

Trusting the information we publish

Final Assurance Plan
2019/2020 and
2020/2021



1

2

Navigating this document

Contents page

The contents page is linked to every section within this document. Clicking on a specific section will instantly take you to it.

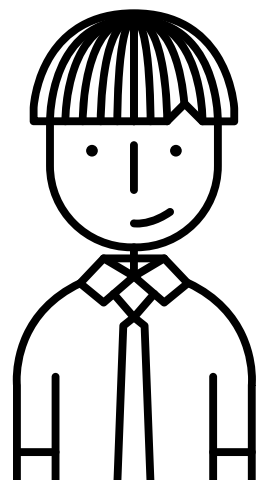
- 1 Click on the contents button to return to the contents page.
- 2 The back button returns you to the last page you visited.
- 3 This button takes you to the previous page.
- 4 This button takes you to the next page.
- 5 'Breadcrumb' navigation allows you to retrace your steps within a section.

3

There are also many other clickable links within this document which we've made easy to spot by underlining and highlighting them in [blue](#). If you click on one of these links, but then wish to navigate back to the page you were viewing previously, simply click the **'Back'** button at the top of the page.

4

5



Contents

1.	Welcome to our assurance plan	04
	We start our final assurance plan with an introduction to this document and a brief summary on what we mean by assurance.	
2.	Glossary	08
	In this section, we explain the terms and abbreviations we have used in this plan.	
3.	About us	12
	In this section we provide you with an introduction to Yorkshire Water: who we are, what we do, our vision and the promises we made to you.	
4.	Our assurance approach	18
	In this section, we explain our three levels of assurance and our risk-based approach.	
5.	Our targeted assurance	26
	This section explains which areas we have identified as requiring a greater level of assurance based on the level of risk and importance.	
6.	Our publication assurance	36
	In this section we provide a list of our regulatory reporting publications and the assurance activities we intend to carry out on the information within these publications.	

1. Welcome to our Assurance Plan

Welcome

The purpose of the Assurance Plan is to describe our assurance approach and the assurance activities we have planned for the coming year and beyond.

We invited our customers and interested parties to review our draft plan and tell us if they think we have met expectations. The feedback that we have received has helped us make improvements to our final plan.

The main areas where we have made improvements are

- using plain English where we can to make our plan easy to understand
- giving context behind the areas of the plan which are technical
- changing the colour scheme and design in places where it was difficult to read.

This plan has a lot of detail, so we have made a customer summary which you can find on our reports page www.yorkshirewater.com/reports

The customer summary gives an overview of this plan.

You can find more details of our customers feedback and how we responded here.

If you have any feedback on the assurance plan, you can contact us in the following ways:

Email: publicaffairs@yorkshirewater.co.uk

Sending comments via our website link:
yorkshirewater.com/contactus

Facebook message us @yorkshirewater

Or posting them to us:

Assurance Plan Consultation Regulation
Department,
Yorkshire Water,
Western House,
Western Way,
Buttershaw,
Bradford,
BD6 2SZ

Assurance in Yorkshire Water

The aim of our assurance is to make sure you can trust the information we publish.

You will hear a lot about assurance throughout the document and to set the scene, we will give you a brief overview of what we mean by assurance first.



What is assurance?

Assurance is a process we use to make sure you can trust the information we provide to you.

The assurance process is to review the ways we work and our information to make sure that our publications are accurate, accessible and easy to understand.



How does it work?

We have assurance teams to ask questions and challenge the information so that we can rely on it.

This assurance plan shows you how we check and review our information to make sure that what we publish is correct and meets everyone's needs.



Why does assurance matter?

It is important that you can be sure of the quality of the information we publish, so that you can be confident in us and how well we are doing in delivering the promises we made to you.

About this document

We want to provide you with information that you can trust. The aim of the Assurance Plan is to explain the assurance activities we have in place, so that you can have confidence in our publications.

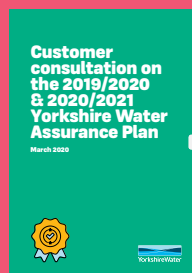
We first published our Assurance Plan in 2016. Since then, we have used feedback from our customers and the knowledge and experience we have gained to improve our plan. Previously, we received positive feedback from Ofwat and we were delighted that they assessed our assurance plans as exceeding expectations.

The diagram below shows the journey we have been on and the publications that have contributed to the development of this year's plan. The images also provide links to each publication should you require further information.



March 2019

Final Assurance Plan explains our approach to assuring the information we published in 2018/2019 and 2019/2020. This is our previous version of this document.



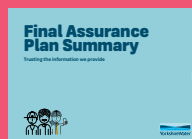
March 2020

Assurance Plan Consultation report published to set out Yorkshire Water's response to the feedback we received on our plan during consultation.



July 2019

Annual Performance Report 2018/2019 explains how well we are performing.



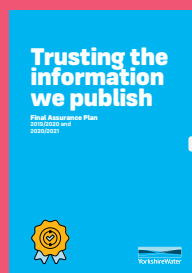
March 2020

Assurance Plan Summary published to provide a shortened version of our Assurance Plan.



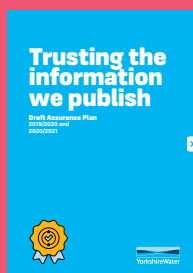
November 2019

Risks, Strengths and Weaknesses explains the results of our risks, strengths and weaknesses in our reporting identified through our analysis and following consultation with our customers and stakeholders.



March 2020

Final Assurance Plan explains our approach to assuring the information we will publish in 2018/2019 and 2019/2020. The draft assurance plan has been updated and takes into account the feedback received from our consultation.



November 2019

Draft Assurance Plan explains our approach to assuring the information we will publish in 2018/2019 and 2019/2020. This draft is developed in line with our latest performance, our risks, strengths and weaknesses identified through consultation and feedback from customers. This is the draft version of this document.

2. Glossary

You will hear a lot of terms in the Assurance Plan that you may not be familiar with. We have positioned our glossary at the front of the document to provide an early explanation of the terms and abbreviations we have used in the plan.

Term	Definition
Annual Performance Report (APR)	A report that we publish each year to show our performance against the promises we have made to you.
Assurance	Provides confidence and a level of certainty that a piece of information is correct.
Assurance plan	A plan of the activities that we will carry out to provide assurance on the information and publications we provide.
Board	Our Board is accountable for controlling the business, our strategy and our decisions. They are responsible for the quality of our information and publications.
Board Audit Committee (BAC)	The committee reviews the processes and controls in place and the level of assurance. They report their views of the quality of our assurance to the Board.
Company monitoring framework	Ofwat's framework that sets out the way in which companies provide performance information to their customers, and other interested parties.
Control and Risk Self-Assessment (CRSA)	All our senior leaders provide assurance over their team's compliance with relevant legislation, regulation and governance by completing an annual Control and Risk Self-Assessment (CRSA).
Corporate Governance Code	Also known as the UK Corporate Governance Code, this sets out good standards in relation to board leadership and effectiveness, pay, accountability and relations with shareholders.
Data assurance	Processes in place to make sure that the information we produce is accurate.
Data provider and Data manager	Data providers have specific responsibilities as part of our data assurance process. They will record the steps we follow to gather, analyse, process and report on our performance. They will then include this information in the publication. The data provider is supported by a data manager. The data manager will make sure that the information produced and any supporting explanations match our reporting requirements.
Day-to-day controls	These are the activities that we complete every day as part of our front-line operations. Everything that we do supports the information that we eventually report.
Defra	Defra is the Department for Environment, Food and Rural Affairs. It is a UK government department responsible for protecting our natural environment, supporting the food and farming industry, and maintaining a thriving rural economy.
Delivery assurance groups	These are teams made up of managers and operational colleagues. They are responsible for monitoring our performance as we deliver the performance commitments that we agreed with you.
Draft Determination	In September we submitted our PR19 Business Plan submission. Ofwat are evaluating our plan to reach a draft determination in July 2019. The draft determination is a proposed contract between us, our customers and Ofwat on the services we will provide and the prices we charge between April 2020 to March 2025. This will be followed by a final determination in December 2019.

Term	Definition
DWI	The Drinking Water Inspectorate (DWI) is the independent regulator of drinking water in England and Wales, ensuring that water companies supply safe drinking water that is acceptable to consumers and meets the standards set out in law.
External audit (other)	The independent assurance providers that we hire to review the information we publish. These groups review the information we publish. This can include interviews with colleagues, tracing information back to source and assessing the quality of our processes.
Internal audit	Internal audit is an independent team, governed by international standards, which focus on higher-risk areas across the business. They review second-line activity and test the design and operation of the controls to make sure we provide accurate information.
ISO 9001 Quality Standard	ISO 9001 is the internationally recognised Quality Management System (QMS). It is the standard that our regulatory reporting process has been judged to meet. By being ISO 9001 accredited, our regulatory reporting process is considered to consistently provide information that meets customer and statutory and regulatory requirements.
MOSL	Market Operator Services Limited. They work with Defra, Ofwat and the water companies as part of the Open Water Programme, which prepared the industry for the opening of the new non-household retail market in April 2017.
NAV's	Refers to New Appointment and Variation organisations that operate within the Yorkshire Water region.
Ofwat	The Office of Water Services is the economic regulator of water services in England and Wales.
Performance commitment	In 2015 we worked with you to identify seven things that you wanted us to achieve between 2015 and 2020. We called them 'Outcomes for Yorkshire'. These seven outcomes are supported by 26 performance commitments. These are our commitments to you and the targets that we are working towards between 2015 and 2020. We have provided information on our performance commitments in Section 3.
PR14	Periodic Review 2014; this is the Ofwat periodic review of price limits completed in 2014 to set prices for 2015 to 2020.
PR19	Periodic Review 2019; this is the Ofwat periodic review of price limits to be completed in 2019 to set prices for 2020 to 2025.
Procedures	A procedures document is completed by the data provider and approved by the senior manager which explains how we gathered the information that we have reported. This makes sure our reporting over the years is consistent.
Publication manager	They will review the guidance, design the format of the final report, choose the data providers required and set up a timeline for publication. They will collect the information, write the publication in plain English and make sure the publication is delivered on time.
Regulatory, financial and legal oversight	The teams that oversee the publications, regulations and legal obligations. These teams will review the information and the publications to make sure they meet our requirements and meet relevant guidance.
Retail	Retail services are customer-facing activities such as billing, handling accounts (payments, managing debt, and reading meters), customer queries, water-efficiency advice and tackling leaks in customers' pipes.

Term	Definition
Risks, Strengths and Weaknesses Statement	This is a document we produce every year after consulting with our customers and others with an interest in our business. It provides information on what you think about the performance information that we publish and how we will respond to any risks identified as part of this process.
SAP	SAP S/4 HANA - our new state-of-the-art system designed to provide efficient working practices, consistent information, joined-up systems across Yorkshire Water and standardised ways of working.
Senior manager and director reviews	Senior managers will review the information produced, how it has been worked out and any explanation of the results. They will ‘check’ that the information is accurate, consistent and meets reporting requirements. They will review that information is in line with their expectations of company performance and make sure any differences are explained. They will complete a review of other information published inside and outside the organisation for consistency.
Senior manager and director self-certification and sign-off	Senior managers will be asked specific questions in the yearly self-certification process. These questions will relate to the quality of reporting information. Heads of departments must state whether the information reported is accurate. Evidence must be gathered to make this statement.
SIM	The service incentive mechanism (SIM) is an incentive mechanism designed to encourage water companies in England and Wales to provide better customer service.
Steering groups	Steering groups are set up to help programme how we deliver information. They will be involved in making sure that any requirements for a publication have been met.
Targeted assurance	Areas that we have identified as being important to you or being higher risk which should have more assurance to give confidence that the information is correct.
The Yorkshire Forum for Water Customers	The Yorkshire Forum for Water Customers (the Forum) is an independent group representing domestic customers, business customers and environmental representatives, including quality regulators. They hold us to account for the quality of our customer engagement, our plans and to check we are meeting the promises we made to you. Click here for further information on the Forum.
WaSC	Water and Sewerage Companies. The water industry in England and Wales has evolved into the current structure of sewerage services provided by ten water and sewerage companies WaSCs.
Wholesale	Wholesale services means delivering water via networks of pipes to and from customers’ property boundaries, including taking water from a ground source, treating and transporting water, as well as collecting, treating and disposing of waste water.
Wider assurance	Processes in place to make sure that the overall publication meets any guidance and is accessible and easy to understand.
WOC	Water only company.

3. About us

What we do

We provide essential water and waste water services to the people and businesses of the Yorkshire and Humberside region, playing a key role in the region's health, wellbeing and prosperity.

Our vision is: 'Taking responsibility for the water environment for good'. It is about acting responsibly, delivering high standards and meeting your needs today and tomorrow.



Collecting, treating and supplying around **1.3bn litres** of water every day



Investing over **£1m every day** to maintain and enhance Yorkshire's network of water pipes, pumps and treatment works



Managing **28,000 hectares of land** to protect water quality and enable recreational opportunities



Managing **£1bn of water bills** every year and providing customer service when it is needed



Collecting, treating, and safely returning to the environment **1bn litres** of water every day



Recycling nutrients and generating energy from leftover human waste



All delivered by around **3,500 employees** using a fleet of over **2,000 vehicles** and increasingly complex technology, delivering for today and planning for the long-term

We're one of Yorkshire's biggest land owners

We collect water from three main sources

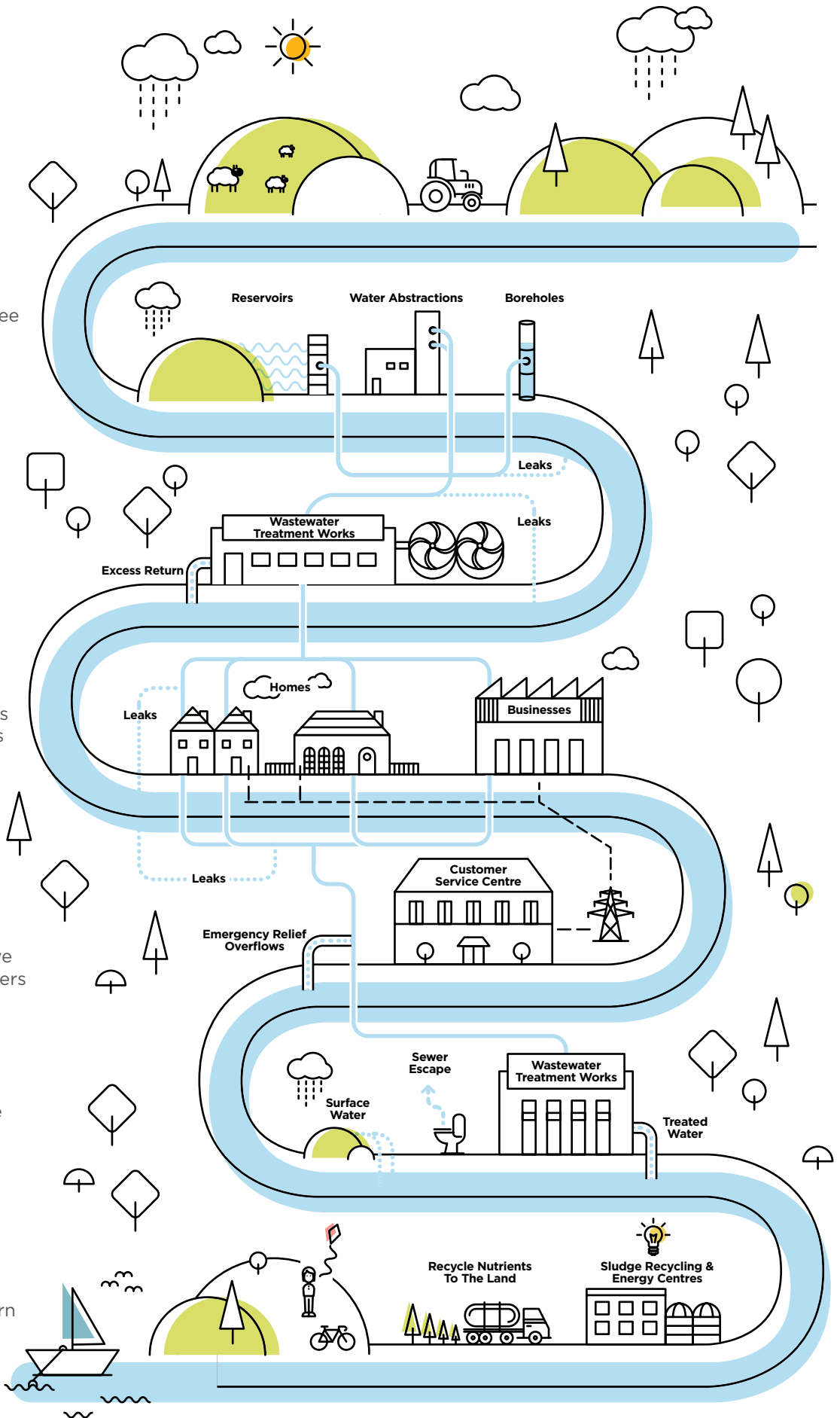
We manage 671 water and wastewater treatment works

We supply water to homes and businesses across the county

Our customer service team support our five million customers

We collect one billion litres of waste water every day

We safely return water back into the environment



Our Performance Commitments

In 2015 we worked with our customers to identify seven areas that they wanted us to focus on between 2015 and 2020. We called them 'Outcomes for Yorkshire'. These seven outcomes are supported by 26 performance commitments that are listed below.

Our plan includes assurance activity to ensure that we deliver these commitments.

The seven outcomes for Yorkshire

	<p>We provide you with water that is clean and safe to drink</p>	<ul style="list-style-type: none"> • Drinking water quality compliance • Corrective actions • Drinking water quality contacts • Stability and reliability factor - water quality
	<p>We make sure that you always have enough water</p>	<ul style="list-style-type: none"> • Leakage • Water use • Water supply interruptions • Stability and reliability factor - water networks
	<p>We take care of your waste water and protect you and the environment from sewer flooding</p>	<ul style="list-style-type: none"> • Internal flooding • External flooding • Pollution incidents • Stability and reliability factor - waste water networks
	<p>We protect and improve the water environment</p>	<ul style="list-style-type: none"> • Length of river improved • Visitor satisfaction • Working with others • Bathing water quality • Land conserved and enhanced • Stability and reliability factor - waste water quality
	<p>We understand our impact on the wider environment and act responsibly</p>	<ul style="list-style-type: none"> • Energy generation • Waste diverted from landfill
	<p>We provide the level of customer service you expect and value</p>	<ul style="list-style-type: none"> • Quality of customer service (SIM) • Service commitment failures • Overall customer satisfaction
	<p>We keep your bills as low as possible</p>	<ul style="list-style-type: none"> • Number of people who we help to pay their bill • Value for money • Bad debt

You can read more about our performance commitments, the definitions of these measures and more about how we are performing in our Annual Performance Report on our reports webpage: www.yorkshirewater.com/reports

Looking ahead

The water industry plans in five-year plans. These are asset-management periods (AMPs). During this five-year planning cycle we complete a price review. The price review process sets the prices we charge, investment we make and services we provide to customers in each AMP.

We are currently in asset-management period six (AMP6). This business plan covers the period from April 2015 to March 2020. The 26 performance commitments shown on the [previous page](#) end in March 2020. We will report our performance in our Annual Performance Report in July 2020.

Our long-term strategy

In August 2018, we published a new long-term strategy called **#notjustwater**, which you can read on our big goals webpage: yorkshirewater.com/biggoals. Our strategy recognises how we need to meet the challenges that Yorkshire will face in the future. These include looking at how a growing population means that we need to make sure enough water is available and that we continue to take away and recycle waste water.

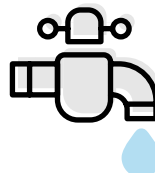
The strategy identifies five 'big goals' that will shape everything we do in the future.

These are our five 'big goals:'



Customers

We will develop the deepest possible understanding of what our customers need and want, and make sure that we develop a personalised service to meet those needs.



Water supply

We will always provide our customers with enough safe water. We will not waste water and we will always protect the environment.



Environment

We will remove surface water from our sewers (surface water is rain water that drains from roads and from properties into the sewer) and recycle all waste water, protecting the environment from sewer flooding and pollution.



Transparency

We will be a world leader in openness and transparency.



Bills

We will use innovation to improve our services, get rid of waste and reduce costs and we will not waste money.

We looked closely at the future economic, social and environmental issues that Yorkshire faces as a region to develop our new strategy. We spoke at length to our customers and stakeholders, talking to over 30,000 people to help make sure our plans match their expectations.

Our long-term strategy sets the background for our new business plan for the period from 2020 to 2025, known as asset-management period seven (AMP7).

The detailed plan sets out how we will maintain and improve water and waste water services in Yorkshire to make sure they are resilient and sustainable.

Our business plan also sets out our new performance commitments that we have developed with our customers and stakeholders in line with our long-term strategy. These new commitments will come into force from April 2020, when the new business plan (AMP7) starts.

Our AMP7 plan is an ambitious one which will stretch and challenge us. We will need to make significant savings and, at the same time, transform our organisation making sure we focus even more on our customers.

You can read our plan [here](#).



4. Our assurance approach

The aim of our assurance

We want our customers to trust that the information we publish is accurate, accessible and easy to understand. It is important to us that we get it right for our customers. Our Board is accountable for the quality of our information and we want to make sure it meets your needs.

Our assurance approach is risk-based and uses a method called 'three levels of assurance', which is best practice. Risk-based assurance means we do more checks over areas that have more potential to go wrong. We want to make sure that the things we do behind the data are working as well as possible and that you understand what the data means when we talk about our performance.

In this section, we explain:

- The assurance principles we apply when we assure our published information.
- Our assurance methodology and what we do when we publish our information.
- Our risk-based approach to assurance.
- The three levels of assurance we apply to our information and publications.

We believe that good assurance is:



Our assurance principles

We want the information we provide to be important to you so you can rely on our documents to be relevant. Our objective is for you to be able to put trust in the information that we provide. We want you to understand how we are performing in the areas that impact you the most. We want to demonstrate that we are listening to our customers and acting accordingly.

To make sure we deliver on this commitment we carry out assurance following these principles:



Clear methodology

- We use a 'three lines of assurance' methodology to make sure our assurance is consistent
- We risk-assess the work behind our publications and target the areas that have the highest risk of going wrong
- We take time to analyse and understand guidance, regulations and cross-industry themes.



Relevant and transparent

- We make sure that the information in our publications is relevant to what is important to our customers right now
- We make our documents easy to understand and make it clear what information is important
- We will explain where we have not met our performance targets and how we plan to rectify this.



Governance and accountability

- We review our governance regularly to ensure that it is compliant with regulations.
- The Board approves and monitors our governance processes and reviews our performance.
- We monitor and report on any issues we find.
- We make sure that people understand what processes they are accountable for.



Ethically responsible

- We have a culture of 'acting with integrity'. This is an environment where all employees do the right thing. This is our 'tone from the top' as our Board adopt this principle.
- Our values allow for growth in skill and knowledge, where close working relationships can grow. We trust our employees and our employees understand it is important that our customers trust us.
- We understand that it is crucial to have the right culture to gain the trust of our customers.



Engagement

- We value the opinion of our customers and engage with the Yorkshire Forum for Water Customers (the Forum). You can read about them [here](#).
- We ask our customers to review the information that we provide and independently challenge us. We publish the feedback and our responses annually. This is our Risks, Strengths and Weaknesses Statement.
- We listen to feedback from our regulator, Ofwat and take time to understand the requirements of the industry through our horizon scanning activities.

Our three levels of assurance

We use a ‘three levels of assurance’ way of working so that you can trust our documents. We call this our methodology. We apply this across all work. This methodology gives us consistency across our reports as some of our data comes from several sources.

By putting our assurance activities into three levels, we make sure that we apply the right amount of assurance, at the right time. A description of the levels of assurance is provided in the diagram below:



Our risk-based approach

Not all data is the same. We recognise that we need to give you greater trust in the areas that have a bigger risk or are important to you. We call this our risk-based approach.

When we assess risk, we look at the likelihood that something will go wrong and how big the effect will be if it does. For our reports the risk is the possibility that our documents will contain incorrect information. If that happens it will have a negative effect on the quality of the information in our reports and our customers may not trust us.

Managing risk is important to us. Our information is checked to make sure it is accurate and meets your needs. This will happen whether the information is considered higher risk or not. The higher risk information will just have more assurance overall.

To develop our plan, we risk assessed the information that goes into the reports and decided how much assurance to apply.

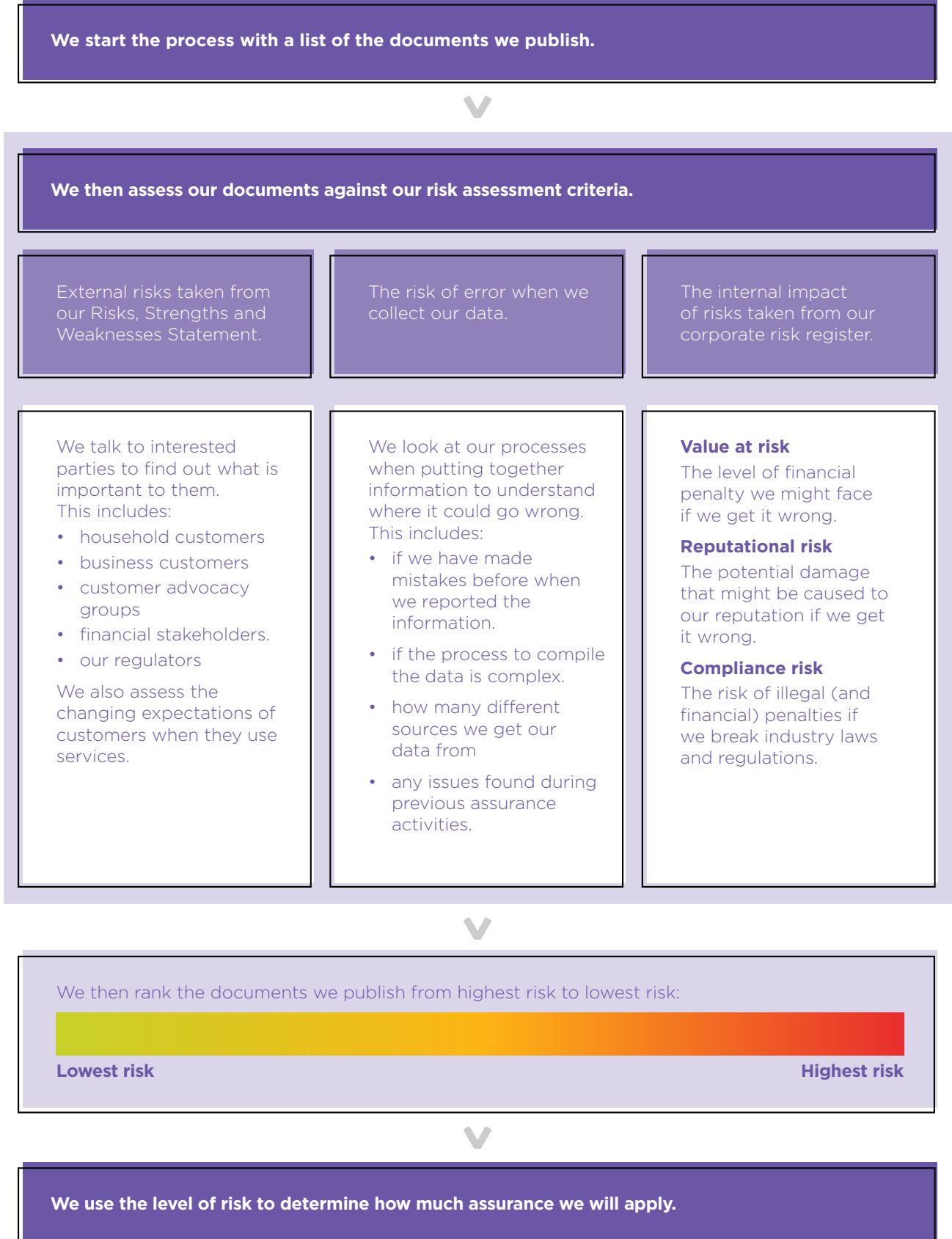


The areas where we apply more assurance

- Where our assurance processes have identified areas for improvements.
- Where we forecast that we will not meet our commitments or where we did not meet them in the previous year.
- Areas where we gather lots of data, sometimes from several sources, to put together the information we publish.
- Where there is change inside or outside the organisation.
- Where there are financial rewards or penalties involved. (Ofwat call this outperformance and underperformance).
- Where there have been changes or additions to what we are required to report.

Our risk assessment approach


We carry out a risk assessment on the documents we publish to determine what amount of assurance we will apply to them. Our approach is illustrated below:



Our data assurance process


Our assurance processes are in place to make sure the data we produce is accurate and trustworthy. We have illustrated some of the activities that we have talked about throughout this document below.

Level 1



Data Providers and Data Managers
 Our Data Providers record the process followed to gather, analyse and report our information. They then make sure it matches the regulations and guidelines and produce the data. Data Managers check that the information produced has followed the guidance and is accurate.

Level 2




Senior manager review and self-certification
 A senior manager will review and approve the information. They will check it against set criteria and decide whether the information reflects the understanding of the business.




Peer review
 This is provided by oversight teams. They will review the overall information provided and also make sure the processes used to collect the data are compliant and have been followed correctly.

Level 3




Independent audit
 The information within our reports is reviewed by Jacobs and Deloitte or any other independent assurance provider. They check the information and also the process to gather this information. The data assurance process for our annual performance report is certified to the ISO9001: 2015 quality management system (QMS) standard.

Audit Committee and Board



Review by the Board Audit Committee and Customer Forum
 The committee looks carefully at the management controls and assurance processes in place. They discuss the completed levels of assurance, review external assurance findings and, when satisfied, report to Board that processes have been followed. This helps the Board in the approval of the information. The Yorkshire Forum for Water Customers will review our overall performance.



Board approval
 Final approval is given by the Board after all assurance steps have been carried out. The Board is accountable for the quality of our information and wants to make sure it is meeting your needs. The Board owns and approves the publication.

Our wider assurance process

Our wider assurance processes are the considerations we make when publishing our data for you. We do this to make sure that the publications contain information you want and trust. They incorporate our assurance principles ensuring that our publications are relevant and transparent with the right amount of engagement.

Horizon scanning

Throughout the year our Regulatory Strategy team identify the topics that are important in the water industry and across the UK. We care about the future economic, social and environmental issues that Yorkshire faces as a region. We are proactive when we see something coming up that may affect our customers, or the ways we will be required to work. It helps us to understand the information that you might want to see in our publications.

Regulatory guidance

Our Regulatory Compliance and Assurance team analyse and interpret the regulations and guidance that are set by our regulator Ofwat. They support teams to make sure what they do complies with these. Our Data Providers, Data Managers and assurance teams review our documents and processes to make sure that we meet our obligations. They make sure our customers understand these requirements too. This means our customers can read our publications objectively and with better understanding.

Stakeholder engagement

We believe our customers and stakeholders should be involved in improving how we provide information in our publications. We consult with our customers and stakeholders regularly and often. This helps us to understand what gives you confidence in our publications. We describe how we do this in our Risks, Strengths and Weaknesses Statement.

These activities are considered when our publications are reviewed.



Publication review

We assign someone with the responsibility of publication manager to each of our publications. Our publication manager designs the format of our reports and makes sure our reports are written in plain English. They also make sure the publication is delivered on time and is easy to understand.

Teams in level 2 and our senior managers also review the document. The senior managers complete a self-certification statement that the publication is true, accurate and easy to read. When all the assurance activities are complete, the Board will approve the publication.

5. Our targeted assurance

What are targeted areas?

Areas that we have identified as being important to you or being higher risk should have more assurance so you can trust the information is correct. We call these targeted areas and we use more assurance here. Every year we consult with our customers and interested parties about the information we publish.

We know that the risks we face on our reporting can change each year. To make sure that we address these areas, we've reviewed our risks to reporting. We looked at how well we share information with you and how effective we are at making sure we meet our customers' needs.

Our Risks, Strengths and Weaknesses Statement provides a detailed summary of the feedback we gathered. You can read the statement on our reports webpage: yorkshirewater.com/reports

The table below shows the targeted areas **from last year** which are no longer targeted areas, and the reasons for this change:

Targeted area of assurance from 2018/19	What have we done?
Performance commitments where we are forecasting a financial incentive reward (at September 2018)	We removed this targeted area of assurance because we believe we have appropriate assurance in this area and have assessed it as low risk.
Price control cost allocation	We have removed this targeted area of assurance for this year because there were no findings raised about this by Jacobs, our independent Level 3 external assurance. They issued their findings in July 2019 Technical Assurance Report audit findings.
Customer understanding and awareness of the information we provide	We have transitioned this targeted area of assurance into the accessibility and awareness targeted area. This is now targeted area number six.
Meeting regulatory guidance	We have transitioned this targeted area of assurance into the regulatory information section of our Annual Performance Report targeted area. This is now targeted area number five.
Accuracy of information	We have evolved this targeted area of assurance into the regulatory information section of our Annual Performance Report targeted area. This is so that we can focus our assurance to where it is needed most. This is now targeted area number five.

The tables in this section detail our targeted areas for this year and the targeted assurance applied to these areas.

Targeted Area 1 - Performance commitments where the target was missed or was close to being missed in the previous year.

Why we have included it

We want to make sure that we give you accurate information on all our performance commitments, but we think those commitments where we have missed the target or are close to missing the target should have additional assurance. There is a higher risk associated with providing this information and so we are applying extra checks to make sure that what we publish is clear and correct. If not, we risk losing your trust and confidence.

The performance commitments where we missed our targets in 2018/2019 are below:

- **Drinking Water Quality Compliance** – the quality of the water at the customers taps based on the Drinking Water Inspectorates (DWI) sampling programme.
- **Drinking Water Quality Contacts** – the number of times customers contact us about a taste, odour or discolouration issue with our water.
- **Category 1 and 2 pollution incidents** – Which is the number of serious pollution incidents we cause based on the Environment Agency’s scale of measurement.
- **Energy Generation** – the amount of energy (electricity) Yorkshire Water produces through renewable technology.
- **Measure of Customer Service (SIM)** – the quality of the service which we give our customers based on the Ofwat scale of measurement.

The performance commitments which we almost missed are below:

- **Corrective Actions** – incidents where the DWI has required us to take corrective action to maintain compliance or protect public health.
- **Leakage** – the total amount of water lost, in distribution and through supply pipes.

The actions we will take

We will continue to regularly monitor and review how we are performing against our performance commitments. This includes extra opportunities for our data to be challenged. Our delivery assurance groups and steering groups will continue to review our monthly performance and set formal correction plans when we are at risk of missing our targets.

We will continue review our performance commitments at our Business Investment Committee (BIC). They review the financial impact of missing our targets and set out the appropriate mitigating actions for us to complete. There will be increased focus on these commitments in the APR.

We will publish a performance summary report alongside our APR and look for new ways to publish information in formats which are suitable for more or our customers and stakeholders.

Targeted Area 1 (continued) - Performance commitments where the target was missed or was close to being missed in the previous year.

The additional assurance that we will carry out

We will continue to apply our 'three levels of assurance' methodology and apply more assurance to the areas of highest risk.

We will check the processes that we use to collect data from our corporate systems for our performance commitments. Our aim is to better understand where our information comes from, the processes and controls we apply to improve the accuracy of our reporting. This is part of our current work on a new Integrated Assurance Framework.

Our assurance process will continue to work with the Yorkshire Forum for Water Customers who challenge our performance when we miss our targets. Their input is particularly valuable to help us understand how to improve the communication on our performance with our customers.

Jacobs, our technical auditor, will perform a detailed review of these performance commitments for the APR. These audit investigations will include the following key scope items:

- reviews of the current company methodologies
- review of the supporting data, including sampling and calculation checks
- comparison with regulatory KPI and performance requirements
- cross-checks between the commentary and the reported table data
- comparisons with last year's submission
- review and follow-up of previous audit findings and actions
- assessment of confidence grades.

When we will complete this by

This will be completed as part of the assurance for the Annual Performance Report (APR) publication, which will be published in July 2020. Performance commitments are reported within the APR and the APR summary document. The results of the assurance will be detailed within the APR and in the data assurance summary document, also published in July 2020.

Targeted Area 2 - Performance commitments where we received queries from Ofwat.

Why we have included it We received queries from Ofwat on some of our performance commitments. Some of these were errors and some were where we could have provided more information to explain our performance commitment sub-measures in our Annual Performance Report (APR).

The actions we will take We are strengthening our approach to assurance with our integrated assurance framework and we are currently reviewing it for use across the business. This framework will give more guidance and clear expectations of our assurance providers.

We will make sure that the commentary around our data is clear and that we provide more information about the calculation of our sub-measures.

Our assurance principles will be developed across the business and we will strengthen the skills and knowledge of our Level 1 and Level 2 assurance providers. It is important that you can trust the people we trust.

The additional assurance that we will carry out We are holding workshops and performing root cause analysis on the areas we did not provide accurate information for. We will use the output of these workshops to improve the processes involved, and increase the assurance surrounding producing this data.

We will undertake regular peer reviews to make sure that there is consistency in the data we provide, and it is written clearly so our stakeholders understand our information.

When we will complete this by We will complete this before we begin our reporting for the 2020/2021 APR.

Targeted Area 3 - Effect of our internal SAP programme on our reported information.

Why we have included it

In 2018/2019 we upgraded our SAP system. SAP is enterprise software to manage business operations and customer relations. We are targeting this area because the accuracy and completeness of the information from our IT systems is central to the overall accuracy of the information we report on. Our assurance will focus more on making sure the information we report on is accurate during the first year of reporting from the new SAP system.

We have carried this targeted area forward from last year as the work with SAP is still ongoing.

The actions we will take

The actions we will take will include meetings with the programme management team to find out when key tasks and milestones for the project are taking place and have been completed.

The activities that are important to us and will deliver assurance on our data are User Acceptance Testing, workshops, training and dual reporting.

The additional assurance that we will carry out

The assurance model used by our technical teams is based on our three levels of assurance methodology. There are specific activities that are being completed at each level.

Level 1 assurance: our Level 1 assurance is from the Quality Assurance processes we use for our Data Stream process. They cover the data quality and migration work carried out to review and check the quality of our data.

Level 2 assurance: our Level 2 assurance is from the Quality Assurance function in our SAP Programme Management team included a Quality Review of our strategy and plans. Our Level 2 assurance has and will include stage gates for each phase of our SAP programme to provide assurance on the data stream, our plans, our strategy and results of data loads and migrations.

Level 3 assurance: our Level 3 is carried out by Deloitte and the auditors of the programme PwC. PwC completed data stream assurance for us in October 2018. Deloitte will complete two audits on our data in January 2019 and May 2019 to confirm the completion of our data migration.

The reports completed by our Level 3 assurers will be reviewed at Board Audit Committee and Board, where approval will be required before final go-live of our new SAP system.

When we will complete this by

This is part of ongoing assurance on how SAP works within our company. We will update you on the outcome of our audits on in our Annual Performance Report 2019/2020.

Targeted Area 4 - New Connection Charges Arrangements publication.

Why we have included it

Our stakeholders and Ofwat have told us that we can improve in this area. In the Company Monitoring Framework assessment from January 2019, Ofwat identified serious concerns with our New Connection Charges Arrangements publication.

The actions we will take

The charges we publish in our charging arrangements must be accurate. Last year we had to make corrections to the developer charges we had published for building water, mains connections and Section 106 charges. To prevent this from happening again we will carry out more checks on the charges we will publish.

This year the detail in our 2020/2021 charges publication will be subject to more scrutiny to prevent similar errors from happening again.

The additional assurance that we will carry out

The additional assurance we will deliver will include checks by our Data Providers and the Regulatory Change Manager before our charges are sent to the publisher.

The draft documents received from the publisher will be checked again by the Data Providers and Regulatory Change Manager.

A final review of the charges publication will be completed by a person independent of the Data Providers and regulation teams.

The final sign-off of the charging arrangements will be completed by the Regulatory Strategy Manager and the Manager of Developer Services before the document is published.

When we will complete this by

The assurance will be completed before 31 January 2020 when the charging arrangements are published on our website.

Targeted Area 5 - Regulatory information section of our Annual Performance Report.

Why we have included it

Through our own internal assessment and Ofwat’s query process we identified some errors in our reporting. The regulatory information section of our Annual Performance Report (APR) provides information summarising about 6,000 pieces of data presented in various tables and is required as part of our regulatory reporting guidance.

The actions we will take

We are recruiting a Regulatory Assurance Manager into the Regulatory Compliance and Assurance team, which manages the creation of the APR and manages other regulatory reporting publications. This new role will have responsibility for reviewing the data contained within the APR and completing an updated risk assessment of the data to ensure appropriate assurance has been put in place to support the information published.

The additional assurance that we will carry out

We will complete a review of the assurance that was in place during the APR for 2018/2019 to understand how the errors slipped through these checks. This will help identify where additional checks can be added to the process. We will review the Level 2 quality assurance checks we have in place and strengthen these as required. We will also review the scope of Level 3 assurance.

When we will complete this by

We want to continually improve the assurance around our regulatory reporting. The additional assurance and actions that we have planned will be completed as part of the Annual Performance Report, which will be published in July 2020.

Targeted Area 6 - Improving accessibility and awareness.

Why we have included it

Through our risks, strengths and weaknesses exercise, we have identified a weakness in accessibility and awareness of our publications. We are targeting this area because we want to continue build on our strength of transparency and remove the weaknesses in our reporting. Our customers also told us that our performance webpage had lots of information, but the amount of text could be reduced. We need to find the right balance of text to visual images on our performance and reports webpage.

The actions we will take

We will provide better accessibility and awareness of our documents. To do this we will:

- conduct analysis with our customers and stakeholders to find out:
 - what engages our customers to want to read our documents.
 - what balance of images and text our customers expect to see.
- explore different options for accessibility, including:
 - workshops with our design agency to understand what we can do with documents.
 - research industry best practice for communicating effectively with customers and stakeholders.
- explore the requirements for external accreditations for website design.
- continue to monitor website analytics to understand readership of our publications and the number of website visits.
- understand the journey our customers take to find information on performance and reporting pages.
- explore the functionality to allow customers to register for notification of new publications.

The additional assurance that we will carry out

We will continue to use our online research community made up from 1,000 Yorkshire Water customers from across our region to ask for feedback on the information we report. We will re-engage with our customers to get feedback after any changes we make.

We will publish our APR data tables in excel format to make our data more accessible.

We will continue to work with the Yorkshire Forum for Water Customers to make sure that the style, format and content of our reporting is tailored to the feedback we receive.

We will use internal audit to review our publications through detailed proofreading exercises to make sure our reporting is accurate and can be understood. The findings will be applied in our reporting.

When we will complete this by

We are already working on the initiatives we have described. The results and feedback we gather will be applied to all the reporting we complete.

Targeted Area 7 – Charging Arrangements for new connections












Why we have included it	While completing an assurance check in November 2019, a concern was raised that the quotation model that is used by colleagues in our Developer Services team to provide quotations for new connection services may contain errors. These errors could lead to inaccurate quotes being provided to customers.
The actions we have taken	<p>We completed a full investigation and found that there had been errors in quotes produced in 2019-2020 which related to</p> <ul style="list-style-type: none"> • charges not being correctly updated to reflect the 2019-2020 published values, • formula and mapping issues in some combination of charge components and; • manual user errors causing differences within our automated financial system. <p>We will be contacting all impacted customers and have approached Ofwat with our findings and proposed remedies for the under and over charging of customers.</p>
The additional assurance that we will carry out	<p>We have implemented additional assurance checks and sign off stages into:</p> <ul style="list-style-type: none"> • the procedures for updating the quotation model, • any update requests for the quotation model, • release of any amended quotation models.
When we will complete this by	<p>We are aiming to resolve the 2019-2020 issue by the 31 March 2020.</p> <p>The 2020-2021 procedures have been updated and the additional assurance and sign off stages have been implemented.</p>











6. Our publication assurance






Our publications

In addition to our targeted areas, we also apply our assurance approach to our publications. We use our wider assurance approach as described in Section 4, to ensure that our publications meet the relevant guidance, are accessible and easy to read. We use our data assurance approach as described in Section 4 to assure the information contained within the publications. **The list below shows the publications that have been included in this assurance plan including the information we have already published.**


You can find more information about our reports on our reports webpage: yorkshirewater.com/reports

Annual publications		Description	Page
 Response to PR19 Initial Assessment of Plans (IAP)	April 2019	Explains the action we have taken in response to Ofwat's assessment of our PR19 Business Plan.	42
 Condition R Compliance Code Statement		Confirms that we operate fairly in a competitive market and meet specific obligations set out in our licence.	43
 Annual Performance Report (APR)		Describes our performance against our customer outcomes and commitments.	44
 Annual Report and Financial Statements		Our statutory accounts that report on our strategy, governance and performance for the last financial year.	45
 Performance summary		Provides an overview of how we have performed against the promises we made to our customers in 2018/2019.	46
 Bioresources Market Information		Publishes data requested by Ofwat in the development of a bioresource treatment market.	47
 Risk and Compliance Statement	July 2019	Sets out how we have complied with our statutory, licence and regulatory obligations.	48
 Data assurance summary		Explains the risk-based assurance we completed on our 2018/2019 performance information.	49
 PR14 Reconciliation & accounting for past performance		Explains our performance against our PR14 Business Plan since 2015.	50
 Annual Board Statement		An annual statement by the Board of Directors on the direction of the company and its performance.	51
 Convergence Measures Shadow Reporting		Sets out how we are performing against our commitments in comparison to other water companies.	52

Annual publications		Description	Page
 Indicative Wholesale Charges Scheme	October 2019	Publishes primary and non-primary charges for retailers who operate in our region.	53
 Risks, Strengths and Weaknesses Statement		Reports on the risks we have identified, where we have performed well and where we can improve.	54
 Draft Assurance Plan	November 2019	Explains how we will assure our data, so our customers can be confident in the information we publish.	55
 Interim Financial Statements		Explains our latest financial results, demonstrating compliance with investor and regulatory requirements.	56
 Wholesale Charges Scheme	January 2020	Publishes primary and non-primary charges for retailers who operate in our region.	57
 Bulk Supply Charges		Explains charging arrangements for bulk supply services so interested parties can evaluate opportunities.	58
 Charging Arrangements for New Connection Services	February 2020	Explains the charges we make for new network connections such as new housing developments.	59
 Charges Scheme		Publishes charges for household and non-household customers for the next twelve months.	60
 Final Assurance Plan	March 2020	Explains how we will assure our information to give customers confidence in our publications.	61
 Casework (response to Ofwat)	As required	Provides information to Ofwat about customer disputes relating to legislation, pricing and other license issues.	62

Other publications		Description	Page
 Operational Market Performance Reports	Monthly	Provides information about the services we deliver to the non-household retail market.	63
 Water Resources Market Information Submission	Autumn 2019, every five years	Provides information to Ofwat about customer disputes relating to legislation, pricing and other license issues.	64
 Water Resources Management Plan (WRMP)	May 2019	Sets out how we plan to balance water supply and demand across the Yorkshire region for at least 25 years.	65
 APR / PR19 Unplanned outages submission	May 2019	Explains our performance on unplanned outages in 2018/2019 and forecasts our performance over the next five years. This additional data is required to support our business plan.	66
 PR19 Draft Determination Representation	August 2019	Our response to Ofwat’s draft determination of our PR19 Business Plan.	67

In 2020/2021 we expect to follow the same cycle of publications, however there are some additional requirements which means we will also publish the following documents:

Publications		Description	Page
 Quarterly Performance Reports	September 2020, quarterly	A customer-focused update on how we are performing and what our plans are.	68

Our Assurance Maps

We have used our risk-based approach described on [page 22](#) to determine what assurance activity is required for each publication. The table below shows the assurance we will carry out for publications.

Key

- Assurance in place
- Assurance not required

Level 1

Level 2

Level 3

These levels refer to our three levels of assurance methodology. These are the assurance levels the publications go through based on their level of risk.

Review and approval

Publications

(A detailed description of this assurance can be found from [page 41](#))

	Risk assessment score (this is the risk associated with producing this publication)	Day-to-day controls	Assigned Data Provider and Data Manager	Assigned Publication Manager	Senior Manager Review	Regulatory, Finance and Legal Oversight	Delivery Assurance Groups and Steering Groups	Internal Audit	External Audit	Customer Forum	Senior Manager or Director Approval	Board Audit Committee and Board
Response to PR19 Initial Assessment of Plans (IAP)	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
PR19 Draft Determination Representation	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Annual Performance Report (APR)	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Convergence Shadow Reporting	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
PR14 Reconciliation and accounting for past performance	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Risk and Compliance Statement	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Wholesale Charges Scheme	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Charges Scheme	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Bioresources Market Information	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Indicative Wholesale Charges Scheme	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Charging Arrangements for New Connection Services	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Water Resources Market Information Submission	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Water Resources Management Plan (WRMP)	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
APR / PR19 Unplanned Outages	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Bulk Supply Charges	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Annual Report and Financial Statements (ARFS)	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Data Assurance Summary	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Draft Assurance Plan	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Interim Financial Statements	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Final Assurance Plan	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Condition R Compliance Code Statement	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Annual Board Statement	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Risks, Strengths and Weaknesses Statement	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Performance Summary	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Quarterly Performance Report	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Casework (information to Ofwat as required)	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured
Operational Market Performance Reports	High	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured	Assured

Our detailed Assurance Plan for 2019/2020 and 2020/2021

This chapter provides a description of each of our publications and the assurance activities we intend to carry out before they are published.

April 2019

Response to PR19 Initial assessment of plans (IAP)

High risk

Our PR19 business plan was submitted in September 2018 and set out the plans on how we intend to deliver services to our customers and the environment from 2020 to 2025. On 31 January 2019 Ofwat published results that scored our plans based on nine IAP categories. Ofwat found our plans were of a sufficiently high quality to earn three ‘green’ and six ‘amber’ scores. Ofwat also published 91 questions for us to answer on the technical detail in our plans. On the 1 April 2019 the responses to the questions and updated information in our PR19 data tables will be sent back to Ofwat for the next stage of approval.

Why is it important to you?

Our PR19 business plan is important because it aims to deliver affordable bills, great customer service and long term resilience using innovative plans that will deliver services to you from 2020 to 2025. The PR19 business plan must deliver the right outcomes for you and any updated information we submit on the initial assessment of our plans and the questions from Ofwat will determine our final plan up to 2025.

Why is it important to us?

The PR19 detailed business plan we submitted in September 2018 set out our detailed plans on how we propose to deliver our services from 2020 to 2025. It’s important that we get these plans right and meet Ofwat’s framework requirements and methodology. The additional information we to submit on 1 April 2019 will be used to agree our final determination and our final plan for the period 2020 to 2025.

Our planned assurance

Level 1

All the data and commentaries we will include in the responses to our PR19 initial assessment of plans will be obtained from internal experts and assured data sources. They will be supported by a signed Level 1 assurance statement including detailed evidence to support the information in the response which is being submitted to Ofwat.

Our Level 1 assurance will a check any changes to the numbers in data tables we resubmit for our PR19 business plan. These movements may arise from the answers we submit on the questions from Ofwat. Our assurance will make sure they are accurate, reasonable and explained through Level 1 assurance.

Level 2

The Level 2 assurance completed on all of the responses to our questions on the assessment of our PR19 plans will be completed by either a senior manager or a director.

Our Level 2 assurance will sign off, and comment on their observations from a detailed review of the content provide from Level 1. Any queries raised will need to be answered satisfactorily before Level 2 assurance is signed as completed.

To adhere to our assurance process Level 1 and Level 2 assurance is completed before Level 3 assurance is commenced.

Level 3

The assurance on all our responses to our IAP questions will be based on our ‘three levels of assurance’ methodology. This means Level 3 assurance will be applied according to a risk based approach.

All our IAP test questions have been risk assessed. The responses that are the most complex or have the greatest risk of error or misstatement will receive Level 3 assurance.

This assurance will be provided by our independent technical assurance providers Jacobs and Deloitte.

Outlook for next publication

The information we will send to Ofwat in response to the PR19 draft determination is a specific requirement for our PR19 business plan and will not be published again after 2019.



This publication is prepared by our Regulation Team

April 2019

Condition R Compliance Code Statement

Medium risk

What is it?

Our Condition R Compliance Code Statement confirms we have met specific obligations under our licence. It provides transparency to our customers and regulators on how we operate in competitive markets.

Why is it important to you?

Our Condition R Compliance Code statement is important because it demonstrates how we work in a competitive market and provides assurance that we treat all those who do business with us fairly.

Why is it important to us?

This statement is important to us because we fully support competition in our industry and we recognise our regulatory and statutory obligations under Competition Law. This statement is a summary for our regulators of the controls we apply to enable us to operate fairly in competitive markets.

Our planned assurance

Level 1

Our legal department and compliance officer review the appropriate guidelines and prepare a draft compliance code for us to publish.

Level 2

Our Level 2 assurance is provided by Senior Competition Lawyer and Director of Regulation.

A signed Board Assurance Statement is produced before we publish our statement.

Level 3

In applying our risk-based approach, we have determined that no independent assurance is required for this publication.

Outlook for next publication

Our **Condition R Compliance Code Statement** is published annually and is a requirement of our licence and will be published again in **April 2020**. Given the importance of the Statement to ourselves and the industry, we will apply the same level of assurance to this publication in 2021.



This publication is prepared by our **Market Compliance Team**

July 2019

Annual Performance Report (APR)

High risk

Our APR, provides detailed information on our performance against our customer outcomes and commitments and our financial performance. The APR to be published in July 2019 will report our performance from 1 April 2018 to 31 March 2019.

Why is it important to you?

Our APR is important because it tells you how well we are delivering our commitments, including our service levels, cost information and financial performance. You can also compare our performance with other companies in the industry.

Why is it important to us?

Our APR is important because it summarises how well we are delivering the outcomes and performance commitments we agreed for the period 2015 to 2020. Our APR also reports information on how well we have delivered services to our customers, including financial information on income, costs, assets and liabilities in our regulatory accounts.

Our planned assurance

Level 1	Level 2	Level 3
<p>The process for the collection of data in our APR is certified to the ISO9001 Quality Management standard. This process requires data providers and data managers to provide information that is included in the detailed sections in our APR. The same process is followed for production and approval of written narrative for the report which is assured by appropriate technical owners.</p> <p>The governance section of our APR is produced by our Company Secretary team in line with the requirements and approved by their senior managers. The same process is followed for information provided by our Legal, HR and Communications teams.</p> <p>Our publication manager follows our wider assurance process making sure that the overall APR document is accurate, accessible and easy to understand.</p>	<p>Our Level 2 assurance uses an APR working group, and steering group, who review and provide input and assurance on the technical requirements for our APR and makes sure we are meeting the timetable for delivery.</p> <p>Senior managers and directors review the numerical and written information included in our APR.</p> <p>The report is reviewed by the Head of Regulation, Director of Regulation and the Director of Finance, Regulation and Markets.</p> <p>Our final APR is approved for publication by our Director of Regulation.</p>	<p>Level 3 assurance is provided by our technical auditors, Jacobs including detailed assurance our performance commitment results including the information presented in the data tables in the APR document. Level 3 assurance is also completed by Deloitte, on our financial information, including our regulatory accounts to ensure we have met the requirements in Ofwat’s regulatory accounting guidelines (RAGs). The APR is independently proof read by our Internal Audit team to check the accuracy of our report. The results of our performance are presented to the Yorkshire Forum for Water Customers. They challenge us on our performance and how we are delivering against our commitments.</p> <p>The results from our assurance are presented to and approved by BAC. We obtain a Board Assurance Statement for this publication.</p>

Outlook for next publication

The **Annual Performance Report** is an annual publication that is a requirement of our licence and we will publish our statement again in **July 2020**.

Given the importance of the Statement to ourselves, customers and stakeholders, we will apply the same level of assurance to this publication.



This publication is prepared by our Regulation Team

July 2019

Annual Report and Financial Statements (ARFS)

Medium risk

Our Annual Report and Financial Statements (ARFS) are a legal requirement. They report on our strategy and provide detail on how we are governed and our performance in the last financial year. The ARFS is also part of our promise to deliver ‘integrated reporting’ which explains how we have and will create value for society and shareholders, outside of traditional financial measures, both now and in the future.

Why is it important to you?

Our ARFS are important to show that we are compliant with our investors and industry regulations. The ARFS are important to keep you informed on our latest financial results and strategies. The reporting is prepared to meet your needs as an integrated report, including financial and non-financial measures of our performance.

Why is it important to us?

Our ARFS are important because they share detailed financial and other information with our stakeholders. They provide financial reporting on our performance, including additional information for specialist groups and at the same time meet our statutory legal requirements. They also include results from ‘integrated reporting’ on the economic, environmental and social impacts of our operations which our customers are increasingly interested in hearing about.

Our planned assurance

Level 1

To deliver Level 1 assurance, throughout the year, our accountants perform day-to-day accounting activities based on defined and documented procedures.

To produce the ARFS we have named data providers and data managers who are responsible for providing accurate information which supports the financial guidance and regulations which are in place to prepare this publication.

Our publication manager for the ARFS follows the wider assurance process to make sure that the final document is accurate, accessible and easy to understand.

Level 2

To provide Level 2 assurance, throughout the year, management oversee the activities performed by our accountants. This includes monthly reviews and reporting on our financial information.

This activity forms part of the in-built three levels of assurance process for activities within our finance teams. This assurance is being mapped through current activity within our Integrated Assurance team.

Before publication, the financial statements are reviewed and approved by the Head of Finance, and the Director of Finance, Regulation and Markets.

Level 3

Our Internal Audit team complete Level 3 assurance through an annual financial and regulatory accounting audit on the processes and controls for financial accounting.

Our financial auditors Deloitte, audit the year end information in our statutory accounts to assess that it is true and fair, based on company affairs and that the accounts have been prepared in line with our underlying accounting policies.

The information on our performance commitments in the ARFS is assured by our external technical auditors, Jacobs.

Our assurance is presented to the BAC and we obtain a Board Assurance Statement for this publication.

Outlook for next publication

The **ARFS** is an annual publication that is a legal requirement and we will publish our statement again in **July 2020**.

Given the importance of the Statement, we fully expect to apply the same level of assurance to this publication in 2021.



This publication is prepared by our Finance Team

July 2019

Performance Summary

Medium risk

Our performance summary gives an overview of how we have performed against the promises we made to our customers in 2015. The summary presents the results under our seven customer outcomes and the 26 performance commitments that sit under them.

Why is it important to you?

Our performance summary describes our performance against our commitments including the rewards and penalties we have incurred. This is a summary of the detailed information in our APR, in a shorter and simpler format. The performance summary we publish in July 2019 will report our performance from 1 April 2018 to 31 March 2019.

Why is it important to us?

Our performance summary is important to us so our customers can clearly see how we are doing in delivering water and waste services as the leading, responsible business, that we strive to be. It's important because it explains the detailed information in our APR in a simple and clear way.

Our planned assurance

Level 1	Level 2	Level 3
<p>Our Level 1 assurance on our performance information includes the assurance from the monitoring and detailed company reporting on our performance commitments each month.</p> <p>Our performance is reviewed at our Delivery Assurance Groups (DAGs) where our delivery plans are changed if necessary.</p> <p>To prepare the summary we have defined data providers and data managers who are responsible for providing information on our performance commitments based on the relevant guidance. They follow procedure documents and check the consistency of their data with previous years.</p> <p>Our publication manager follows our wider assurance process to make sure our performance summary is accurate, accessible and easy to understand.</p>	<p>Throughout the year, managers oversee our performance reporting activities. Our Board Investment Committee receives and reviews the performance commitment and totex outturns and forecasts.</p> <p>For our publication, our senior managers confirm that the data has been prepared in line with the procedures. Senior managers confirm that the confidence in our data is appropriate, trends in the data are understood and explained and any material assumptions we have made are also explained.</p> <p>Our publication manager makes sure that information is provided in line with the underlying guidance. This includes presenting to our APR steering group.</p> <p>Our Head of Regulation and Director of Regulation will review the summary to confirm consistency with our APR.</p>	<p>In applying our risk-based approach, Level 3 assurance has been applied to the data and commentaries in our performance summary during our APR assurance processes.</p>

Outlook for next publication

The **Performance Summary** is provided as a summary of our APR, including information on our performance commitments. We will to publish the summary again in **July 2020**.

Given the importance of the summary to ourselves and our customers, we will apply the same level of assurance to this publication in 2021.



This publication is prepared by our Regulation Team

July 2019

Bioresources Market Information

High risk

Our Bioresources Market Information is an annual publication which includes the data that Ofwat ask us to publish to support the development of a bioresource treatment market, and to monitor its operation.

Why is it important to you?

This information is important because it helps to promote market development in bioresources activities. If we publish the right information markets can inform and encourage efficiencies and new ideas for the benefit of customers, the environment and to wider society from new developments in the bioresource market.

Why is it important to us?

This publication is important to us because the creation of the bioresources treatment market will drive efficiency, boost resilience and deliver innovation within our industry. It is important for us to deliver data that is accurate, reliable and accessible and will allow conversations between us and third parties to explore new market opportunities.

Our planned assurance

Level 1	Level 2	Level 3
<p>To deliver our Level 1 assurance our data assurance process is used to make sure the data in our submission is complete and accurate.</p> <p>We have named data providers and data managers who are responsible for providing information in line with Ofwat guidance.</p> <p>Our publication is owned by a submission manager who follows our wider assurance process, to make sure the submission is completed on time and meets the requirements and guidance.</p>	<p>Our Level 2 assurance is provided through our senior management review and sign off.</p> <p>A peer review of the detailed information and the submission is carried out by the Bioresources Steering Group.</p> <p>We also use named senior managers who review and approve the information in our publication.</p> <p>A senior manager approves the report before final publication.</p>	<p>Our technical auditor, Jacobs complete Level 3 assurance to confirm that our data is accurate and meets the guidance. They review and test our methodologies, processes and the supporting evidence on which our market information submission is based.</p> <p>They check the accuracy of our information and the explanations of our activities to make sure they are reasonably based.</p> <p>Jacobs also provide an independent technical assurance statement on this submission which is published on our website.</p>

Outlook for next publication

The publication of our **Bioresources Market Information** is an Ofwat requirement and we will publish this information again in **July 2020**.

Given the importance of this information to ourselves and the industry, we will apply the same level of assurance to this publication in 2021.



This publication is prepared by our Energy & Recycling Team

July 2019	Risk and Compliance Statement	High risk
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Our risk and compliance statement sets out how we have complied with the statutory, licence and regulatory obligations where Ofwat is our regulator. Our statement in July 2019 covers the reporting year 1 April 2018 to 31 March 2019 for all obligations, except environmental compliance and water quality parameters which are reported separately.

Why is it important to you?

The most important responsibilities we have are to provide an uninterrupted supply of clean, safe drinking water and to remove waste water. These must be achieved in a way that is safe and compliant, and protects and enhances our natural environment. This statement is a summary of how we have met with our regulatory and legal obligations.

Why is it important to us?

The statement is important to us because it sets out how we have complied with the statutory, licence and regulatory obligations where Ofwat is our regulator. It demonstrates our clear accountability to both our customers and to Ofwat.

Our planned assurance

Level 1	Level 2	Level 3
<p>The day-to-day activities we carry out are governed by a range of legislation and the requirements of our licence. To make sure we comply with these requirements we use experts to understand the detail in the requirements and embed compliant policies and procedures for colleagues to apply. This delivers much of our Level 1 assurance.</p> <p>This expertise includes, Legal Services, the Regulation team, Company Secretariat, Financial Services, Health and Safety, Asset and Process Engineers and Human Resources. These teams draw on deeper external expertise to ensure that any changes to our obligations are appropriately applied. This statement is owned by a publication manager who follows the wider assurance process to make sure our final document is accurate, accessible and easy to understand.</p>	<p>Compliance with approved policies and procedures is monitored through our business as usual Level 2 assurance activities. Our assurance is mapped to ensure effective coverage and escalation of issues. Our delivery of integrated assurance through day-to-day activities is being mapped and improved by our Integrated Assurance team.</p> <p>To support this approach, all our senior leaders provide assurance over their team's compliance with relevant legislation, regulation and governance by completing an annual Control and Risk Self-Assessment (CRSA). The results of our CRSA are triangulated with other sources of assurance to make sure our level of compliance is understood. Our risk and compliance statement is reviewed by senior managers and directors. A senior manager approves the final publication.</p>	<p>Our Audit Risk and Assurance team complete a cyclical audit of our CRSA. They check the accuracy and consistency of judgements on the level of compliance on the relevant legislation that is reported in summary in our Risk and Compliance statement.</p> <p>Our technical auditor Jacobs, perform a Level 3 review of the CRSA processes to assess compliance with our obligations. They provide advice on the content and drafting of our risk and compliance statement which is reflected in the final version.</p> <p>We present the statement and our assurance to the BAC.</p>

Outlook for next publication

The **Risk and Compliance Statement** is an annual publication that is a requirement of our licence and will be published again in **July 2020**.

Given the importance of the Statement to ourselves and the industry, we would expect to apply the same level of assurance to this publication.



This publication is prepared by our Audit Risk & Assurance Team

July 2019

Data Assurance Summary

Medium risk

Our Data Assurance Summary, summarises the risk-based assurance we have completed on our 2018/2019 performance information. It summarises the main findings from the assurance we defined in our final assurance plan.

Why is it important to you?

This summary is important because it provides you with the outcomes of our assurance on targeted areas and the assurance on each of our publications. It should give you trust and confidence in our published data and information.

Why is it important to us?

Our data assurance summary is important because we explain how we have assured our published information and the findings from our assurance activities. It is important because we want to make sure our customers and stakeholders can be sure of the quality of our published information and have trust and confidence in us as a responsible business.

Our planned assurance

Level 1

The Level 1 assurance on our Data Assurance Summary is managed and documented by a senior manager in our Regulation team in line with the guidance from Ofwat.

Our publication manager follows the wider assurance process making sure that the document is written in a format which is accurate, accessible and easy to understand.

Level 2

Our Data Assurance Summary is delivered at the same time as our APR which includes Level 2 assurance from our APR steering group to review the requirements and make sure these are being met.

Our data assurance summary is reviewed by Senior Management and Director of Regulation.

Our Regulatory Compliance and Assurance Manager, and Head of Regulation will approve the summary before final publication.

Level 3

In applying our risk-based approach, we have determined that no independent assurance is required for this publication.

Outlook for next publication

The **Data Assurance Summary** is an annual publication that is a requirement of Ofwat’s Company Monitoring Framework and therefore we will publish our statement again in **July 2020**.

Given the importance of the summary, we would expect to apply the same level of assurance to this publication in 2021.



This publication is prepared by our Regulation Team

July 2019

PR14 Reconciliation

High risk

This publication is part of the PR19 business plan submission which is the detailed plan to deliver services to our customers from 2020 to 2025. The PR14 reconciliation is the calculation of adjustments that take account of our past performance and the impact of incentive mechanisms from our performance in the PR14 business plan period from 2014 to 2019.

Why is it important to you?

Our PR14 reconciliation is important because adjustments from the reconciliation calculations are used in our PR19 plan. The calculation of the adjustments is complicated, and it is important that the adjustments are correct to deliver a PR19 business plan that you can have confidence in.

Why is it important to us?

The PR19 business plan sets out the detailed plans on how we propose to deliver our services from 2020 to 2025. It is important that we get these plans right and meet Ofwat’s framework requirements and methodology which includes adjustments from the PR14 reconciliation. The information we submitted on 15 July 2018 for our PR14 reconciliation was included in our PR19 plan for the period 2020 to 2025.

Our planned assurance

Level 1	Level 2	Level 3
<p>The data and commentaries for our PR14 reconciliation were obtained from internal experts and assured data sources. The submission was made up of a number of reconciliations governed by the PR14 reconciliations rule book which is published by Ofwat.</p> <p>The information for the submission included detailed evidence on the information in the supporting PR19 data tables and commentaries.</p> <p>Our Level 1 assurance ensured the numbers and supporting calculations in the submission were accurate, reasonable and had been explained appropriately.</p>	<p>The Level 2 assurance completed on our PR14 reconciliation submission was completed by either a senior manager or a director.</p> <p>Our Level 2 assurance checked and approved the evidence to support the accuracy and completeness of the PR14 reconciliation that had been provided by Level 1 assurance.</p>	<p>The assurance on our PR14 reconciliation was based on our ‘three levels of assurance’ methodology. The assurance was applied based on a risk-based approach.</p> <p>Level 3 assurance provided an assessment of the PR14 reconciliations, checked the supporting data tables on a sample basis, assessed the controls for the reconciliation process and checked whether the reconciliations met the Ofwat guidance including the PR14 reconciliations rule book.</p> <p>This assurance was provided by our independent technical assurance provider Deloitte.</p>

Outlook for next publication

Our PR14 reconciliation was submitted to Ofwat as part of our PR19 business plan and will not be published again.



This publication is prepared by our Regulation Team

July 2019

Annual Board Statement

Low risk

As part of the Annual Performance Report, we will publish a short statement on how we are delivering for everybody who depends on our services and how we have set our aspirations. This statement will clearly explain:

- how we set our ambitions and targets and how the company is performing against them.
- that we are thinking dynamically about the expectations of customers in the long term and our commitments do not remain static.
- the relationship between our financial performance, executive rewards and delivery of services to our customers and how these impact future plans.

Why is it important to you?

This statement will provide information on how we are providing our services to you and will help provide confidence in how we set our ambitions in the short and long term. This statement will also help provide transparency about the extent to which rewards are fair and in line with the benefits that customers receive.

Why is it important to us?

It is important that we provide the information requested by Ofwat and by our customers in a way that assist transparency in our operations.

Our planned assurance

Level 1	Level 2	Level 3
A publication manager follows the wider assurance process making sure that the final document is accurate, accessible and easy to understand.	Senior managers and directors review information included in the annual statement. The report is reviewed by the Head of Regulation and Director of Regulation.	<p>Consideration is being given to whether Level 3 assurance is required on this submission. Level 3 assurance may cover the content of the statement, if it has not been covered elsewhere through other submissions.</p> <p>The results from our assurance are presented to and approved by Board Audit Committee.</p> <p>The Annual Board Statement is published annually. The next Annual Board Statement on Company Direction and Performance will be published in July 2020.</p> <p>The Board review, agree and approve the statement.</p>

Outlook for next publication

The **Annual Board Statement** is published annually. The next Annual Board Statement on Company Direction and Performance will be published in **July 2020**.



This publication is prepared by our Regulation Team

July 2020	Convergence Shadow Reporting	High risk
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What is it?

In AMP7 there will be 15 common performance commitments across the whole water industry. This allows a comparison of performance between companies.

Over the past few years, we have been working with other companies in the water industry to define the common performance commitments, understand the new definitions and to ensure there is consistency of reporting across the industry.

These new common performance measures come into place in April 2020 but we have already been ‘shadow reporting’ these measures to practice obtaining this information and to provide transparency to Ofwat on our journey towards being able to comply in full with the new definitions. In July 2020, we will provide our final update to show our compliance on reporting using the new definitions, which we will then report within the Annual Performance Report (APR) in July 2021.

Why is it important to you?

These new measures allow you to see how we are performing against other companies in the industry.

Why is it important to us?

We want to know that we are reporting compliantly against the new definitions so that we can compare our performance against industry performance.

Our planned assurance

Level 1	Level 2	Level 3
<p>We follow the same processes that we have in place for data collection within the APR. This process is certified to the ISO9001 Quality Management standard.</p> <p>Data providers and data managers have responsibility for providing the data against the new definition and assessing how compliant the data is against the elements of the definition. A procedure document is in place to ensure consistency of reporting between years.</p>	<p>Our Level 2 assurance uses an APR working group, and steering group, who review and provide input and assurance on the technical requirements for our APR and makes sure we are meeting the timetable for delivery.</p> <p>Senior managers and directors review the numerical and written information included in the convergence shadow reporting submission.</p> <p>The submission is reviewed by the Head of Regulation and the Director of Finance, Regulation and Markets.</p> <p>Our final submission is approved for publication by our Head of Regulation.</p>	<p>Level 3 assurance is provided by our technical auditors, Jacobs.</p> <p>The results from our assurance are presented to and approved by BAC.</p> <p>We obtain a Board Assurance Statement for the Annual Performance Report and this submission is part of that process.</p>

Outlook for next publication

This will be submitted to Ofwat in July 2020 for the last time as the common measures are then in place and will be reported within the Annual Performance Report in July 2021.



This publication is prepared by our Regulation Team

October 2019

Indicative Wholesale Charges Scheme

High risk

Each year we publish our Indicative Wholesale Charges Scheme. This publication contains primary and non-primary charges for retailers who operate in our region.

Why is it important to you?

It is important because our charges must be correct and accessible to retailers to enable them to budget and to build their business plans.

Why is it important to us?

Our charges scheme is important to us because we want to make sure that we provide consistent and reliable information to all our retailers.

Our planned assurance

Level 1	Level 2	Level 3
<p>All data inputs into the tariff model are from assured data sources, internal experts or forecasts. Our assurance has been provided by our Regulatory Tariff Accountant and our Regulatory Finance Manager.</p> <p>Our Level 1 assurance includes checks on any movements in our tariffs, assessing the effect on bills, and making sure that the effects are reasonable and explained.</p> <p>The team providing Level 1 assurance make sure we keep to the four revenue price controls and guidelines.</p>	<p>Level 2 assurance is provided by the Tariff Steering Group, which includes internal business experts in regulatory finance, retail services and tariffs.</p> <p>Level 2 assurance has also been provided by the Head of Financial Planning and Pricing, the Regulation Director and the Head of Household Retail. As part of the assurance process they are required to sign off and comment on their observations. Any queries raised are resolved prior to the Board review.</p> <p>A qualified member of our internal legal team is asked to agree any changes to our charges scheme book.</p>	<p>Level 3 assurance is provided by our external auditors Jacobs and Deloitte. Deloitte complete a review of the tariff model to confirm that the functionality is correct. Jacobs assure that guidance has been followed, charges are calculated from the tariff model and regulatory requirements have been met.</p> <p>A paper is submitted to BAC including auditor’s findings, the timetable for completion and tables comparing charges.</p> <p>We obtain a Board Assurance Statement for this publication.</p> <p>Internal audit also carries out a billing audit each year to confirm that the tariffs have been included in our billing system correctly.</p>

Outlook for next publication

The **Indicative Wholesale Charges Scheme** is an annual publication that is a requirement of our licence and therefore we will publish our statement again in **October 2020**.

Given the importance of the scheme to ourselves and the industry, we will apply the same level of assurance to this publication in 2020.



This publication is prepared by our Regulation Team

November 2019

Risks, Strengths and Weaknesses Statement

Medium risk

Each year we complete a Risks, Strengths and Weaknesses exercise to identify the areas where we need to provide extra assurance on our published information.

Why is it important to you?

This statement is important because it includes the feedback we obtain from you on the areas of our reporting; where there are risks, where we have performed well, or where we can still improve. Your feedback is valuable because it helps us build an assurance plan to improve how we will assure and report information to you.

Why is it important to us?

Our Risks, Strengths and Weaknesses Statement is important to us because it allows us to demonstrate how we have listened to you and will build more trust and confidence in the information we publish.

Our planned assurance

Level 1

Our Risks, Strengths and Weaknesses Statement is owned by a publication manager and has used specific data providers to provide the information we needed. Our assurance has included a check on the guidance from Ofwat and a gap analysis to make sure we didn't miss anything. We requested feedback from a wide range of stakeholders and used questionnaires which were customised to the audience who were asked specific questions.

Level 2

Our Level 2 assurance included a peer review of our statement from our Regulatory Investment and Group Communications Teams.

Our Level 2 assurance also included a review by senior management and by the Director of Regulation. They reviewed and approved our approach to compile the statement and approved the final document.

Level 3

Our Level 3 assurance was provided by our Internal Audit team to confirm that our statement was accurate and had been written to meet the Ofwat guidance. They provided an audit report on this statement with a score of 'significant assurance'.

Our statement has been presented to the Yorkshire Forum for Water Customers who also provided us with their feedback to build the content in this statement.

Outlook for next publication

The **Risks, Strengths and Weaknesses Statement** is an annual publication that is a requirement of Ofwat's Company Monitoring Framework and we will publish our statement again in **November 2020**.

Given the importance of the Statement, we will apply the same level of assurance to this publication in 2020.



This publication is prepared by our Regulation Team

November 2019

Draft Assurance Plan

Medium risk

Each year we publish an assurance plan for the information that we provide. We publish our draft plan followed by a period of consultation and we update the final plan based on the feedback we have received.

Why is it important to you?

Our assurance plan is important to give you confidence that our published information is accurate, accessible and easy to understand, otherwise we risk losing your trust and confidence. Our plan explains how we will carry out assurance to meet these objectives. Your feedback on our draft plan is valuable to build our final assurance plan.

Why is it important to us?

Our assurance plan is important because it makes sure that our assurance is carried out at the right time, is focused on higher-risk areas, asks the right questions and produces good evidence to support the statements we make. Our statement also identifies the key areas we will focus on with ‘targeted assurance’.

Our planned assurance

Level 1

Our draft assurance plan is owned by a publication manager and has used data providers to provide the information we needed.

Our Level 1 assurance has included a check on the guidance from Ofwat and a gap analysis to make sure we didn’t miss any information that was needed.

Level 2

Our Level 2 assurance has included a review by Senior Management and by the Director of Regulation. They have reviewed and approved our approach to compile the draft assurance plan and approved the document before publication.

Level 3

Our Internal Audit team provided independent assurance to confirm that our draft assurance plan is accurate and meets the Ofwat guidance. They provided an audit report on this plan with a score of full assurance.

Our draft assurance plan has been presented to the Yorkshire Forum for Water Customers who provided us with their initial feedback. Their input will be used in the final assurance plan in March 2019.

Outlook for next publication

The **Draft Assurance Plan** is an annual publication that is a requirement of Ofwat’s Company Monitoring Framework and we will publish our draft plan again in **November 2020**.

Given the importance of the Draft Assurance Plan, we will apply the same level of assurance to this publication in 2020.



This publication is prepared by our Regulation Team

November 2019

Interim Financial Statements

Medium risk

Our interim financial statements are a requirement of our investors and our regulator Ofwat. This statement is our report for the six-month period ending 30 September 2019.

Why is it important to you?

Our interim financial statements are important to show that we are compliant with our investors and industry regulations. They are important to keep our stakeholders informed of our latest financial results.

Why is it important to us?

The primary purpose of our financial reporting is to make sure we are compliant with regulatory and banking requirements and to share a range of financial and other information. It is important that we respond to the needs of our customers and stakeholders and provide an overview of our latest results.

Our planned assurance

Level 1

Throughout the year, to apply Level 1 assurance, we have accountants who carry out day-to-day accounting activities, including maintaining accounting systems and performing end-of month reconciliation. We have named data providers and data managers who are responsible for providing accurate financial information in line with the guidance that is provided.

Our interim financial statements are prepared by a publication manager and they follow our wider assurance process, making sure that the final document is accurate, accessible and easy to understand.

Level 2

Throughout the year, our Level 2 assurance includes management oversight of our accountants' activities. This includes senior management review of our monthly financial results and information.

Before publication, the interim financial statements are reviewed by the Head of Finance, the Director of Finance, Regulation and Markets, and Board Audit Committee, before they are approved by the Board.

Level 3

In applying our risk-based approach, we have determined that no Level 3 assurance is required for this publication.

Outlook for next publication

The **Interim Financial Statements** are an annual publication that is a requirement for our investors and Ofwat. Our interim financial statements will be published again **November 2020**.

Given the importance of the statements, we fully expect to apply the same level of assurance to this publication in 2020.



This publication is prepared by our Finance Team

January 2020

Wholesale Charges Scheme

High risk

Each year we publish our Wholesale Charges Scheme. This publication contains primary and non-primary charges for retailers who operate in our region.

Why is it important to you?

It is important because our charges must be correct and accessible to retailers to enable them to confirm their business plans.

Why is it important to us?

Our wholesale charges scheme is important to us because we want to make sure that we provide consistent and reliable information to all our retailers.

Our planned assurance

Level 1	Level 2	Level 3
<p>All data inputs into the tariff model are from assured data sources, internal experts or forecasts. Our assurance has been provided by our Regulatory Tariff Accountant and our Regulatory Finance Manager.</p> <p>Our Level 1 assurance checks any movements in tariffs and assesses the effect on bills, making sure that the effects are reasonable and explained.</p> <p>The team providing Level 1 assurance make sure we keep to the four revenue price controls and the guidance provided by our regulators.</p>	<p>Level 2 assurance is provided by the Tariff Steering Group, which includes internal business experts in regulatory finance, retail services and tariffs.</p> <p>Level 2 assurance has also been provided by the Head of Financial Planning and Pricing, the Regulation Director and the Head of Household Retail. As part of the assurance process they are required to sign off and comment on their observations. Any queries raised are resolved prior to the Board review.</p> <p>A qualified member of our internal legal team is asked to agree any changes to our charges scheme book.</p>	<p>Level 3 assurance is provided by our external auditors Jacobs and Deloitte. Deloitte complete a review of the tariff model to confirm that the functionality is correct. Jacobs assure that guidance has been followed, charges are calculated from the tariff model and regulatory requirements have been met.</p> <p>A paper is submitted to BAC including auditor’s findings, the timetable for completion, and tables comparing charges.</p> <p>We obtain a Board Assurance Statement for this publication.</p> <p>Internal audit also carries out a billing audit each year to confirm that the tariffs have been included in our billing system correctly.</p>

Outlook for next publication

The **Wholesale Charges Scheme** is an annual publication that is a requirement of our licence and therefore we will publish our statement again in **January 2021**.

Given the importance of the scheme to ourselves and the industry, we will apply the same level of assurance to this publication in 2021.



This publication is prepared by our Regulation Team

January 2019

Bulk Supply Charges

High risk

Our publication sets out our charging arrangements for the provision of bulk supply of services to New Appointment and Variation organisations (NAVs) that operate within the Yorkshire Water region.

Why is it important to you?

This charging information is important to NAVs and developers so that they can evaluate opportunities and understand the relevant upstream and downstream costs that support the prospective new NAV networks.

Why is it important to us?

Our bulk supply and discharge charges support new markets in the water sector in England. It is important to us that NAVs can consider new developments and compete fairly with other market participants. To enable this, we need to publish charges that are clear, accurate and meet the Ofwat guidance.

Our planned assurance

Level 1

All our data input into our bulk supply tariff model is taken from various business sources, some of which have already been assured.

We will review and update our tariff model in accordance with changes to the underlying Wholesale Charges, and the outputs will be assessed for their impact on customers to make sure they are reasonable. The model and publication will be informed by stakeholders including outputs from consultations.

Our data managers will make sure the publication is completed on time and in line with Ofwat guidance.

Level 2

Our Level 2 assurance will use named senior managers and directors who will review and approve the tariffs and information provided for this scheme.

Our Level 2 assurance will also use our internal tariff steering group, which includes business experts in regulatory finance, retail services and tariffs who will be consulted on the content of our bulk supply charging scheme.

Level 3

Our technical assurance provider, Jacobs will carry out assurance to check that our bulk supply tariff model and our charges publication are accurate and have been developed in line with the Ofwat guidance.

Jacobs will provide assurance that we have included suitable feedback from the stakeholder consultation process to compile our charges scheme.

Outlook for next publication

Our **Bulk Supply Charges publication for NAVs**, will be an annual publication that is required under Ofwat guidance. We will publish our charges again before **April 2020**.

Given the importance of the publication, we would expect to apply the same level of assurance as we do for other charging arrangements that impact developers, self-lay providers and non-household retailers.



This publication is prepared by our Regulation Team

February 2020

Charging Arrangements for New Connection Services

High risk

Each year we publish our Charging Arrangements for New Connection Services based on Ofwat rules. These are charges for new connections made into our existing networks, including connections for new housing developments. Accompanying this document is a Bill Stability Impact Assessment which is also assured and published.

Why is it important to you?

This information is important because the costs of connection services should be accurate, sensible and easy to understand.

Why is it important to us?

Our charging arrangements for new connection services are important for us to maintain stakeholder confidence, encourage competition and new developments, and to prevent disputes and claims.

Our planned assurance

Level 1

Our publication with charging arrangements for new connection services is owned by a publication manager. They use expert data providers to provide the information that is needed.

Level 1 assurance is provided by a Data Manager and evidenced through a sign off by our Developer Services Manager.

Level 2

Our Level 2 assurance on these charging arrangements is delivered by a peer review and challenge session with experts from the Developer Services and Regulation departments.

Level 2 assurance is signed-off by the Director or Customer Experience who is accountable for our Developer Services function.

Level 3

Our Level 3 assurance is from our external assurance provider Jacobs. Their independent challenge and assurance focuses on our compliance with the charging rules, our systems and processes, the balance of charges between developers and other customers, and how we have demonstrated meaningful consultation with customers who are impacted by these arrangements.

A paper is submitted to BAC for sign off on the assurance of our charging arrangements and includes a summary of the Level 3 audit findings.

We obtain a Board Assurance Statement for this publication.

Outlook for next publication

The **charging arrangements for new connection services** is an annual publication that is a requirement of our licence and will be published again in **February 2021**.

Given the importance of the scheme to ourselves and the industry, we will apply the same level of assurance to this publication in 2021.



This publication is prepared by our Developer services Team

February 2020

Charges Scheme

High risk

Every year we publish our Charges Scheme. This contains household and non-household end user charges.

Why is it important to you?

Our charges scheme is important because it sets out our charges for the next twelve months.

Why is it important to us?

Our charges scheme is important because the information in our published charges scheme must be consistent and reliable. This publication is a condition of our licence and must meet Ofwat rules.

Our planned assurance

Level 1	Level 2	Level 3
<p>All data inputs into the tariff model are from assured data sources, internal experts or forecasts. Our assurance has been provided by our Regulatory Tariff Accountant and our Regulatory Finance Manager. Our Level 1 assurance checks any movements in tariffs and assesses the effect on bills, making sure that the effects are reasonable and explained.</p> <p>The team providing Level 1 assurance make sure we keep to the four revenue price controls and the published charges principles and guidelines.</p>	<p>Level 2 assurance is provided by the Tariff Steering Group, which includes internal business experts in regulatory finance, retail services and tariffs.</p> <p>Level 2 assurance has also been provided by the Head of Financial Planning and Pricing, the Head of Household Retail and the Director of Regulation.</p> <p>As part of the assurance process they are required to sign off and comment on their observations, any queries raised are resolved prior to the Board review.</p> <p>A qualified member of our internal legal team is asked to agree any changes to our charges scheme book.</p>	<p>Level 3 assurance is provided by our external auditors Jacobs and Deloitte. Deloitte complete a review of the tariff model to confirm that the functionality is correct. Jacobs assure that guidance has been followed, charges are calculated from the tariff model and regulatory requirements have been met.</p> <p>A paper is submitted to BAC including auditor’s findings, the timetable for completion, and tables comparing charges. We obtain a Board Assurance Statement for this publication.</p> <p>Internal audit carries out a billing audit each year to confirm that the tariffs have been included in our billing system correctly.</p>

Outlook for next publication

The **Charges Scheme** is an annual publication that is a requirement of our licence and we will publish our statement again in **February 2021**.

Given the importance of the scheme to ourselves and customers, we would expect to apply the same level of assurance to this publication in 2021.



This publication is prepared by our Regulation Team

March 2020

Final Assurance Plan

Medium risk

Each year we publish a final assurance plan for the information we provide. Our final assurance plan is based on our draft plan which is updated from feedback from customer and stakeholder consultations.

Why is it important to you?

Our assurance plan is important to give you confidence that our published information is accurate, accessible and easy to understand. If we don't get this right, we risk losing your trust and confidence. Our final assurance plan says how we will carry out specific assurance on our data and publications to meet these objectives.

Why is it important to us?

Our assurance plan is important because it makes sure that our assurance is carried out at the right time, is focused on higher-risk areas, asks the right questions and produces good evidence to support the statements we make. Our plan also identifies the key areas we will focus on with 'targeted assurance'.

Our planned assurance

Level 1

Our final assurance plan is owned by a publication manager and defined data providers to provide the information we need.
Our Level 1 assurance includes a check on the guidance from Ofwat and a gap analysis to make sure we don't miss any information that is needed.

Level 2

Our Level 2 assurance on our Final Assurance Plan includes a review by Senior Management and the Director of Regulation. They review and approve our approach and approve our final document before it is published.

Level 3

In applying our risk-based approach, we have determined that Level 3 assurance is not required for this publication.

Outlook for next publication

Our **Final Assurance Plan** is an annual publication that is a requirement of Ofwat's Company Monitoring Framework and we will publish our final plan again in **March 2021**.

Given the importance of the Draft Assurance Plan, we would expect to apply the same level of assurance to this publication in 2021.



This publication is prepared by our **Regulation Team**

As required

Casework (information to Ofwat as required)

Medium risk

Casework involves providing information to Ofwat relating to customer disputes about legislation, pricing and other license related issues.

Why is it important to you?

Ofwat casework is important to our customers and stakeholders because it allows them to raise a dispute or challenge with the regulator in relation to our actions and company policy.

Why is it important to us?

Ofwat casework is important to us because it provides customers and stakeholders with confidence that our information is accurate and that our responses to Ofwat are substantive.

Our planned assurance

Level 1

For Level 1 assurance and specific casework investigations we assign a case manager to investigate and gather the appropriate information we need to report to Ofwat.

The case is reviewed by senior management who draft an initial response document.

Level 2

Level 2 assurance on case work, is completed by senior managers within our Household Retail department who review and approve the information in our casework response.

They review, provide comments and approve the final response to a casework request before it is sent to Ofwat.

Level 3

In applying our risk-based approach, we have determined that no independent assurance is required for this publication.

Outlook for next publication

Ofwat casework requests are responded to, at the request of Ofwat. The same level of assurance would be applied to all requests for casework information when it is required.



This publication is prepared by our Household Retail Team

Monthly

Operational Market Performance Reports

Low risk

This reporting relates to information we need to provide for the services we deliver to the non-household retail market, which opened in April 2017. The reports are sent to the retail market operator, Market Operator Services Ltd (MOSL). They use this data to publish an industry comparison report every month.

Why is it important to you?

This information is important to retailers in the non-household retail market so they can see and compare how we are performing when we deliver operational service to non-household customers. Ofwat use this information to make sure we are performing as expected as a water wholesaler in the non-household retail market.

Why is it important to us?

Our Operational Market Performance data is important to us because it helps us monitor our wholesale service to non-household customers to ensure it is in line with the service levels we are required to work to.

Our planned assurance

Level 1

Our Level 1 assurance is provided by a dedicated Wholesale Service Desk that monitors our service level performance daily. We have a system that tracks and produces our data and which is checked by our data providers.

Our data manager checks our reports before submission to make sure the information we are reporting meets the requirements.

Level 2

Our Level 2 assurance is provided by a dedicated Compliance Team that reviews and checks that the data we submit each month in our Operational Market Reports is accurate and in line with the requirements.

Level 3

In applying our risk-based approach, we have determined that no independent assurance is required for this publication.

Outlook for next publication

The **Operational Performance Standards report** is a monthly publication that is a requirement of our licence and therefore we expect to publish our reports every month in line with MOSL's timetable.



This publication is prepared by our Wholesale Service Desk

Autumn 2019¹

Water Resources Market Information Submission

High risk

Our Water Resources Market Information Submission will be published at the same time as we finalise our WRMP. The information is published to promote market development and to provide, manage and develop water resources, demand management and leakage activities, and encourage efficiencies through new markets.

¹ date for approval of final WRMP by Defra is still to be confirmed.

Why is it important to you?

This is important because it helps interested parties identify where to look for new opportunities in the water market. This will improve the water services provided to you in the future.

Why is it important to us?

It is important to us that third parties and stakeholders have the right information to make proposals for improvements in the water resources market. These opportunities can only be investigated by interested parties if we publish information that is complete and accurate, and accessible to those who want to use it.

Our planned assurance

Level 1

We have a submission manager who will make sure that any data providers and data managers are chosen and that the submission is completed to the relevant timescales and in line with the requirements and guidance.

Level 2

We use named senior managers and directors to review and approve the information provided.

We carry out a peer review of the information and the submission before publication.

Level 3

Jacobs, our Level 3 technical assurance provide independent assurance to confirm that our market information is accurate and the submission has been developed in line with Ofwat guidance.

Our assurance will be presented to BAC and used to obtain a Board Assurance Statement for his publication.

Outlook for next publication

The **WRMP** is published every five years and runs alongside our Price Review submissions which correspond to five yearly AMP periods.

Our latest assurance is for our plans for AMP7 and there is no further assurance requirement until the new planning period for AMP8 in 2024.



This publication is prepared by our Asset Strategy Team

Autumn 2019¹

Water Resources Management Plan (WRMP)

High risk

Our Water Resources Management Plan (WRMP) sets out how we plan to maintain the balance of water supply and demand across the Yorkshire region. This plan takes a long-term view of at least 25 years.

¹ date for approval of final WRMP by Defra is still to be confirmed.

Why is it important to you?

Our WRMP is important because it forecasts how much water we will need to have available to supply our customers in the future, based on drought, climate change and population forecasts, and our environmental obligations. Our WRMP makes sure we have the right plans to use water efficiently including how we will reduce leakage and promote water efficiency which are all factors that we understand are important to you.

Why is it important to us?

The WRMP is important because it is our main responsibility to provide a clean, safe and continual supply of water now, and 25 years into the future. The WRMP must be correct otherwise we risk not being able to meet our primary responsibility to supply water based on clear plans that will also protect our natural environment.

Our planned assurance

Level 1

We have named data providers and data managers who are responsible for providing accurate information in line with the WRMP guidance.

We have a submission manager who makes sure that we use technically skilled data providers and data managers to make sure the submission meets the requirements and guidance and is completed to the relevant timescales.

Level 2

The Head of Asset Strategy and Director of Asset Management will review and approve the information we provide.

A peer review of the information and the submission will also be carried out.

Level 3

Our Level 3 technical assurance provider Jacobs will provide independent assurance to confirm that the data in our WRMP is accurate and the submission has been developed in line with the guidance from Defra.

Our assurance is presented to BAC and used to obtain a Board Assurance Statement for this publication.

Outlook for next publication

The **WRMP** is published every five years and runs alongside our Price Review submissions which correspond to five yearly AMP periods.

Our latest assurance is for our plans for AMP7 and there is no further assurance requirement until the new planning period for AMP8 in 2024.



This publication is prepared by our Asset Strategy Team

May 2019

APR / PR19
Unplanned outages

Medium risk

Unplanned outages is a new performance commitment that we included in our PR19 business plan submission. This is a common performance commitment, meaning that all water companies will report on this so customers will be able to compare our performance with other water companies annually. We will report on this measure annually throughout 2020-2025. As this is a new measure, there is not a lot of historical performance on this measure. This submission will update our 2018/2019 forecast performance with 2018/2019 actual performance. We will also update the evidence for our forecast 2019/2020 performance taking account of the actual 2018/2019 performance.

Why is it important to you?

This performance commitment relates to the ability of our water production assets to process the volume of water they are designed to produce. This performance commitment is a measure of our resilience. Having stable and healthy assets means we can be sure of our ability to deliver a continuous supply of safe drinking water to our customers. Securing maximum availability of production capacity allows us to optimise our water production to ensure a resilient and cost-effective supply. Many customers struggle to understand this commitment, but those who understand typically express desire to ensure we maintain capacity.

Why is it important to us?

Unplanned outage is not something we have measured previously, so while we have a very good understanding of our historical production volumes, we cannot retrospectively categorise the unplanned outage volumes at the level of detail required by this performance commitment. Using the best data available to us we have had to estimate our forecast performance in the period 2020-2025. Once we have completed two years of reporting of the measure, we will have a much better understanding of our current performance. This submission allows us to provide updated information and allows us to review the targets we have proposed in our PR19 business plan, previously submitted in September 2018.

Our planned assurance

Level 1	Level 2	Level 3
<p>A publication manager follows the wider assurance process making sure that the final document is accurate, accessible and easy to understand.</p> <p>We have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided.</p>	<p>There is an Annual Performance Report (APR) steering group and a price review steering group. Both of these will review the requirements and make sure we are meeting these on time.</p> <p>Senior managers and directors review the numerical and written information included in our APR.</p> <p>The report is reviewed by the Head of Regulation and Director of Regulation.</p> <p>This submission is approved for publication by our Director of Regulation.</p>	<p>Level 3 assurance is provided by our technical auditors, Jacobs.</p> <p>The results from our assurance are presented to and approved by Board Audit Committee.</p> <p>We obtain a Board Assurance Statement for this publication.</p>

Outlook for next publication

The **PR19/APR Unplanned Outages** submission is only required as part of the PR19 business plan process. This will only be submitted this year.



This publication is prepared by our Regulation Team

August 2019

PR19 Draft Determination Representation

High risk

Price reviews are one of the ways Ofwat sets the price, investment and service package that customers receive. Our PR19 submission is the detailed business plan we have worked on with our customers, which sets out how we intend to deliver services to our customers and the environment for the period 2020 to 2025. We published our PR19 business plan in September 2018. Ofwat are evaluating this plan to reach a draft determination. The draft determination is a proposed contract between us, our customers and Ofwat on the service we will provide and the prices we charge between April 2020 to March 2025. We have an opportunity to respond to the draft determination before Ofwat makes its final determination in December 2019. Ofwat will publish their draft determinations on 18 July 2019 and we can make a representation on the draft determination by 30 August 2019.

Why is it important to you?

Our PR19 business plan is important because it aims to deliver affordable bills, great customer service and long term resilience using innovative plans that will deliver services to you from 2020 to 2025.

Why is it important to us?

The PR19 detailed business plan was submitted to Ofwat on 3 September 2018. Throughout the Price Review process we have been keen to understand the needs and priorities of our customers and to reflect their views in the building of our plans. We want to make sure we get an appropriate and fair determination. Responding to the draft determination allows us to provide further detail and evidence to enable Ofwat to consider making adjustments before arriving at their Final Determination.

Our planned assurance

Level 1

A publication manager follows the wider assurance process making sure that the final document is accurate, accessible and easy to understand.

We have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided.

Level 2

There is a Price Review steering group who will review the requirements and make sure the requirements are met.

Senior managers and directors review the numerical and written information included in the representation. The report is reviewed by the Head of Regulation and Director of Regulation.

This submission is approved for publication by our Director of Regulation.

Level 3

Level 3 assurance is provided by Jacobs and Deloitte.

Our draft determination representations will be presented to the Yorkshire Forum for Water Customers.

The results from our assurance are presented to and approved by Board Audit Committee.

We obtain a Board Assurance Statement for this publication.

Outlook for next publication

The PR19 Draft Determination Representations submission is only required as part of the PR19 business plan process. It will not be required again until the next period review process for PR24.



This publication is prepared by our Regulation Team

Quarterly from April 2020

Quarterly Performance Report

Low risk

What is it?

As part of our PR19 Business Plan submission, we made a promise that the Board will publish a quarterly customer focused update on how it is progressing and delivering on its performance commitments and outcome projections on its enhanced performance webpage.

AMP7 starts in April 2020 and we will publish a quarterly performance update on our performance commitments from this point. We have 43 performance commitments in AMP7.

Why is it important to you?

This report will allow you to see how we are progressing throughout the year and our forecasts for whether we are likely to outturn on target.

Why is it important to us?

Transparency of information is really important to us and we want to share with you our progress throughout the year.

Our planned assurance

Level 1

We follow the same processes that we have in place for data collection within the APR.
Data providers and data managers have responsibility for providing the data required.

Level 2

Quarterly data is reviewed by senior managers, directors and the Board. They review the information available and the action being taken in response to current performance, direction additional action if required.

Level 3

We have yet to decide whether Level 3 assurance will be applied at each quarterly report or whether this will continue to be at the end of the year as part of the Annual Performance Report (APR).

Outlook for next publication

This is a new publication. It will be reported quarterly throughout 2020/2021 and we will review progress to see how this can be further improved in future years.



This publication is prepared by our Regulation Team

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