



Our Final assurance plan  
for 2017/18 and 2018/19



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## What is assurance?

Assurance is a process aimed at giving confidence in the information we publish.

Assurance is how we review information and processes to make sure that our publications are accurate, accessible and easy to understand.



## How does it work?

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

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

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



## Why does assurance matter?

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

# 01.

# About this document

We want to give you information that you can trust.

This document explains the assurance we have in place, to give you confidence that our publications are accurate, accessible and easy to understand.

This assurance plan covers all information that we plan to publish in 2017/18 and 2018/19.

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

We've previously spoken with you to understand the risks, strengths and weaknesses with our reporting. We also consulted with you on a draft version of this assurance plan. Your feedback has helped shape this 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 that 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.

The Plain English Campaign have reviewed this document for clarity to make sure it is easy to read. We have been awarded the Crystal Mark for our assurance plan.

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



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

### You can contact us in the following ways.



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



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



Or posting them to us:  
**Regulation Department**  
**Yorkshire Water, Western House,**  
**Western Way,**  
**Buttershaw, Bradford**  
**BD6 2SZ.**

# 02. Glossary

Term	Definition
Annual Performance Report (APR)	A report that we publish each year to show we are keeping to 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 is correct.
Assurance plan	A plan of the activities that we will carry out to provide assurance on the information and publications we provide.
Board	Our board is accountable for controlling the business, our strategy and our decisions. They answer for the quality of our information and publications.
Board Audit Committee	The committee reviews the processes and controls in place and the level of assurance. They report their views of the quality of our assurance to the board.
Company monitoring framework	Ofwat's framework that sets out the way in which companies provide performance information to their customers, and others with an interest, 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, pay, 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. They hold us to account for the quality of our involvement work, our plans and to check we are meeting the promises we made to you.
Data assurance	Processes in place to make sure that the information we produce is accurate.
Data provider and data manager	Data providers have specific responsibilities as part of our data-assurance process. They will record the steps we follow to gather, analyse, process and report on our performance. They will then include this information in the publication. The data provider is supported by a data manager. The data manager will make sure that the information produced and any supporting explanations match our reporting requirements.
Day-to-day controls	These are the activities that we complete every day as part of our front-line operations. Everything that we do supports the information that we eventually report.
Defra	Defra is the Department for Environment, Food and Rural Affairs. It is a UK government department responsible for protecting our natural environment, supporting the food and farming industry, and maintaining a thriving rural economy.
Delivery assurance groups	These are teams made up of managers and operational colleagues. They are responsible for monitoring our performance as we deliver the performance commitments that we agreed with you.

Term	Definition
External audit (other)	The independent assurance providers that we hire to review the information 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 the source and assessing the quality of our processes.
External audit (financial)	Deloitte, our external auditors, provide an opinion on the accuracy of our financial statements.
Financial incentives / rewards and penalties	In our business plan, we consulted you to set challenging 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 the commitments and penalise performance that falls short.
Internal audit	Internal audit is an independent team, governed by international standards, which focus on higher-risk areas across the business. They review second-line activity and test the design and operation of the controls to make sure we provide accurate information.
ISO 9001 Quality Standard	ISO 9001 is the internationally recognised Quality Management System (QMS) standard. It is the standard that our regulatory reporting process has been judged to meet. By being ISO 9001 accredited, our regulatory reporting process is considered to consistently provide information that meets customer and statutory and regulatory requirements.
MOSL	Market Operator Services Limited. They work with DEFRA, Ofwat and the water companies as part of the Open Water Programme, which prepared the industry for the opening of the new non-household retail market in April 2017.
Ofwat	The Office of Water Services is the economic regulator of water services in England and Wales.
Performance commitment	In 2015 we worked with you to identify seven things that you wanted us to achieve between 2015 and 2020. We called them 'Outcomes for Yorkshire'. These seven outcomes are supported by 26 performance commitments. These are our commitments to you and the targets that we are working towards between 2015 and 2020. We have provided information on our performance commitments in Appendix A.
PR14	Periodic Review 2014; this is the Ofwat periodic review of price limits completed in 2014 to set prices for 2015 to 2020.
PR19	Periodic Review 2019; this is the Ofwat periodic review of price limits to be completed in 2019 to set prices for 2020 to 2025.
Procedures	A 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 makes sure our reporting over the years is consistent.



Term	Definition
Publication manager	They will review the guidance, design the format of the final report, choose the data providers required and set up a timeline for publication. They will collect the information, write the publication in plain English and make sure the publication is delivered on time.
Regulatory, financial and legal oversight	The teams that oversee the publications, regulations and legal obligations. The teams will review the information and the publications to make sure they meet our requirements and meet any guidance that we have.
Retail	Retail services are customer-facing activities such as billing, handling accounts (payments, managing debt, and reading meters.) customer queries, water-efficiency advice and tackling leaks in customers' pipes.
Risks, strengths and weaknesses statement	This is a document we produce every year after consulting with our customers and others with an interest in our business. It provides information on what you think about the performance information that we publish and how we will respond to any risks identified as part of this process.
Senior manager and director reviews	Senior managers will review the information produced, how it has been worked out and any explanation of the results. They will 'check' that the information is accurate, consistent and meets reporting requirements. They will review that the information is in line with their expectations of company performance and make sure any differences are explained. They will complete a review of other information published inside and outside the organisation for consistency.
Senior manager and director self-certification and sign off	Senior managers will be asked specific questions in the yearly self-certification process. These questions will relate to the quality of reporting information. Heads of departments must state whether the information reported is accurate. Evidence must be gathered to make this statement.
Steering groups	Steering groups are set up to help programme how we deliver Information. They will be involved in making sure that any requirements for a publication have been met.
Targeted assurance	Areas that we have identified as being important to you or being higher risk should have more assurance to give the confidence that the information is correct.
Wholesale	Wholesale services means delivering water via networks of pipes to and from customers' property boundaries, including taking water from a ground source, treating and transporting water, as well as collecting, treating and disposing of waste water.
Wider assurance	Processes in place to make sure that the overall publication meets any guidance and is accessible and easy to understand.

# **03.** **Our** **assurance** **approach**

**We want to make sure our assurance plan is:**

**Timely**

**Focused on the main 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

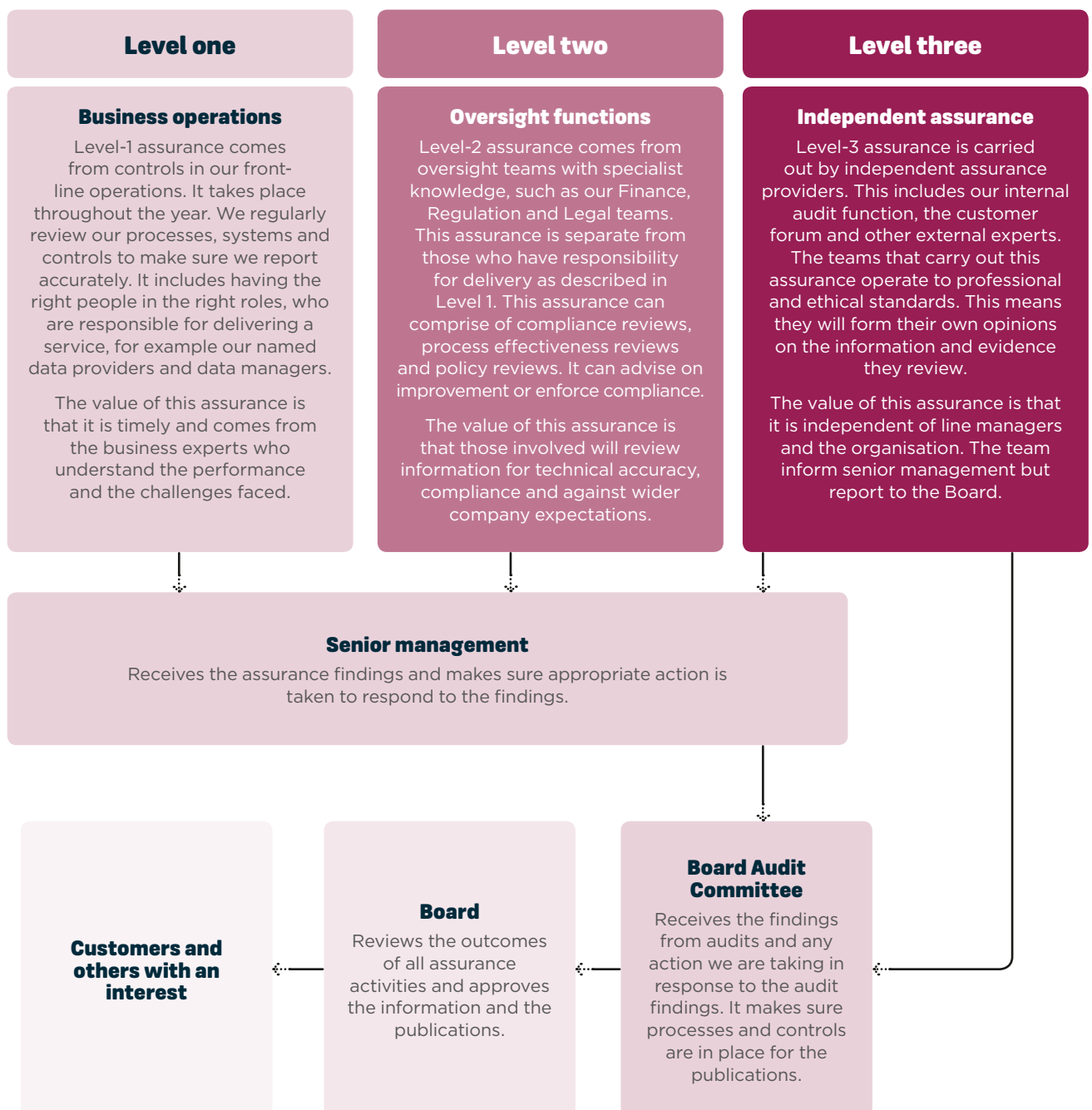
assurance activities match the level of risk of making mistakes associated with the information or the publication. This is best practice for assurance.

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 information is accurate and that our publications are accessible and easy to understand.

**We believe that good assurance is carried out at the right time, is focused on higher-risk areas, asks the right questions and produces good evidence to support the statements we make.**

## Our 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 of our reporting. By putting our assurance activities into three levels, we make sure that we give enough assurance at the right time. A description of the levels of assurance is provided in the diagram below.



## Our risk-based approach

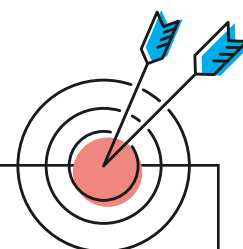
We recognise that we need to give you greater confidence in the areas that are important to you or have higher risk. We call this our risk-based approach.

All information will be checked to make sure that it 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 terms of reporting, risk is defined as an uncertain future outcome that, if it happens, will have negative effects on the quality of our information in our reports. A risk is assessed on the probability of a mistake happening and on the effect if it does happen. Managing risk is important to us.

Our assurance aims 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 use extra checks to make sure it is right.



### The areas where we apply more assurance

Where we exceed our commitments and want to make sure this continues.

Where there are financial rewards and penalties involved.

Where we have to gather lots of information before we publish.

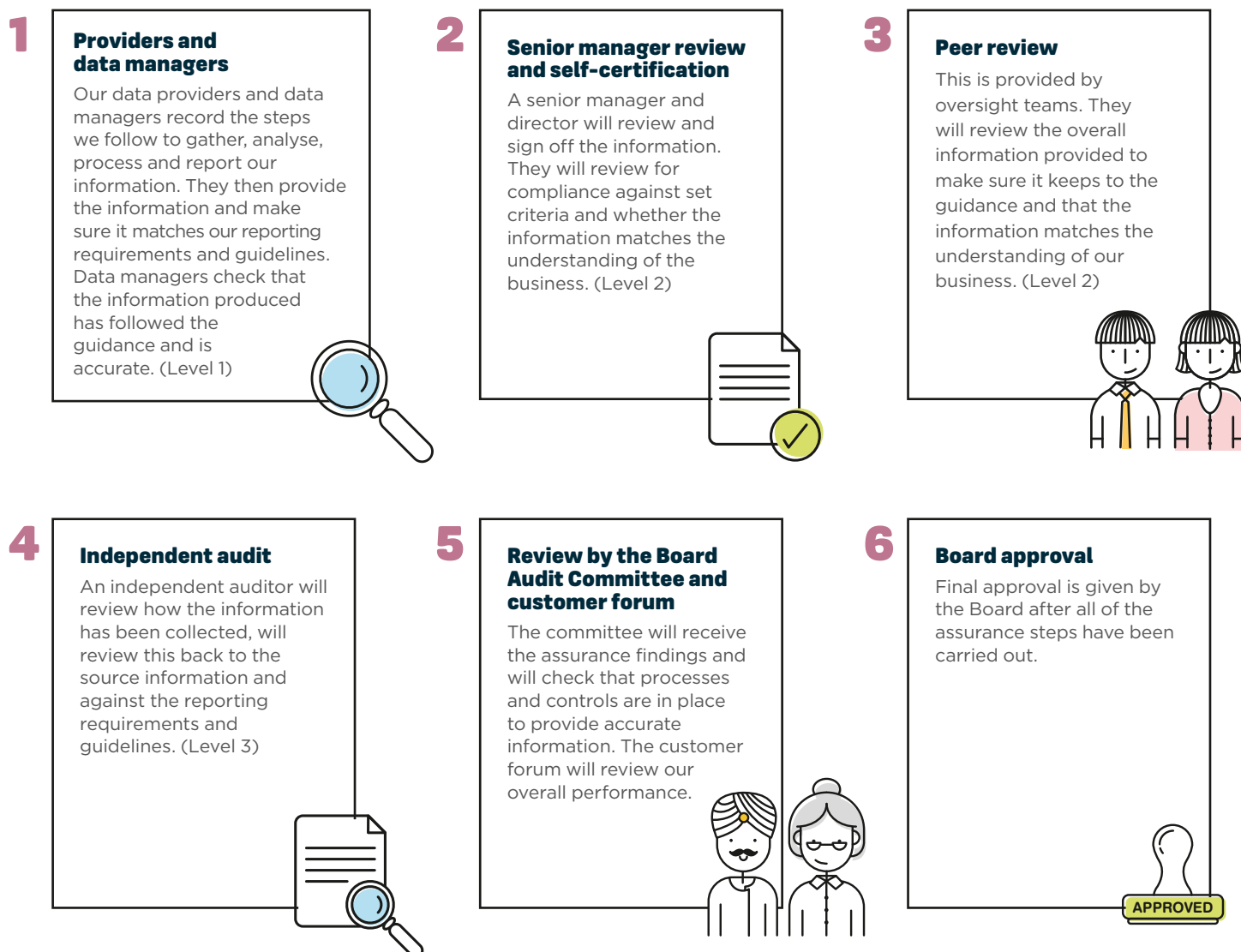
Where we rely on other people and other companies to provide information for our reports.

Where there is change inside or outside the organisation.

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 make sure that the information we produce is accurate.



## Our wider assurance process

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

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

- understanding the guidance;
- designing the format of the report;
- choosing data providers;
- developing the timeline for the publication;
- collecting information for the publication;
- writing the publication in plain English; and
- delivering the publication on time.

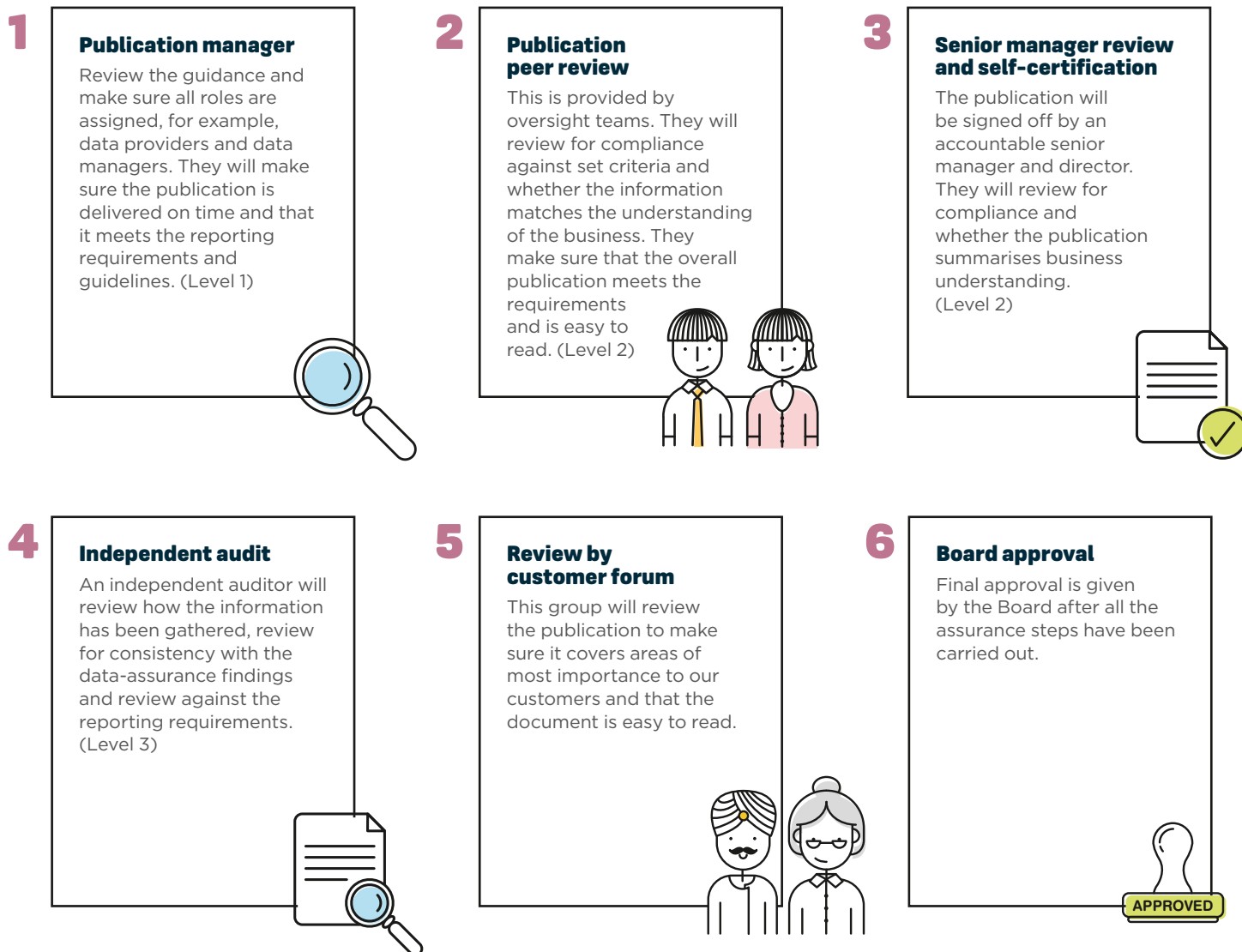
Oversight teams provide a peer review. They make sure that the overall publication meets the requirements and is easy to read.

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 a process in place 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 answers for the quality of our publications. The Board owns and approves the publication and releasing of the information we make available for you.

## Our wider assurance process





# **04.** **Our** **assurance** **activities**

## An overview of our assurance activities

This section gives you a picture of our assurance activities. The glossary contains a description of each activity. 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.

The assurance maps on the next two pages shows a summary of our assurance activities. This demonstrates how we are applying our three levels of assurance for our publications. You can find more details on the assurance we carry out in Appendix B.

We have used our risk-based approach to decide what assurance activity is needed at each level. 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 focused assurance. Our risk-based approach on page 13 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 an active process, we will keep our reporting risks and this document up to date. If we make any significant changes to our assurance plan before this, we will update this report and put it on our website.



# Table 1: Our 2017/18 assurance map

Level 1                      Level 2                      Level 3

These levels refer to our three levels of assurance on page 12.  
Assurance levels and activities decided based on the risk based approach

Publications (Appendix B contains more information on the assurance planned and information on what this submission is). These are the documents that we publish.	Submission Date This is when we publish the document.	Submission Risk Assessment This is the risk score of each publication after we have done the risk assessment.	These are the assurance activities that we carry out														
			Day to day controls	Assigned Data Provider and Data Manager	Assigned Publication Manager	Senior Manager and Director Reviews	Senior Manager and Director Self Certification / Sign Off	Regulatory, Finance and Legal Oversight	Delivery Assurance Groups and Steering Groups	Quality Management Process (ISO9001)	Board Audit Committee and Board Review	Customer Forum	Internal Audit	External Audit (Financial)	External Audit (Other)		
Condition R Compliance Code Statement	Apr-17	High															*
Convergence Measures Shadow Reporting	Aug-17	High															
Risks, Strengths & Weaknesses Statement	Sep-17	Medium															
Assurance Plan (Draft)	Sep-17	Medium															
Price Review 2019 (PR19) – RCV Allocation Bioresources	Sep-17	High															
Indicative Wholesale Charges Scheme	Oct-17	High															
Bioresources Market Information (voluntary publication)	Oct-17	Medium															
Interim Financial Statements	Nov-17	Medium															
Price Review 2019 (PR19) – DWI Submission	Dec-17	High															
Price Review 2019 (PR19) – Draft WRMP Submission	Dec-17	High															
Wholesale Charges Scheme	Jan-18	High															
Price Review 2019 (PR19) – RCV Allocation Water Resources	Jan-18	High															
Targeted Review on Service	Jan-18	High															*
Charging arrangements for New Connection Services	Feb-18	High															
Charges Scheme	Feb-18	High															
Water Resources Market Information Submission	Mar-18	Medium															
Assurance Plan (Final)	Mar-18	Medium															
Annual Performance Report (APR)	Jul-18	High															
APR Section 1: Regulatory financial reporting	Jul-18	High															
APR Section 2: Price review and other segmental reporting	Jul-18	High															
APR Section 3: Performance summary	Jul-18	High															
APR Section 4: additional regulatory information	Jul-18	High															
Data Assurance Summary	Jul-18	High														*	*
Customer Performance Report	Jul-18	High														*	*
Risk & Compliance Statement	Jul-18	High															
Annual Report & Financial Statements (statutory accounts)	Jul-18	High															
Bioresources Market Information	Jul-18	Medium															
Operational Market Performance Reports	Quarterly	Medium															
Price Review 2019 (PR19)	Ongoing	High															
Casework (information to Ofwat as required)	As Required	High															

Already Published    In place    Does not apply (based on risk-based approach)

\*Data used within the submission will be assured by an external organisation. \*\*To be confirmed in consultation with Defra.

# Table 2: Our 2018/19 assurance map

Publications (Appendix B contains more information on the assurance planned and information on what this submission is) These are the documents that we publish.	Submission Date This is when we publish the document.	Submission Risk Assessment This is the risk score of each publication after we have done the risk assessment.	Level 1										Level 2				Level 3		
			Day to day controls	Assigned Data Provider and Data Manager	Assigned Publication Manager	Senior Manager and Director Reviews	Senior Manager and Director Self Certification / Sign Off	Regulatory, Finance & Legal Oversight	Delivery Assurance Groups and Steering Groups	Quality Management Process (ISO9001)	Board Audit Committee and 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) - DWI Submission - Long term Strategic Planning Statement	May-18	High																	
Price Review 2019 (PR19) - Business Plan Submission	Sep-18	High																	
Price Review 2019 (PR19) - WINEP	Sep-18	High																	
Risks, Strengths & Weaknesses Statement	Sep-18	Medium																	
Assurance Plan (Draft)	Sep-18	Medium																	
Price Review 2019 (PR19) - WRMP Final **	Sep-18	High																	
Water Resources Market Information Submission **	Sep-18	Medium																	
Indicative Wholesale Charges Scheme	Oct-18	High																	
Interim Financial Statements	Nov-18	Medium																	
Wholesale Charges Scheme	Jan-19	High																	
Charging arrangements for New Connection Services	Feb-19	High																	
Charges Scheme	Feb-19	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																	
Bioresources Market Information	Jul-19	Medium																	
Operational Market Performance Reports	Quarterly	Medium																	
Casework (information to Ofwat as required)	As Required	High																	

□ In place    ■ Does not apply (based on risk-based approach)

\* Data used within the submission will be assured by an external organisation. \*\* To be confirmed in consultation with Defra.

## Table 3: Our targeted assurance areas

The areas we want to target	Why we have included it	The assurance that we will carry out
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 put in place a new online research community, made up on 1000 Yorkshire Water customers from across the region representing the voice of our customers. This group platform will mean we can continuously involve our customers, allowing us to tailor our services and communications to their needs. The group is part of a wider research programme which will make sure customers are at the heart of what we do.</p> <p>When we publish information, the publication manager and the management review will make sure the information matches what you want and need.</p> <p>We will continue to work with the customer forum to make sure 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 involvement events.</p> <p>We will continue to listen to you and make sure we provide information in places where you can access it.</p> <p>When we publish information on our website, we will make sure we put it in a place which is easy for you to find.</p> <p>We will continue to ask the customer forum to challenge us on our 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>Using plain English will help us make our publications easy to read and understand.</p> <p>We are aware that some of our activities are complicated. The publication manager will make sure that the information in our publications is clear.</p> <p>We will continue to ask the customer forum to challenge us on our progress with this priority.</p>
Information is always accurate and reliable.	Listening to what you said, we identified this as a priority within our risks, strengths and weaknesses statement.	<p>We reviewed and strengthened our approach to assurance in 2016/17. We will continue to review and improve our processes. We will follow our data and wider assurance processes. This includes using independent assurance. We continually review the assurance in place. We learn from any mistakes made and put processes in place to make sure these do not happen again.</p> <p>In 2016/17, we formally recognised the importance of the role of the publication manager. We have also built in extra quality checks to make sure that guidance has been followed for our publications. We will make sure this stays in place for 2017/18 and beyond.</p>

The areas we want to target	Why we have included it	The assurance that we will carry out
Performance commitments	<p>Our own review identified the need for extra targeted assurance on some performance commitments. This includes the following</p> <ul style="list-style-type: none"> <li>• Where the target was missed in the previous year (drinking water complaints and energy self-generation, performance commitments).</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, performance commitments).</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, performance commitments).</li> <li>• Where we are forecasting a financial incentive reward (as at September 2017 this was forecasted to be water supply interruptions performance commitment).</li> </ul>	<p>We reviewed and strengthened our assurance approach in 2016/17. We will follow our improved processes related to information and wider assurance in 2017/18 and beyond. We will continue to review and improve our assurance processes when necessary.</p> <p>We regularly monitor performance and agree action plans at the Delivery Assurance Group.</p> <p>We will use Independent external assurance to provide further 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

The areas we want to target	Why we have included it	The assurance that we will carry out
Cost allocation in the Kelda Group	<p>The Kelda Group is currently selling a number of its non-regulated companies that operate as Kelda Water Services. We want to make sure that customers do not have to pay for the cost of the sale.</p> <p>Cost allocation is part of our Annual Performance Report.</p>	<p>We will follow our improved processes for information and wider assurance.</p> <p>We monitor our cost allocations and carry out checks every three months. We record the assumptions made when allocating our costs and we clearly record any manual adjustments and calculations that we make.</p> <p>Our auditors Deloitte review our cost allocations every year.</p>
Price control cost allocation	<p>We are currently working with four price controls. This will increase to six from 2020. We need to make sure we are allocating our costs correctly.</p> <p>Cost allocation is part of our Annual Performance Report.</p>	<p>We will follow our improved processes for information and wider assurance.</p> <p>We run cost assessments (how we record where we have spent money) before the end of the year, making sure they meet the guidelines set by Ofwat. Checks are then carried out and agreed amendments are made in our financial system.</p> <p>Relevant managers in the business and our finance team review the cost assessments to make sure they are accounted for correctly. We then identify and explain any differences.</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 auditors Deloitte review our cost allocations every year.</p>
Periodic review 2019 (PR19)	<p>The information we produce now supports our business plan over the coming years. We need to know that the information we use is correct.</p> <p>We currently use information to produce our business plans. We will be using some of this information throughout 2017/18 as we involve you in what matters most to you. Our full business plan for 2020 to 2025 will be available on our website in September 2018.</p>	<p>A programme of assurance activity to review our approach to developing the business plan and to check the information supporting the business plan will take place between April 2017 and September 2018. This will include independent assurance through our financial auditors Deloitte, our technical auditors Halcrow and other specialist providers.</p> <p>We are putting in place a new system as part of PR19. As we build our plans for the future with you, this system will help us make sure that we use the best cost solutions to provide the services you want. Internal audit are carrying out a review of the system.</p>

# 05. Responding to what we have heard



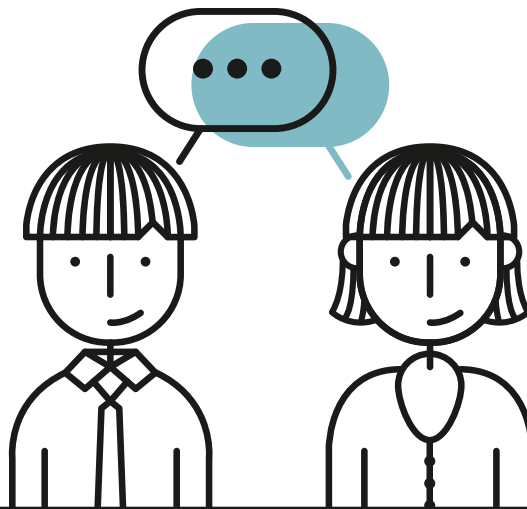
We consulted with you to find out your thoughts on our draft assurance plan to allow us to make improvements. We received feedback from 557 of our customers via a survey on our website. We also received feedback through workshops with our customers.

A summary of the survey results has been published on our website. Here is a link [www.yorkshirewater.com/sites/default/files/Draft-Assurance-Plan-2017-18-customer-engagement-summary-report](http://www.yorkshirewater.com/sites/default/files/Draft-Assurance-Plan-2017-18-customer-engagement-summary-report).

In this part of the plan we will describe the work we have done in response to your feedback.

Most of you acknowledge the Importance of the assurance plan and agree that our assurance plan is thorough.

Overall, you said that you are happy with this plan and trust Yorkshire Water to carry out assurance properly.



### **FROM YOUR FEEDBACK, WE FOUND FOUR KEY POINTS.**

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

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

What you told us we could improve	What we have done to improve
The formatting of the plan	<ul style="list-style-type: none"> <li>• You told us our glossary was useful but asked us why it appeared half way into our plan as it would be more useful to read at the start. We agreed. We have moved the glossary to the front of our plan.</li> <li>• We have also increased the font size across our plan.</li> </ul>
The look and feel	<ul style="list-style-type: none"> <li>• We have updated the front cover to make Yorkshire Water more recognisable and our assurance plan stand out.</li> <li>• We have redesigned the icons in the plan.</li> <li>• You told us that you didn't like the green pages, those pages are no longer green.</li> <li>• You told us that our three levels of assurance diagram could have more colour and we have updated it.</li> </ul>
The language we have used	<ul style="list-style-type: none"> <li>• We asked Plain English Campaign to review our plan and remove jargon and technical language – it should now be easier to read.</li> <li>• We have been awarded the Crystal Mark for this assurance plan.</li> <li>• Let us know if we could do more.</li> </ul>
The length of our assurance plan	<ul style="list-style-type: none"> <li>• You told us that we could shorten parts of our assurance plan and in one case remove an entire page.</li> <li>• We have made the wording in our plan more concise without losing any important messages.</li> </ul>
The way we explained the assurance map	<ul style="list-style-type: none"> <li>• To the help explain the assurance map better, we have added notes to the headings. We hope the assurance map is now clearer.</li> <li>• If we can do more, please let us know.</li> </ul>
The accessibility of our plan	<ul style="list-style-type: none"> <li>• We have included information about how you can ask for a paper copy of this plan.</li> <li>• We will continue to use our other engagement channels to share our plan with as many of our customers as possible.</li> </ul>

# **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 central role in the region's health, wellbeing and prosperity.**

We do this by collecting, treating and distributing 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 and 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 your 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 those outcomes and commitments, supporting 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 in our Annual Performance Report and our Customer Performance Report.

# OUR PERFORMANCE COMMITMENTS

## THE SEVEN OUTCOMES

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:**

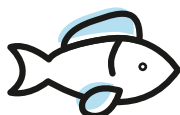
- Leakage
- Water use
- Water supply interruptions
- Stability and reliability factor - water networks



**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
Condition R compliance code statement	<p>This sets out how we prove that we are keeping to Condition R of our licence in terms of confidentiality and protecting commercially sensitive information received from, or relating to, water supply licensees. This statement is published each year. It was published on our website in April 2017.</p>	<p><b>Level 1:</b> The legal department and compliance officer reviewed the guidelines and prepared a draft compliance manual to publish. We appointed Eversheds to provide legal advice, review the guidelines and set up a framework for the compliance manual in 2016/17. We will continue to refer to this when developing the latest statement.</p> <p><b>Level 2:</b> Senior management from the regulation department reviewed the draft compliance manual and made recommendations to the compliance officer. A final review meeting was held with the company secretary and director before we published.</p> <p><b>Level 3:</b> We didn't plan to use independent assurance for this publication. However, we will reference other Level 3 assurance on elements of the retail competition obligations.</p>
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. We have given performance against the new measures to Ofwat, ahead of these measures being put into practice across the industry from April 2020. We provide this information direct 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 reviewed and approved the information provided. A peer review of the information and the submission was carried out. The relevant manager made sure that information was provided in line with requirements.</p> <p><b>Level 3:</b> Halcrow provided independent assurance to confirm that the information was accurate and created in line with the guidance provided.</p> <p>We got Board Assurance Statement for this publication.</p>
Risks, strengths and 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 we need to provide extra assurance. We publish the findings from this exercise every year in our risks, strengths and weaknesses statement. This was published on our website in September 2017.</p>	<p><b>Level 1:</b> We chose a publication manager and data providers to provide the information we needed.</p> <p><b>Level 2:</b> Senior managers and directors reviewed and approved the approach and the final document.</p> <p><b>Level 3:</b> Halcrow provided independent assurance to confirm that the information was accurate and created in line with the guidance provided.</p>

2017/18 Publications	What is it?	Planned assurance
Assurance plans (draft and final)	As part of Ofwat's company monitoring framework, we need to publish our assurance plan for the information that we provide. We publish this every year as a draft. We carry out consultation on this draft and then make changes based on the feedback. We published our draft assurance plan in September 2017 and the final one in March 2018. The plans will be available on our website.	<p><b>Level 1:</b> We chose a publication manager and data providers to provide the information we need.</p> <p><b>Level 2:</b> Senior managers and directors reviewed and approved the approach and the final document.</p> <p><b>Level 3:</b> Our internal audit team reviewed the information in our draft assurance plan.</p>
Price review (PR19) RCV allocation Bioresources	Ofwat published Water 2020 in May 2016. This introduced a separate price control for water resources and bioresources at PR19. The bioresource RCV allocation was sent direct to Ofwat in September 2017.	<p><b>Level 1:</b> Named data providers and data managers provided accurate information in line with the guidance. A submission manager made sure that all data providers and data managers were chosen and that the submission was completed to the relevant timescales and in line with the requirements and guidance.</p> <p><b>Level 2:</b> Named senior managers and directors who reviewed and approved the information provided. A peer review of the information and the submission was carried out.</p> <p><b>Level 3:</b> Halcrow provided independent assurance to confirm that the information is accurate and created in line with the guidance provided.</p> <p>We got 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 help with creating efficiencies and new ideas for the benefit of customers, the environment and wider society.</p> <p>Market information on where bioresources are produced, their quality or quantity is central to supporting bioresources markets by promoting and encouraging efficient entry, as well as monitoring progress and development of those markets. Water companies were asked to voluntarily publish information for 2016/17 by autumn 2017.</p>	<p><b>Level 1:</b> Named data providers and data managers were responsible for providing accurate information in line with any guidance provided. A submission manager made sure that all data providers and data managers were chosen and that the submission was completed to the relevant timescales and in line with the requirements and guidance.</p> <p><b>Level 2:</b> Named senior managers who reviewed and approved the information provided. A peer review of the information and the submission was carried out.</p> <p><b>Level 3:</b> Halcrow provided independent assurance to confirm that the information was accurate and created in line with the guidance provided.</p>



2017/18 Publications	What is it?	Planned assurance
Interim financial statements	Interim financial statements are a requirement of our investors and should be read with the annual report for that year. We publish our interim financial statements on our website.	<p><b>Level 1:</b> Throughout the year, we have accountants carrying out day-to-day accounting activities, including maintaining accounting systems and end-of-month 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 chosen and they follow the wider assurance process, making sure that the final document is accurate, accessible and easy to understand.</p> <p><b>Level 2:</b> Throughout the year, management oversee the accountant's, activities. This includes monthly reviews of information. A senior manager will review and approve the publication. We submit the interim financial statements to Board before they are published.</p> <p><b>Level 3:</b> We do not use independent assurance for this publication.</p>
Price review (PR19): DWI (Drinking Water Inspectorate) submission	Periodic reviews give companies an opportunity to review long term drinking water quality and supply arrangements. A submission was made direct to the Drinking Water Inspectorate.	<p><b>Level 1:</b> A submission manager made sure that any data providers and data managers were chosen and that the submission was completed to the relevant timescales and in line with the requirements and guidance.</p> <p><b>Level 2:</b> Named senior managers and directors reviewed and approved the information provided. A peer review of the information and the submission was carried out.</p> <p><b>Level 3:</b> Halcrow provided independent assurance to confirm that the information was accurate and the submission had been developed in line with the guidance provided.</p> <p>We got a Board Assurance Statement for this publication.</p>
Price review (PR19): WRMP (water resource management plan) draft submission.	By law, water companies have 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 plan 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. We sent this to Defra in December 2017.	<p><b>Level 1:</b> Named data providers and data managers were responsible for providing accurate information in line with any guidance provided. A submission manager made sure that all data providers and data managers were chosen and that the submission is completed to the relevant timescales and in line with the requirements and guidance.</p> <p><b>Level 2:</b> We have named senior managers and directors who reviewed and approved the information provided. A peer review of the information and the submission are carried out.</p> <p><b>Level 3:</b> Halcrow provided independent assurance to confirm that the information is accurate and the submission is developed in line with the guidance provided.</p> <p>We got a Board Assurance Statement for this publication.</p>

2017/18 Publications	What is it?	Planned assurance
Water resources market information submission	<p>Ofwat wants to promote market development in providing, managing and developing water resources, demand management and leakage activities. Markets can inform, and encourage efficiencies and new ideas for the benefit of customers, the environment and wider society.</p> <p>Water companies have been asked to publish information to match the publication of their draft water resources management plan consultation in January/February 2018, to be updated in line with the final water resource management plan which we will publish in autumn 2018.</p>	<p><b>Level 1:</b> A submission manager made sure that any data providers and data managers are chosen and that the submission was completed to the relevant timescales and in line with the requirements and guidance.</p> <p><b>Level 2:</b> Named senior managers and directors reviewed and approved the information provided. A peer review of the information and the submission was carried out.</p> <p><b>Level 3:</b> Halcrow provided independent assurance to confirm that the data is accurate and the submission has been developed in line with the guidance provided.</p>
Indicative wholesale charges scheme. Wholesale charges scheme, charging arrangements for new connection services and charges scheme	<p>Every year we publish an indicative wholesale charges scheme in October, a wholesale charges scheme in January, a charges scheme and charging arrangements for new connection services in February. These documents contain our wholesale charges for water and sewerage services to retailers who operate in our region, the charges for customers who receive wholesale and retail services from us and the charges for connection services received for developers, self-lay operators and new appointees and variations.</p> <p>We include our standard terms and conditions in these documents.</p>	<p><b>Level 1:</b> All data inputs into the tariff model are from assured data sources. We reviewed the tariff model and updated it when necessary. We reviewed all movements in tariffs and assessed the effect on bills making sure that the effects were reasonable and explained. The team providing Level-1 assurance made sure we kept to the four revenue and price controls and the published charges principles and guidelines.</p> <p><b>Level 2:</b> There is a tariff steering group, which includes business experts in regulatory finance, retail services and tariffs. We completed a legal review of the charges scheme booklet. A senior manager and director reviewed the information provided and approved the final charges.</p> <p><b>Level 3:</b> Independent assurance was provided by our financial auditors on the tariff model to make sure calculations were accurate and reflected changes in guidelines for the indicative wholesale charges, charges scheme, and wholesale charges. Halcrow provided independent assurance of our publications for 2018.</p> <p>We got a Board Assurance Statement for each of these publications.</p> <p>Internal audit carry out a billing audit each year to confirm that the tariffs have been included in the billing system correctly.</p>

2017/18 Publications	What is it?	Planned assurance
Targeted review on service	<p>Ofwat will carry out a targeted review on particular topics. Targeted reviews provide extra information on the industry's approach to a particular topic. They allow Ofwat to challenge the industry to improve by gathering information and assessing where companies have not identified or managed their risks. This targeted review will be on service. The review will be carried out between January and March 2018. We will send information direct to Ofwat.</p>	<p><b>Level 1:</b> We chose data providers, data managers and a publication manager to gather the information needed for the targeted review.</p> <p><b>Level 2:</b> A senior manager reviewed and approved the information in the publication, making sure it met the requirements of the targeted review.</p> <p><b>Level 3:</b> We did not use independent assurance on this publication. However, we will refer to information assured through other processes and other publications. We will involve the customer forum in this targeted review.</p>
Price review (PR19) RCV allocation water resources	<p>Ofwat published Water 2020 in May 2016. This introduced a separate price control for water resources and bioresources at PR19. So that they can create the separate price control for water resources, an explicit Regulatory Capital Value (RCV) allocation at 31 March 2020 is needed. The water resources RCV allocation was sent direct to Ofwat for review in January 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 made sure that all data providers and data managers were chosen and that the submission was completed to the relevant timescales and in line with the requirements and guidance.</p> <p><b>Level 2:</b> We have named senior managers and directors who reviewed and approved the information provided. A peer review of the information and the submission was carried out.</p> <p><b>Level 3:</b> Halcrow and Deloitte provided independent assurance to confirm that the information was accurate and created in line with the guidance provided.</p> <p>We got a Board Assurance Statement for this publication.</p>

2017/18 Publications	What is it?	Planned assurance
Annual performance report (APR)	This report provides information on cost, financial performance and on our performance against our customer outcomes and commitments. The APR allows you to compare the performance of individual companies with the rest of the sector. We will publish this in July 2018.	<p><b>Level 1:</b> The overall document has a publication manager, who follows the wider assurance process, making sure that the final document is accurate, accessible and easy to understand. We choose supporting publication managers, data providers and data managers for all the sections in the full APR.</p> <p><b>Level 2:</b> There is an APR working group, which reviews the requirements and makes sure we are meeting the timetable for delivery. A senior manager will review and approve the publication.</p> <p><b>Level 3:</b> The information in 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 get a Board Assurance Statement for this publication.</p>
APR section 1: regulatory financial reporting	Section 1 of the APR contains our financial statements, including our profit-and-loss statements, cash flow, income statement and net debt.	<p><b>Level 1:</b> Throughout the year, we have accountants who monitor and manage the costs in 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, management oversee 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 carry out reconciliation activities. The publication manager will also make sure that information is provided in line with requirements.</p> <p><b>Level 3:</b> We have appointed Deloitte as our independent financial auditors. Every year they review our accounts against the regulatory accounting guidelines and complete a cross reference check to our statutory accounts.</p> <p>We will get a Board Assurance Statement for the APR publication.</p>

2017/18 Publications	What is it?	Planned assurance
<p>APR section 2: price review and other segmental reporting</p>	<p>Section 2 of the APR provides further detail on our revenue and costs, to allow you to review companies' performance against the final determinations. Revenue and costs are split between the price controls and revenue is split further by the type of customer.</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 the information provided and carry out reconciliation activities. The publication manager will make sure that information is provided in line with the requirements.</p> <p><b>Level 3:</b> We have appointed Deloitte as our 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 check the non-financial information in this section.</p> <p>We will get a Board Assurance Statement for the APR publication.</p>
<p>APR section 3: performance summary</p>	<p>Section 3 of the APR provides information on our performance against the customer outcomes, our performance commitments and whether our performance has been rewarded or penalised. This section provides a forecast on our performance to 2020.</p>	<p><b>Level 1:</b> We monitor and report on our performance commitments every month. Performance is reviewed at the delivery assurance groups and delivery plans are amended if needed. 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, management oversee the performance reporting activities. For the publication, we have chosen senior managers and directors who review and approve the information provided. The publication manager will make sure that information is provided in line with the requirements.</p> <p><b>Level 3:</b> Halcrow will provide independent assurance on the delivery plans in place for the performance commitments and to confirm that the information presented in the publication is accurate. They carry out extra checks on a number of our performance commitments, shown in our targeted assurance plans.</p> <p>We will get a Board Assurance Statement for the APR publication.</p>

2017/18 Publications	What is it?	Planned assurance
APR section 4: additional regulatory information	Section 4 of the APR provides additional information including accounting policies, totex (total expenditure) analysis, convergence measures shadow reporting 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 make sure that information is provided in line with the requirements.</p> <p><b>Level 3:</b> Deloitte and Halcrow review the accuracy of the information presented.</p> <p>We will get a Board Assurance Statement for the APR publication.</p>
Data assurance summary	This is a yearly summary of the outcome of the assurance that has been carried out. We will publish this in July 2018, alongside the APR.	<p><b>Level 1:</b> Our publication manager will follow the wider assurance process making sure that the final document is accurate, accessible and easy to understand.</p> <p><b>Level 2:</b> There is an APR working group in place, which will review the requirements and make sure these are being met on time. 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 a yearly summary of the information in the APR, including the information on our performance commitments. We will publish this in July 2018, alongside the APR.	<p><b>Level 1:</b> Our publication manager will follow the wider assurance process making sure 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 on time. 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 check the information in this publication.</p>

2017/18 Publications	What is it?	Planned assurance
Risk and compliance statement	<p>This is a yearly statement which explains how we have kept to our relevant statutory, licence and regulatory obligations. We will publish this in July 2018, alongside the APR.</p>	<p><b>Level 1:</b> Our publication manager will follow the wider assurance process making sure 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 on time. 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 get a Board Assurance Statement for this publication as part of the wider APR.</p>
Annual report and financial statements (statutory accounts)	<p>Statutory accounts are a legal requirement. Within this report we tell you about our strategy, how we are governed and our performance during 2017/18. This is part of our 'integrated reporting' which tells you how we create value for society and shareholders now and in the long term. We will publish this in July 2018.</p>	<p><b>Level 1:</b> Throughout the year, we will have accountants perform the day-to-day accounting activities. We will have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided. The publication manager will follow the wider assurance process making sure that the final document is accurate, accessible and easy to understand.</p> <p><b>Level 2:</b> Throughout the year, we have management oversee 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. Deloitte, our financial auditors review the information in our statutory accounts and assess that it is true and fair based on company affairs and that the accounts have been prepared in line with accounting policies. The information on our performance commitments is assured by internal audit and independent assurance is provided by Halcrow.</p> <p>We will get 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, and encourage efficiencies and new ideas for the benefit of customers, the environment and wider society.</p> <p>Market information on where bioresources are produced, their quality or quantity is central to supporting bioresources markets by promoting and encouraging efficient entry, as well as monitoring progress and development of those markets. Information for 2017/18 will 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 makes sure that all data providers and data managers are chosen and that the submission is completed to the relevant timescales and in line with requirements and 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 carried out.</p> <p><b>Level 3:</b> Halcrow provide independent assurance to confirm that the information is accurate and created in line with the guidance provided.</p>
Operational market performance reports	<p>The non-household retail market opened in April 2017. Every three months there will be a report showing how each company is keeping to the service-level agreements. We will send our information direct to MOSL (Market Operator Services Limited). MOSL will publish the information every three months.</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 we follow the processes and that we meet our obligations. We review our performance at the market performance hub and change our plans if necessary. 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 oversee the performance reporting activities. For the publication, we will have named senior managers who review and approve the information provided. The publication manager will make sure 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 information available will be carried out. We will not apply independent assurance to these reports.</p>



2017/18 Publications	What is it?	Planned assurance
Price review 2019 (PR19)	<p>Price reviews are one of the ways Ofwat sets the price, investment and service package that customers receive. We will carry out a programme of assurance activity to review our approach to developing the business plan and to check the information supporting the business plan between April 2017 and September 2018. We will publish the business plan in September 2018.</p>	<p><b>Level 1:</b> The overall document has a publication manager, who follows the wider assurance process making sure that the final document is accurate, accessible and easy to understand. We will choose supporting publication managers, data providers and data managers for all the sections in the price review.</p> <p><b>Level 2:</b> There is a price review steering group, which reviews the requirements and makes sure we are meeting these on time. Senior managers and directors will review and approve the information in the publication and the overall publication itself.</p> <p><b>Level 3:</b> Deloitte, our financial auditors, Halcrow and other specialist assurance providers will be used if necessary. The customer forum will review the findings of the assurance processes and will review the publication to make sure it is accessible and easy to read.</p> <p>We will get a Board Assurance Statement for this publication. This will be in 2018/19.</p>
Casework	<p>Casework involves providing information to Ofwat relating to customer disputes about legislation, pricing and other licence-related issues.</p>	<p><b>Level 1:</b> A case manager is chosen to investigate and gather the appropriate information. The case is reviewed and a response is drafted.</p> <p><b>Level 2:</b> A senior manager within the regulation department reviews and approves the information before responding to Ofwat.</p> <p><b>Level 3:</b> We do not use independent assurance for casework.</p>

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

2018/19 Publications	What is it?	Planned assurance
Condition R compliance code statement	<p>This sets out how we demonstrate compliance with Condition R of our licence in terms of confidentiality and protecting commercially sensitive information received from, or relating to, water supply licensees.</p> <p>This statement is published each year. It will be published on our website in April 2018.</p>	<p><b>Level 1:</b> The legal department and compliance officer review the guidelines and prepare a draft compliance manual to publish. We appointed Eversheds to provide legal advice, review the guidelines and set up a framework for the compliance manual in 2016/17. We will continue to refer to this when developing 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 before we publish.</p> <p><b>Level 3:</b> We do not plan to use independent assurance for this publication. However, we will refer to other Level-3 assurance on elements of the retail competition obligations.</p>
Price review (PR19) cost adjustment claims	<p>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 send information on their expected cost-adjustment claims by 3 May 2018. They will send the final claims in September 2018 along with the business plan submission to Ofwat.</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 makes sure that all data providers and data managers are chosen and that the submission is completed to the relevant timescales and in line with the requirements and guidance.</p> <p><b>Level 2:</b> There is a securing cost efficiency steering group, which reviews the requirements and makes sure these are met on time. We have named senior managers and directors who review and approve the information provided. A peer review of the information and the submission is carried out.</p> <p><b>Level 3:</b> External independent assurance is provided as part of the PR19 assurance programme to confirm that the information is accurate and created in line with the guidance provided.</p>
Price review (PR19) performance commitment definitions	<p>We will send the definitions of our performance commitments to Ofwat on 3 May 2018, four months ahead of business plans. This will allow Ofwat to review the definitions of our bespoke performance commitments, and check that we are using the standard definitions for the common performance commitments.</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 makes sure that all data providers and data managers are chosen and that the submission is completed to the relevant timescales and in line with the requirements and guidance.</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 carried out.</p> <p><b>Level 3:</b> External independent assurance is provided as part of the PR19 assurance programme to confirm that the information is accurate and created in line with the guidance provided.</p>

2018/19 Publications	What is it?	Planned assurance
Price review 2019 (PR19) - DWI submission - long term strategic planning statement	Periodic reviews provide companies with an opportunity to review long-term drinking water quality and supply arrangements. Following a submission made to the drinking water inspectorate at the end of December 2017 a further submission is needed to provide assurance that future significant water quality risks and long-term planning are also being taken into consideration.	<p><b>Level 1:</b> A submission manager makes sure that any data providers and data managers are chosen and that the submission is completed to the relevant timescales and in line with the requirements and guidance.</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 carried out.</p> <p><b>Level 3:</b> Halcrow provide independent assurance to confirm the submission has been developed in line with the guidance provided and is consistent with the strategic long-term plans being proposed by us as part of the PR19 submission.</p>
Price review (PR19): business plan submission	<p>Price reviews are one of the ways Ofwat sets the price, investment and service package that customers receive.</p> <p>A programme of assurance activity to review our approach to developing the business plan and to check the information supporting the business plan will take place between April 2017 and September 2018. We will publish the business plan in September 2018.</p>	<p><b>Level 1:</b> A publication manager, who follows the wider assurance process will make sure that the final document is accurate, accessible and easy to understand. We will choose supporting publication managers, data providers and data managers for all the sections in 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 on time. Senior managers and directors will review and approve the information in the publication and the overall publication itself.</p> <p><b>Level 3:</b> Information will be assured by Deloitte and Halcrow. We will hire other specialist assurance providers as needed. 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 get a Board Assurance Statement for this publication.</p>
Price review (PR19): WRMP (water resource management plan) final submission	By law, water companies have 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 plan 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 to 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 makes sure that all data providers and data managers are chosen and that the submission is completed to the relevant timescales and in line with the requirements and guidance.</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 carried out.</p> <p><b>Level 3:</b> Halcrow will provide independent assurance to confirm that the data is accurate and the submission is developed in line with the guidance provided.</p> <p>We will get a Board Assurance Statement for this publication.</p>

2018/19 Publications	What is it?	Planned assurance
Water resources market information submission	<p>Ofwat wants to promote market development in providing, managing and developing water resources, demand management and leakage activities. Markets can inform, and encourage efficiencies and new ideas for the benefit of customers, the environment and wider society.</p> <p>Water companies have been asked to publish information to match the publication of their final water resources management plan which we will publish in autumn 2018.</p>	<p><b>Level 1:</b> A submission manager makes sure that any data providers and data managers are chosen and that the submission is completed to the relevant timescales and in line with the requirements and guidance.</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 carried out.</p> <p><b>Level 3:</b> Halcrow will provide independent assurance to confirm that the data is accurate and the submission has been developed in line with the guidance provided.</p> <p>We will get a Board Assurance Statement for this publication.</p>
Price review (PR19): WINEP (water industry national environment programme) submission	The national environment programme is a list of environmental improvement schemes that make sure 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 makes sure that all data providers and data managers are chosen and that the submission is completed to the relevant timescales and in line with the requirements and guidance.</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 carried out.</p> <p><b>Level 3:</b> External independent assurance is provided we make sure we choose the most appropriate provider to confirm that the information is accurate and the submission is developed in line with the guidance provided.</p> <p>We will get a Board Assurance Statement for this publication.</p>
Risks, strengths and 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 we need to provide extra assurance. We publish the findings from this exercise every year in our risks, strengths and weaknesses statement. This will be available on our website in September 2018.	<p><b>Level 1:</b> We choose a publication manager and data providers to provide the information we need.</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> Halcrow will provide independent assurance to confirm that the information is accurate and created in line with the guidance provided.</p>

2018/19 Publications	What is it?	Planned assurance
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. We publish this every year as a draft. We carry out consultation on this draft and then make changes based on the feedback. We will publish the draft assurance plan in September 2018 and the final one in March 2019. The plans will be available on our website.	<p><b>Level 1:</b> We choose a publication manager and data providers to provide the information we need.</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> Our internal audit team review the information in our draft assurance plan.</p>
Interim financial statements	Interim financial statements are a requirement of our investors and should be read with the annual report for that year. We publish out interim financial statements on our website.	<p><b>Level 1:</b> Throughout the year, we have accountants carry out day-to-day accounting activities, including maintaining accounting systems and end-of month 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 chosen and they follow the wider assurance process, making sure that the final document is accurate, accessible and easy to understand.</p> <p><b>Level 2:</b> Throughout the year, management oversee the accountants' activities. This includes monthly reviews of information. A senior manager will review and approve the publication. We submit the interim financial statements to Board before it is published.</p> <p><b>Level 3:</b> We will not use independent assurance for this publication.</p>
Indicative wholesale charges scheme. Wholesale charges scheme, charging arrangements for new connection services and charges scheme	<p>Every year we publish an indicative wholesale charges scheme in October, a wholesale charges scheme in January, a charges scheme and charging arrangements for new connection services in February. These documents contain our wholesale charges for water and sewerage services to retailers who operate in our region. Contains charges for customers who receive wholesale and retail services from us and contains the charges for connection services for developers, self-lay operators and new appointees.</p> <p>We include our standard terms and conditions in these documents.</p>	<p><b>Level 1:</b> All data inputs into the tariff model are from assured data sources. We review the tariff model and update it when necessary. We review all movements in tariffs and assess the effect on bills, making sure that the effects are reasonable and explained. The team providing Level-1 assurance make sure we keep to the four revenue and price controls and the published charges principles and guidelines.</p> <p><b>Level 2:</b> There is a tariff steering group, which includes business experts in regulatory finance, retail services and tariffs. We complete a legal review of the charges scheme booklet. A senior manager and director review the information provided and approve the final charges.</p> <p><b>Level 3:</b> Independent assurance is provided by our financial auditors on the tariff model to make sure calculations are accurate and reflect changes in guidelines for the indicative wholesale charges, charges scheme, and wholesale charges. We will ask Halcrow to audit the publication.</p> <p>We will get a Board Assurance Statement for each of these publications.</p> <p>Internal audit carry out a billing audit each year to confirm that the tariffs have been included in the billing system correctly.</p>

2018/19 Publications	What is it?	Planned assurance
Annual performance report (APR)	<p>This report, provides information on financial performance and cost and our performance against our customer outcomes and commitments. The APR allows you to compare the performance of individual companies with the rest of the sector. We will publish this in July 2019.</p>	<p><b>Level 1:</b> The overall document has a publication manager, who follows the wider assurance process, making sure that the final document is accurate, accessible and easy to understand. We choose supporting publication managers, data providers and data managers for all the sections in the full APR.</p> <p><b>Level 2:</b> There is an APR working group, which reviews the requirements and makes sure we are meeting the timetable for delivery. A senior manager will review and approve the publication.</p> <p><b>Level 3:</b> The information in 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 get a Board Assurance Statement for this publication.</p>
APR section 1: regulatory financial reporting	<p>Section 1 of the APR contains our financial statements, including our profit-and-loss statements, cash flow, income statement and net debt.</p>	<p><b>Level 1:</b> Throughout the year, we have accountants who monitor and manage the costs in 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, management oversee 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 carry out reconciliation activities. The publication manager will make sure that information is provided in line with requirements.</p> <p><b>Level 3:</b> We have appointed Deloitte as our independent financial auditors. Every year they review our accounts against the regulatory accounting guidelines and they complete a cross reference check to our statutory accounts.</p> <p>We will get a Board Assurance Statement for the APR publication.</p>

2018/19 Publications	What is it?	Planned assurance
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 the final determinations. Revenue and costs are split between the price controls and revenue is split further by the type of customer.	<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 carry out reconciliation activities. The publication manager will make sure that information is provided in line with the requirements.</p> <p><b>Level 3:</b> We have appointed Deloitte as our independent financial auditors. Every year they review our accounts against the regulatory accounting guidelines and they complete a cross reference check to our statutory accounts. Halcrow provide assurance to the non-financial information in this section.</p> <p>We will get a Board Assurance Statement for the APR publication.</p>
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 has been rewarded or penalised. This section provides a forecast on our performance to 2020.	<p><b>Level 1:</b> We monitor and report on our performance commitments every month. Performance is reviewed at the delivery assurance groups and delivery plans are changed if necessary. 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, management oversee the performance reporting activities. For the publication, we have chosen senior managers and directors who review and approve the information provided. The publication manager will make sure that information is provided in line with the requirements.</p> <p><b>Level 3:</b> Halcrow will provide independent assurance on the delivery plans in place for the performance commitments and to confirm that the information presented in the publication is accurate. They carry out extra checks on a number of our performance commitments, shown in our targeted assurance plans.</p> <p>We will get 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 expenditure) analysis, Convergence Measures Shadow Reporting 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 make sure that information is provided in line with the requirements.</p> <p><b>Level 3:</b> Deloitte and Halcrow review the accuracy of the information presented.</p> <p>We will get a Board Assurance Statement for the APR publication.</p>

2018/19 Publications	What is it?	Planned assurance
Data assurance summary	This is a yearly summary of the outcome of the assurance that has been carried out. We will publish this in July 2019, alongside the APR.	<p><b>Level 1:</b> Our publication manager will follow the wider assurance process making sure 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 on time. 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 a yearly summary of the information in the APR, including the information on our performance commitments. We will publish this in July 2019, alongside the APR.	<p><b>Level 1:</b> Our publication manager will follow the wider assurance process making sure 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 on time. 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 check the information in this publication.</p>
Risk and compliance statement	This is a yearly statement which explains how we have kept to our relevant statutory, licence and regulatory obligations. We will publish this in July 2019, alongside the APR.	<p><b>Level 1:</b> The publication manager will follow the wider assurance process making sure 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 on time. 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 get a Board Assurance Statement for this publication as part of the wider APR.</p>



2018/19 Publications	What is it?	Planned assurance
Annual report and financial statements (statutory accounts)	Statutory accounts are a legal requirement. Within this report we tell you about our strategy, how we are governed and our performance. This is part of our 'integrated reporting' which tells you how we create value for society and shareholders now and in the long term. We publish this in July 2019.	<p><b>Level 1:</b> Throughout the year, we will have accountants perform the day-to-day accounting activities, We will have named data providers and data managers who are responsible for providing accurate information in line with any guidance provided. Our publication manager will follow the wider assurance process making sure that the final document is accurate, accessible and easy to understand.</p> <p><b>Level 2:</b> Throughout the year, we have management oversee 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. Deloitte, our financial auditors review the information in our statutory accounts and assess that it is true and fair based on company affairs and that the accounts have been prepared in line with accounting policies. The information on our performance commitments is assured by internal audit and independent assurance is provided by Halcrow.</p> <p>We will get 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 2019.	<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 carried out. The submission manager makes sure 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 get a Board Assurance Statement for this publication.</p>

2018/19 Publications	What is it?	Planned assurance
<p>Bioresources market information</p>	<p>Ofwat wants to promote market development in bioresources (also known as sludge) activities. Markets can inform and encourage efficiencies and new ideas for the benefit of customers, the environment and wider society.</p> <p>Market information on where bioresources are produced, their quality or quantity is central to supporting bioresources markets by 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 makes sure that all data providers and data managers are chosen and that the submission is completed to the relevant timescales and in line with the requirements and guidance.</p> <p><b>Level 2:</b> We have named senior managers who will review and approve the information provided. A peer review of the information and the submission is carried out.</p> <p><b>Level 3:</b> Halcrow will provide independent assurance to confirm that the data is accurate and created in line with the guidance provided.</p>
<p>Operational market performance reports</p>	<p>The non-household retail market opened in April 2017. Every three months there will be a report showing how each company is keeping to their service-level agreements. We will send our information direct to MOSL (Market Operator Services Limited). MOSL will publish the information every three months.</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 we follow the processes and that we meet our obligations. We review our performance at the market performance hub and change our plans if necessary. For the publication, we 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, management oversee our performance reporting activities. For the publication, we have named senior managers who review and approve the information provided. The publication manager will make sure that information is provided in line with the requirements.</p> <p><b>Level 3:</b> Throughout the year, independent assurance on our processes and on the information available will be carried out.</p>
<p>Casework</p>	<p>Casework involves providing information to Ofwat relating to customer disputes about legislation, pricing and other license related issues.</p>	<p><b>Level 1:</b> A case manager is chosen to investigate and gather the appropriate information. The case is reviewed and a response drafted.</p> <p><b>Level 2:</b> A senior manager within the regulation department reviews and approves the information before responding to Ofwat.</p> <p><b>Level 3:</b> We do not use independent assurance for casework.</p>

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