration in months: 6 (from the date stated for receipt of tender)

---

## **Section VI. Complementary information**

### **VI.1) Information about recurrence**

This is a recurrent procurement: Yes

### **VI.2) Information about electronic workflows**

Electronic invoicing will be accepted

Electronic payment will be used

### **VI.3) Additional information**

Submission of expression of interest and procurement specific information: This procurement exercise

will be conducted on the BravoSolution e-procurement portal at:

<https://southernwater.bravosolution.co.uk/> Candidates wishing to be considered for this contract must

register their expression of interest and provide additional procurement specific information through the

portal as follows: i) Candidates should register on the BravoSolution e-procurement portal at:

<https://southernwater.bravosolution.co.uk/> ii) Once registered, candidates must express their interest as

follows: a) login to the portal; b) select 'View current opportunities and notices'; c) access the listing

related to this framework d) click on Express Interest

button; iii) Once you have expressed interest, please complete the PQQ. You must then publish your

reply using the publish button; iv) For any support in submitting your expression of interest please

contact the eTendering help desk at. 0800 368 4850 or [help@bravosolution.co.uk](mailto:help@bravosolution.co.uk)

CLOSING DATE FOR PQQ IS 27/01/21

## **VI.4) Procedures for review**

### **VI.4.1) Review body**

Southern Water Services Limited

Worthing

Telephone

+44 1903274444

Country

United Kingdom

Internet address

[www.southernwater.co.uk](http://www.southernwater.co.uk)

### **VI.4.4) Service from which information about the review procedure may be obtained**

Southern Water Ltd

Worthing

Country

United Kingdom