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Contract

## **Statutory & Regulatory Audit**

Southern Water Services Ltd.

F06: Contract award notice – utilities

Notice identifier: 2021/S 000-013686

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

Published 16 June 2021, 10:45pm

### **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.6) Main activity**

Water

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

This contract is divided into lots: No

#### **II.1.7) Total value of the procurement (excluding VAT)**

Value excluding VAT: £6,000,000

### **II.2) Description**

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

NUTS codes

- UKJ - South East (England)

Main site or place of performance

Worthing

#### **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**

Quality criterion - Name: Technical, Audit Service Proposal and Quality assurance Competence & Capability of the team / Weighting: 60

Price - Weighting: 40

#### **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

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## **Section IV. Procedure**

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

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

Negotiated procedure with prior call for competition

#### **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: [2021/S 000-000621](#)

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## **Section V. Award of contract**

### **Contract No**

1

### **Lot No**

1

### **Title**

Statutory and Regulatory Audit

A contract/lot is awarded: Yes

### **V.2) Award of contract**

#### **V.2.1) Date of conclusion of the contract**

31 March 2021

#### **V.2.2) Information about tenders**

Number of tenders received: 1

The contract has been awarded to a group of economic operators: No

**V.2.3) Name and address of the contractor**

Deloitte LLP

1New Street Square

London

EC4A 3HQ

Country

United Kingdom

NUTS code

- UK - United Kingdom

The contractor is an SME

No

**V.2.4) Information on value of contract/lot (excluding VAT)**

Initial estimated total value of the contract/lot: £6,000,000

Total value of the contract/lot: £6,000,000



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## **Section VI. Complementary information**

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

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

Southern Water

Southern House

Worthing

BN13 3NX

Email

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

Country

United Kingdom