

# Improving outcomes for customers

Our service commitment plan

November 2023



# Introduction

## Why are we publishing a service commitment plan?

The water sector operates in 5-year funding cycles, known as Asset Management Periods (AMPs). The current AMP, known as AMP7, runs from 2020 to 2025.

Prior to each five-year AMP, our business plan is assessed by our regulators, including Ofwat. As part of that process we make performance commitments, which are levels of performance we are incentivised to achieve, and there are automatic penalties if we do not.

We engaged with over 30,000 customers to develop a package of 44 performance commitments for 2020 to 2025, which align with our ambitions and challenge us to change the way we work to meet both customers' expectations and the complex long-term challenges that we face as a business.

On some of these commitments, we aren't meeting the targets we set, and we have been speaking with Ofwat about the action we are taking to improve outcomes for our customers in the short-term.

We are publishing this service commitment plan to reassure customers and stakeholders that our performance does continue to improve, we understand the areas where we are underperforming and that we have plans in place to improve performance.

## What does this plan show?

This service commitment plan looks at each area where Yorkshire Water's performance has been identified by Ofwat as 'lagging' and sets out:

- where we are now
- what is affecting our performance
- our plan to improve performance
- the confidence we have in our plan for that area.

We have also provided details on our wastewater enhancement expenditure, and how we are delivering our commitments under the Water Industry National Environment Programme (WINEP).

This document replaces the previous action plan we published in February 2023.

The combined output of all the actions in the plan will enable us to continue to improve our performance for the remainder of this AMP (2020 to 2025) and provide a good foundation to drive further improvements in the next AMP (2025 to 2030).

# Our performance within 2020 to 2025

## Review of the current Asset Management Period (2020 to 2025)

Our customers rightly expect that we will achieve the performance commitments we made.

We are now three-quarters of our way into the fourth year of this five-year AMP period (2020 to 2025), and we have been unable to meet some of our commitments. The extremely tough external environment over the past four years, including a pandemic, cost pressures on energy and chemicals, as well as long periods of dry weather followed by freeze-thaw events, means that we have faced a challenge improving performance in a sustainable and efficient way while attempting to remain in line with allowances.

That doesn't mean that we have struggled across all of our commitments, and in many areas we are exceeding our targets, benefiting the Yorkshire Water region and customers. Our published annual performance report provides more information on performance against our regulatory targets. You can see our annual reports here: <https://www.yorkshirewater.com/about-us/reports/>

In areas where we aren't yet hitting our targets, we are forecasting some improvement and some deterioration in the very short-term, which we then expect to stabilise and then maintain over the remainder of AMP7 (2020 to 2025).





In many of the most important areas we continue to see year-on-year improvement in performance. Looking forward we are forecasting that we can continue to demonstrate positive trajectories in underlying performance even if we have not been able to achieve the tremendously stretching targets set.























# Ofwat's Water Company Performance Report

Annually, Ofwat publish a Water Company Performance Report. This presents Yorkshire Water's performance alongside that across the wider industry. Within the report, Ofwat assess each company as either leading, average or lagging, based on performance against targets. This year Ofwat has not categorised any companies as 'leading'. It rated ten companies as 'average' and seven as 'lagging'. Yorkshire Water has been classed as a lagging company.

This service commitment plan responds to the areas where our comparative performance is below target in 2022/23. The table here shows that we are predicting improvement in our performance in the majority of areas. More information on our plans to address performance for the areas below our commitment level is included in the following pages.

**Key**

-  At or better than PC level
-  Poorer than PC level
-  Improve or maintain
-  Decline

Performance Commitment (PC)	Customer Satisfaction (C-Mex Rank)	Priority Services (% Reach)	Leakage (MI/d)	Per Capita Consumption (l/h/d)	Supply Interruptions (mins:secs)	Water Quality (CRI score)	Mains Repairs (per 1,000km of mains)	Unplanned Outage (%)	Internal Sewer Flooding (per 10,000 sewer connections)	Pollution Incidents (per 10,000km sewer)	Sewer Collapses (per 1,000km of sewer)	Treatment Works Compliance (%)
Actual 2021/22												
Actual 2022/23												
Projected estimates 2023/24												



# Improving performance over the long-term

## Looking further ahead

While the focus of this action plan is to improve performance within AMP7 (2020 to 2025), we are also aware that consistently achieving better outcomes requires a longer-term approach, with significant investment and changes to our working practices.

We have therefore made progress on longer-term actions which will help continue to improve our performance. For example:

- A thorough refresh of our company strategy, to focus on our customers and the environment and setting out our ambition over the next 10 years.
- Development and publication of our long-term strategy to 2050, which sets out our longer-term intentions with respect to service improvement.
- Implementation of a major modernisation programme to focus on improved planning and scheduling of our field teams, and to move us to more proactive rather than reactive asset management.
- A Performance Excellence programme throughout the business ensuring that we are all pulling together every day, with a clear escalation route for ideas for improvement from every area of the business.
- A large investment programme supported by our shareholders to improve the health of our bathing waters and high priority river sites over the next seven years.

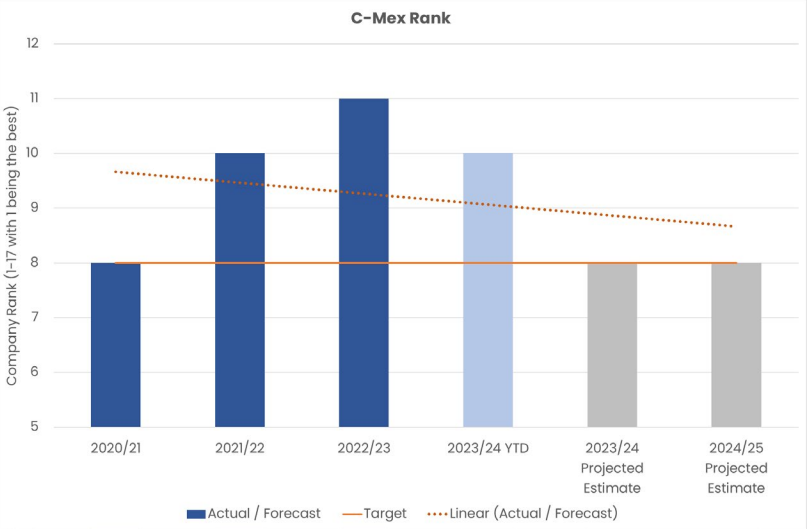


# Our service commitment plan



YorkshireWater

# Customer Satisfaction



Note: No specific target was set for this performance commitment, but we consider that we have met this performance commitment if we are in the top half of companies and therefore in reward.

YTD = Year to date (April 2023 – September 2023)

The Customer Measure of Experience (C-Mex) metric is designed to measure how satisfied our household customers are with the level of service we provide. It's calculated from two surveys in which customers can rate their experience: the Customer Satisfaction Survey and the Customer Experience Survey. This is a new measure for AMP7 (2020 to 2025) and so there is no further historical information available. We are ranked against 16 other water companies with 1<sup>st</sup> place being the best performance and 17<sup>th</sup> place being the bottom.

### Where are we now?

In 2022/23 we were ranked 11<sup>th</sup>. In 2022/23 there was a fall in customer satisfaction across most companies and customer satisfaction is now currently lower for all companies than it was in 2020/21. We need to take steps to improve our performance and to resolve customer issues quickly and accurately. We are striving to be ranked 8<sup>th</sup> in 2023/24 and 2024/25. At the end of quarter 2 (half way through 2023/24), we were ranked 10<sup>th</sup>, which is an improvement from our 2022/23 performance at present but is still not where we want to be.

### What is affecting our performance?

C-MeX underperformance is primarily driven by ineffective resolution or poor communication for customers with service issues. This mainly impacts our operational service (rather than the billing service which has stronger performance), and particularly for issues within our wastewater service.

### What is our plan to improve performance?

Our action plan seeks to address this by ensuring we have the right people with the right skills to resolve issues, enhancing our capabilities in areas such as online issue reporting and tracking, and delivering process improvements to streamline customer journeys that span multiple teams. We are confident that improvements to service journeys will deliver benefits for customers who contact us regarding an issue. We are working hard to improve satisfaction through operational resolution times and communication channels. We will then build on this foundation to move toward an upper quartile position by 2030. The identified activities will continuously improve end-customer experience as they are rolled out, delivering a positive impact for customers.

### What is our confidence in our plan?

We are confident that improvements to service journeys will deliver benefits for customers who contact us regarding an issue. Whilst we are confident those improvements will be made, there is a risk that our C-Mex score may take longer to change due to the methodology placing significant emphasis on perceptions of our performance.

# Customer Satisfaction Action Plan

Theme	Action	By	Importance
<b>Making it easier to contact us the way customers want to contact us</b>	Continue to increase online self-service options allowing customers to interact in their channel of choice and giving customers end to end visibility of their job progress from report through to resolution without needing to call us. Six journeys are now live with another two due before the end of March 2024.	Mar-24	<b>Extremely</b>
	Improve the time to answer the phone, aiming for 70% of all calls to be answered within two minutes.	Mar-24	<b>Extremely</b>
	Implement new case management system for billing, simplifying and automating customer journeys	Dec-23	<b>Critically</b>
<b>Manage expectations and improve communication and service</b>	Training for all scheduling colleagues on customer communications through the journey, keeping customers informed of any changes or delays	Dec-23	<b>Critically</b>
	Remove all private work from wastewater allowing more capacity for Yorkshire Water work	Mar-23	<b>Extremely</b>
	Improve the speed of resolution of complaints	Mar-24	<b>Extremely</b>
	Improve communication and engagement with customers impacted by our operational work.	Mar-24	<b>Extremely</b>
	Embedding a Performance Excellence organisational culture, which will motivate colleagues to continuously identify and deliver improvements that directly benefit customers.	Continuous improvement	<b>Critically</b>
<b>Modernisation</b>	Innovate, identify, test, learn and deploy improved ways of working to drive productivity, specifically looking at the primary source of customer driven work and improving response times with the aim to improve the customer experience overall.	Mar-25	<b>Extremely</b>



# Priority Services Register (PSR)

The Priority Services Register (PSR) is a free service provided to customers in vulnerable circumstances. This can be a situation which is temporary or permanent and impedes a customer's ability to access or benefit from our services.

This performance commitment has three elements that are measured and reported separately, however all three must be achieved to pass the performance commitment overall. It is made up of these three measures:

1. PSR reach (PSR) reach: percentage of households that the company supplies with water and/or wastewater services that are registered on the company's PSR.
2. Actual contacts: percentage of distinct households on the PSR that the company has attempted to contact over a two-year period;
3. Attempted contacts: percentage of distinct households on the PSR that the company has actually contacted over a two-year period.

## Where are we now?

We met the target for one of the elements, attempted contact, within this performance commitment in 2022/23. Unfortunately, we didn't hit our other PSR targets in 2022/23. Our performance has improved. We've recently added all customers over 85 and performance is currently at 8.4% against our 9.1% target for PSR reach.

## What is affecting our performance?

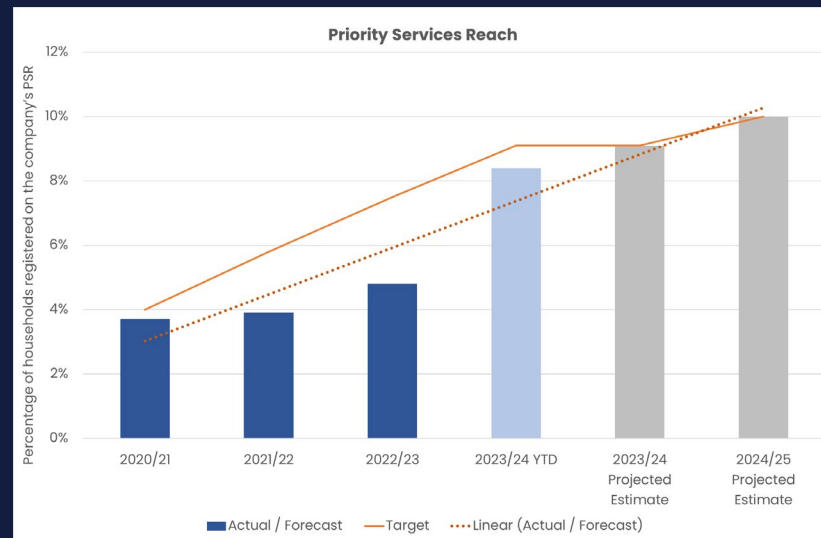
We are aware that it isn't easy for customers or colleagues to add new PSR claims.

## What is our plan to improve performance?

We continue to offer PSR sign-up to anyone who contacts us and shows a need, as well as delivering several campaigns a year through media channels to encourage relevant customers to sign-up. This messaging is also included in our annual billing, as well as during community outreach and partnership work. Data sharing with energy DNOs across the region is on track for 2023/24 and will be an enabler for increasing performance once embedded.

## What is our confidence in our plan?

By using our action plan to build a more robust incident management process, we can be confident that we are meeting the needs of PSR customers. We are confident we will achieve our target in 2023/24 and 2024/25.

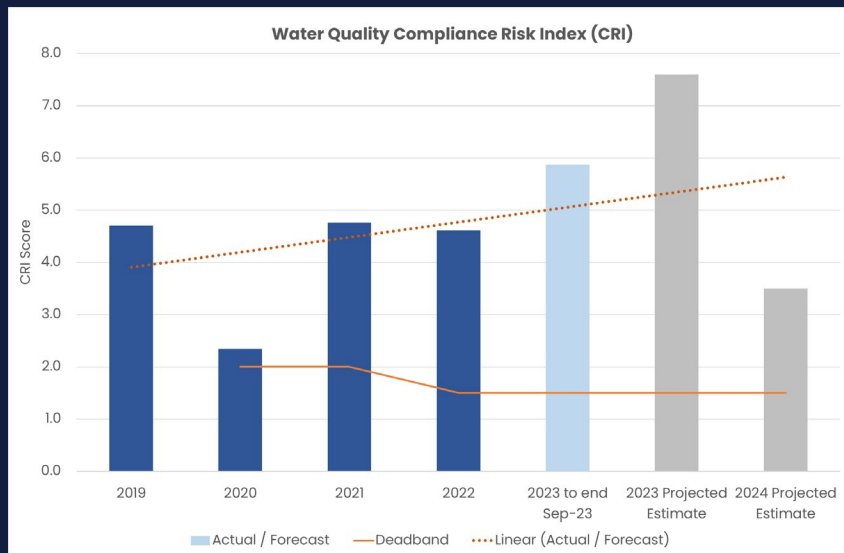


YTD = Year to date (April 2023 – October 2023)

# Priority Services Register Action Plan

Theme	Action	By	Importance
<b>Reach</b>	Train all front line field teams and partners to spot vulnerability and offer a doorstep PSR sign up service	Jun-4	<b>Extremely</b>
	Continue to work with the cross-industry groups to maximise the data sharing with Distribution Network Operators, which we embedded in Q1 2023-24. By end March 2024, we understand that the energy suppliers will also be in a position to share data with water companies. Also continue to support phase 2 of the energy data sharing programme in which we are scoping solutions for managing the data exceptions all companies are experiencing since commencing data sharing. This aims in 2024-25 to move towards an industry-wide data sharing solution.	Mar-25	<b>Critically</b>
	Ensure all WaterSure medical customers are included within the Priority Services Register	Mar-24	<b>Extremely</b>
	Continued advertising of services through media and community engagement work.	Ongoing	<b>Very</b>
<b>Satisfaction</b>	Build a more robust model for temporary alternative water supplies during an incident.	2025 to 2030	<b>Critically</b>

# Drinking Water Quality Compliance



Note: The performance commitment target is set at an aspirational level because no level of exceedance of water quality standards can be considered acceptable. The target is 0.00 across 2020 to 2025. The underperformance deadband is shown on this chart rather than the 0.00 target. Deadbands are a specified range of performance levels where a penalty payment is zero.

YTD = Year to date (January 2023 – September 2023)

We test water samples to determine water quality, and the results give us a Compliance Risk Index (CRI) score. A lower score is better. The Water CRI is a measure designed to illustrate the risk arising from treated water compliance failures and does not focus solely on health impacts. Issues such as taste and odour also affect the CRI. CRI is reported on a calendar year basis.

## Where are we now?

In 2022, our performance was 4.61, against an average sector performance of 3.57, and although it wasn't where we wanted to be, it was encouraging to see an improvement from 4.76 the previous year. Contribution to overall CRI impact in 2022 was spread over several parameters, with the largest individual proportion of impact related to water treatment works coliform detections.

Performance has deteriorated in 2023, primarily due to three non-health impacting (no threat to human health) coliform detections at Chellow Heights water treatment works. There has been a lot of investment at Chellow Heights water treatment works. We've continued with the on-going innovations to improve raw water selection, we've improved raw water sampling monitoring, we've been continuing with a filter upgrade scheme (started in 2021 and expected to run through to 2025), we've put in additional enhanced on-line monitoring, we've got more targeted in process sample monitoring, and we've reinforced the disinfection process. We've also asked Cranfield University to undertake some fundamental research on the issues that we found. All this investment should prevent recurrence.

## What is affecting our performance?

Coliform detections have driven large deteriorations in our CRI scores. Clarity and odour issues are the next drivers in deterioration of performance. Improvement schemes are planned for AMP8 (2025 to 2030). Issues with water quality are being managed through reactive investment to the end of March 2025, ahead of new schemes for AMP8 (2025 to 2030). Despite a higher than anticipated number of sample failures, we have seen good performance on reducing Drinking Water Quality Contacts.

## What is our plan to improve performance?

We will deliver quality and base improvements by the end of March 2025, as detailed on the next page. These are across our water treatment sites and the water supply network. We are forecasting an improvement in our performance in 2024.

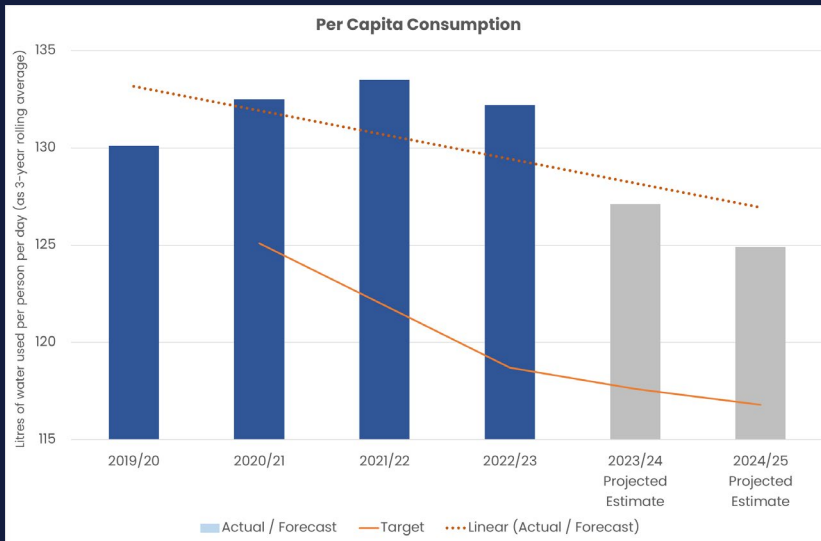
## What is our confidence in our plan?

Improving water quality compliance is at the core of our water quality ambition and our long-term strategy, although it will take time for our improvements to have an impact. We are forecasting an improvement in our performance in Year 5, but we are not yet forecasting to meet the target or move under the deadband set.

# Drinking Water Compliance Action Plan

Theme	Action	By	Importance
<b>Targeted programme of ongoing interventions</b>	Deliver on the current programme of Drinking Water Inspectorate (DWI) legal instruments and quality outputs for 7 Water Treatment Works (WTWs) to reduce crypto (2 sites), taste & odour (3 sites) and disinfection by-products (5 sites)	Mar-25	<b>Extremely</b>
	Deliver on the current programme of DWI legal instruments and quality outputs for discolouration across 16 Water Supply Zones to reduce discolouration contacts and the subsequent complaints	Mar-25	<b>Extremely</b>
	Deliver on the current programme of DWI legal instruments and quality outputs for resilience to protect integrity of treatment processes and prevent unplanned outage (14 sites)	Mar-25	<b>Extremely</b>
	Deliver on the current programme of DWI legal instruments and quality outputs for clean water process tanks and reservoirs to improve resilience and reduce ingress (850 tanks), this will also target improving bacterial failures	Mar-25	<b>Extremely</b>
	Our drinking water safety planning led barrier approach has highlighted assets which we are investing in to improve performance and mitigate against WQ compliance risk – such as the refurbishment of Rapid Gravity Filters (RGFs) at 6 WTWs, chemical dosing improvements, rebuild of Boston Park service reservoir, trunk main conditioning for discolouration and replacement of mains where WQ parameter exceedance is highlighted in the network.	Mar-25	<b>Very</b>
	The 'Water Quality at Heart' programme – a maintain and enhance programme covering awareness & communication, training & capability, policy & process, and assets & performance.	Ongoing continuous improvement	<b>Very</b>
<b>Longer term strategy and improvement</b>	Submission and enacting our AMP8 (2025 to 2030) and long term water quality statement provided to the DWI on 31 <sup>st</sup> January 2023, followed by our lead strategy in March 2023.	Commence 2025	<b>Critically</b>
	An increased mains renewal programme within our AMP8 (2025 to 2030) submission to target multiple benefits to asset health and improve both iron and aesthetic failure in our distribution network	Commence 2025	<b>Critically</b>

# Per Capita Consumption (PCC)



Per Capita Consumption (PCC) is a measure of how much water the average person uses each day. We have targets to reduce water usage each year from our 2019/20 reported baseline level. Our baseline is calculated as an average of 2017/18, 2018/19 and 2019/20 performance expressed in litres per person per day (l/p/d) and only covers household usage.

## Where are we now?

Covid-19 changed the way we live and work with a direct impact on per capita consumption. The targets set pre Covid-19 are no longer achievable, but we do expect to see a reduction in the next three years and have a focus on this important topic, engaging with both customers and government.

At the end of 2022/23, our three-year rolling performance is 132.2 l/h/d. This is equivalent to a 3.1% increase from our baseline of 128.2 l/h/d, or 4 l/h/d in absolute terms. This does not meet our target of a 7.4% reduction compared to our baseline. When comparing performance across the industry, our three-year average of 132.2 l/h/d is the lowest in the industry and so whilst we may not be hitting our ambitious pre-Covid target, we are performing at the frontier of the industry. The average PCC across the water industry in 2022/23 was 145.5 l/h/d.

If we look at our annual performance, PCC in 2022/23 was 123.9 l/h/d, a reduction from the 131.5 l/h/d recorded in 2021/2022 and this annual performance is lower than the baseline years. The reduction in consumption compared with the previous year could be a result of a reduction in unemployment and more people returning to offices following the COVID-19 pandemic as well as continued delivery against our water efficiency strategy.

## What is affecting our performance?

Residential use given Covid-19 and the rise in home working has increased. The high temperatures during the summer of 2022 also meant much higher daily demand – indeed the highest we have seen for two decades.

## What is our plan to improve performance?

Our plans to reduce the three-year rolling PCC back to our baseline of 128.2l/p/d by 2025 include implementing household flow regulators on new developments and offering them to domestic meter optants and households with high pressure.

## What is our confidence in our plan?

While we are confident in our own actions, a step-change in use of water will ultimately require a national campaign with Government support in communications and policy change. Overall, linking the use of water efficiency products and services with improved customer access to their water usage information will provide the foundations needed to effectively communicate, educate and innovate with our customers on water use reduction so we can achieve our longer term 2050 ambitions.



# Our Water Efficiency Strategy

## 2020 to 2025 Delivery

- Water efficiency home audits inc. education on water saving
- AMI rollout in six DMA's across Yorkshire
- Trial of flow regulators on metered customers and wider roll out in Year 4 & Year 5, if benefits are realised
- Introduction of Water Efficiency content in current YW education programme
- Improved analysis of unmetered customer consumption on the Domestic Consumption Monitor Sample
- Collaborating with Developer Services on environmental incentive for new builds.



## 2025 to 2030 Strategy

- Explore opportunity to incentivise customer usage reduction
- Water efficiency techniques included in YW design standards for new build assets
- Growing and improving metering to enable changing the YW tariffing structure to encourage water usage reductions
- Mandatory water labelling
- Collaborate nationally on water efficiency comms to improve water usage reductions
- YW offers retro-fit with water efficiency techniques to improve our water usage across the business

# Water Supply Interruptions

Water Supply Interruptions measures the average time each property is without a water supply for interruptions lasting more than three hours. We report this in hours, minutes, and seconds.

## Where are we now?

As you can see from the graph on the left of this slide, we have had two challenging years on interruptions, but we are forecasting improvement as we approach the end of March 2025.

## What is affecting our performance?

A number of highly impacting events in 2021/22 caused nearly 50% of reported interruption impact in the year. Throughout the summer, the volume of network failure events requiring an emergency response due to loss of water supply was high, this trend reflected each month seeing the highest, or second highest volume of emergency orders raised due to customer impacting events.

2022/23 continued to be challenging and again large impacting events (nine in total in 2022/23) accounted for 3 minutes and 8 seconds of this performance. The largest of these events was a trunk main burst in Ripon, where 4,013 properties lost supply for more than 3 hours with 1,449 of these suffering a loss of supply of over 12 hours. The impact of this event alone across Yorkshire's 2.4 million properties was to add 1 minute and 3 seconds to our customer minutes lost performance for the year.

For 2023/24 to date, while we have experienced a similar level of large impacting events, none of these have been on the scale of the event last year at Ripon. The largest event this year to date is at Huddersfield which has contributed 27 seconds to customer minutes lost performance. However, this year we have had a number of events which contribute 10-30 seconds to our performance (particularly in May when the soil moisture deficit was very high). Our business plan for 2025 to 2030 includes substantial increases in our mains replacement run rate to help manage these occurrences. We have been working hard to identify the causes of long outages where there is a burst and take action on each of those root causes. The result has been that bursts later in the year are generally leading to fewer lost seconds for customers.

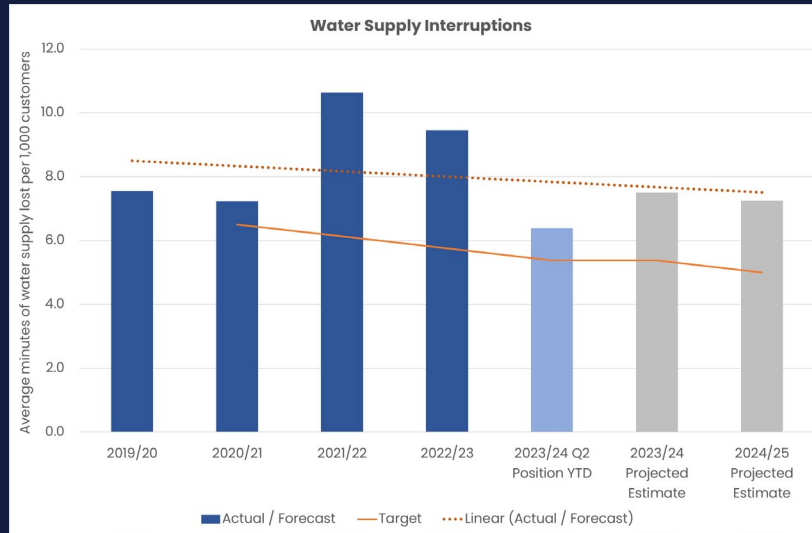
## What is our plan to improve performance?

We will deliver on our smart calm resilient networks plan, and changes to our field ways of working by the end of March 2025. This plan complements improvements in leakage and mains repairs. Operational interventions have been made to enhance incident response and mitigate the impact of significant network asset failure.

## What is our confidence in our plan?

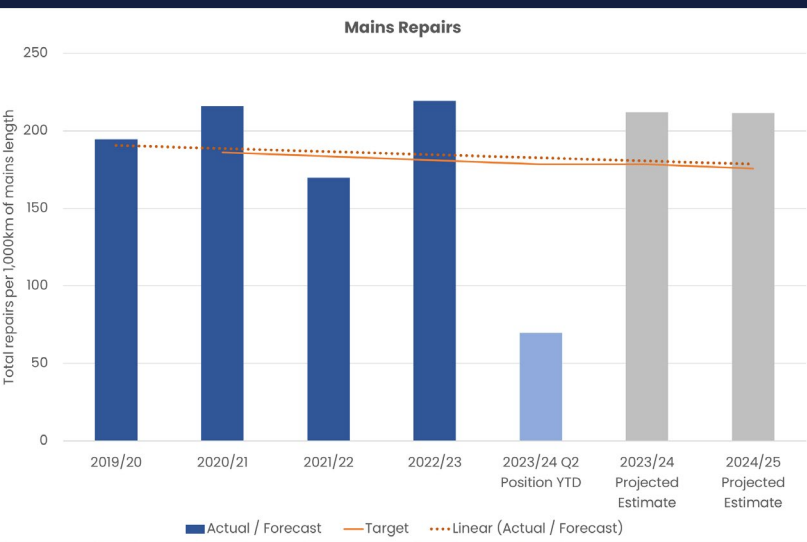
Weather can have a significant impact on our performance, and we work hard to be resilient to weather events. However, with the winter months and expected storms still to come, there is a risk that our end of year performance position outturn might be higher than our current projected estimate.

In addition to the actions underway, we do recognise the need to deliver sustainable long-term improvement in our distribution network assets, therefore in our AMP8 (2025 to 2030) submission we are proposing an enhanced mains renewal programme to improve resilience and provide benefits to supply interruptions, leakage, asset health and water quality.



YTD = Year to date (April 2023 to September 2023)

# Leakage and Mains Repairs



YTD = Year to date (April 2023 to September 2023)

Leakage measures the amount of water lost between our treatment works and our customers' taps. Mains repairs measures the number of reactive and proactive pipes we repair each year per 1,000km of pipe.

### Where are we now?

Our leakage target represents a percentage reduction against the baseline leakage level. We have achieved our targets in the first three years of AMP7 (2020 to 2025) with a year-on-year reduction in total leakage in megalitres per day (Ml/d). This compares with only about half of the companies in the industry achieving their leakage performance commitment levels in 2022/23 and most companies saw an increase in leakage in Ml/d compared to 2021/22. We are forecasting to achieve a 11.7% reduction from the baseline in 2023/24.

We have 32,267km of water pipes. Mains repairs performance can be determined heavily by environmental factors and our continued efforts to reduce leakage contributes to the number of mains repairs that we make. Most companies failed to achieve their targets for mains repairs in 2022/23 with companies reporting that the weather conditions in 2022/23 – a hot, dry summer and freeze thaw in winter – led to higher numbers of mains bursts than normal.

### What is affecting our performance?

Significant issues occurred on our distribution network in summer 2022 as a result of the exceptional dry weather and drought. In December 2022 a significant freeze-thaw event led to an additional 1,000 mains repairs being required in a two-week period to protect customer supplies and reduce leakage. Our performance in 2023/24 has improved, with less reactive mains repairs and increased leakage reduction compared to 12 months ago.

### What is our plan to improve performance?

We're confident in our ability to maintain a steady trajectory towards the 15% reduction in leakage by delivering on our smart calm resilient networks plan, and enhancing our approach to Active Leakage Control (ALC) by the end of March 2025 (detailed on next page). This will enable us to continue to achieve our leakage target in 2023/24. At present, we are forecasting to achieve 13.7% reduction in leakage by the end of 2024/25, compared to the 15% target. This plan complements improvements in Water Supply Interruptions too.

Our pressure management optimisation and intelligent control deployment is helping us control the level of mains repairs and reactive failures whilst reducing leakage.

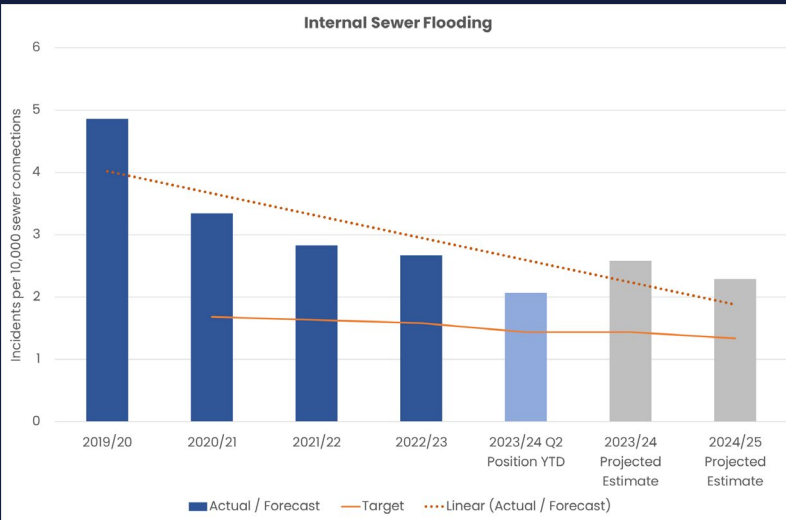
### What is our confidence in our plan?

We will be adopting new tools, technology and ways of working for some of our most problematic areas. Planning work already completed has informed our approach to investing in a number of significant projects.

# Water Supply Interruptions, Leakage and Mains Repairs Action Plan

Theme	Action	By	Importance
<b>Targeted programme of network interventions</b>	Additional network pressure monitoring and optimisation through the installation of 1,200 smart pressure control devices and alert tools to help reduce interruptions in turn supporting improved response and recovery where they do still occur. The objective is to reduce the number of mains repairs, leakage and supply interruptions through these installations.	Dec-23	<b>Extremely</b>
	We're investing £10m from our Smart Networks and Metering programme in additional pressure management to reduce network failures and reactive mains repairs which impact on customers.	Mar-25	<b>Extremely</b>
	Enhancing our Active Leakage Control (ALC) in troublesome DMAs through new ways of working with technology and service partners to reduce network failures and leakage to new low levels in 60 DMA's.	Mar-25	<b>Extremely</b>
	We're improving data elements of the leakage calculation to enhance leakage reporting, DMA targeting and selection including working collaboratively on an industry Club Project with SME Water; Paradigm Project.	Mar-25	<b>Extremely</b>
<b>Network field resources</b>	Consolidation of all field resource into one area is expected to create further improvements with a review of all Networks staff underway to improve availability and response times. Improved ways of working through water network modernisation ensuring the network and colleagues are available to respond to customers when they need it. Target of 30 seconds improvement in supply interruptions.	Mar-24	<b>Very</b>
<b>Smart Metering</b>	As of September 2023, all meters being installed are smart, with currently ~35K smart meters installed. We have developed the capabilities to understand customer side leakage and are implementing the processes to reduce leakage through the data provided by smart meters. Smart meter data will also be used to enhance consumption and night use models	Commence 2023	<b>Extremely</b>
<b>Longer term strategy and improvement</b>	An increased mains renewal programme within our AMP8 (2025 to 2030) submission to target multiple benefits to asset health and reduce leakage, mains repairs and interruptions will improve our resilience, mitigate risks and improve performance	Commence 2025	<b>Critically</b>
	A site and location specific water resilience programme within our AMP8 (2025 to 2030) submission to target areas vulnerable to asset outage, mains failure and external shocks will enable us to mitigate the risks associated with supply interruptions and improve performance to the median position within AMP8 (2025 to 2030).	Commence 2025	<b>Critically</b>

# Internal Sewer Flooding



YTD = Year to date (April 2023 to September 2023)

Internal flooding is when an escape from the sewerage system enters a building or passes below a suspended floor. This measure reports the number of internal sewer flooding events each year per 10,000 sewer connections (there were 2,363,300 sewer connections reported in 2022/23). This measure does include events that are caused by severe weather.

## Where are we now?

Though we have seen an improvement in the number of internal sewer flooding events, we have not made sufficient improvement to reach the required target.

## What is affecting our performance?

We have been working with water companies facing similar challenges to better understand the root causes behind our similar levels of performance, including assessing the relevance of any geographical or network factors. We know that we have a high proportion of properties with cellars in our region compared to other companies and approximately 69% of our internal sewer flooding occurs in these properties. We also know that the source of flooding is predominantly from the combined sewer and in Yorkshire we have one of the highest combined sewer to foul sewer ratios. It is harder to prevent flooding on the combined system. As well as these factors, the weather can have a significant impact on our performance. We work hard to be resilient to weather events.

## What is our plan to improve performance?

We will continue to prioritise investment in pursuit of improved performance in this area.

Achieving the performance commitment level for internal sewer flooding is central to our 2025 to 2030 plans and we have high confidence that, if supported, the delivery of those plans will see us achieve this goal by the end of 2030.

## What is our confidence in our plan?

We have spoken to the better performers in the sector to share best practice and where transferable have adopted the ways of working. This provides us with confidence that several approaches we are introducing have proven effective elsewhere.

The chart shows our performance for the year to date. It can be seen that storms have already had an impact on performance and we are still to go through the main winter months.



# Internal Sewer Flooding Action Plan

Theme	Action	By	Importance
<b>Monitoring, modelling and inspections</b>	Proactive sewer inspection, cleaning and defect resolution. This is an annual ongoing activity. In Year 4, we are aiming to proactively inspect and, where required, cleanse and resolve defects on 90,000 properties using data led approach to target high risk areas, with an additional 40,000 properties to be surveyed and 40,000 properties revisited for flushing in Year 4.	Mar-24	<b>Critically</b>
	Installation and embedding the improvement of 40,000 close to property loggers to identify blockages forming and enable proactive maintenance work. Targeting of properties for enhanced level of investigation/rehabilitation, using innovation and customer sewer alarm (CSA) installations and use of CSA alarm analytics to aid efficiency in monitoring.	Jun-24	<b>Critically</b>
	Reduce response times from our current performance to improve the customer journey.	Mar-25	<b>Extremely</b>
<b>Cleaning, maintenance and first time fix</b>	350,000m of sewer cleansing on lengths of sewers targeted at risk of Pollution, ISF & ESF as part of a desilt programme.	Mar-24	<b>Extremely</b>
	We are commencing a data led approach to ensure poorly performing lateral drains (including assets which were transferred into Yorkshire Water's ownership in 2011) are targeted with appropriate maintenance.	Dec-24	<b>Very</b>
	Business process improvement with a continued focus on first time fix of internal sewer flooding events and prevent repeats.	Mar-25	<b>Very</b>
	Fast track civils repair process with Repair and Maintenance partner to avoid repeats.	Dec-23	<b>Very</b>
<b>Modernisation</b>	Innovate, identify, test, learn and deploy improved ways of working to drive productivity, specifically looking at the primary source of customer driven work, improving response times and removing internal silos, with the aim to improve the customer experience overall.	Mar-25	<b>Extremely</b>
<b>Education</b>	Customer engagement campaigns to educate our customers on sewer abuse.	Mar-24	<b>Extremely</b>
<b>Private Demand Reduction</b>	An optimised process designed to remove demand created in relation to failures on private non-YW assets and network. Enabling the reinvestment of resources in proactive maintenance activities and a reduction of response times to ISF	Ongoing	<b>Extremely</b>

# Pollution

Pollution performance is reported as the number of incidents per 10,000km of sewer. The sewer length used to calculate this performance is 52,292km.

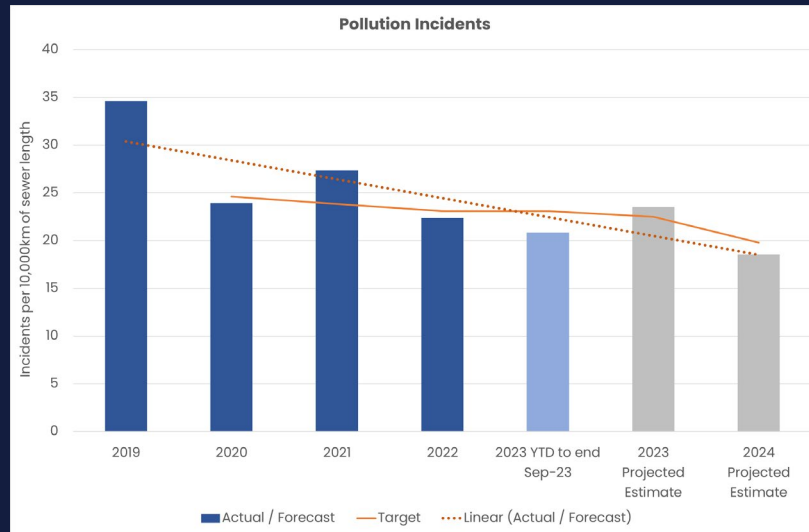
After a difficult 2021, we outperformed our performance commitment target in 2022 and delivered a 19% improvement on the previous year's performance. Yorkshire was only one of five companies to have achieved the performance commitment level for pollution incidents in 2022. Our performance of 22.39 in 2022 was better than the industry average of 30.82. Our Environmental Performance Assessment rating improved from 2 stars in 2021 to 3 stars in 2022.

Overall, we have delivered a 78% improvement in serious pollution over the past 5 years and are on track to deliver a 49% reduction in all pollution by the end of 2025.

Our Pollution Incident Reduction Plan (PIRP) is published on the Yorkshire Water website and regularly reviewed with the Environment Agency. Please see our website for more information: <https://www.yorkshirewater.com/environment/pollution/>

Although our pollution performance in 2022 is not considered 'lagging' in Ofwat's Water Company Performance Report, we have had some challenges from the start of 2023 and have kept this in our Service Commitment Plan to ensure it remains a key area of focus for us. In order to address the challenges we have faced this year, we decided to put a dedicated team on developing an action plan that we are now broadly on track with but the recent storms have added pressure to this. We have also created a River Health function which is tasked with sustainable improvement to pollution incident performance.

There is a risk that we may not retain the 3 star rating this year, which would be a disappointment.



YTD = Year to date

# Wastewater enhancement expenditure



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# Wastewater Enhancement Expenditure

Part of our investment between 2020 and 2025 will improve our impact on the environment. The Environment Agency tells us what we need to achieve through their Water Industry National Environment Programme (WINEP). WINEP represents a set of actions that the Environment Agency have requested all water companies operating in England, to complete between 2020 and 2025, in order to contribute towards meeting their environmental obligations.

Yorkshire has a specific performance commitment measuring our delivery of environmental improvements and we report on this within our Annual Performance Report. The performance commitment measures against the latest WINEP programme and reports on the schemes which have been delivered by this date. We report this performance as 'met' or 'not met' and we secure confirmation from the Environment Agency that performance has been correctly reported.

By completing the schemes set out in the WINEP we improve the natural environment for our customers. It will also help ensure that water can be abstracted from rivers and lakes without any negative effect on the environment.

Over the first three years of this AMP (2020 to 2025), we have delivered 541 outputs required. All of the outputs were achieved by the required delivery date and signed off by the Environment Agency.

The next few pages provide details on our wastewater enhancement expenditure, and how we are delivering our commitments under the WINEP.

**We are forecasting to deliver all our WINEP requirements but at lower cost than originally estimated. This will help to offset inflation and cost increases across other parts of our investment programme.**

# Wastewater Enhancement Expenditure

## **How may Yorkshire Water be seen to be underspending?**

Our investment programme has been planned for a significant amount of infrastructure enhancement to be delivered across the final two financial years of AMP7 (i.e. we expect to spend most of the plan across 2023/24 and 2024/25).

## **Root cause of enhancement underspend**

Our plans for the AMP7 (2020 to 2025) WINEP were put together as part of our business planning process and included an assumption of rapid start on site for many of the projects across the programme. This wasn't possible because we were looking for innovative solutions, the lock downs for Covid-19 meaning we were delayed in starting on site in some cases, and the need to secure stakeholder support for catchment-based solutions

## **Our plan for delivery**

Throughout the AMP7 period (2020 to 2025) we have ensured that our plans continue to target the delivery of our regulatory obligations as per the commitments. We have supply chain partners in place.

## **Confidence in the plan**

Of 883 WINEP obligations due by March 2025, 553 are now already complete or awaiting sign off. The remaining 330 are forecast to hit compliance dates, except for 13 (across 4 projects) which are at risk of missing compliance but where we have a plan to recover. More detail is provided on this on slide 25.

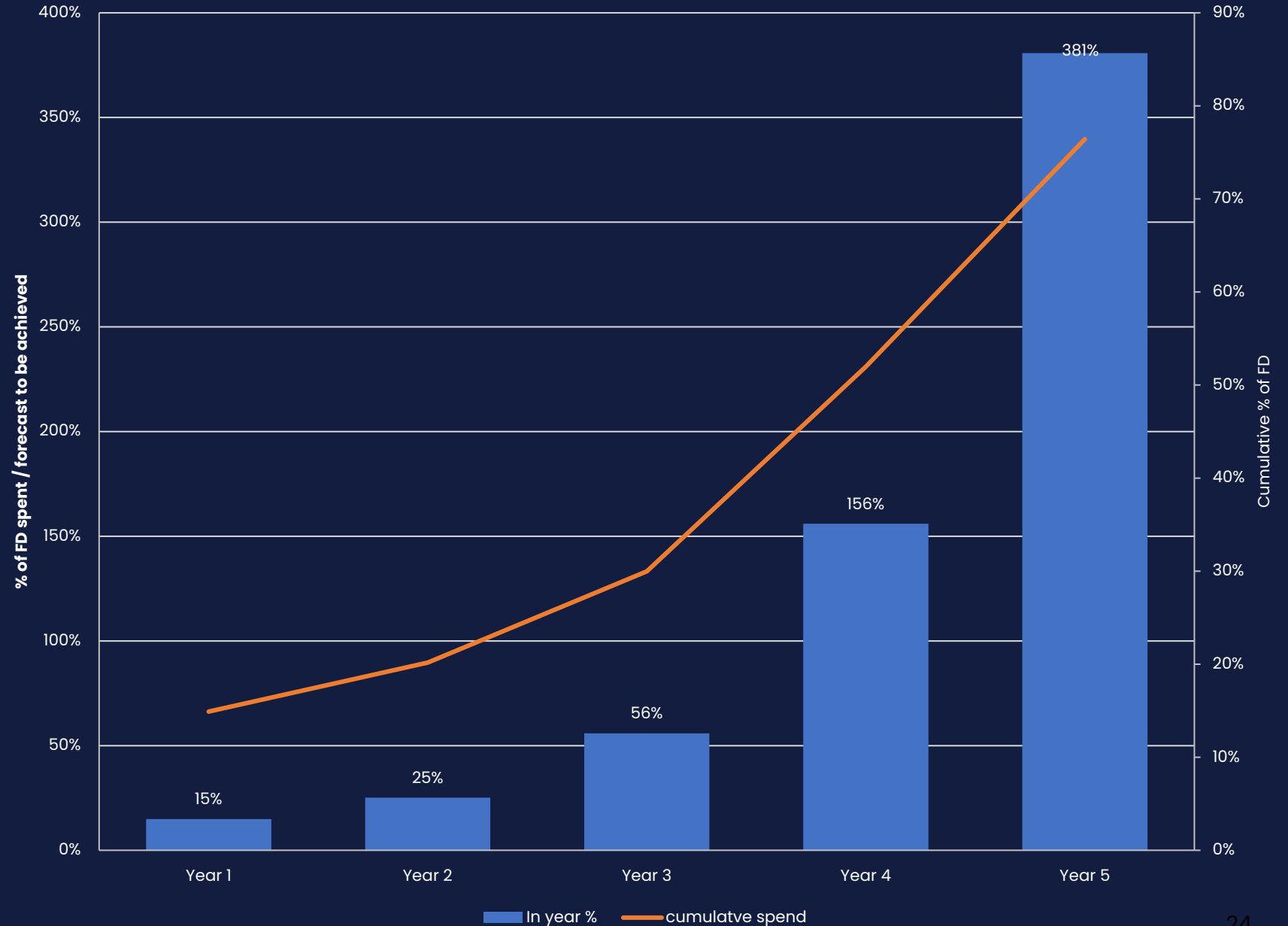


# Wastewater Enhancement Expenditure Oct-23

This chart shows the cumulative expenditure between 2020/21 (Year 1 of AMP7) and 2022/23 (Year 3 of AMP7) to forecasted cumulative expenditure in 2023/24 and 2024/25 (Years 4 and 5 of AMP7).

Information is presented in 2022/23 price base.

Percentage of FD spend per Year – AMP7



# Wastewater enhancement schemes classified at risk

Being classified as 'at risk' means that the schemes are forecasting to miss a regulatory completion date. Even if this date is missed, we will complete the project unless stated otherwise.

There are currently four WINEP schemes (impacting 13 obligations) which are classed as at risk due to potential delay to the regulatory commitment dates.

The projects at risk are located at: Dewsbury Wastewater Treatment Works, Blackburn Meadows Wastewater Treatment Works, South Elmsall Wastewater Treatment Works and the Pudsey Beck grouping of projects (Hough Side, Kent Road, Dick Lane, Pudsey Smalewell & Farnley Ring Road).

## Commitments at risk

### Dewsbury WwTW (Reg Compliance 22/12/2024)

The current forecasted delay is 54 days predominantly due to complex interface with existing assets. Mitigation centres around acceleration and optimisation of the project schedule. We are also exploring opportunities to reach consent through early dosing of PSTs as they come online.

### Blackburn Meadows WwTW (Reg Compliance 22/12/2024)

Current forecasted delay is 67 days due to prolonged investigation work to ensure the lowest whole life cost solution was chosen. We are looking at acceleration opportunities such as resequencing critical activities including the tertiary solids removal pumping station, construction methodology and over pumping. We have secured the required production slots through early engagement, reducing the risk and time impacts associated with this.

### South Elmsall (Reg Compliance 22/12/2024)

We are currently forecasting to miss compliance by 40 days following arson on a Northern PowerGrid (NPG) asset. Mitigation includes the potential for temporary electrical termination and not building one of the eight wetland lagoons until the permanent diversion can be carried out. The initial discussions with NPG around the diversion have been positive.

### Pudsey Beck (Reg Compliance 22/12/2024)

At the outset of the project we undertook significant modelling optimisation and ground work investigations to develop buildable solutions and to drive the use of blue/green infrastructure. This has resulted in later start dates but will provide an overall better environmental outcome whilst still meeting the water quality drivers.

As per our update in July 2023, we have now shared our intention to progress with an innovative and sustainable wetland solution with the Environment Agency and have agreed in principle to a regulatory date of 31st March 2027 for completion. Even with the 2027 extension Farnley ring road (and by association Kent Road) remains at risk, discussions are underway with Leeds City Council flood alleviation team in relation to partnership working opportunities.

In an update to Ofwat in July 2023, we mentioned three schemes that were at risk of not meeting the regulatory completion date. These were storm overflow investigations, understanding the environmental impact and possible solutions to be fed into our 2025 to 2030 business plan (known as U-INV schemes under WINEP classifications). We are pleased to report that these are no longer at risk.



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# Wastewater enhancement schemes classified at risk

Being classified as 'at risk' means that the schemes are forecasting to miss a regulatory completion date. Even if this date is missed, we will complete the project unless stated otherwise.

As well as the four WINEP schemes (impacting 13 obligations) detailed on the previous page, there are two more WINEP schemes where we are having ongoing discussions with the Environment Agency regarding compliance dates. These schemes are nature based solutions and have a greater level of uncertainty because these solutions are newer and there is less of a track record and less understanding over these. These schemes have less than one month float, which means that completion is forecast within one month of the regulatory compliance date. Therefore, these have been included here as being at risk for a complete picture of risk to WINEP schemes.

The following are included due to ongoing discussions with the Environment Agency regarding compliance dates in recognition of the fact that nature based solutions come with less track record and therefore a level of uncertainty. Both schemes currently have less than one months float

## Dearne Reach 1 (Reg Compliance 22/12/2024)

We have requested an extension on this project to 31<sup>st</sup> March 2025 and have verbal agreement with the EA regarding this. An agreement is in place for the required land purchase and we have engaged with the plant supplier and have a build slot allocated with delivery of plants expected November 2024. Planning permission for the main works is due to be submitted imminently.

## Killinghall (Reg Compliance 31/12/2027 - expected that this will be brought in to 22/12/2024)

We are working with the Environment Agency on a new date for delivery and we hope that this will be March 2025, which would enable compliance.



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# Scrutiny, monitoring and reporting on progress





# Role of the Yorkshire Water Board

## Scrutiny, Challenge, Review

- Yorkshire Water Board takes full and collective responsibility and ownership of this plan. The Board has reviewed and challenged the forecasted performance and the action being taken to achieve this. The Board intends this plan to be stretching and ambitious, yet also achievable and realistic.
- Delivery of the action plan and the initiatives will be scrutinised by Board on an ongoing basis as part of receiving regular operational performance updates from the management team.
- Independent external assurance is being sought over the enhancement programme and the Board will review the outcomes of this when available.
- Each published update of the action plan will follow review and challenge by representatives of the Board so that before data is made public it has been reviewed and shared with key stakeholders.

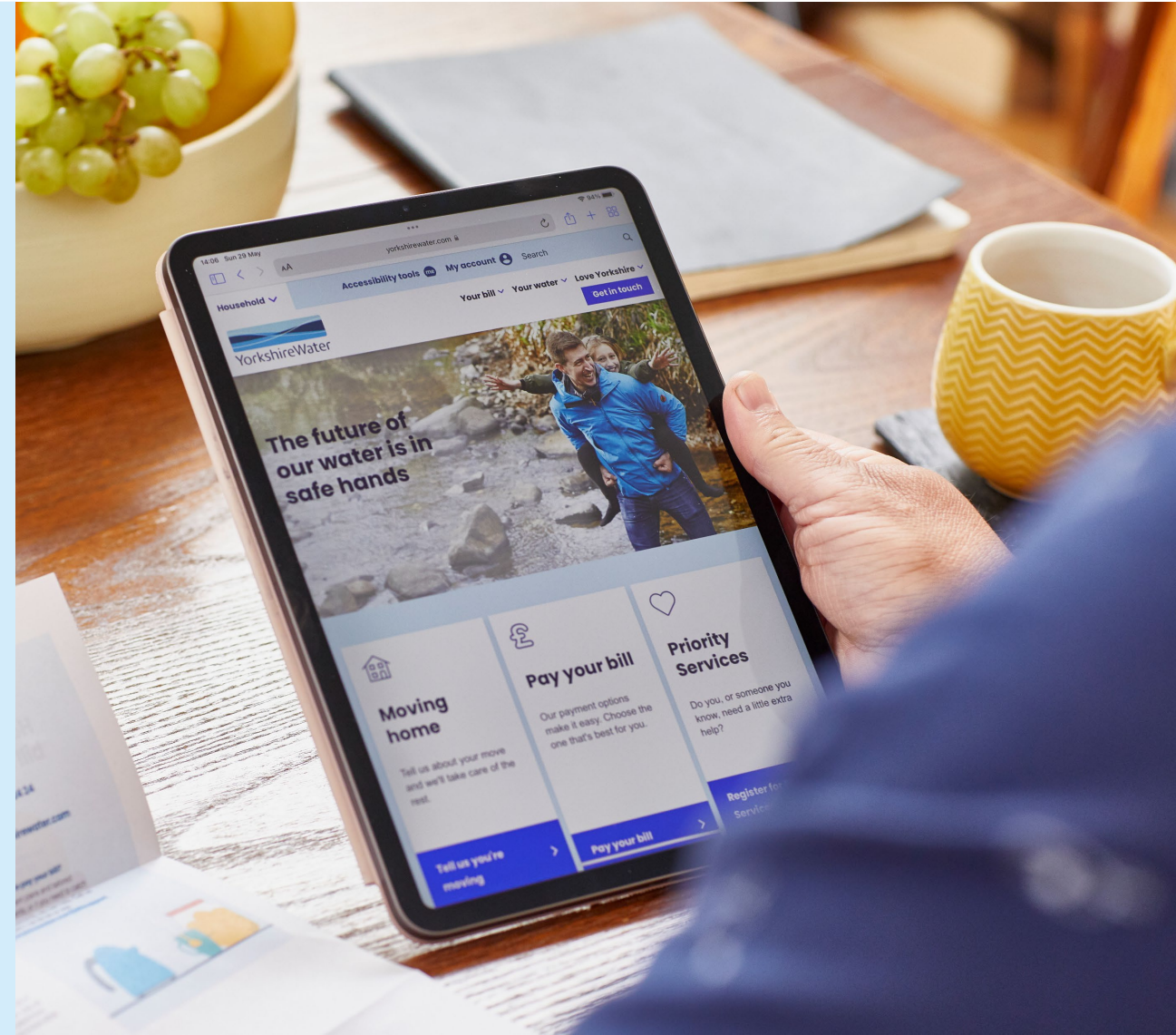




# Customers and Stakeholders

## Sharing plans with customers and other stakeholders

- We will continue to provide regular progress updates on our website.
- We welcome feedback on the presentation on our plan since we want to make sure that the information is accessible, clear and simple to understand.





# Yorkshire Water

[www.yorkshirewater.com](http://www.yorkshirewater.com)

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