

Trusting the information we publish



**Our assurance plan
for 2016/17 and 2017/18**

Contents

01. About this document	04
02. Our assurance approach	06
Our three levels of assurance	08
Our risk based approach	09
Our assurance processes	10
03. Our assurance activities	14
Table 1: Our 2016/17 assurance map	16
Table 2: Our 2017/18 assurance map	17
Table 3: Our targeted assurance areas	18
04. Next steps	23
05. Glossary	27
Appendix A. About us	31
Our performance commitments	33
Appendix B. Our assurance activities in detail	35
B1. Assurance already completed in 2016/17	36
B2. Our detailed assurance plan for remaining 2016/17 publications	41
B3. Our detailed assurance plan for 2017/18	45



What is assurance?

Assurance is how we review data and processes to ensure that information is accurate, accessible and easy to understand.

Assurance is a process intended to give confidence.

Assurance teams ask questions and challenge to make sure that the information being reported can be relied on.

To do this in Yorkshire Water, we have an assurance plan.



How does it work?

This assurance plan tells you what actions we take to make sure that the information we publish is accurate, accessible and easy to understand.

It 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 are assured of the quality of the information we publish so that you have trust and confidence in us and how well we are doing in delivering on the promises we made to you.

01.

About this document

We want to provide you with information that you can trust.

This document explains the assurance we have in place to give you confidence that the information we publish is accurate, accessible and easy to understand.

This assurance plan covers all information that we plan to publish in 2016/17 and 2017/18¹.

In it we explain where we will put more focussed assurance on our reporting.

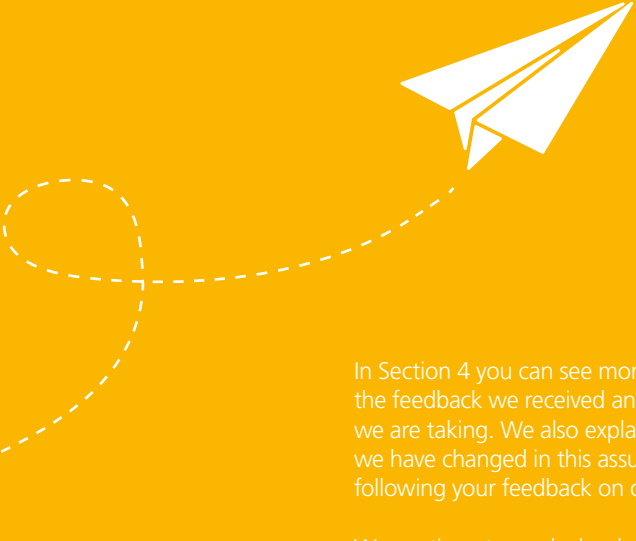
We've previously spoken with you to understand the risks, strengths and weaknesses with our reporting. We also consulted with you on a draft version of this assurance plan. Your feedback has helped shape our assurance plan and will continue to influence how we report in the future.

Your feedback about our assurance plan has told us that getting assurance right is important and overall our plan gives confidence that we will do this.

You told us that there were parts of our draft plan that we could make better:



¹Based on our current knowledge and understanding



In Section 4 you can see more detail about the feedback we received and what action we are taking. We also explain what we have changed in this assurance plan following your feedback on our draft plan.

We continue to work closely with the Yorkshire Forum for Water Customers (the Customer Forum) to make sure that our performance reporting meets your needs.

We know that things can change so we will continue to review our assurance plan to make sure it is up to date.

We welcome your comments and feedback on this plan. Please do not hesitate to get in touch if you would like a paper copy of this plan.

You can contact us by:



Email: publicaffairs@yorkshirewater.co.uk



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



or write to us:
**Assurance Plan
Regulation Department
Yorkshire Water, Western House,
Western Way,
Buttershaw, Bradford
BD6 2SZ**

02.

**Our
assurance
approach**



Timely



Focussed on
key risks



Relevant



Proportionate



Evidence
based

The aim of our assurance

The aim of our assurance is to give you confidence that the information we publish is accurate, accessible and easy to understand. If we don't get it right, we risk losing your trust and confidence. Our Board is accountable for the quality of our information and wants to make sure it meets your needs.

In this section, we explain our three levels of assurance and our risk based approach. We also describe the assurance processes we follow to make sure our data is accurate and that our publications are accessible and easy to understand.

Our approach is risk based and uses a method called 'three levels of assurance'. This is best practice for assurance.

We believe that good assurance is conducted at the right time, is focussed on higher risk areas, asks the right questions and produces good evidence to support the statements we make.

Our three levels of assurance

Our assurance comes from a number of sources and is a year round activity. We operate three levels of assurance and apply this model to all the reporting covered by the plan. By mapping our assurance activities into three levels, we make sure that sufficient assurance is provided at the right time. A description of the levels of assurance is provided in the diagram below.



Our risk based approach

We recognise that we need to give you greater confidence in the areas that are important to you or have higher risk. We call this our risk based approach.

All information will be assured to make sure that the information is accurate and meets your needs. This will happen whether the information is considered higher risk or not. The high risk information will just have more assurance overall.

In the context of reporting, risk is defined as an uncertain future outcome that, if it occurs, will have negative effects on the quality of our information. A risk is assessed on the probability of an error occurring and on the impact should it occur. Risk management is important to us.

Our assurance seeks to manage any risks which would harm the confidence you place in us or in our published information.

We decide how much assurance we put in place for each piece of published information. Where we identify areas with a higher risk to the accuracy and quality of the information, we will apply additional assurance to make sure it is right.

The text below shows the areas we consider when reviewing our risks. From our risk assessment, we will identify target areas for additional assurance activities. The areas identified from this risk review are included within our assurance plans on Page 15.

Areas of additional assurance

Where we exceed our commitments and want to ensure this continues

Where there are financial rewards and penalties involved

Where we have to gather lots of data to compile the information we publish

Where we rely on other people and other companies to provide information for our reports

Where there is external or internal change

Where we forecast that we will not meet our commitments or where we did not meet them in the previous year

Our assurance processes

Data assurance

Our assurance processes are in place to ensure that the data we produce is accurate.

For each piece of information we report, we have an assigned data provider. They have specific responsibilities for providing the information. This includes having documented procedures for the information they report. The data providers are supported by a data manager. The information is review by senior managers and then presented to an accountable Director. Both the senior manager and the Director self-certify that the data is true and accurate and has been produced in a manner consistent with reporting requirements.

Our information is reviewed by an independent auditor. They review this information to see whether it meets reporting requirements and that it provides a fair representation of our performance. We respond promptly to any assurance findings.

We present our performance to the Customer Forum. They hold us to account for meeting the promises we made to you.

Our Board Audit Committee and our Board will discuss the completed self-certification statements, review external assurance findings and, when satisfied, approve the information.

Our Board is accountable for the quality of our information and wants to make sure it is meeting your needs.

1

Data Providers

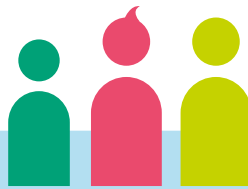
Our assigned data providers document the steps we follow to capture, analyse, process and report our information. They then provide the data. This will align with reporting requirements and guidelines. (Level 1)



2

Data Managers

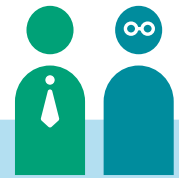
Our assigned Data Managers check the procedures to ensure they will comply with reporting requirements. They will then check the information produced to make sure it has followed the procedure and is accurate. (Level 1)



3

Senior Manager Review & Self-Certification

An accountable senior manager and Director will review and sign-off the information. They will review for compliance and whether the information aligns with business understanding. (Level 2)



4

Independent Audit

An independent auditor will review how the information has been collated, will review this back to source data and will review against the reporting requirements and guidelines. (Level 3)



5

Review by Board Audit Committee & Customer Forum

The Committee will receive the assurance findings and will check the processes and controls are in place to provide accurate information. The Customer Forum will review our overall performance. (Level 3)



6

Board Approval

Final approval is given by the Board after all of the assurance steps have been carried out.



Wider assurance

Wider assurance is in place to ensure that the overall publication meets any guidance and is accessible and easy to understand.

We assign a publication manager to each of our publications. They are responsible for:

- understanding the guidance
- designing the format of the report
- assigning data providers
- developing the timeline for the publication
- collating information into the publication
- writing the publication in plain English
- delivering the publication on time

Oversight functions provide a peer review. Initially this reviews the translation of the guidance. A later peer review makes sure that the overall publication meets the requirements and is easy to read.

A Senior Manager and a Director complete a self-certification statement that the publication is true, accurate, easy to read and meets any guidance or requirements. Independent auditors review the overall publication for consistency with the findings from the data assurance process.

We have an established process with the Customer Forum. They hold us to account for meeting the promises we made to you and the accuracy of our reporting.

Our Board approves the publication once we have completed the full assurance process. Our Board is accountable for the quality of our publications.

1

Publication Manager

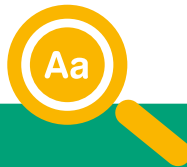
Review the guidance and ensure all roles are assigned (e.g. Data Providers, Data Managers). They will ensure the publication is delivered on time and meets the reporting requirements and guidelines. (Level 1)



2

Publication Peer Review

This is provided by oversight functions. They will review for compliance and whether the information aligns with business understanding. They ensure that the overall publication meets the requirements and is easy to read. (Level 2)



3

Senior Manager Review & Self-Certification

The publication will be signed off by an accountable senior manager and Director. They will review for compliance and whether the publication summarises business understanding. (Level 2)



4

Independent Audit

An independent auditor will review how the information has been collated, review for consistency with the data assurance findings and will review against the reporting requirements. (Level 3)



5

Review by Customer Forum

This group will review the publication to ensure it covers areas of most importance to our customers and that the document is easy to read. (Level 3)



6

Board Approval

Final approval is given by the Board after all the assurance steps have been carried out.



03.

Our assurance activities

This section gives you a picture of our assurance activities. The glossary on Page 27 contains a description of each activity. We have mapped all of our assurance activities for the information we publish. We have mapped our activities to the three levels of assurance.

Table 1 provides our assurance map for all information we are publishing in 2016/17. This includes the information we have already provided. Table 2 provides our assurance map for information that we will publish in 2017/18. More detail is provided in Appendix B.

The assurance maps show each publication and record the assurance activities in place. We have used our risk based approach to determine what assurance activity is required. Tables 1 and 2 identify the planned assurance activity. Where there are gaps in the tables we consider that this particular assurance activity is not relevant for that information.



More focus

In our risks, strengths and weaknesses statement, we identified areas that need more focussed assurance. Our risk based approach on Page 9 was used to identify these target areas. Table 3 provides information on the assurance in place for these areas specifically.

As our business and reporting risk is dynamic, we will keep our reporting risks and this document up-to-date. It will be re-published in September 2017. If we make any significant changes to our assurance plan prior to this, we will update this report and place it on our website.



Table 1: Our 2016/17 assurance map

			LEVEL 1		LEVEL 2						LEVEL 3						
			Assurance levels and activities decided based on the risk based approach														
SUBMISSION (Appendix B contains more information on the assurance planned and information on what this submission is)	DATE	SUBMISSION RISK ASSESSMENT	DAY-TO-DAY CONTROLS	ASSIGNED DATA PROVIDER & DATA MANAGER	ASSIGNED PUBLICATION MANAGER	SENIOR MANAGER & DIRECTOR REVIEWS	SENIOR MANAGER & DIRECTOR SELF-CERTIFICATION / SIGN OFF	REGULATORY, FINANCE & LEGAL OVERSIGHT	DELIVERY ASSURANCE GROUPS & STEERING GROUPS	QUALITY MANAGEMENT PROCESS (ISO9001)	BOARD AUDIT COMMITTEE & BOARD REVIEW	CUSTOMER FORUM	INTERNAL AUDIT	EXTERNAL AUDIT: FINANCIAL	EXTERNAL AUDIT (OTHER)		
			ALREADY COMPLETED	Condition R Compliance Code Statement	Apr-16	High											
Price Review 2016	Jul-16	High															
Price Review 2019 (PR19) Cost Assessment	Jul-16	High															
Targeted Review on Market Readiness	Jul-16	High														*	
Retail Competition Market Entry Assurance Certification	Sep-16	High															
Interim Financial Statements	Nov-16	Medium															
Retail Competition Market Readiness Self Assessment	Jan-17	Medium														*	
Retail Competition Letters of Assurance	Jan-17	High															
Risks, Strengths & Weaknesses Statement	Jan-17	High															
Charges Scheme	Feb-17	High															
Non-Household Wholesale Invoicing Timetable	Feb-17	Medium															
Targeted Review on Asset Health	Feb-17	High														*	
Assurance Plan (Draft & Final)	Mar-17	High															
Annual Performance Report (APR)	Jul-17	High															
APR Section 1: Regulatory financial reporting	Jul-17	High															
APR Section 2: Price review and other segmental reporting	Jul-17	High															
APR Section 3: Performance summary	Jul-17	High															
APR Section 4: Additional regulatory information	Jul-17	High															
Data Assurance Summary	Jul-17	High													*	*	
Customer Performance Report	Jul-17	High													*	*	
Risk & Compliance Statement	Jul-17	High															
Annual Report & Financial Statements (statutory accounts)	Jul-17	High															
Price Review 2019 (PR19) Cost Assessment	Jul-17	High															
Casework (information to Ofwat as required)	As Required	High															

■ In place
 ■ Not Applicable (based on risk based approach)
 *data used within the submission was / will be subject to external assurance

Table 2: Our 2017/18 assurance map

SUBMISSION (Appendix B contains more information on the assurance planned and information on what this submission is)	DATE	SUBMISSION RISK ASSESSMENT	Assurance levels and activities decided based on the risk based approach												
			LEVEL 1			LEVEL 2					LEVEL 3				
			DAY-TO-DAY CONTROLS	ASSIGNED DATA PROVIDER & DATA MANAGER	ASSIGNED PUBLICATION MANAGER	SENIOR MANAGER & DIRECTOR REVIEWS	SENIOR MANAGER & DIRECTOR SELF-CERTIFICATION / SIGN OFF	REGULATORY, FINANCE & LEGAL OVERSIGHT	DELIVERY ASSURANCE GROUPS & STEERING GROUPS	QUALITY MANAGEMENT PROCESS (ISO9001)	BOARD AUDIT COMMITTEE & BOARD REVIEW	CUSTOMER FORUM	INTERNAL AUDIT	EXTERNAL AUDIT: FINANCIAL	EXTERNAL AUDIT (OTHER)
Condition R Compliance Code Statement	Apr-17	High													*
Risks, Strengths & Weaknesses Statement	Sep-17	High													
Assurance Plans (Draft & Final)	Sep-17	High													
Interim Financial Statements	Nov-16	Medium													
Charges Scheme	Dec-17	High													
Targeted Review on Service	Jan-18	High													*
Annual Performance Report (APR)	Jul-18	High													
APR Section 1: Regulatory financial reporting	Jul-18	High													
APR Section 2: Price review and other segmental reporting	Jul-18	High													
APR Section 3: Performance summary	Jul-18	High													
APR Section 4: additional regulatory information	Jul-18	High													
Data Assurance Summary	Jul-18	High												*	*
Customer Performance Report	Jul-18	High												*	*
Risk & Compliance Statement	Jul-18	High													
Annual Report & Financial Statements (statutory accounts)	Jul-18	High													
Operational Market Performance Reports	Quarterly	High													
Price Review 2019 (PR19)	Ongoing	High													
Casework (information to Ofwat as required)	As Required	High													

■ In place
 ■ Not Applicable (based on risk based approach)
 *data used within the submission was / will be subject to external assurance

Table 3: Our targeted assurance areas

TARGETED AREA	REASON FOR INCLUSION	PLANNED ASSURANCE
Information published is what customers and stakeholders want and need	Listening to what you said, we identified this as a priority within our risks, strengths and weaknesses statement.	<p>We have implemented a new bespoke online research community, it has 1000 Yorkshire Water customers from across the region representing the voice of our customers. The community platform will allow us to continuously engage with our customers, allowing us to tailor our service aspirations and communications to their needs. The platform is part of a wider research programme which will ensure customers are at the heart of what we do.</p> <p>When we publish information, the publication manager and the management review will ensure the information is aligned with what you want and need.</p> <p>We will continue to work with the Customer Forum to ensure that the style, format and content of our reporting is tailored to the feedback we receive.</p> <p>We are planning external independent assurance in 2017/18 on our approach to customer engagement and how we reflect our feedback into our risks, strengths and weaknesses process.</p>
Information is always accurate and reliable	Listening to what you said, we identified this as a priority within our risks, strengths and weaknesses statement.	<p>We reviewed and strengthened our assurance approach in 2016/17. We will follow our data and wider assurance processes. This includes external independent assurance. We continually review the assurance in place. We learn from any errors made and put processes in place to ensure these do not happen again.</p> <p>In 2016/17, we formally recognised the importance of the publication manager role. We have also built in extra quality checks to ensure that guidance has been followed for our publications.</p>
Information is easy to find	Listening to what you said, we identified this as a priority within our risks, strengths and weaknesses statement.	<p>We are looking at the ways we can engage with you (our engagement channels). This will include social media, our website, blogger engagement, traditional media, emails and customer engagement events.</p> <p>We will continue to listen to you and ensure information is provided in places where you can access it.</p> <p>When we publish information on our website, we will make sure it is easy for you to find. We are currently improving our website.</p> <p>We are planning independent assurance in 2017/18 on where we publish our information.</p> <p>We will continue to ask the Customer Forum to challenge us on progress with this priority.</p>

TARGETED AREA	REASON FOR INCLUSION	PLANNED ASSURANCE
Information is easy to read and understand	Listening to what you said, we identified this as a priority within our risks, strengths and weaknesses statement.	<p>Colleagues identified as publication managers will be sent on a plain English course. The use of plain English will help us make our publications easy to read and understand.</p> <p>We are aware that some of our activities are complex. The publication manager will ensure that the information contained within publications is clear.</p> <p>We will continue to ask the Customer Forum to challenge us on progress with this priority.</p>
Performance Commitment: Drinking Water Quality Compliance	<p>We did not meet our commitment in 2015/16. We achieved 99.954% compliance against a target of 99.960%.</p> <p>This performance commitment has a financial incentive attached to its performance.</p> <p>Our performance against this commitment is published within our Annual Performance Report.</p>	<p>We reviewed and strengthened our assurance approach in 2016/17. We will follow our improved data and wider assurance processes. Performance is regularly monitored and action plans agreed or amended at the Delivery Assurance Group.</p> <p>Internal Audit will review this in 2016/17 as part of their water treatment audit. A further audit is planned in 2017/18.</p> <p>Our external independent assurance providers, Halcrow, will be asked to review our delivery plans as part of their annual audits in May 2017.</p>
Performance Commitment: Water Quality Contacts	<p>Performance is improving but we are likely to end the year near our target.</p> <p>This performance commitment has a financial incentive attached to its performance.</p> <p>Our performance against this commitment is published within our Annual Performance Report.</p>	<p>We reviewed and strengthened our assurance approach in 2016/17. We will follow our improved data and wider assurance processes. Performance is regularly monitored and action plans agreed or amended at the Delivery Assurance Group.</p> <p>Additional operational activities have been undertaken throughout the year. This has included extensive flushing of our network.</p> <p>Our external independent assurance providers, Halcrow, will be asked to review our delivery plans as part of their annual audits in May 2017.</p>
Performance Commitments: Energy Self-Generation	<p>This performance commitment was not met in 2015/16 and is unlikely to be met in 2016/17.</p> <p>Our performance against this commitment is published within our Annual Performance Report.</p>	<p>We reviewed and strengthened our assurance approach in 2016/17. We will follow our improved data and wider assurance processes. Performance is regularly monitored and action plans agreed or amended at the Delivery Assurance Group.</p> <p>Our external independent assurance providers, Halcrow, will be asked to review our improvement plans as part of their annual audits in May 2017.</p> <p>Internal Audit are planning an audit in 2017/18 on sludge strategy and energy generation.</p>

Table 3: Our targeted assurance areas

TARGETED AREA	REASON FOR INCLUSION	PLANNED ASSURANCE
Performance Commitment: Waste Diverted from Landfill	<p>We overachieved against this measure in 2015/16. Our performance was achieved with the inclusion of clean water sludges. Our external independent assurance providers, Halcrow, challenged this in the 2015/16 audits. We want to ensure that it is right for us to include clean water sludges in our commitment.</p> <p>Our performance against this commitment is published within our Annual Performance Report.</p>	<p>We reviewed and strengthened our assurance approach in 2016/17. We will follow our improved data and wider assurance processes. Performance is regularly monitored and action plans agreed or amended at the Delivery Assurance Group.</p> <p>Throughout 2016/17, we have completed a detailed review of the breakdown of waste included within this performance commitment. We will look back at how we calculated the target as part of Price Review 2014.</p> <p>We will provide our external independent assurance providers, Halcrow, with the findings from our internal review.</p>
Performance Commitment: Stability & Reliability Service Measures	<p>Some of the supporting measures within this commitment are not meeting their targets. We want to focus on this area to ensure service levels are maintained.</p> <p>This performance commitment has a financial incentive attached to its performance.</p> <p>Our performance against this commitment is published within our Annual Performance Report.</p>	<p>We reviewed and strengthened our assurance approach in 2016/17. We will follow our improved data and wider assurance processes. Performance is regularly monitored and action plans agreed or amended at the Delivery Assurance Group.</p> <p>Internal Audit have carried out audits on the management of water networks, sewer networks, water treatment work and waste water treatment works in 2016/17. Further audits are planned in 2017/18.</p> <p>Our external independent assurance providers, Halcrow, will be asked to complete a detailed review of all of the supporting measures within the stability and reliability service measures. This will be completed as part of their annual audits in May 2017.</p>
Performance Commitment: Pollution Performance	<p>We want to ensure that our self-reporting remains one of the highest in the industry.</p> <p>The number of pollution incidents (Category 3) is near to our target. This performance commitment has a financial incentive attached to its performance.</p> <p>Our performance against this commitment is published within our Annual Performance Report.</p>	<p>We reviewed and strengthened our assurance approach in 2016/17. We will follow our improved data and wider assurance processes. Performance is regularly monitored and action plans agreed or amended at the Delivery Assurance Group.</p> <p>Internal Audit have carried out a review of the management of the sewer network in 2016/17. This included a review of our pollution performance.</p> <p>Our external independent assurance providers, Halcrow, will be asked to complete a detailed review of this performance commitment as part of their annual audits in May 2017.</p>

TARGETED AREA	REASON FOR INCLUSION	PLANNED ASSURANCE
Performance Commitment: Leakage Performance	<p>Leakage in 2016/17 is close to the target level of performance.</p> <p>This performance commitment has a financial incentive attached to its performance.</p> <p>Our performance against this commitment is published within our Annual Performance Report.</p>	<p>We reviewed and strengthened our assurance approach in 2016/17. We will follow our improved data and wider assurance processes. Performance is regularly monitored and action plans agreed or amended at the Delivery Assurance Group.</p> <p>Our external independent assurance providers, Halcrow, will be asked to complete a detailed review of this performance commitment as part of their annual audits in May 2017.</p> <p>Internal Audit are planning an audit in 2017/18 on the management of the water networks. This audit will include leakage performance.</p>
Data from Service Partners	<p>This was identified as an area of high risk through our internal review.</p> <p>Information from service partners supports information within our Annual Performance Report.</p>	<p>We will ask our external independent assurance providers, Halcrow, to have greater focus on any performance commitments where third party data is a critical part of the measure.</p> <p>In 2017/18, Internal Audit plan to audit the management of our repair and maintenance contract. This audit will review the quality of some of the information provided by the service partner involved.</p>
Capital Expenditure	<p>In 2015/16 we reported a variance in the level of capital expenditure required to deliver our performance commitments.</p> <p>This information is published within our Annual Performance Report.</p>	<p>We have a programme assurance team who are responsible for the monitoring of the investments we make.</p> <p>Our governance includes the Board Investment Committee. This Committee approves our investments. The Committee meets weekly and reports to the Board quarterly.</p> <p>We have planned additional external independent assurance in 2016/17. We have asked external independent assurance providers, Halcrow, to review our capital expenditure programme. This will be completed in March 2017.</p>
Cost Allocation in the Kelda Group	<p>The Kelda Group is currently selling a number of its other non-regulated companies that operate as Kelda Water Services. We want to ensure that costs of the sale are not incurred by Yorkshire Water customers.</p> <p>Cost allocation is part of our Annual Performance Report.</p>	<p>We will follow our improved data and wider assurance processes.</p> <p>We monitor our cost allocations and undertake reconciliations on a quarterly basis. We record the assumptions made when allocating our costs and we clearly record any manual adjustments and calculations that we make.</p> <p>Our cost allocations are reviewed annually by our financial auditors PwC.</p>

Table 3: Our targeted assurance areas

TARGETED AREA	REASON FOR INCLUSION	PLANNED ASSURANCE
Price Control Cost Allocation	<p>We are currently working with four price controls. This will increase to six from 2020. We need to ensure we are allocating our costs correctly.</p> <p>Cost allocation is part of our Annual Performance Report.</p>	<p>We will follow our improved data and wider assurance processes.</p> <p>We run cost assessments (how we record where we have spent money) prior to year end, ensuring they meet the guidelines set by Ofwat. Checks are then carried out and agreed amendments are made in our financial system.</p> <p>The cost assessments are reviewed by relevant managers in the business and in our finance team to ensure they are accounted for correctly. We then identify and explain any variances.</p> <p>We record the assumptions made when allocating our costs and we clearly record any manual adjustments and calculations that we make. This is detailed within our methodology statement.</p> <p>Our cost allocations are reviewed annually by our financial auditors PwC.</p>
Water Act 2014	<p>Throughout 2016/17 there has been a need to give confidence on our readiness for market opening. The market will open in April 2017. We will then have new reporting requirements to meet.</p> <p>Information on our readiness was provided directly to Ofwat and MOSL (Market Operator Services Limited) in 2016/17.</p>	<p>As part of our programme to prepare for retail market opening, we have instructed additional independent assurance from Internal Audit, Deloitte, Eversheds and PwC. We have reviewed how well we are progressing against our delivery plan and that we comply with all the rules and regulations for the new market.</p> <p>The new market means that we have to operate differently. We have a Compliance Manager in place. They are implementing a compliance programme. This programme will look at the controls in place to meet the new obligations.</p> <p>Independent assurance will be included as part of the compliance programmes throughout 2017/18.</p>
Periodic Review 2019 (PR19)	<p>The information we produce now supports our business plan over the coming years. We need to know that our data is robust. Information is currently used internally to produce our business plans. We will be using some of this information throughout 2017/18 as we engage with you on what matters most to you. Our full business plan for 2020 to 2025 will be available on our website in September 2018.</p>	<p>We follow our data and wider assurance processes.</p> <p>A programme of assurance activity to review our approach to developing the business plan and to assure the information supporting the business plan will take place between April 2017 and September 2018. This will include external independent assurance.</p> <p>We are implementing a new system as part of PR19. As we build our plans for the future with you, this system will help us ensure that the best cost solutions are used to provide the services you want. Internal Audit are carrying out a review of the system.</p>

04.

Responding to what we have heard

We consulted with you to find out your thoughts on our draft assurance plan to allow us to improve our plan. We received feedback from 514 customers via a survey on our website. We also received feedback from the Consumer Council for Water, Natural England and Leeds City Council. A summary of the survey results has been published on our website:

yorkshirewater.com/survey

The majority of customers acknowledge the importance of the assurance plan and agree that our assurance plan is thorough. Overall our customers said that they are happy with the assurance plan and trust Yorkshire Water to carry it out properly.

From your feedback, we identified four key points:

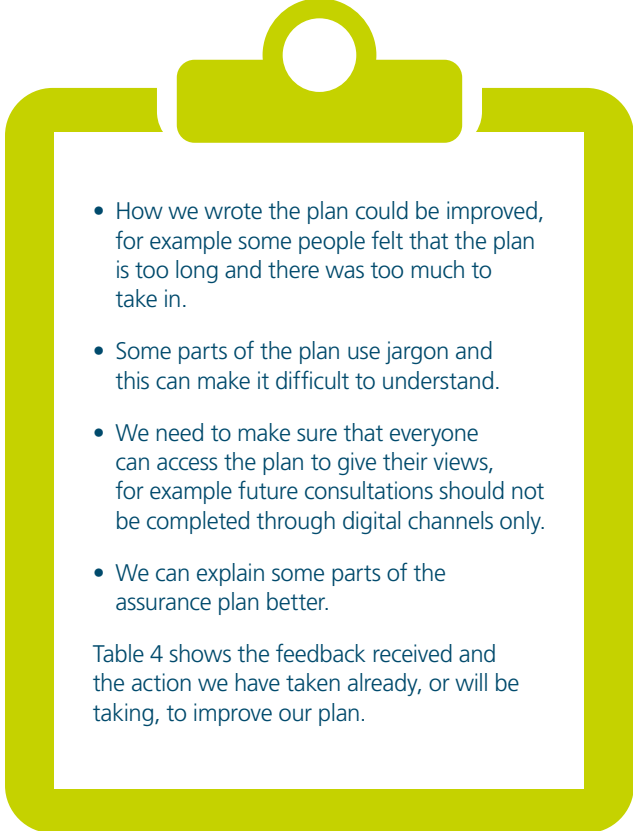
- 
- How we wrote the plan could be improved, for example some people felt that the plan is too long and there was too much to take in.
 - Some parts of the plan use jargon and this can make it difficult to understand.
 - We need to make sure that everyone can access the plan to give their views, for example future consultations should not be completed through digital channels only.
 - We can explain some parts of the assurance plan better.

Table 4 shows the feedback received and the action we have taken already, or will be taking, to improve our plan.

Table 4: Our response

FEEDBACK	OUR RESPONSE
How we wrote the plan	<p>We have tried to balance the amount of information we provide in this plan to show how we assure the information and the quality of our published information.</p> <p>To improve our plan we have:</p> <ul style="list-style-type: none"> removed jargon and directed readers to the glossary or direct readers to other areas within the plan that provide further explanation. <p>We will:</p> <ul style="list-style-type: none"> consider the best way to present information in our future reports. This will consider the length of the report. continue to improve the use of plain English within our reports.
How we have explained assurance	<p>To improve our plan we have included some definitions on the first page in this report.</p>
The language we have used	<p>To improve our plan we have:</p> <ul style="list-style-type: none"> removed jargon and directed readers to the glossary or direct readers to other areas within the plan that provide further explanation. <p>We will continue to improve the use of plain English within our reports.</p>
Accessibility of our plan	<p>To improve our plan we have included information about how customers can request a paper copy of this plan.</p> <p>We will review the other engagement channels available for sharing this plan and future consultations.</p>
Further clarity was requested regarding our Level 3 assurance	<p>To improve our plan we have amended the diagram on Page 8 to state that Level 3 assurance informs senior management but reports to Board.</p>
It is not clear that all information has some assurance	<p>To improve our plan we have added some more text into our risk based approach section of the plan to make this clear.</p>

FEEDBACK	OUR RESPONSE
<p>It is not clear why there are gaps in the assurance maps</p>	<p>To improve our plan we have linked the assurance map tables to the risk based approach and we have stated that the gaps in the table are where that particular assurance activity is not applicable.</p>
<p>Too many stages and too many people in a process can lead to errors and over-manipulated data. This could also be a waste of money</p>	<p>To improve our plan we have stated more clearly why assurance is important.</p>
<p>Some customers felt that examples of how the process works would be helpful</p>	<p>We will consider how we can incorporate this into a future version of the plan.</p>
<p>It was suggested that independent assurance of the assurance plan and a comparison to best practice / other companies processes would be helpful</p>	<p>We are planning an external independent review of the assurance plan. This will review the plan against best practice to assist further improvements.</p>



05.

Glossary

TERM	DEFINITION
Annual Performance Report (APR)	Our annual report that we publish to demonstrate compliance with our separate price controls, and our performance against the promises we have made to you.
Assurance	Provides confidence and a level of certainty that a piece of information or data is correct.
Assurance Plan	A plan of the activities that we will carry out to provide assurance on the data, the information and the publications that we provide.
Board	The Board of Yorkshire Water Services Limited is accountable and responsible for the control of the business, its strategy and its decisions. The Board is accountable for the quality of our information and our publications.
Board Audit Committee	Board Audit Committee review the process and controls in place and the level of assurance in place. It reports its views of audit quality to the Board.
Company Monitoring Framework	Ofwat's framework that sets out the way in which companies provide performance information to their customers and stakeholders between 2015 and 2020.
Corporate Governance Code	Also known as the UK Corporate Governance Code, this sets out good standards in relation to board leadership and effectiveness, remuneration, accountability and relations with shareholders.
The Yorkshire Forum for Water Customers (The Customer Forum)	An independent group representing domestic customers, business customers and environmental representatives, including quality regulators. It holds us to account for the quality of our engagement, our plans and meeting the promises we made to our you.
Data Assurance	Processes in place to ensure that the data we produce is accurate.
Data Provider & Data Manager	Data providers have specific responsibilities as part of our data assurance process. They will document the steps we follow to capture, analyse, process and report on our performance. They will then provide this information for inclusion within the publication. The data provider is supported by a Data Manager. The data manager will ensure that the data produced and any supporting explanations align with 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 safeguarding our natural environment, supporting the food and farming industry, and sustaining 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.

TERM	DEFINITION
External Audit (Other)	The independent assurance providers that we procure to review the information that we publish. We work with Halcrow as our operational performance assurance providers. We have also worked with Deloitte and EY. These groups review the information we publish. This can include interviews with colleagues, tracing information back to source data and assessing the quality of our processes.
External Audit: Financial	PwC, our external auditors, provide an opinion on the accuracy of our financial statements.
Financial Incentives / Rewards & Penalties	In our business plan, we consulted with you to set stretching performance commitments. We agreed with you that some of our performance commitments would carry a financial as well as a reputational incentive. The incentives are set to reward performance that beats stretching commitments and penalise performance that falls short.
Internal Audit	Internal Audit is an independent team, governed by international standards, focussing on higher risk areas across the business. They review second line activity and test the design and operation of the controls to ensure accurate information.
ISO 9001 Quality Standard	ISO 9001 is the internationally recognised Quality Management System (QMS) standard. It is the quality management standard that our regulatory reporting process has been externally judged to meet. By being ISO 9001 accredited our regulatory reporting process is considered to consistently provide information that meets customer and applicable statutory and regulatory requirements.
MOSL	Market Operator Services Limited (MOSL). They work with DEFRA, Ofwat and the water companies as part of the Open Water Programme, which is getting the industry ready for the opening of the new non-household retail market when it opens in April 2017.
Ofwat	The Office of Water Services, which 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 want 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. Information on our performance commitments is provided within Appendix A.
PR14	Periodic Review 2014; the Ofwat periodic review of price limits completed in 2014 to set prices for 2015 to 2020.
PR19	Periodic Review 2019; the Ofwat periodic review of price limits to be completed in 2019 to set prices for 2020 to 2025.
Procedures	A document that is completed by the Data Provider and then approved by the Senior Manager to say how we collect the information that we report. This ensures consistency of reporting over the years.

TERM	DEFINITION
Publication Manager	They will review the guidance, design the format of the final report, assign data providers required, develop the timeline for publication, collate all the information, write the publication in Plain English and ensure the publication is delivered on time.
Regulatory, Financial & Legal Oversight	The teams that provide oversight of the publications, regulations and legal obligations. The teams will review the information and the publications to ensure they meet our requirements and meet any guidance that we have.
Retail	Retail services are customer-facing activities such as billing, account handling (payments, debt management, meter reading), customer queries, as well as water-efficiency advice and tackling leaks on customers' pipes.
Risk	An uncertain future outcome that, if it occurs, will have negative effects on the quality of our publications. A risk is assessed both on the probability of it occurring and on the impact should it occur.
Risks, Strengths and Weaknesses Statement	This is an annual document produced following consultation with our customers and stakeholder. 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.
Senior Manager / Director Reviews	Senior Managers will review the information produced, how it has been calculated and any explanation of the results. They will check to ensure that the information is accurate, consistent and meets reporting requirements. They will review that the information is in line with their expectations of company performance and ensure any variance is explained. They will complete a review of other information published internally and externally for consistency.
Senior Manager / Director Self-Certification / Sign Off	Senior managers will be asked specific questions in the annual 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 obtained to make this statement.
Steering Groups	Steering Groups are established to help programme delivery. They will be involved in ensuring 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 should have more assurance to give the confidence that the information is correct.
Wholesale	Wholesale services are the delivery of water via networks of pipes to and from customers' property boundaries, including abstracting, treating and transporting water, as well as collecting, treating and disposing of waste water.
Wider Assurance	Processes in place to ensure that the overall publication meets any guidance and is accessible and easy to understand.

Appendix A.

About us



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

We do this by managing the collection, treatment and distribution of water in Yorkshire, supplying around 1.3 billion litres of drinking water each day. At the same time we also collect, treat and dispose of about one billion litres of waste water safely back into the environment. To do this we operate more than 650 water and sewage treatment works, 120 reservoirs and we look after 83,000 kilometres of pipework.

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

In 2015 we worked with you to identify seven things that you want us to achieve between 2015 and 2020. We called them 'Outcomes for Yorkshire'. These seven outcomes are supported by 26 performance commitments. Our performance commitments are shown on the following page.

Your water bill pays for the successful delivery of those outcomes and commitments, underpinning the service we deliver, so it's right that we should report to you on how we are doing against these. We report our performance against these commitments every year within our Annual Performance Report and our Customer Performance Report.

The seven outcomes



We provide you with water that is clean and safe to drink



We make sure that you always have enough water



We take care of your waste water and protect you and the environment from sewer flooding



We protect and improve the water environment



We understand our impact on the wider environment and act responsibly



We provide the level of customer service you expect and value



We keep your bills as low as possible

Our performance commitments

Customer outcomes

Our performance commitments



We provide you with water that is clean and safe to drink

- Our performance commitments:
- Drinking water quality compliance
 - Corrective actions
 - Drinking water quality contacts
 - Stability and reliability factor - water quality



We make sure that you always have enough water

- Our performance commitments:
- Leakage
 - Water use
 - Water supply interruptions
 - Stability and reliability factor - water networks



We take care of your waste water and protect you and the environment from sewer flooding

- Our performance commitments:
- Internal flooding
 - External flooding
 - Pollution incidents
 - Stability and reliability factor - waste water networks



We protect and improve the water environment

- Our performance commitments:
- Length of river improved
 - Visitor satisfaction
 - Working with others
 - Bathing water quality
 - Land conserved and enhanced
 - Stability and reliability factor - waste water quality



We understand our impact on the wider environment and act responsibly

- Our performance commitments:
- Energy generation
 - Waste diverted from landfill



We provide the level of customer service you expect and value

- Our performance commitments:
- Quality of customer service (SIM)
 - Service commitment failures
 - Overall customer satisfaction



We keep your bills as low as possible

- Our performance commitments:
- Number of people who we help to pay their bill
 - Value for money
 - Bad debt

Appendix B.

Our assurance activities in detail



B1. Assurance already completed in 2016/17

COMPLETED PUBLICATIONS	WHAT IS IT?	COMPLETED ASSURANCE ACTIVITIES
Condition R Compliance Code Statement	This sets out how we demonstrate compliance with Condition R of our licence regarding confidentiality obligations and protecting commercially sensitive information received from, or in relation to, water supply licensees. It also demonstrates our compliance with level playing field. This statement is published annually. It was last published in April 2016. It is available on our website.	<p>Level 1: The Legal department interpreted the guidelines and prepared the draft Compliance Manual for publication. Eversheds were appointed to provide legal advice, review the guidelines and establish a framework for the Compliance Manual.</p> <p>Level 2: Senior Management from the Regulation department reviewed the draft Compliance Manual and made recommendations to the Legal department. A final review meeting was held with the Company Secretary and Director prior to publication.</p> <p>Level 3: External independent assurance was not specifically appointed to this publication.</p>
Price Review 2016	Price Reviews are one of the ways Ofwat sets the price, investment and service package that customers receive. Ahead of the non-household retail market opening in April 2017, there was a specific price review of the non-household retail price controls. This information was sent directly to Ofwat in July 2016. The final determinations are published on Ofwat's website.	<p>Level 1: Named data providers were in place to provide accurate information in line with the guidance.</p> <p>Level 2: As per our data assurance process, we had an accountable senior manager and Director who reviewed the information provided. A PR16 steering group was in place to review the publication against the guidance and against our legal obligations.</p> <p>Level 3: External independent assurance was provided by EY. This review looked at whether the methodology aligned with Ofwat's guidance and whether the data tables had been completed accurately.</p> <p>We obtained a Board Assurance Statement for this publication.</p>
Price Review 2019 (PR19) Cost Assessment	Price Reviews are one of the ways Ofwat sets the price, investment and service package that customers receive. This information was sent directly to Ofwat directly to allow them to create a model for PR19. Information on water was provided in August 2016 and information on waste was provided in October 2016.	<p>Level 1: Named data providers and data managers were in place to provide accurate information in line with the guidance. A publication manager was responsible for ensuring that the timescales for the publication were met and that the guidance was followed.</p> <p>Level 2: Senior Managers and Directors reviewed and signed off the information.</p> <p>Level 3: External independent assurance was provided by Halcrow. They reviewed the information to ensure it had been completed accurately and in line with the guidance.</p> <p>We obtained a Board Assurance Statement for this publication.</p>

COMPLETED PUBLICATIONS	WHAT IS IT?	COMPLETED ASSURANCE ACTIVITIES
Targeted Review on Market Readiness	Ofwat will undertake a targeted review on particular topics. Targeted reviews provide extra visibility of the industry's approach to a particular topic. They allow Ofwat to challenge the industry to improve through gathering intelligence and assessing where companies have not identified or managed their risks. This targeted review was on market readiness ahead of the non-household retail market opening in April 2017. The review was completed in summer 2016. Information was sent directly to Ofwat.	<p>Level 1: Data providers, data managers and a publication manager were identified to compile the information required within the targeted review.</p> <p>Level 2: A Senior Manager reviewed and approved the information within the publication, ensuring it met the requirements of the targeted review.</p> <p>Level 3: External independent assurance was not specifically appointed to this publication. However, reference was made to other Level 3 assurance already used on the Retail Competition Programme from Deloitte, Eversheds and PwC.</p>
Retail Competition Market Entry Assurance Certification (MEAC)	Ahead of the non-household retail market opening in April 2017, we needed to provide the Market Operator Services Limited (MOSL) with information on our ability to operate within the new market. Various documents were submitted directly to MOSL between April 2016 and September 2016.	<p>Level 1: A publication manager was appointed to write the various documents required as part of MEAC. They ensured that the document met the timescales for publication and met the requirements and guidance provided. Data providers were identified to provide information and evidence against the statements.</p> <p>Level 2: Senior Managers reviewed and approved the documentation being submitted.</p> <p>Level 3: External independent assurance was provided by Deloitte on one part of the MEAC. This was chosen on a risk based approach. Deloitte looked at our plans on how we would be compliant with the obligations of the new market.</p>
Interim Financial Statements	Interim Financial Statements are a requirement of our investors and should be read in conjunction with the Annual report of that year. Our Interim Financial Statements are published on our website.	<p>Level 1: Throughout the year, we have accountants perform the day-to-day accounting activities, including maintenance of accounting systems and month end reconciliations. We have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided. A publication manager is assigned. They follow the wider assurance process ensuring that the final document is accurate, accessible and easy to understand.</p> <p>Level 2: Throughout the year, we have management oversight of the accountants activities. This will include monthly reviews of information. A Senior Manager will review and approve the publication.</p> <p>Level 3: External independent assurance was not specifically applied to this publication.</p>

COMPLETED PUBLICATIONS	WHAT IS IT?	COMPLETED ASSURANCE ACTIVITIES
Retail Competition Market Readiness Self-Assessment	Ahead of the non-household retail market opening in April 2017, we needed to provide Market Operator Services Limited (MOSL) with information on our readiness. Regular self-assessments were submitted to directly to MOSL between April 2016 and January 2017.	<p>Level 1: A programme management office was in place. They provided the controls around programme progress and were also identified as the publication manager. Data providers were identified to provide the information and evidence against the statements that needed to be made.</p> <p>Level 2: Senior managers reviewed and approved the documentation being submitted.</p> <p>Level 3: External independent assurance was not specifically applied to this publication. However, reference was made to other Level 3 assurance already used on the Retail Competition Programme from Deloitte, Eversheds and PwC.</p>
Retail Competition Letters of Assurance	Ahead of the non-household retail market opening in April 2017, we needed to provide Ofwat and Market Operator Services Limited (MOSL) with information on our readiness. An Interim Letter on our progress towards April 2017 in October 2016 and a Final Letter confirming our readiness was submitted in January 2017. These Letters of Assurance were submitted directly to MOSL and Ofwat.	<p>Level 1: A publication manager was appointed to write the letter of assurance. They ensured that the document met the timescales for publication and met the requirements and guidance provided. Data providers were identified to provide information and evidence against the statements needed.</p> <p>Level 2: Senior managers and Directors were assigned specific statements being made within the letters of assurance. They reviewed the evidence available and confirmed our readiness.</p> <p>Level 3: External independent assurance was provided by Deloitte. The areas of the programme and the statements that they reviewed as part of this process were identified on a risk based approach. Deloitte reviewed programme progress, programme governance, compliance with the obligations of the new market and compliance with the statements being made. Additional assurance had been provided throughout the programme by Eversheds (level playing field assurance) and by PwC (financial assurance). This assurance also supported this publication.</p> <p>We obtained a Board Assurance Statement for this publication.</p>
Risks, Strengths & Weaknesses Statement	As part of Ofwat's Company Monitoring Framework, we need to complete a risks, strengths and weaknesses exercise to identify the areas where additional assurance will be required. The findings from this exercise are published annually within our risks, strengths and weaknesses statement. This is available on our website. This was last published in January 2017.	<p>Level 1: A publication manager was appointed and data providers were identified to provide information required.</p> <p>Level 2: Senior Managers and Directors reviewed and approved the approach and the final documentation being published.</p> <p>Level 3: External independent assurance was provided by Halcrow. They reviewed the statement and provided recommendations. Their assurance review concentrated on whether the statement met the Ofwat guidance.</p>

COMPLETED PUBLICATIONS	WHAT IS IT?	COMPLETED ASSURANCE ACTIVITIES
Charges Scheme	<p>Every year we publish an indicative wholesale charges scheme, a wholesale charges scheme and a charges scheme. These documents set out our wholesale charges for water and sewerage services to retailers who operate in our region and the charges for customers who receive wholesale and retail services from us.</p> <p>Our standard terms and conditions are included within the documents.</p> <p>All schemes are published annually on our website:</p> <ul style="list-style-type: none"> • indicative wholesale charges scheme was last published 1 October 2016 • wholesale charges scheme was last published 13 January 2017 • charges scheme was last published 1 Feb 2017. 	<p>Level 1: All data inputs into the tariff model were from assured data sources. The tariff model was reviewed and updated. All movements in tariffs were reviewed and bill impacts were assessed, making sure that they were reasonable and were explained. The team providing Level 1 assurance made sure that we remained compliant with the four revenue / price controls and remained compliant with the published charges principles and guidelines.</p> <p>Level 2: There was a tariff steering group, which included internal business experts in regulatory finance, retail services and tariffs. We completed a legal review of the charges scheme booklet. An accountable senior manager and Director reviewed the information provided and approved the final charges.</p> <p>Level 3: External independent assurance was provided. PwC audited the tariff model to ensure calculations were robust and reflected changes in guidelines. Halcrow audited the publication for compliance with charging principles and guidelines.</p> <p>We obtained a Board Assurance Statement for this publication.</p> <p>Internal Audit complete an annual billing audit, to confirm that the tariffs have been included within the billing system correctly.</p>
Non-Household Wholesale Invoicing Timetable	<p>This is a timetable for all the wholesale invoices that we will produce for contracted retailers. This was published on our website in February 2017. It will be updated annually.</p>	<p>Level 1: The Market Codes are a set of rules that we need to abide by in the new market. The Market Operations Team within Regulation will make sure that we are following these rules. The requirements are compared against the calendar for the coming year and the timetable for invoicing is then created.</p> <p>Level 2: Senior Managers will review and approve the timetable.</p> <p>Level 3: External independent assurance is not considered necessary for this publication.</p>

COMPLETED PUBLICATIONS	WHAT IS IT?	COMPLETED ASSURANCE ACTIVITIES
Targeted Review on Asset Health	<p>Ofwat will undertake a targeted review on particular topics. Targeted reviews provide extra visibility of the industry's approach to a particular topic. They allow Ofwat to challenge the industry to improve through gathering intelligence and assessing where companies have not identified or managed their risks. This targeted review will be on asset health. The review will be completed in February / March 2017. Information will be sent directly to Ofwat.</p>	<p>Level 1: Data providers, data managers and a publication manager have been identified to compile the information required within the targeted review.</p> <p>Level 2: A Senior Manager will review and approve the information within the publication, ensuring it meets the requirements of the targeted review.</p> <p>Level 3: We will not specifically apply external independent assurance on this publication. However, reference will be made to information assured by Halcrow through other processes and other publications.</p>
Assurance Plans (Draft & Final)	<p>As part of Ofwat's Company Monitoring Framework, we need to publish our assurance plan for the information that we provide. This is published annually as a draft. We undertake consultation on this draft and then amend based on the feedback obtained. The draft assurance plan will be published in February 2017 and the final assurance plan will be published in March 2017. The plans will be available on our website.</p>	<p>Level 1: A publication manager has been appointed and data providers have been identified to provide information required.</p> <p>Level 2: Senior Managers and Directors will review and approve the approach and the final documentation being published.</p> <p>Level 3: Internal Audit have completed a review of the information contained within the plan.</p>

B2. Our detailed assurance plan for remaining 2016/17 publications

2016/17 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
Annual Performance Report (APR)	This is an annual report, which provides cost information, financial performance and provides information on our performance against our Customer Outcomes and Commitments. The APR allows you to compare the performance of individual companies to the rest of the sector. This will be published in July 2017.	<p>Level 1: The overall document has an assigned publication manager, who follows the wider assurance process ensuring that the final document is accurate, accessible and easy to understand. Supporting publication managers, data providers and data managers are assigned for all the sections within the full APR.</p> <p>Level 2: There is an APR Working Group, which reviews the requirements and makes sure these are being met through the timetable for delivery. A senior manager will review and approve the publication.</p> <p>Level 3: The information used within this document will be assured by PwC and Halcrow. The data assurance process for this publication is certified to the ISO9001 quality standard. The Customer Forum will review the publication for accessibility and make sure it is easy to read.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>
APR Section 1: Regulatory financial reporting	Section 1 of the APR contains our financial statements, including our profit and loss statements, cash flow, income statement and net debt.	<p>Level 1: Throughout the year, we have accountants who monitor and manage the costs within our business. For the publication, we have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided.</p> <p>Level 2: Throughout the year, we have management oversight of the accountants activities. This will include monthly reviews of information. For the publication, we have named senior managers and Directors who review the information provided and undertake reconciliation activities. The publication manager will also ensure that information is provided in line with requirements.</p> <p>Level 3: Throughout the year, Internal Audit have completed a financial and regulatory accounting audit audits on the controls in place for financial accounting. PwC are appointed as our external independent financial auditors. Every year they review the preparation of our accounts against the regulatory accounting guidelines and they complete a cross reference to our statutory accounts.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>

2016/17 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
<p>APR Section 2: Price review and other segmental reporting</p>	<p>Section 2 of the APR provides further detail on our revenue and costs, to allow you to review companies' performance against final determinations. Revenue and costs are split between the price controls and revenue is split further down by customer type.</p>	<p>Level 1: We have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided.</p> <p>Level 2: We have named Senior Managers and Directors who review the information provided and undertake reconciliation activities. The publication manager will also ensure that information is provided in line with requirements.</p> <p>Level 3: Throughout the year, Internal Audit have completed audits on billing, debt recovery, payment processes, procurement processes and on financial and regulatory accounting. PwC are appointed as our external independent financial auditors. Every year they review the preparation of our accounts against the regulatory accounting guidelines and they complete a cross reference to our statutory accounts. Halcrow also provide assurance of the non-financial information in this section.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>
<p>APR Section 3: Performance summary</p>	<p>Section 3 of the APR provides information on our performance against the customer outcomes, our performance commitments and whether our performance is in reward or penalty. This section provides a forecast on our performance to 2020.</p>	<p>Level 1: Throughout the year, we monitor and report on our performance commitments on a monthly basis. Performance is reviewed at the Delivery Assurance Groups and delivery plans are amended as required. For the publication, we have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided.</p> <p>Level 2: Throughout the year, we have management oversight of the performance reporting activities. For the publication, we have named senior managers and Directors who review and approve the information provided. The publication manager will also ensure that information is provided in line with requirements.</p> <p>Level 3: Throughout the year, Internal Audit have reviewed some of the performance commitments as part of their risk based audit plan. External independent assurance is provided by Halcrow on the delivery plans in place for the performance commitments and to confirm that the data presented in the publication was accurate. Extra scrutiny will be provided on a number of our performance commitments, as per our targeted assurance plans.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>

2016/17 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
APR Section 4: additional regulatory information	Section 4 of the APR provides additional information including accounting policies, totex (total operating expenditure) analysis and financial metrics.	<p>Level 1: We have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided.</p> <p>Level 2: We have named Senior Managers and Directors who review and approve the information provided. The publication manager will also ensure that information is provided in line with requirements.</p> <p>Level 3: Throughout the year, Internal Audit have reviewed void households, metering and new connections. For the publication, PwC and Halcrow will review the accuracy of the information presented.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>
Data Assurance Summary	This is an annual summary of the outcome of the assurance that has been carried. This will be published in July 2017 alongside the APR.	<p>Level 1: A publication manager has been assigned. They will follow the wider assurance process ensuring that the final document is accurate, accessible and easy to understand.</p> <p>Level 2: There is an APR Working Group, which reviews the requirements and makes sure these are being met through the timetable for delivery. A senior manager will review and approve the publication.</p> <p>Level 3: Halcrow and PwC will provide input into this document. Internal Audit will confirm that we have included all information as required by any guidance.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>
Customer Performance Report	This is an annual summary of the information within the APR, including the information on our performance commitments. This will be published in July 2017, alongside the APR.	<p>Level 1: A publication manager has been assigned. They will follow the wider assurance process ensuring that the final document is accurate, accessible and easy to understand.</p> <p>Level 2: There is an APR Working Group, which reviews the requirements and makes sure these are being met through the timetable for delivery. A senior manager will review and approve the publication.</p> <p>Level 3: The Customer Forum will review the publication for accessibility and make sure it is easy to read. Halcrow and PwC will assure the information contained within this publication.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>

2016/17 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
Risk & Compliance Statement	This is an annual statement which explains how we have complied with our relevant statutory, licence and regulatory obligations. This will be published in July 2017, alongside the APR.	<p>Level 1: A publication manager has been assigned. They will follow the wider assurance process ensuring that the final document is accurate, accessible and easy to understand.</p> <p>Level 2: There is an APR Working Group, which reviews the requirements and makes sure these are being met through the timetable for delivery. A senior manager will review and approve the publication.</p> <p>Level 3: PwC and Halcrow will review this publication for accuracy in the statements being made and consistency with the information presented within the APR.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>
Annual Report & Financial Statements (statutory accounts)	Statutory accounts are a legal requirement. Within this annual report we communicate our strategy, governance and performance. This document provides performance against our customer commitments set within the context of our Strategic Business Objectives. This is part of our 'integrated reporting' which communicates how we create value for society and shareholders for today and the long term. This will be published in July 2017.	<p>Level 1: Throughout the year, we have accountants perform the day to day accounting activities, including maintenance of accounting systems and month end reconciliations. We have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided. A publication manager has been assigned. They will follow the wider assurance process ensuring that the final document is accurate, accessible and easy to understand.</p> <p>Level 2: Throughout the year, we have management oversight of the accountants activities. This will include monthly reviews of information. A senior manager will review and approve the publication. Monthly reports are provided to the Board for financial and non-financial performance.</p> <p>Level 3: Throughout the year, Internal Audit have completed a financial and regulatory accounting audit on the controls in place for financial accounting, for example reconciliations and journaling. PwC are appointed as our external independent financial auditors. Every year they review that the information presented within our statutory accounts is true and fair based on company affairs and that the accounts have been prepared in accordance with accounting policies. The information on our performance commitments is assured through the Annual Performance Review publication with reviews throughout the year conducted by Internal Audit and external independent assurance provided by Halcrow.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>
PR19 Cost Assessment Data Assessment	Price Reviews are one of the ways Ofwat sets the price, investment and service package that customers receive. This information will be sent directly to Ofwat to allow them to create a model for PR19. The publication is due in July 2017.	<p>Level 1: Named data providers and data managers will be identified to provide accurate information in line with the guidance. A publication manager will be identified to ensure that the timescales for publication are met and that the guidance was followed.</p> <p>Level 2: Senior Managers and Directors will review and sign off the information.</p> <p>Level 3: External independent assurance will be provided by Halcrow. They will review the information to ensure it has been completed accurately and in line with the guidance.</p> <p>We will obtain a Board Assurance Statement for this submission.</p>

B3. Our detailed assurance plan for 2017/18

2017/18 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
Condition R Compliance Code Statement	This sets out how we demonstrate compliance with Condition R of our licence regarding confidentiality obligations and protecting commercially sensitive information received from, or in relation to, water supply licensees. It also demonstrates our compliance with level playing field. This statement is published annually. It will be published on our website in April 2017.	<p>Level 1: The Legal department and Compliance Officer will review the guidelines and prepare a draft Compliance Manual for publication. Eversheds were appointed to provide legal advice, review the guidelines and establish a framework for the Compliance Manual in 2016/17. This will continue to be referred to in the development of the latest statement.</p> <p>Level 2: Senior Management from the Regulation department will review the draft Compliance Manual and make recommendations to the Compliance Officer. A final review meeting held with the Company Secretary and Director prior to publication.</p> <p>Level 3: External independent assurance is not planned for this publication. However, reference will be made to other Level 3 assurance provided as part of the Retail Competition Programme in 2016/17 from Deloitte, Eversheds and PwC.</p> <p>We continue to review our assurance plans on a risk based approach. The retail market opens in April 2017 and therefore this may change our assurance plans for the Compliance Manual in 2018/19.</p>
Risks, Strengths & Weaknesses Statement	As part of Ofwat's Company Monitoring Framework, we need to complete a risks, strengths and weaknesses exercise to identify the areas where additional assurance will be required. The findings from this exercise are published annually within our risks, strengths and weaknesses statement. This will be available on our website. This will be published in September 2017.	<p>Level 1: A publication manager will be appointed and data providers will be identified to provide the information required.</p> <p>Level 2: Senior Managers and Directors will review and approve the approach and the final document.</p> <p>Level 3: External independent assurance will be provided on our approach to customer engagement and how the feedback has been incorporated into the statement.</p>
Assurance Plans (Draft & Final)	As part of Ofwat's Company Monitoring Framework, we need to publish our assurance plan for the information that we provide. This is published annually as a draft. We undertake consultation on this draft and then amend based on the feedback obtained. The next draft assurance plan will be published in September 2017 and the final assurance plan will be published in March 2018. The plans will be available on our website.	<p>Level 1: A publication manager will be appointed and data providers will be identified to provide the information required.</p> <p>Level 2: Senior Managers and Directors will review and approve the approach and the final document.</p> <p>Level 3: External independent assurance will be procured to review the approach and the plans and to ensure the plans address the areas identified through the risks, strengths and weaknesses process.</p>

2017/18 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
Interim Financial Statements	Interim Financial Statements are a requirement of our investors and should be read in conjunction with the Annual report of that year. Our Interim Financial Statements are published on our website.	<p>Level 1: Throughout the year, we have accountants perform the day to day accounting activities, including maintenance of accounting systems and month end reconciliations. We have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided. A publication manager is assigned. They follow the wider assurance process ensuring that the final document is accurate, accessible and easy to understand.</p> <p>Level 2: Throughout the year, we have management oversight of the accountants activities. This will include monthly reviews of information. A senior manager will review and approve the publication.</p> <p>Level 3: External independent assurance was not specifically applied to this publication.</p>
Charges Scheme	<p>Every year we publish an indicative wholesale charges scheme, a wholesale charges scheme and a charges scheme. These documents set out our wholesale charges for water and sewerage services to retailers who operate in our region and the charges scheme for customers who receive wholesale and retail services from us.</p> <p>Our standard terms and conditions are included within the documents.</p> <p>This will be completed in December 2017. It will be published on our website.</p>	<p>Level 1: All data inputs into the tariff model are from assured data sources. The tariff model is reviewed and updated as required. All movements in tariffs are reviewed and bill impacts are assessed, making sure that they are reasonable and explained. The team providing Level 1 assurance make sure we are compliant with the four revenue / price controls and the published charges principles and guidelines.</p> <p>Level 2: There is a tariff steering group, which includes internal business experts in regulatory finance, retail services and tariffs. We will complete a legal review of the charges scheme booklet. An accountable senior manager and Director will review the information provided and approve the final charges.</p> <p>Level 3: External independent assurance will be provided by our external financial auditors on the tariff model to ensure calculations were robust and reflected changes in guidelines. Halcrow will be asked to audit the publication for compliance with charging principles and guidelines.</p> <p>We will obtain a Board Assurance Statement for this publication.</p> <p>Internal Audit will complete an annual billing audit, to confirm that the tariffs have been included within the billing system correctly.</p>

2017/18 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
Targeted Review on Service	Ofwat will undertake a targeted review on particular topics. Targeted reviews provide extra visibility of the industry's approach to a particular topic. They allow Ofwat to challenge the industry to improve through gathering intelligence and assessing where companies have not identified or managed their risks. This targeted review will be on service. The review will be completed between January and March 2018. Information will be sent directly to Ofwat.	<p>Level 1: Data providers, data managers and a publication manager will be identified to compile the information required within the targeted review.</p> <p>Level 2: A senior manager will review and approve the information within the publication, ensuring it meets the requirements of the targeted review.</p> <p>Level 3: We will not specifically apply external independent assurance on this publication. However, reference will be made to information assured by through other processes and other publications. We will involve the Customer Forum in this targeted review.</p>
Annual Performance Report (APR)	This is an annual report, which provides cost information, financial performance and provides information on our performance against our Customer Outcomes and Commitments. The APR allows you to compare the performance of individual companies to the rest of the sector. This will be published in July 2018.	<p>Level 1: The overall document will have an assigned a publication manager, who will follow the wider assurance process ensuring that the final document is accurate, accessible and easy to understand. Supporting publication managers, data providers and data managers will be assigned for all the sections within the full APR.</p> <p>Level 2: There is an APR Working Group, which will review the requirements and make sure these are being met through the timetable for delivery. A senior manager will review and approve the publication.</p> <p>Level 3: The information used within this document will be assured by our external financial auditors and Halcrow. The data assurance process for this publication is certified to the ISO9001 quality standard. The Customer Forum will review the publication for accessibility and make sure it is easy to read.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>
Data Assurance Summary	This is an annual summary of the outcome of the assurance that has been carried out. This will be published in July 2018, alongside the APR.	<p>Level 1: A publication manager will be assigned. They will follow the wider assurance process ensuring that the final document is accurate, accessible and easy to understand.</p> <p>Level 2: There will be an APR Working Group in place, which will review the requirements and makes sure these are being met through the timetable for delivery. A senior manager will review and approve the publication.</p> <p>Level 3: Halcrow and our external financial auditors (currently being procured) will provide input into this document.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>

2017/18 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
Customer Performance Report	This is an annual summary of the information within the APR, including the information on our performance commitments. This will be published in July 2018, alongside the APR.	<p>Level 1: A publication manager will be assigned. They will follow the wider assurance process ensuring that the final document is accurate, accessible and easy to understand.</p> <p>Level 2: There is an APR Working Group, which will review the requirements and make sure these are being met through the timetable for delivery. A senior manager will review and approve the publication.</p> <p>Level 3: The Customer Forum will review the publication for accessibility and make sure it is easy to read. Halcrow and our financial auditors will have assured the information contained within this publication.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>
Risk & Compliance Statement	This is an annual statement which explains how we have complied with our relevant statutory, licence and regulatory obligations. This will be published in July 2018, alongside the APR.	<p>Level 1: A publication manager will be assigned. They will follow the wider assurance process ensuring that the final document is accurate, accessible and easy to understand.</p> <p>Level 2: There is an APR Working Group, which reviews the requirements and makes sure these are being met through the timetable for delivery. A senior manager will review and approve the publication.</p> <p>Level 3: Halcrow and our financial auditors will review this publication for accuracy in the statements being made and consistency with the information presented within the APR.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>

2017/18 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
Annual Report & Financial Statements (statutory accounts)	Statutory accounts are a legal requirement. Within this annual report we communicate our strategy, governance and performance. This document provides our Performance Commitment performance set within the context of our Strategic Business Objectives. This is part of our 'integrated reporting' which communicates how we create value for society and shareholders for today and the long term. This will be published in July 2018.	<p>Level 1: Throughout the year, we will have accountants perform the day to day accounting activities, including maintenance of accounting systems and month end reconciliations. We will have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided. A publication manager will be assigned. They will follow the wider assurance process ensuring that the final document is accurate, accessible and easy to understand.</p> <p>Level 2: Throughout the year, we have management oversight of the accountants activities. This will include monthly reviews of information. A senior manager will review and approve the publication.</p> <p>Level 3: Throughout the year, Internal Audit will complete a financial and regulatory accounting audit on the controls in place for financial accounting, for example reconciliations and journaling. Every year our financial auditors will review the information presented within our statutory accounts and assess that it is true and fair based on company affairs and that the accounts have been prepared in accordance with accounting policies. The information on our performance commitments is assured through the Annual Performance Review publication with reviews throughout the year conducted by Internal Audit and external independent assurance provided by Halcrow.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>
Operational Market Performance Reports	The non-household retail market opens in April 2017. There will be a quarterly report showing how each company is complying with the service level agreements. We will send our information direct to MOSL (Market Operator Services Limited). MOSL will publish the information on a quarterly basis.	<p>Level 1: Throughout the year, we monitor and report on our performance with the service level agreements. We have teams in place to make sure the processes are followed and that we meet our obligations. Performance is reviewed at the Market Performance Hub and plans are amended as required. For the publication, we will have a publication manager and named data providers and data managers who are responsible for providing accurate information in line with any guidance provided.</p> <p>Level 2: Throughout the year, we have management oversight of the performance reporting activities. For the publication, we will have named senior managers who review and approve the information provided. The publication manager will also ensure that information is provided in line with requirements.</p> <p>Level 3: Throughout the year, independent assurance on our processes and on the data available will be undertaken.</p>

2017/18 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
Price Review 2019 (PR19) Assurance	<p>Price Reviews are one of the ways Ofwat sets the price, investment and service package that customers receive. A programme of assurance activity to review our approach to developing the business plan and to assure the information supporting the business plan will take place between April 2017 and September 2018. The business plan will be published in September 2018.</p>	<p>Level 1: The overall document has an assigned publication manager, who follows the wider assurance process ensuring that the final document is accurate, accessible and easy to understand. Supporting publication managers, data providers and data managers will be assigned for all the sections within the Price Review.</p> <p>Level 2: There is an Price Review Steering Group, which reviews the requirements and makes sure these are being met through the timetable for delivery. Senior managers and Directors will review and approve the information contained within the publication and the overall publication itself.</p> <p>Level 3: Information will be assured by various assurance providers. This will include our external financial auditors and Halcrow. Other specialist assurance providers will be procured as required. The Customer Forum will review the findings of the assurance processes and will review the publication for accessibility and make sure it is easy to read.</p> <p>We will obtain a Board Assurance Statement for this publication. This will be in 2018/19.</p>



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