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Assurance of SES Water annual performance report, 2018-19

03 July 2019

Dear Paul,

My team visited your offices during May 2019 to review technical aspects of your annual performance report data, processes, and conclusions. This letter sets out the scope of my audit, my findings, and my concluding assurance statement.

Scope and approach

Our scope was to check that you had good business processes, data, and calculations, and that the results were reported appropriately and subject to good corporate governance. We agreed tests in advance and had free access to your staff and data to carry out our audits.

We reviewed each of the performance commitments against which you are reporting this year. We reviewed the calculation of outcome delivery incentive payments or penalties, where applicable. We checked that good processes were in place for the collation and reporting of annual results.

Results and findings

In some areas we identified discrepancies with data or calculations, which you corrected at the time of audit or shortly afterwards. We agreed with your final reported values for performance in 2018-19.

In some cases, it was difficult to trace some of the sampled data points back to their source and we made recommendations to improve business processes for reporting GSS.

The reporting process is improved from last year. However, we found the calculations for several results had not been checked and approved before audit. We also found that, especially in more complex measures, an audit trail of changes to data abstracted from systems was not well recorded. This made it difficult to replicate some values in audit. We recommend that for the next APR submission you focus on the underlying business processes, governance procedures and audit trial.

Assurance statement

I refer to my review of technical aspects of SES Water's annual performance report, which have been audited under my direction. We were given free access to people and information as necessary to complete our work.

In my professional opinion, based on and to the extent disclosed by sampling carried out and as described in my report to SES Water dated 4 June 2019:

1. The performance commitment data have been compiled appropriately.
2. Minor errors and omissions were corrected as a result of our audits.
3. We made recommendations for areas of continuing improvement on aspects of documenting methods and record keeping.

Dr Andrew Heather
Mott MacDonald Ltd

03 May 2019

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Document record

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