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Finance and Regulation Director
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Your Reference

Assurance of SES Water annual performance report, 2021-22

Our Reference

100381272APR22

15 July 2022

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United Kingdom

Dear Paul,

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My team undertook your APR22 audits this May/June, using a mix of in-person audits and online using Microsoft Teams. We reviewed 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.

Findings and key recommendations

Where we identified discrepancies between data, calculations, and the FD19 performance commitment definitions, you corrected them at the time of audit or shortly afterwards. We agreed with your final reported performance results.

We noticed an improvement in peer review and checking where tables were prepared well in advance of audit, but where tables were prepared later the quality was lower, and results changed as a result of audit. We therefore recommend a continued focus on early preparation and checking of results tables.

We noticed significant challenges arising from personnel leaving and joining your company just before year end, which made the reporting more challenging than usual, and recommended improvements to method statements to smooth the hand-over process in future.

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 29 June 2022:

1. The Table group 3 performance commitment data have been completed appropriately.
2. The technical data in tables 4A, 4R, 5A, 6A, 6B, 6C, and 6D has been compiled appropriately.
3. Errors and omissions were corrected as a result of our audits.
4. We made recommendations for continuing improvement on timeliness of preparation, checking and peer review.

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Document record

Issue	Date	Author	Checker	Approver	Purpose
1	1 July 2022	A Lawrence	A Heather	A Heather	First issue
2	15 July 2022	A Lawrence	A Bujnowicz	A Bujnowicz	Second issue

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