

# Trusting the information we publish



**Our draft assurance plan  
for 2017/18 and 2018/19**



# Contents

<b>01. About this document</b>	<b>04</b>
<b>02. Our assurance approach</b>	<b>06</b>
The aim of our assurance	07
Our three levels of assurance	08
Our risk based approach	09
Our data assurance process	10
Our wider assurance process	12
<b>03. Our assurance activities</b>	<b>14</b>
Table 1: Our 2017/18 assurance map	16
Table 2: Our 2018/19 assurance map	17
Table 3: Our targeted assurance areas	18
<b>04. Glossary</b>	<b>21</b>
<b>Appendix A. About us</b>	<b>25</b>
<b>Our performance commitments</b>	<b>27</b>
<b>Appendix B. Our assurance activities in detail</b>	<b>29</b>
B1. Our detailed assurance plan for 2017/18	30
B2. Our detailed assurance plan for 2018/19	41



## What is assurance?

Assurance is a process intended to give confidence in the information that we publish.

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

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.

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## 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 2017/18 and 2018/19<sup>1</sup>.

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. Your feedback has helped shape this draft 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.

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.

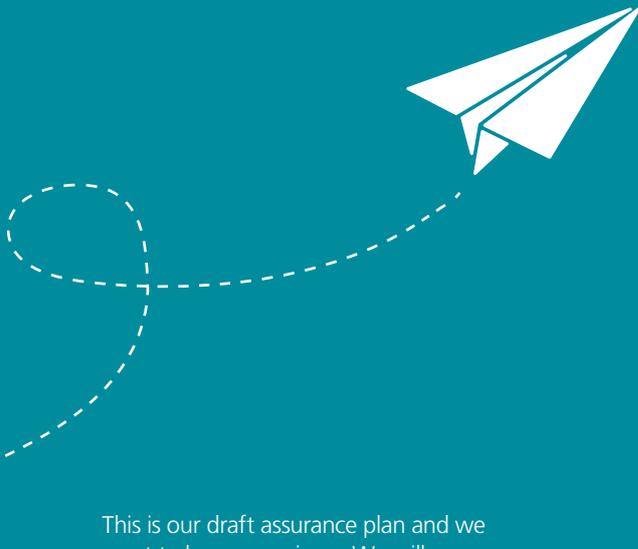
We know that things can change so we will continue to review our assurance plan to make sure it is up to date.

This draft assurance plan covers all information that we plan to publish in 2017/18 and 2018/19 based on our current knowledge and understanding.

In it we explain where we will put more focussed assurance on our reporting. This follows the results of our risks, strengths and weaknesses statement.

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<sup>1</sup>Based on our current knowledge and understanding



This is our draft assurance plan and we want to hear your views. We will use your feedback to shape our final assurance plan, which we will publish by 31 March 2018.

We would value your feedback on this draft assurance plan by 31 December 2017.

## You can contact us by:



Email: [publicaffairs@yorkshirewater.co.uk](mailto:publicaffairs@yorkshirewater.co.uk)



sending comments via our website link:  
[yorkshirewater.com/contactus](http://yorkshirewater.com/contactus)



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

### We are really interested in seeking feedback on the following:

**Q1.** Are we planning to assure the information that is important to you? If not, what do you think is missing?

**Q2.** Will our planned assurance give you confidence that our information will be accurate and accessible? Is there anything you would change?

**Q3.** Is this plan easy to read and understand? Is there anything you would change?

**02.**

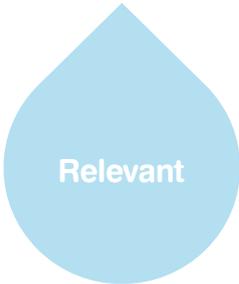
**Our  
assurance  
approach**



Timely



Focused 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.

Our approach is risk based and uses a method called 'three levels of assurance'. This makes sure that our assurance activities are proportionate to the level

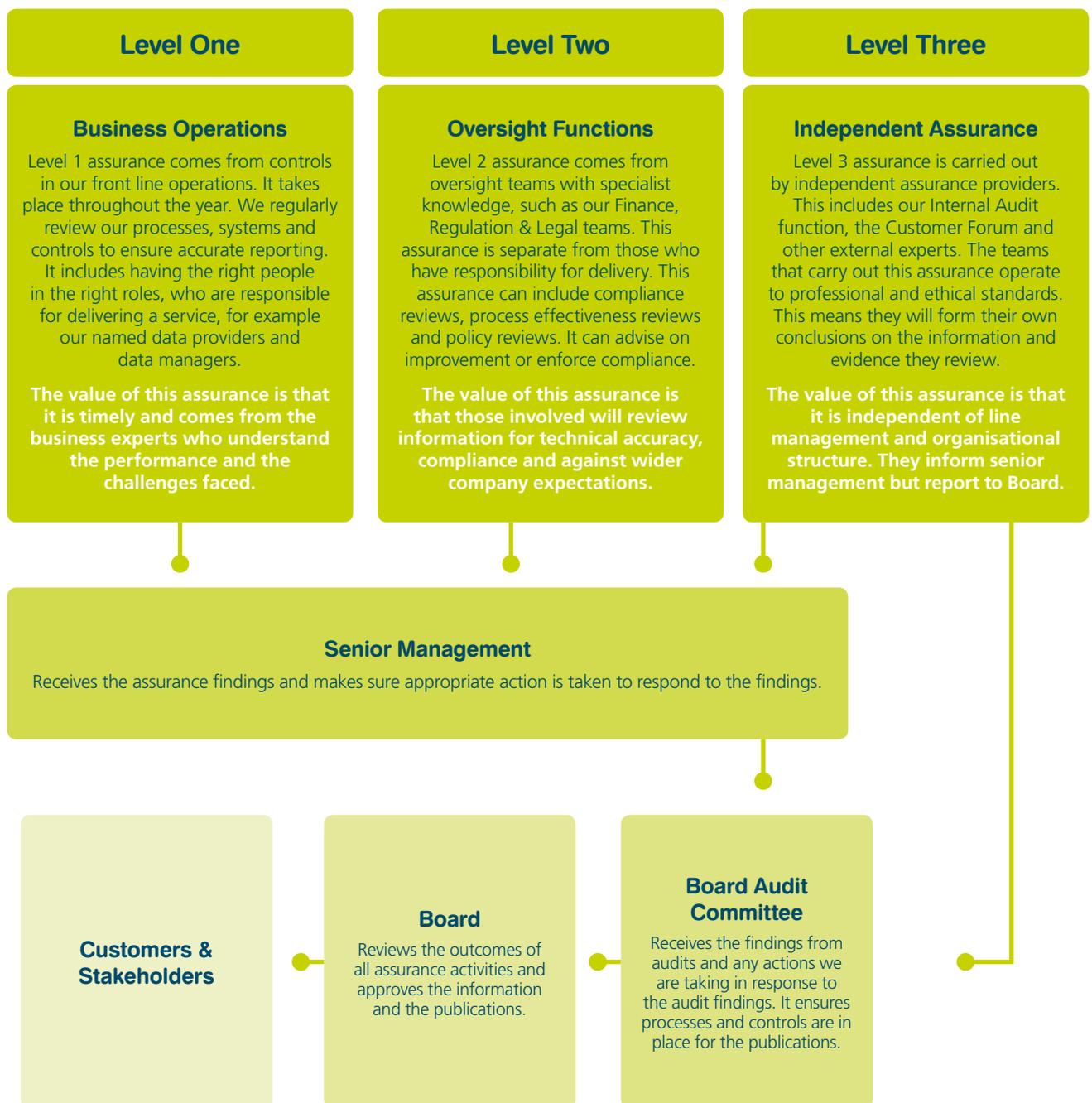
of risk of error associated with the information or the publication. This is best practice for assurance.

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.

**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 Pages 16 and 17.



### 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 data assurance process

**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 provides scrutiny over the management controls and assurance processes in place. They will discuss the completed self certification statements, review external assurance findings and, when satisfied, recommend to Board that processes have been followed. This supports Board in the approval of the information.

Our Board is accountable for the quality of our information and wants to make sure it is meeting your needs. The Board owns and approves the publication and the release of the information we make available for you.

**1**

**Providers & Data Managers**

Our assigned data providers and data managers 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. Data managers check that the information produced has followed the guidance and is accurate. (Level 1)



**2**

**Senior Manager Review & Self-Certification**

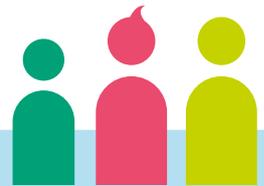
An accountable senior manager and Director will review and sign-off the information. They will review for compliance and whether the information aligns with business understanding. (Level 2)



**3**

**Peer Review**

This is provided by oversight functions. They will review the overall information provided for compliance with the guidance and that 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.



**6**

**Board Approval**

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



## Our wider assurance process

**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. The Board owns and approves the publication and the release of the information we make available for you.

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.



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 21 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 2017/18. This includes the information we have already provided. Table 2 provides our assurance map for information that we will publish in 2018/19. 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. 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 2: Our 2018/19 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-18	High															*
Price Review 2019 (PR19) - Cost Adjustment Claims	May-18	High															
Price Review 2019 (PR19) - Performance Commitment Definitions	May-18	High															
Price Review 2019 (PR19) - Business Plan Submission	Sep-18	High															
Price Review 2019 (PR19) - WRMP Final	Sep-18	High															
Price Review 2019 (PR19) - WINEP	Sep-18	High															
Risks, Strengths & Weaknesses Statement	Sep-18	Medium															
Assurance Plan (Draft)	Sep-18	Medium															
Interim Financial Statements	Nov-18	Medium															
Charges Scheme	Dec-18	High															
Assurance Plan (Final)	Mar-19	Medium															
Annual Performance Report (APR)	Jul-19	High															
APR Section 1: Regulatory financial reporting	Jul-19	High															
APR Section 2: Price review and other segmental reporting	Jul-19	High															
APR Section 3: Performance summary	Jul-19	High															
APR Section 4: additional regulatory information	Jul-19	High															
Data Assurance Summary	Jul-19	High													*	*	
Customer Performance Report	Jul-19	High												*	*		
Risk & Compliance Statement	Jul-19	High															
Annual Report & Financial Statements (statutory accounts)	Jul-19	High															
Convergence Measures Shadow Reporting	Jul-19	High															
Bioresources Market Information	Jul-19	Medium															
Operational Market Performance Reports	Quarterly	Medium															
Casework (information to Ofwat as required)	As Required	High															

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

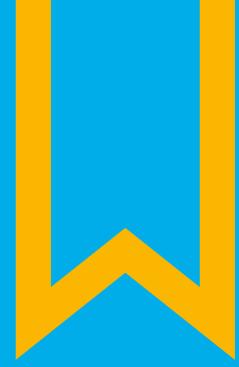
## Table 3: Our targeted assurance areas

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>
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.</p> <p>We will continue to ask the Customer Forum to challenge us on progress with this priority.</p>
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>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>

TARGETED AREA	REASON FOR INCLUSION	PLANNED ASSURANCE
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 continue to review and improve our processes. 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. We will ensure this remains in place for 2017/18 and beyond.</p>
Performance Commitments	<p>Our internal review identified the need for targeted additional assurance on some performance commitments. This includes:</p> <ul style="list-style-type: none"> <li>• where the target was missed in the previous year (drinking water complaints and energy self-generation),</li> <li>• where additional challenge was provided by our external auditors in the previous year (waste diverted from landfill and stability and reliability factor: sewer network),</li> <li>• where we are forecasting a financial incentive penalty (as at September 2017 this was forecasted to be drinking water quality, drinking water complaints and pollution incidents),</li> <li>• where we are forecasting a financial incentive reward (as at September 2017 this was forecasted to be water supply interruptions).</li> </ul>	<p>We reviewed and strengthened our assurance approach in 2016/17. We will follow our improved data and wider assurance processes in 2017/18 and beyond. We will continue to review and improve our assurance processes as required.</p> <p>Performance is regularly monitored and action plans agreed or amended at the Delivery Assurance Group.</p> <p>Independent external assurance will be asked to provide additional assurance on these areas throughout 2017/18 and as part of our annual performance reporting audits in May 2018.</p>

## Table 3: Our targeted assurance areas

TARGETED AREA	REASON FOR INCLUSION	PLANNED ASSURANCE
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 Deloitte.</p>
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 Deloitte.</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.</p> <p>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. 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 through our financial auditors Deloitte, our technical auditors Halcrow and other specialist providers.</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.**

# 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

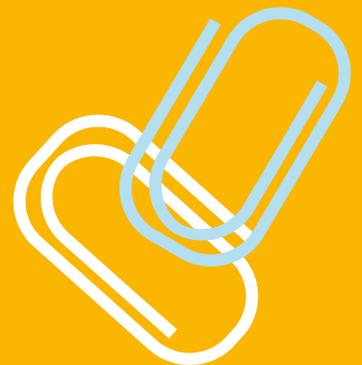


We keep your bills as low as possible

- 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. Our detailed assurance plan for 2017/18

2017/18 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
<p>Condition R Compliance Code Statement</p>	<p>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>	<p><b>Level 1:</b> The Legal department and Compliance Officer 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><b>Level 2:</b> Senior management from the Regulation department review the draft Compliance Manual and make recommendations to the Compliance Officer. A final review meeting is held with the Company Secretary and Director prior to publication.</p> <p><b>Level 3:</b> External independent assurance is not planned for this publication. However, reference will be made to other Level 3 assurance that has been completed on elements of the retail competition obligations.</p>
<p>Convergence Measures Shadow Reporting</p>	<p>Water companies have been working together to review four performance commitments in detail and make sure that these are reported consistently across the industry. Performance against the new measures has been provided to Ofwat ahead of these measures being implemented across the industry from April 2020. This information is submitted directly to Ofwat.</p>	<p><b>Level 1:</b> We have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided.</p> <p><b>Level 2:</b> We have named senior managers and Directors who review and approve the information provided. A peer review of the information and the submission is undertaken. The submission manager ensures that information is provided in line with requirements.</p> <p><b>Level 3:</b> External independent assurance is provided by Halcrow to confirm that the data is accurate and created in line with the guidance provided.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>

2017/18 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
Risks, Strengths & Weaknesses Statement	<p>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>	<p><b>Level 1:</b> A publication manager and data providers are identified to provide the information required.</p> <p><b>Level 2:</b> Senior managers and Directors review and approve the approach and the final document.</p> <p><b>Level 3:</b> External independent assurance was not specifically applied to this publication.</p>
Assurance Plans (Draft & Final)	<ul style="list-style-type: none"> <li>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.</li> </ul>	<p><b>Level 1:</b> A publication manager and data providers are identified to provide the information required.</p> <p><b>Level 2:</b> Senior managers and Directors review and approve the approach and the final document.</p> <p><b>Level 3:</b> External independent assurance is provided by Halcrow to confirm that the data is accurate and created in line with the guidance provided.</p> <p>We will obtain a Board Assurance Statement for this publication. External independent assurance was not specifically applied to this publication.</p>
Price Review (PR19) RCV Allocation Bioresources	<p>Ofwat published Water 2020 in May 2016. This introduced a separate price control for water resources and bioresources at PR19. To enable the creation of the separate price control for bioresources, an explicit Regulatory Capital Value (RCV) allocation at 31 March 2020 is required. The bioresource RCV allocation will be submitted directly to Ofwat in September 2017.</p>	<p><b>Level 1:</b> Named data providers and data managers are responsible for providing accurate information in line with any guidance provided. A submission manager ensures that all data providers and data managers are identified and that the submission is completed to the relevant timescales and in line with requirements / guidance.</p> <p><b>Level 2:</b> We have named senior managers and Directors who review and approve the information provided. A peer review of the information and the submission is undertaken.</p> <p><b>Level 3:</b> External independent assurance is provided by Halcrow to confirm that the data is accurate and created in line with the guidance provided.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>

2017/18 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
Bioresources Market Information	<p>Ofwat wants to promote market development in bioresources (also known as sludge) activities. Markets can inform, enable and incentivise efficiencies and innovation for the benefit of customers, the environment and wider society.</p> <p>Market information on where bioresources are produced, their quality or quantity is key to supporting bioresources markets through promoting and encouraging efficient entry, as well as monitoring progress and development of those markets. Water companies have been asked to voluntary publish information for 2016/17 by autumn 2017.</p>	<p><b>Level 1:</b> Named data providers and data managers are responsible for providing accurate information in line with any guidance provided. A submission manager ensures that all data providers and data managers are identified and that the submission is completed to the relevant timescales and in line with requirements / guidance.</p> <p><b>Level 2:</b> We have named senior managers who review and approve the information provided. A peer review of the information and the submission is undertaken.</p> <p><b>Level 3:</b> External independent assurance is provided by Halcrow to confirm that the data is accurate and created in line with the guidance provided.</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><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> External independent assurance was not specifically applied to this publication.</p>

2017/18 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
<p>Price Review (PR19): DWI (Drinking Water Inspectorate) submission</p>	<p>Periodic reviews provide companies with an opportunity to review long term drinking water quality and supply arrangements. A submission must be made to the Drinking Water Inspectorate before the end of December 2017.</p>	<p><b>Level 1:</b> A submission manager ensures that any required data providers and data managers are identified and that the submission is completed to the relevant timescales and in line with requirements / guidance.</p> <p><b>Level 2:</b> Named senior managers and Directors review and approve the information provided. A peer review of the information and the submission is undertaken.</p> <p><b>Level 3:</b> External independent assurance is provided by Halcrow to confirm that the data is accurate and the submission has been developed in line with the guidance provided.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>
<p>Price Review (PR19): WRMP (Water Resource Management Plan) draft submission plus water resources market information.</p>	<p>Water companies are legally required to supply water to people and businesses within their area. A water resources management plan (WRMP) must be prepared and it must set out how we intend to maintain the balance between water supply and demand. This plan must take a long term view (at least 25 years). The duty to prepare and maintain a WRMP is set out in Section 37A-37D of the Water Industry Act 1991. This will be submitted to Defra in December 2017. Water resources market information will be published alongside the WRMP in January / February 2018.</p>	<p><b>Level 1:</b> Named data providers and data managers are responsible for providing accurate information in line with any guidance provided. A submission manager ensures that all data providers and data managers are identified and that the submission is completed to the relevant timescales and in line with requirements / guidance.</p> <p><b>Level 2:</b> We have named senior managers and Directors who review and approve the information provided. A peer review of the information and the submission is undertaken.</p> <p><b>Level 3:</b> External independent assurance is provided by Halcrow to confirm that the data is accurate and the submission is developed in line with the guidance provided.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>

2017/18 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
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><b>Level 1:</b> 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><b>Level 2:</b> There is a tariff steering group, which includes internal business experts in regulatory finance, retail services and tariffs. We complete a legal review of the charges scheme booklet. An accountable senior manager and Director review the information provided and approve the final charges.</p> <p><b>Level 3:</b> External independent assurance is provided by our external financial auditors on the tariff model to ensure calculations are 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 complete an annual billing audit, to confirm that the tariffs have been included within the billing system correctly.</p>
Targeted Review on Service	<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 service. The review will be completed between January and March 2018. Information will be sent directly to Ofwat.</p>	<p><b>Level 1:</b> Data providers, data managers and a publication manager are identified to compile the information required within the targeted review.</p> <p><b>Level 2:</b> A senior manager reviews and approves the information within the publication, ensuring it meets the requirements of the targeted review.</p> <p><b>Level 3:</b> We will not specifically apply external independent assurance on this publication. However, reference will be made to information assured through other processes and other publications. We will involve the Customer Forum in this targeted review.</p>

2017/18 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
Price Review (PR19) RCV Allocation Water Resources	Ofwat published Water 2020 in May 2016. This introduced a separate price control for water resources and bioresources at PR19. To enable the creation of the separate price control for water resources, an explicit Regulatory Capital Value (RCV) allocation at 31 March 2020 is required. The water resources RCV allocation will be submitted directly to Ofwat in January 2018.	<p><b>Level 1:</b> Named data providers and data managers are responsible for providing accurate information in line with any guidance provided. A submission manager ensures that all data providers and data managers are identified and that the submission is completed to the relevant timescales and in line with requirements / guidance.</p> <p><b>Level 2:</b> We have named senior managers and Directors who review and approve the information provided. A peer review of the information and the submission is undertaken.</p> <p><b>Level 3:</b> External independent assurance is provided by Halcrow to confirm that the data is accurate and created in line with the guidance provided.</p> <p>We will obtain a Board Assurance Statement for this publication.</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><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> The information used within this document will be assured by Deloitte and Halcrow. The data assurance process for this publication is certified to the ISO9001 quality management 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>

2017/18 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
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><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> Deloitte 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 the APR publication.</p>
APR Section 2: Price review and other segmental reporting	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><b>Level 1:</b> We have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided.</p> <p><b>Level 2:</b> 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><b>Level 3:</b> Deloitte 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 the APR publication.</p>

2017/18 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
APR Section 3: Performance summary	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><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> 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 the APR publication.</p>
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><b>Level 1:</b> We have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided.</p> <p><b>Level 2:</b> 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><b>Level 3:</b> Deloitte and Halcrow review the accuracy of the information presented.</p> <p>We will obtain a Board Assurance Statement for the APR publication.</p>

2017/18 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
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><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> Halcrow and Deloitte will provide input into this document.</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 2018, alongside the APR.	<p><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> The Customer Forum will review the publication for accessibility and make sure it is easy to read. Halcrow and Deloitte assure the information contained within 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><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> Halcrow and Deloitte 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><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> 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 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 obtain a Board Assurance Statement for this publication.</p>
Convergence Measures Shadow Reporting	Water companies have been working together to review four performance commitments in detail and make sure that these are reported consistently across the industry. Performance against the new measures has been provided to Ofwat ahead of these measures being implemented across the industry from April 2020. This information is submitted directly to Ofwat in July 2018.	<p><b>Level 1:</b> We have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided.</p> <p><b>Level 2:</b> We have named senior managers and Directors who review and approve the information provided. A peer review of the information and the submission is undertaken. The submission manager ensures that information is provided in line with requirements.</p> <p><b>Level 3:</b> External independent assurance is provided by Halcrow to confirm that the data is accurate and created in line with the guidance provided.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>

2017/18 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
Bioresources Market Information	<p>Ofwat wants to promote market development in bioresources (also known as sludge) activities. Markets can inform, enable and incentivise efficiencies and innovation for the benefit of customers, the environment and wider society.</p> <p>Market information on where bioresources are produced, their quality or quantity is key to supporting bioresources markets through promoting and encouraging efficient entry, as well as monitoring progress and development of those markets. Information for 2017/18 should be published by July 2018.</p>	<p><b>Level 1:</b> Named data providers and data managers are responsible for providing accurate information in line with any guidance provided. A submission manager ensures that all data providers and data managers are identified and that the submission is completed to the relevant timescales and in line with requirements / guidance.</p> <p><b>Level 2:</b> We have named senior managers who review and approve the information provided. A peer review of the information and the submission is undertaken.</p> <p><b>Level 3:</b> External independent assurance is provided by Halcrow to confirm that the data is accurate and created in line with the guidance provided.</p>
Operational Market Performance Reports	<p>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>	<p><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> Throughout the year, independent assurance on our processes and on the data available will be undertaken. No specific external independent assurance will be applied to these reports.</p>
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><b>Level 1:</b> 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><b>Level 2:</b> There is a 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><b>Level 3:</b> 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>

## B2. Our detailed assurance plan for 2018/19

2018/19 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 2018.	<p><b>Level 1:</b> The Legal department and Compliance Officer 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><b>Level 2:</b> Senior management from the Regulation department review the draft Compliance Manual and make recommendations to the Compliance Officer. A final review meeting is held with the Company Secretary and Director prior to publication.</p> <p><b>Level 3:</b> External independent assurance is not planned for this publication. However, reference will be made to other Level 3 assurance that has been completed on elements of the retail competition obligations.</p>
Price Review (PR19) Cost Adjustment Claims	Companies that want to make a case for any company specific cost adjustments that Ofwat should take into account as part of the business plans, should submit information on their expected cost adjustment claims by 3 May 2018 – four months before business plan submission. This information will be sent directly to Ofwat.	<p><b>Level 1:</b> Named data providers and data managers are responsible for providing accurate information in line with any guidance provided. A submission manager ensures that all data providers and data managers are identified and that the submission is completed to the relevant timescales and in line with requirements / guidance.</p> <p><b>Level 2:</b> We have named senior managers and Directors who review and approve the information provided. A peer review of the information and the submission is undertaken.</p> <p><b>Level 3:</b> External independent assurance is provided (consideration is required on the most appropriate provider to give this assurance) to confirm that the data is accurate and created in line with the guidance provided.</p>
Price Review (PR19) Performance Commitment Definitions	Companies will submit the definitions of their performance commitments to Ofwat on 3 May 2018, four months ahead of business plans in September 2018. This will enable Ofwat to review the definitions to check, for example, that companies are using the standard definitions for the common performance commitments and to check for inappropriate exemptions in the definitions of bespoke performance commitments.	<p><b>Level 1:</b> Named data providers and data managers are responsible for providing accurate information in line with any guidance provided. A submission manager ensures that all data providers and data managers are identified and that the submission is completed to the relevant timescales and in line with requirements / guidance.</p> <p><b>Level 2:</b> We have named senior managers and Directors who review and approve the information provided. A peer review of the information and the submission is undertaken.</p> <p><b>Level 3:</b> External independent assurance is provided (consideration is required on the most appropriate provider to give this assurance) to confirm that the data is accurate and created in line with the guidance provided.</p>

2018/19 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
Price Review (PR19): Business Plan Submission	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><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> 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.</p>
Price Review (PR19): WRMP (Water Resource Management Plan) Final submission	Water companies are legally required to supply water to people and businesses within their area. A water resources management plan (WRMP) must be prepared and it must set out how we intend to maintain the balance between water supply and demand. This plan must take a long term view (at least 25 years). The duty to prepare and maintain a WRMP is set out in Section 37A-37D of the Water Industry Act 1991.	<p><b>Level 1:</b> Named data providers and data managers are responsible for providing accurate information in line with any guidance provided. A submission manager ensures that all data providers and data managers are identified and that the submission is completed to the relevant timescales and in line with requirements / guidance.</p> <p><b>Level 2:</b> We have named senior managers and Directors who review and approve the information provided. A peer review of the information and the submission is undertaken.</p> <p><b>Level 3:</b> External independent assurance is provided by Halcrow to confirm that the data is accurate and the submission is developed in line with the guidance provided.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>
Price Review (PR19): WINEP (Water Industry National Environment Programme) submission	A key component of a periodic review is the Water Industry National Environment Programme (WINEP). The NEP is a list of environmental improvement schemes that ensure that water companies meet European and national targets related to water.	<p><b>Level 1:</b> Named data providers and data managers are responsible for providing accurate information in line with any guidance provided. A submission manager ensures that all data providers and data managers are identified and that the submission is completed to the relevant timescales and in line with requirements / guidance.</p> <p><b>Level 2:</b> We have named senior managers and Directors who review and approve the information provided. A peer review of the information and the submission is undertaken.</p> <p><b>Level 3:</b> External independent assurance is provided (consideration is required on the most appropriate provider to give this assurance) to confirm that the data is accurate and the submission is developed in line with the guidance provided.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>

2018/19 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
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 2018.	<p><b>Level 1:</b> A publication manager and data providers are identified to provide the information required.</p> <p><b>Level 2:</b> Senior managers and Directors review and approve the approach and the final document.</p> <p><b>Level 3:</b> External independent assurance was not specifically applied to this publication.</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 draft assurance plan will be published in September 2018 and the final assurance plan will be published in March 2019. The plans will be available on our website.	<p><b>Level 1:</b> A publication manager and data providers are identified to provide the information required.</p> <p><b>Level 2:</b> Senior managers and Directors review and approve the approach and the final document.</p> <p><b>Level 3:</b> External independent assurance is provided by Halcrow to confirm that the data is accurate and created in line with the guidance provided.</p> <p>We will obtain a Board Assurance Statement for this publication. External independent assurance was not specifically applied to this publication.</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><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> External independent assurance was not specifically applied to this publication.</p>

2018/19 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
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 2018. It will be published on our website.</p>	<p><b>Level 1:</b> 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><b>Level 2:</b> There is a tariff steering group, which includes internal business experts in regulatory finance, retail services and tariffs. We complete a legal review of the charges scheme booklet. An accountable senior manager and Director review the information provided and approve the final charges.</p> <p><b>Level 3:</b> External independent assurance is provided by our external financial auditors on the tariff model to ensure calculations are 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 complete an annual billing audit, to confirm that the tariffs have been included within the billing system correctly.</p>
Annual Performance Report (APR)	<p>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 2019.</p>	<p><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> The information used within this document will be assured by Deloitte and Halcrow. The data assurance process for this publication is certified to the ISO9001 quality management 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>

2018/19 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
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><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> Deloitte 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 the APR publication.</p>
APR Section 2: Price review and other segmental reporting	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><b>Level 1:</b> We have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided.</p> <p><b>Level 2:</b> 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><b>Level 3:</b> Deloitte 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 the APR publication.</p>

2018/19 PUBLICATIONS	WHAT IS IT?	PLANNED ASSURANCE
APR Section 3: Performance summary	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><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> 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 the APR publication.</p>
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><b>Level 1:</b> We have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided.</p> <p><b>Level 2:</b> 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><b>Level 3:</b> Deloitte and Halcrow review the accuracy of the information presented.</p> <p>We will obtain a Board Assurance Statement for the APR 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 2019, alongside the APR.	<p><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> Halcrow and Deloitte will provide input into this document.</p>

2018/19 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 2019, alongside the APR.	<p><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> The Customer Forum will review the publication for accessibility and make sure it is easy to read. Halcrow and Deloitte assure the information contained within 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 2019, alongside the APR.	<p><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> Halcrow and Deloitte 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 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 2019.	<p><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> 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 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 obtain a Board Assurance Statement for this publication.</p>

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Convergence Measures Shadow Reporting	<p>Water companies have been working together to review four performance commitments in detail and make sure that these are reported consistently across the industry. Performance against the new measures has been provided to Ofwat ahead of these measures being implemented across the industry from April 2020. This information is submitted directly to Ofwat in July 2019.</p>	<p><b>Level 1:</b> We have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided.</p> <p><b>Level 2:</b> We have named senior managers and Directors who review and approve the information provided. A peer review of the information and the submission is undertaken. The submission manager ensures that information is provided in line with requirements.</p> <p><b>Level 3:</b> External independent assurance is provided by Halcrow to confirm that the data is accurate and created in line with the guidance provided.</p> <p>We will obtain a Board Assurance Statement for this publication.</p>
Bioresources Market Information	<p>Ofwat wants to promote market development in bioresources (also known as sludge) activities. Markets can inform, enable and incentivise efficiencies and innovation for the benefit of customers, the environment and wider society.</p> <p>Market information on where bioresources are produced, their quality or quantity is key to supporting bioresources markets through promoting and encouraging efficient entry, as well as monitoring progress and development of those markets. This will be published by July 2019.</p>	<p><b>Level 1:</b> Named data providers and data managers are responsible for providing accurate information in line with any guidance provided. A submission manager ensures that all data providers and data managers are identified and that the submission is completed to the relevant timescales and in line with requirements / guidance.</p> <p><b>Level 2:</b> We have named senior managers who review and approve the information provided. A peer review of the information and the submission is undertaken.</p> <p><b>Level 3:</b> External independent assurance is provided by Halcrow to confirm that the data is accurate and created in line with the guidance provided.</p>
Operational Market Performance Reports	<p>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>	<p><b>Level 1:</b> 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><b>Level 2:</b> 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><b>Level 3:</b> Throughout the year, independent assurance on our processes and on the data available will be undertaken. No specific external independent assurance will be applied to these reports.</p>



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