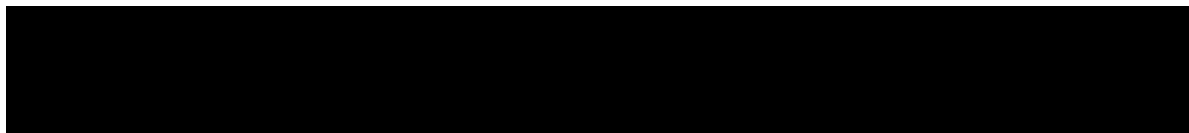

Project: PR24-SEMD Review

Our reference: V1

Your reference: N/A



Executive Summary

To assure Southern Water's cost estimates developed by CRITEC for the planned AMP8 SEMD (Security, Emergency, and Maintenance Documentation) programme, Mott MacDonald has undertaken an exercise to anticipate the below tasks:

- *Review CRITEC cost estimation work – are the costings robust?*
- *Benchmark net direct (raw) CRITEC costs against industry and Cost Intelligence Team (CIT) data.*
- *Compare CRITEC 'fully loaded' costs against CRITEC net direct costs with SWS overhead/risk stack.*

The SEMD programme contains six projects. Mott MacDonald was able to assess five of them.

From the below it can be concluded that Southern Water have the following options to choose from for the PR24 submission:

1. Use the Critec cost as they are = efficient
2. Use Critec NDW + Suggested industry Indirect % = +5 % efficient (ie 5% more efficient than option 1)
3. Use Benchmarked NDW + Suggested industry Indirect % = -14% efficient (ie 14% less efficient than option 1)
4. Use Critec NDW + SWS indirect % = -28% efficient (ie 28% less efficient than option 1)

See Section 1.4 at the end of this report for further commentary and recommendations.

Key outcomes for each task are presented below:

