

STANDARDS FEEDBACK TEMPLATE

Section no.	Paragraph no.	Editorial (E) or Substantive (S) Comment	Comment	Comment Submitted by
High priority				
1		S	<p>Assumptions</p> <p>The <i>Guidance Note on Assurance Levels and Statements as they Relate to the AA1000 Assurance Standard</i> (the <i>Guidance Note</i>) makes several assumptions regarding the intended audience (intended audience outlined section 1, paragraph 5: ‘<i>The Guidance Note is intended for use by Assurance Providers as well as by organisations that will have to understand it in order to prepare for assurance. The Guidance Note will also benefit the organisation’s stakeholders by enhancing their understanding of the level of assurance provided in the Report.</i>’)</p> <p>There is limited background information provided to understand the context for the concepts described, such as ‘scope’ and reliability’ of information, and the depth of the discussion surrounding assurance levels and language in the <i>Guidance Note</i> is also limited. It appears to be pitched more at the level of an experienced sustainability assurance provider.</p> <p>The <i>Guidance Note</i> assumes considerable prior knowledge or experience in, assurance, specifically the AA1000 Assurance Standard (AA1000AS) and the ISAE3000 (e.g. the rationale for including references to ISAE3000 requirements and the use of negative language in assurance statements). Given the infancy of the field of sustainability assurance and sustainability reporting it should not be assumed that an organisation’s stakeholders and potentially an organisation seeking assurance – two of the groups in the intended audience, have prior knowledge or experience in the field. The absence of a glossary for technical and</p>	Centre for Public Agency Sustainability Reporting

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			<p>assurance-related terms, and an explanation of how this <i>Guidance Note</i> fits with the AA1000AS series, does not assist in making the <i>Guidance Note</i> accessible to a layperson.</p> <p>Recommended action(s): A box outlining the AA1000AS series, ISAE3000 and G3 (to give content to the sustainability reporting process) would be useful. If not in the text, a glossary and/or appendix would be of use to those with limited knowledge or experience in assurance and/or sustainability reporting. A road-map of how these frameworks and standards fit together may also be helpful (for example, see Accountability and KPMG Sustainability, The Netherlands 2005, <i>Assurance Standards Briefing – AA1000 Assurance Standard & ISAE3000</i>, p. 22).</p> <p>Also consider reframing the statement made about the intended audience to direct those with limited knowledge of sustainability assurance to a list of recommended readings.</p>	

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4.1 5.2	1 (f)	S	<p>Limited cross-referencing to sustainability reporting standards</p> <p>Throughout the <i>Guidance Note</i> there is limited cross-referencing to sustainability reporting frameworks, such as the Global Reporting Initiative (GRI) Sustainability Reporting Framework (it is noted that the GRI is mentioned in the introduction – section 1, paragraph 6). Cross-referencing sustainability reporting frameworks provides context on processes for determining report content and ensuring the quality of the information presented in the report and the data, systems, and underlying processes that support this information – two of the concepts discussed throughout the section in the <i>Guidance Note</i> on assurance levels.</p> <p>Given the status of the GRI as the globally accepted sustainability reporting framework (and the status of AA1000AS as the globally accepted assurance standard), there could be further references to the GRI, especially to the Principles for Defining Report Content and Quality.</p> <p>Instances where a cross-reference to the G3 would be useful, include:</p> <p>Section 4.1, paragraph 1: ‘1. <i>Scope of subject matter</i>’ – see GRI Principles for Defining Report Content (G3, pp. 8-13)</p> <p>Section 4.1, paragraph 1: ‘2. <i>The reliability of the information</i>’ – see GRI Principles for Defining Report Quality (G3, pp. 13-17)</p> <p>Section 5.2, paragraph (f): ‘<i>Report content</i>’ – see GRI Principles for Defining Report Content (G3, pp. 8-13)</p> <p>Recommended action(s): Cross-reference the GRI G3 Principles for Defining Report Content and Report Quality, as outlined above.</p>	Centre for Public Agency Sustainability Reporting

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1 4.1 4.1.1 5 ...	4 & 5 3, 4, 5 & 6 1,2,3 2 ...	S	<p>Assurance Practitioners and Assurance Providers</p> <p>The terms ‘Assurance Practitioner’ and ‘Assurance Provider’ appear to be used interchangeably throughout the paper, however, these terms have different meanings. The ISAE3000 defines a ‘practitioner’ as a professional accountant in public practice (see ISAE3000, p. 1042). The AA100AS defines an assurance ‘provider’ as one or more individuals, or an organisation, contracted by the reporting organisation to provide assurance of their report (see AA1000AS, p. 32). Given these definitions ‘practitioner’ is a subset of ‘provider’ but they are not the same thing, therefore should not be used interchangeably.</p> <p>Recommended action(s): Define ‘Assurance Practitioner’ and ‘Assurance Provider’ within the text or in a glossary of terms. In addition, provide some information about the different types of Assurance Providers. This is notably absent from the current content.</p>	Centre for Public Agency Sustainability Reporting
1	2	S	<p>Definitions of Assurance Levels and Assurance Statements</p> <p>A working definition of assurance levels and assurance statements in paragraph two is needed to give context to the <i>Guidance Note</i>, especially for those with limited understanding of assurance. These terms are currently not defined until later in the document (the definition of levels is outlined in section 4, and assurance statements is articulated throughout the paper).</p> <p>Recommended action(s): Define assurance levels and assurance statements in the introduction. If not in the text, in a glossary of terms.</p>	Centre for Public Agency Sustainability Reporting

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4.1	2	S	<p>Levels of assurance</p> <p><i>'The AA1000AS does not define specific levels of assurance. The levels of assurance can be varied along a sliding scale. The level on the scale is articulated with reference to the 'highest level obtainable' and 'the level below which assurance is not possible.'</i> (Section 4.1, paragraph 2)</p> <p>The lack of levels for assurance may become a limitation to the application and value of AA1000AS. A sliding scale is too open to misinterpretation. If the standard aims to allow flexibility it should provide 'bands' of assessment that are generally defined. Consideration needs to be given to the relationship between the assurance provider and the organisation – assurance providers are still being paid by the organisation and may have a vested interest in 'pleasing' the client.</p> <p>Consideration also needs to be given to the implications of the use of the two statements <i>'highest level obtainable'</i> and <i>'the level below which assurance is not possible'</i>. By default, this defines two levels of assurance contradicting the statement that levels of assurance are varied along a sliding scale. If assurance is to be varied along a sliding scale, guidance or language needs to be provided to describe these.</p> <p>Recommended action(s): Consider defining bands of assurance levels, and provide guidance and language to define these.</p>	Centre for Public Agency Sustainability Reporting

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4.2 5.2		S	<p>AA1000AS and ISAE3000</p> <p><i>'The AA1000AS and ISAE3000 are technically complementary, and therefore can be applied together in an assurance process.'</i> (Section 4.2, paragraph 1)</p> <p>The relationship between AA1000AS and ISAE3000 is complex, and the implications for using these standards in conjunction in an assurance process will continue to be shaped as the AA1000AS evolves and the field of sustainability assurance matures. Given these circumstances, it is recommended that the <i>Guidance Note</i>, does not attempt to incorporate the ISAE3000 characteristics or requirements, as has been done in sections '4.2 ISAE3000 and the A1000AS', and '5.2 Sample Assurance Statements meeting both AA1000AS and ISAE3000 requirements', especially if it is to be of value for non-assurance providers. To find these sections useful, given the current content, a reader would need in-depth knowledge of both standards.</p> <p>Furthermore, inclusion of ISAE3000 requirements in the <i>Guidance Note</i> assumes that these two assurance standards are likely to be used together in an assurance process. Given that ISAE3000 is applicable to professional accountants in public practice, there are a range of assurance providers such as, consultancies, non-governmental organisations and stakeholder panels, which may not reference or use this standard. While it is recognised that a convergence, or a closer alignment of assurance standards, has been predicted as integral to the ongoing value of sustainability assurance, the limited content on ISAE3000 and the rationale for its inclusion, is a source of confusion. A guidance note dedicated to how these standards could be used together would be more suitable, or further information on ISAE3000 and the rationale as to why this standard has been drawn upon in this guidance note is needed.</p> <p>Recommended action(s): Remove references to ISAE3000 requirements, or provide further information on ISAE3000 and the rationale for drawing on this standard in the <i>Guidance Note</i>.</p>	Centre for Public Agency Sustainability Reporting

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4.1 4.1.1 ...	1 1 ...	S	<p>Describing the Assurance Provider's/Practitioner's actions</p> <p>Throughout the paper the terms '<i>obtains</i>' and '<i>characterise</i>' are used to describe the actions of the Assurance Provider/Practitioner in the assurance process. For example,</p> <p><i>'...the Assurance Practitioner obtains a level of assurance...'</i> (Section 4.1, paragraph 1).</p> <p><i>'The Assurance Practitioner will characterise the reliability of the information available...'</i> (Section 4.1.1, paragraph 1).</p> <p>The terms '<i>obtains</i>' and '<i>characterise</i>' used for this purpose may not be the best choice of words. These terms suggest that the Assurance Provider/Practitioner makes no judgement based on the evidence they investigate, influenced by their knowledge and experience. The term '<i>determines</i>' may be more suitable in these instances as it describes a process in which the Assurance Provider/Practitioner has established or made a judgement about the evidence, typically as a result of research or calculation.</p> <p>Recommended action(s): Review the document for further examples and replace with 'determine' (or similar).</p>	Centre for Public Agency Sustainability Reporting

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5	1	S	<p>Sustainability assurance and sustainability performance</p> <p><i>'An Assurance Statement based on the AA1000 Assurance Standard is intended to enhance the credibility of the Report and provide an understanding of the organisation's sustainability performance'</i> (Section 5, paragraph 1)</p> <p>The above statement needs to be given further context. While assurance can enhance the credibility of a sustainability report, it does not at present provide an understanding of an organisation's sustainability performance. To do this, sustainability reporting and assurance would need to provide a set of signals about an organisation's overall ongoing health and performance that the investment community, consumers, citizens, pricing mechanisms and industry use to affect the business/operating environment. This will in part be dependent on the development of Generally Accepted Assurance Standards for Sustainability (GAASS) – see ACCA Research Report No. 68, <i>The Future of Sustainability Assurance</i>.</p> <p>Recommended action(s): Clarify this statement.</p>	Centre for Public Agency Sustainability Reporting
5.1	2	S	<p>Assurance language</p> <p><i>'AA1000AS does not require the use of negative language in the Assurance Statement for any level of assurance'</i> (Section 5.1, paragraph 2)</p> <p>AccountAbility needs to explain why it takes this position, or delete the reference, as it is likely to be more confusing than helpful.</p> <p>Recommended action(s): Provide further explanation on why the use of negative language is not required, or remove the reference.</p>	Centre for Public Agency Sustainability Reporting
5.2		S	<p>Sample assurance statement</p> <p>There are some key concerns with section 5.2 <i>'Sample assurance statement meeting both AA1000AS and ISAE3000'</i>. These include:</p> <ul style="list-style-type: none"> - No rationale has been provided to explain why requirements for ISAE3000 have been included (see comments on 'AA1000AS and ISAE3000' above). 	Centre for Public Agency Sustainability Reporting

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			<ul style="list-style-type: none"> - The purpose, or rationale, for each of the components listed in the sample assurance statement is not provided. An example of good practice is ISAE3000 (pp. 1057-1062) in which clear and concise explanations are provided regarding the purpose of each of the required aspects of an ISAE3000 assurance statement. This is useful for providing context and enhancing understanding. - In some instances, current descriptions of the components are not adequate. For instance, <ul style="list-style-type: none"> ▪ (d): Dot point 5: <i>'...for reports this should clearly state which sections of the Report were the subject of the assurance engagement'</i>. This statement contradicts an earlier statement that AA1000AS takes an open-scope approach based on stakeholder materiality. If assurance using the AA1000AS can be limited to sections this needs to be explained. ▪ (f): <i>'Conclusion concerning the principles and criteria used for the engagement'</i>. What principles are being referred to? ▪ (g) Dot point 3: <i>'current and future performance on principles'</i>. Again, what principles are being referred to? ▪ (g) Dot point 4: <i>'assess which, if any, past or present areas of improvement will be carried on to the following year'</i>. It is unclear what this means. ▪ (h): <i>'Disclosure on competencies, impartiality and independence relevant to the scope of engagement...'</i> Need to define what criteria, if any, is used to determine this. - Footnote 2, regarding the findings of the assurance engagement, is too important to be a footnote. This should be included within the text. <p>Recommended action(s): Consider the development of an AA1000AS specific sample assurance statement. Also provide the rationale, and detailed descriptions for each of the components listed.</p>	

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Medium priority				
1	6	S	<p>Organisational conduct</p> <p><i>'The AA1000 Assurance Standard is designed to be an assurance standard for Reports as well as for the data, systems, processes, organisational conduct and competencies that underlie performance.'</i> (Section 5, paragraph 6)</p> <p>Governance and management approach are important factors that underlie an organisation's performance in addition to those mentioned in the above statement. Inclusion of these two factors, which can also be assured by AA1000AS, would also provide another direct link with the G3 (see G3 pp. 22-23 and 25), and give further context to this statement.</p> <p>Recommended action(s): Include 'governance' and 'management approach' in the description of competencies that underlie performance.</p>	Centre for Public Agency Sustainability Reporting
4.1	1	S	<p>Scope of the subject matter</p> <p><i>'1. The scope of the subject matter (i.e. have you identified and are you addressing the right issues)'</i> (Section 4.1, paragraph 1)</p> <p>Scope used in this instance may not be the best word. Identifying and addressing the right issues are about considering materiality, stakeholder inclusiveness, completeness, and sustainability context, for example in determining the content of a sustainability report.</p> <p>Recommended action(s): Review the use of the term 'scope' and consider whether more information needs to be provided to define 'scope'.</p>	Centre for Public Agency Sustainability Reporting

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4.1	1	S	<p>‘Accurate and consistent’</p> <p><i>‘2. The reliability of the information (i.e. is information accurate and consistent)’</i> (Section 4.1, paragraph 1)</p> <p>A working definition of ‘accurate’ and ‘consistent’ is needed for context. For instance what is the information consistent with – itself? A standard? This is unclear.</p> <p>Recommended action(s): Define ‘accurate’ and ‘consistent’. If not in the text, or a footnote, in a glossary of terms.</p>	Centre for Public Agency Sustainability Reporting
4.1.1	2	S	<p>‘True and fair view’</p> <p><i>‘The highest level obtainable is a true and fair view’.</i> (Section 4.1.1, paragraph 2)</p> <p>This statement is vague. A definition of ‘true and fair’ is needed.</p> <p>Recommended action(s): Define ‘true and fair’. If not in the text, in a glossary of terms.</p>	Centre for Public Agency Sustainability Reporting
5.2	Last	S	<p>Publication of the assurance statement</p> <p><i>‘The Reporting Organisation may choose to provide in the Report a summary of the above information, and make available the full Assurance Statement on the organisation’s website.’</i> (Section 5.2, last paragraph)</p> <p>The current wording of the above statement implies that it is a ‘choice’ of the reporting organisation to make the report publicly available, rather than a choice as to whether to publish a summary or full report as part of the sustainability report.</p> <p>Recommended action(s): Specify clearly that all reporting organisations are strongly encouraged to make the assurance statement publicly available.</p>	Centre for Public Agency Sustainability Reporting

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4.1.1	4	S	<p>Levels of assurance – example</p> <p>The example provided to demonstrate assurance levels has not been described in sufficient detail to accurately illustrate assurance levels as they relate to the AA1000AS. For instance, there is not sufficient detail to determine the criteria for an accepted greenhouse gas accounting standard. Examples of accepted greenhouse gas accounting standards could be provided.</p> <p>Recommended action(s): Ensure there is sufficient detail in the example to accurately illustrate assurance levels.</p>	Centre for Public Agency Sustainability Reporting
1 1 ...	2 5 ...	E	<p>Language</p> <p>It is suggested that the language and writing style of the guide could be improved – currently, it is unclear in places and inconsistent in others (e.g. see comment on ‘Assurance Providers and Assurance Practitioners’)</p> <p>Recommended action(s): Check the paper for inconsistencies in language and writing style – possibly by using a good editor.</p>	Centre for Public Agency Sustainability Reporting
1 1 5.2 5.2	1 3 (f) (g) & (h)	E	<p>Use of Jargon</p> <p>Jargon has been through the <i>Guidance Note</i> which may limit interpretation and the accessibility of the <i>Guidance Note for the</i> intended audience that includes non-assurance providers. Examples of jargon include:</p> <p>Section 1, paragraph 1: ‘<i>professions</i>’ (listed as a group involved in the development of the AA1000AS)</p> <p>Section 1, paragraph 3: ‘<i>multi-stakeholder</i>’</p> <p>Section 5.2, paragraph (f): ‘<i>KPI’s</i>’</p> <p>Section 5.2, paragraph (g) & (h) ‘<i>CR Report</i>’ and ‘<i>CR Assurance Practitioners</i>’</p> <p>Recommended action(s): Provide clarification and definitions for these terms to give context and credibility to the discussion, either within the text or glossary, where appropriate.</p>	Centre for Public Agency Sustainability Reporting

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3	1	E	<p>Scope</p> <p>'Scope' (Title, section 3)</p> <p>The use of the word scope as the heading for this section is problematic. While grammatically it is the correct term, it may lead to confusion with discussion on scope in relation to assurance and reporting.</p> <p>Recommended action(s): Consider combining section 3 'Scope', with 2 'Purpose' under the heading of 'Purpose'.</p>	Centre for Public Agency Sustainability Reporting
4.2 ...	2 ...	E	<p>Distinction between sustainability report and assurance statement</p> <p>The distinction between discussion on the sustainability report and the assurance statement is not always clear. For example, '<i>...rigorous assurance approach and procedures that enable the engagement to be undertaken...</i>' (Section 4.2, paragraph 2). In this instance it is important to specify clearly whether the discussion is focused on assurance engagement or engagement for the sustainability report.</p> <p>Recommended action(s): Review the paper for further areas for clarification.</p>	Centre for Public Agency Sustainability Reporting
Low priority				
4.1	3	E	<p>Paragraph order</p> <p>Section 4.1, paragraphs 3 ('<i>During the assessment engagement...</i>') and 5 ('<i>The level of assurance ...</i>') discuss levels of assurance. Paragraph 4 ('<i>The user of the report...</i>') however, breaks this discussion by introducing the concept of the user of the report.</p> <p>Recommended action(s): Move paragraph 4 to the end of section 4.1 to improve the flow of the discussion.</p>	Centre for Public Agency Sustainability Reporting

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4.1.1 & 4.1.2		E	<p>Section order</p> <p>The order that the topics 'scope' and 'reliability of information' are introduced in section 4.1 is not the order that they are discussed in the text following.</p> <p>Recommended action(s): For consistency consider reversing the order of sections 4.1.1 and 4.1.2, to become '<i>4.1.1 Scope of subject matter</i>' and '<i>4.1.2 Reliability of information.</i>'</p>	Centre for Public Agency Sustainability Reporting