

Annual Performance Report 2019/2020

The changes we have made

Published February 2021



YorkshireWater

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1. Purpose of the document



Purpose of the document

The information in our Annual Performance Report (APR) goes through several checks before it reaches you, this is to reduce the risk of errors within it. Sometimes, despite our checks, minor errors find their way into our report. Rather than just correcting those errors in our APR, we thought it would be better to be open and transparent and tell you about them.

This document describes the changes and the reason for the changes in our 2019/2020 APR. You may find it helpful to read this document in conjunction with the Excel data tables published on our website.

Where to find our Annual Performance Report and the Excel data tables

You can find our updated 2019/2020 Annual Performance Report and Excel data tables on our reports webpage.

yorkshirewater.com/reports

They were published in February 2021.

You can find our original 2019/2020 Annual Performance Report in the archive section on our reports webpage.

yorkshirewater.com/reports

How we will improve

We will learn from the errors to improve our performance reporting in future Annual Performance Reports. This includes informing our risks, strengths and weaknesses statement and enhancing our assurance plan for next year's APR. The draft assurance plan describes the actions we will take and the additional assurance we will carry out.

2. Changes to the data tables



Change one

What is the change?

The first data change was made to table 1F.

This change resulted from Ofwat spotting two errors. The first error related to the SIM penalty for the period 2015-2019. This had been reported incorrectly and should have been reported as part of the ODI out (under) performance on line 12.

The second error was because we had not included the profit of £3.4m on the sale of the non-household business in line 14 'Other exceptional items'.

This change does not affect any other data tables or the accompanying commentary.

What did we change?

The changes are listed in the table below.

Table number	Cell*	Line number	Line description	Column heading	Units	DPs	July submission input	Resubmitted input
1F	L26	1F.14	Other exceptional items	Actual returns and actual regulatory equity	£m	3	0.000	3.400
1F	R24	1F.12	ODI out / (under) performance	Actual returns and actual regulatory equity	£m	3	12.736	11.757
1F	R26	1F.14	Other exceptional items	Actual returns and actual regulatory equity	£m	3	-0.979	0.680

*(only applicable if viewing Excel data table)

These three data changes resulted in 41 calculated cell changes. These are listed in the tables below.

Table number	Cell*	Line number	Line description	Column heading	Units	DPs	July submission input	Resubmitted input
1F	H26	1F.14	Other exceptional items	Actual returns and notional regulatory equity	%	3	0.000	0.16%
1F	H27	1F.15	Operational performance total	Actual returns and notional regulatory equity	%	3	-0.43%	-0.27%
1F	H29	1F.16	Total earnings	Actual returns and notional regulatory equity	%	3	6.87%	7.03%
1F	H33	1F.18	Total shareholder return	Actual returns and notional regulatory equity	%	3	9.46%	9.62%
1F	H37	1F.20	Retained value	Actual returns and notional regulatory equity	%	3	7.04%	7.20%
1F	I26	1F.14	Other exceptional items	Actual returns and actual regulatory equity	%	3	0.00%	0.25%
1F	I27	1F.15	Operational performance total	Actual returns and actual regulatory equity	%	3	-0.68%	-0.43%
1F	I29	1F.16	Total earnings	Actual returns and actual regulatory equity	%	3	9.78%	10.03%
1F	I33	1F.18	Total shareholder return	Actual returns and actual regulatory equity	%	3	12.37%	12.62%
1F	I37	1F.20	Retained value	Actual returns and actual regulatory equity	%	3	8.54%	8.79%
1F	K26	1F.14	Other exceptional items	Actual returns and notional regulatory equity	£m	3	0.000	3.400
1F	K27	1F.15	Operational performance total	Actual returns and notional regulatory equity	£m	3	-9.273	-5.873
1F	K29	1F.16	Total earnings	Actual returns and notional regulatory equity	£m	3	129.491	132.891
1F	K33	1F.18	Total shareholder return	Actual returns and notional regulatory equity	£m	3	185.583	188.983

*(only applicable if viewing Excel data table)

These three data changes resulted in 41 calculated cell changes. These are continued in the tables below.

Table number	Cell*	Line number	Line description	Column heading	Units	DPs	July submission input	Resubmitted input
1F	K37	1F.20	Retained value	Actual returns and notional regulatory equity	£m	3	133.188	136.588
1F	L27	1F.15	Operational performance total	Actual returns and actual regulatory equity	£m	3	-9.273	-5.873
1F	L29	1F.16	Total earnings	Actual returns and actual regulatory equity	£m	3	133.735	137.135
1F	L33	1F.18	Total shareholder return	Actual returns and actual regulatory equity	£m	3	169.157	172.557
1F	L37	1F.20	Retained value	Actual returns and actual regulatory equity	£m	3	116.762	120.162
1F	N24	1F.12	ODI out / (under) performance	Actual returns and notional regulatory equity	%	3	0.61%	0.56%
1F	N26	1F.14	Other exceptional items	Actual returns and notional regulatory equity	%	3	-0.05%	0.03%
1F	N27	1F.15	Operational performance total	Actual returns and notional regulatory equity	%	3	-0.19%	-0.16%
1F	N29	1F.16	Total earnings	Actual returns and notional regulatory equity	%	3	6.20%	6.23%
1F	N33	1F.18	Total shareholder return	Actual returns and notional regulatory equity	%	3	8.78%	8.81%
1F	N37	1F.20	Retained value	Actual returns and notional regulatory equity	%	3	6.98%	7.01%
1F	O24	1F.12	ODI out / (under) performance	Actual returns and actual regulatory equity	%	3	0.95%	0.88%
1F	O26	1F.14	Other exceptional items	Actual returns and actual regulatory equity	%	3	-0.07%	0.05%
1F	O27	1F.15	Operational performance total	Actual returns and actual regulatory equity	%	3	-0.30%	-0.25%

*(only applicable if viewing Excel data table)

These three data changes resulted in 41 calculated cell changes. These are continued in the table below.

Table number	Cell*	Line number	Line description	Column heading	Units	DPs	July submission input	Resubmitted input
1F	O29	1F.16	Total earnings	Actual returns and actual regulatory equity	%	3	8.01%	8.06%
1F	O33	1F.18	Total shareholder return	Actual returns and actual regulatory equity	%	3	10.59%	10.64%
1F	O37	1F.20	Retained value	Actual returns and actual regulatory equity	%	3	7.76%	7.81%
1F	Q24	1F.12	ODI out / (under) performance	Actual returns and notional regulatory equity	£m	3	12.736	11.757
1F	Q26	1F.14	Other exceptional items	Actual returns and notional regulatory equity	£m	3	-0.979	0.680
1F	Q27	1F.15	Operational performance total	Actual returns and notional regulatory equity	£m	3	-3.999	-3.319
1F	Q29	1F.16	Total earnings	Actual returns and notional regulatory equity	£m	3	110.482	111.162
1F	Q33	1F.18	Total shareholder return	Actual returns and notional regulatory equity	£m	3	164.699	165.379
1F	Q37	1F.20	Retained value	Actual returns and notional regulatory equity	£m	3	126.786	127.466
1F	R27	1F.15	Operational performance total	Actual returns and actual regulatory equity	£m	3	-3.999	-3.319
1F	R29	1F.16	Total earnings	Actual returns and actual regulatory equity	£m	3	107.142	107.822
1F	R33	1F.18	Total shareholder return	Actual returns and actual regulatory equity	£m	3	141.642	142.322
1F	R37	1F.20	Retained value	Actual returns and actual regulatory equity	£m	3	103.729	104.409

*(only applicable if viewing Excel data table)

Change two

What is the change?

The second data change was made to table 2l.

We noticed that we had used an incorrect value for the WRFIM adjustment on line 24 'Adjustment for WRFIM'.

This change does not affect any other data tables or the accompanying commentary.

What did we change?

The changes are listed in the table below.

Table number	Cell*	Line number	Line description	Column heading	Units	DPs	July submission input	Resubmitted input
2l	H50	2l.24	Adjustment for WRFIM	Wastewater	£m	3	5.274	6.965

This data change resulted in 5 calculated cell changes. These are listed in the table below.

Table number	Cell*	Line number	Line description	Column heading	Units	DPs	July submission input	Resubmitted input
2l	H51	2l.25	Total assumed revenue	Wastewater	£m	3	573.156	574.846
2l	H53	2l.26	Difference	Wastewater	£m	3	-21.457	-23.147
2l	J50	2l.24	Adjustment for WRFIM	Total	£m	3	1.836	3.527
2l	J51	2l.25	Total assumed revenue	Total	£m	3	1034.388	1036.078
2l	J53	2l.26	Difference	Total	£m	3	-31.261	-32.951

*(only applicable if viewing Excel data table)

Change three

What is the change?

The third data change was made to table 3A.

Ofwat spotted an error in the ODI payments for the 'SB4: Length of river improved (against WFD component measures)' performance commitment.

We had incorrectly entered an underperformance payment of £-0.2925m in line 23 of Table 3A. The underperformance payment should have been £0.

This change does not affect any other data tables or the accompanying commentary.

What did we change?

The change is listed in the table below.

Table number	Cell*	Line number	Line description	Column heading	Units	DPs	July submission input	Resubmitted input
3A	N27	3A.23	PR14YKY WSWW_SB4; SB4: Length of river improved (against WFD component measures)	2019-20 outperformance payment or underperformance payment - ODIs payable at the end of AMP6	£m	4	0.2925	0.0000

*(only applicable if viewing Excel data table)

Change four

What is the change?

The fourth data change was made to table 4H.

Ofwat spotted an error with how we calculated the effective tax rate on line 16 'effective tax rate'.

We had incorrectly used the 1A.18 UK Corporation Tax figure instead of 1A.16 Current year to calculate the effective tax rate.

This change does not affect any other data tables or the accompanying commentary.

What did we change?

The change is listed in the table below.

Table number	Cell*	Line number	Line description	Column heading	Units	DPs	July submission input	Resubmitted input
4H	G22	4H.16	Effective tax rate	Financial indicators	%	2	24.96%	27.20%

*(only applicable if viewing Excel data table)

3. Changes to the commentary

Changes to the commentary

What is the change?

We added additional explanatory commentary on the water and wastewater capital costs to the accounting separation methodology statement in Appendix 3 of the APR. We will make sure we include this information in our future APRs.

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