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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

Telephone

+44 1903264444

Country

United Kingdom

NUTS code

UKJ - SOUTH EAST (ENGLAND)

Internet address(es)

Main address

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

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

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

Southern Water Ltd

Worthing

Country

United Kingdom