

Annual Performance Report

Changes we've made.



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YorkshireWater

1. Purpose of this document

The information in our Annual Performance Report (APR) goes through several checks before it reaches you, this is to reduce the risk of errors within it. Sometimes, despite our checks, minor errors find their way into our report or changes can be made as a result of clarifications from our Regulator, Ofwat. Rather than just updating this information in our APR, we thought it would be better to be open and transparent and tell you about any changes we make.

This document describes the changes and the reason for each change in our 2020/2021, 2021/2022 and 2022/2023 APR's. You may find it helpful to read this document in conjunction with the Excel Data Tables published on our website.

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

You can find our updated APR's and Excel Data Tables on our reports webpage: www.yorkshirewater.com/reports.

How we will improve

We will learn from the errors to improve our performance reporting in future Annual Performance Reports. This includes conducting a review of the checks in place, conducting a risk assessment and using this to inform improvements to our future Assurance Plan.

2. Changes to data tables

The below changes have been made to our 2022/2023 APR Data Tables:

Table Number	Data Item ID	Data Table Excel Column	July Submission Input	Resubmitted Input
4L	4L.27	J	0	22.314
4L	4L.28	R	14.97	81.535
4L	4L.63	S	12.346	17.623
4L	4L.63	T	25.494	25.494
4L	4L.75	R	0.000	13.031
4L	4L.75	S	0.000	38.292
4L	4L.75	T	0.000	55.394
4M	4M.6	Y	1.767	2.630
4M	4M.6	Z	3.047	3.315
4M	4M.9	Y	5.732	8.532
4M	4M.9	Z	9.885	10.752
4M	4M.12	Y	12.660	18.844
4M	4M.12	Z	21.832	23.748
4M	4M.15	Y	26.450	39.371
4M	4M.15	Z	45.613	49.615
4M	4M.25	Y	35.483	52.818
4M	4M.25	Z	61.192	66.561
4M	4M.28	Y	7.000	10.420
4M	4M.28	Z	12.072	13.132
4M	4M.31	Y	1.291	1.921
4M	4M.31	Z	2.226	2.421
4M	4M.37	X	99.974	99.963
4M	4M.37	Y	346.419	515.651
4M	4M.37	Z	597.409	649.827
4M	4M.40	X	2.991	3.126
4M	4M.40	Y	6.284	9.354
4M	4M.40	Z	10.837	11.788
4M	4M.46	Y	21.212	31.574
4M	4M.46	Z	36.58	39.79
4M	4M.56	X	0.075	0.129
4M	4M.56	Y	0.639	0.952
4M	4M.56	Z	1.103	1.199
4M	4M.59	Y	0.056	5.547
4M	4M.59	Z	37.702	41.01
4M	4M.74	Y	0.077	0.140
4M	4M.74	Z	0.308	0.335
4M	4M.79	Y	4.061	6.044
4M	4M.79	Z	7.003	7.617

Why have these data item changed?

It was identified that our AMP7 cumulative values didn't reconcile with our PR19 allowances. There had been a calculation error when populating the tables originally, and these have now been restated. It was also spotted that 4L.27, didn't include our Opex element (22.314).

<i>Table Number</i>	<i>Data Item ID</i>	<i>Data Table Excel Column</i>	<i>July Submission Input</i>	<i>Resubmitted Input</i>
3D	3D.4	D	12.712	15.056
3D	3D.5	D	9.853	11.633

Why have these data item changed?

The value we originally submitted for developer services revenue water in table 3D (line 3D.4) was not consistent with the RAG 4.11 guidance which states that line 3D.4 should equal the sum of lines 2E.1, 2E.2, 2E.9, 2E.11, 2E.12, 2E.13 and 2K.3. The above change is to correct this error.

<i>Table Number</i>	<i>Data Item ID</i>	<i>Data Table Excel Column</i>	<i>July Submission Input</i>	<i>Resubmitted Input</i>
6D	6D.3	E	0.116	0.002
6D	6D.3	F	0.58	0.009

Why have these data item changed?

We have reviewed the scheme details and have updated line 6D.3 to include only the expenditure on the scheme that relates to new business meters being installed for existing customers.

<i>Table Number</i>	<i>Data Item ID</i>	<i>Data Table Excel Column</i>	<i>July Submission Input</i>	<i>Resubmitted Input</i>
11A	11A.39	D	-162.32071	162.32071

Why have these data item changed?

We identified that the value had incorrectly been stated as a minus figure. The above is to correct this error.

<i>Table Number</i>	<i>Data Item ID</i>	<i>Data Table Excel Column</i>	<i>July Submission Input</i>	<i>Resubmitted Input</i>
1F	1F.10	J	-43.138	-44.519
1F	1F.10	O & P	-36.399	-44.264
1F	1F.21	J	52.780	52.800
4H	4H.5	E	3.86%	3.81%
4H	4H.5	F	2.41%	2.13%
4C	4C.2	L	1194.567	1194.219
4C	4C.7	J - M	-469.181	-469.716
4C	4C.23	E - N	28.146	54.289

Why have these data item changed?

The amendments to table 1F relate to the changes in the reported company share of Totex out/under performance (1F.10) due to the updates to table 4C, and a small update to the gross dividend (1F.21) value reported in year.

Line 4H.5 is the 'Return on Regulatory Equity' value that is also reported on table 1F.

A correction has been made to table 4C to reflect the cumulative impacts of the amendments made in our 2020/2021 APR and 2021/2022 APR submissions, detailed on the following pages.

The in-year amendments in table 4C within the 'Totex not subject to cost sharing' section (4C.23) relates to the inclusion of all Totex reported in table 2B which have been excluded from the 2 sections of table 4C which are subject to cost sharing rates.

The below changes have been made to our more historical APR Data Tables.

2021/2022:

Table Number	Data Item ID	Data Table Excel Column	July Submission Input	Resubmitted Input
1F	1F.5	P	15.642	16.722
1F	1F.5	J	37.606	39.767
1F	1F.7	I	22.031	28.351
1F	1F.7	J	26.523	34.133
1F	1F.7	O	11.971	15.546
1F	1F.7	P	14.496	18.837
1F	1F.10	J	-24.271	-32.138
1F	1F.10	P	-33.031	-44.136
4C	4C.1 row totals	All	2,830.341	2,830.602
4C	4C.2 row totals	All	1,603.240	1,602.895
4C	4C.7 row totals	All	-570.782	-571.488
4C	4C.15 row totals	All	196.994	197.010
4C	4C.16	H	2.479	2.451
4C	4C.16	M	2.810	5.918
4C	4C.18	WN+	82.34% 86.61%	82.26% 86.60%
4C	4C.18	BR	89.66% 88.87%	77.54% 76.54%
4C	4C.19 row totals	All	34.189	65.500

Why have these data item changed?

The amendments to table 1F relate to the changes in the reported company share of Totex out/under performance (1F.10) due to the updates to table 4C, and a small update to the gross dividend (1F.21) value reported in year.

The following updates have been made to table 4C:

4C.1/ 4C.15- The inflation forecasts were updated to two decimal places.

4C.2/4C.7- The cumulative impacts of the amendments made in the 2020/2021 APR submission.

4C.16- Bioresources in year updated to remove discharge consent cost, cumulative updated to remove discharge consent and include the IED costs to date.

4C.18- Water Network + updated percentages to reflect the impact of the inflation adjustment in line 4C.15. BR updated to correct to sharing rate for IED to 75% from 90%.

4C.19- Updated to include pension deficit, disallowable expenditure and correction to S185 in 2020-21 APR

Line 4H.5 is the 'Return on Regulatory Equity' value that is also reported on table 1F.

2020/2021:

Table Number	Data Item ID	Data Table Excel Column	July Submission Input	Resubmitted Input
1F	1F.1	G & M	114.765	114.745
1F	1F.1	H & N	92.782	64.482
1F	1F.3	H & N	0.00	25.069
1F	1F.7	G & M	-27.835	2.741
1F	1F.7	H & N	-35.964	3.541
1F	1F.10	H & N	-41.608	-56.134
1F	1F.14	H & N	-6.591	-13.785
1F	1F.15	H & N	5.871	0.427
1F	1F.18	F, G, H, L, M & N	0.000	17.159
1F	1F.21	H & N	0.000	-1.910
1F	1F.24	H & N	-41.244	-33.507
2B	2B.18	G	17.288	11.132
2B	2B.20	G	0.198	6.354
2E	2E.24	F	8.711	2.903
2E	2E.29	F	-0.267	5.541
2M	2M.2	G	13.553	7.745
4C	4C.1 row totals	All	1843.080	1843.688
4C	4C.2 row totals	G&L	387.528	381.480
4C	4C.2 row totals	H&M	64.153	61.990
4C	4C.7 row totals	All	-337.408	-355.221
4C	4C.12 row totals	All	128.158	128.200
4C	4C.13 row totals	H&M	1.343	3.468
4C	4C.15 row totals	All	%	%
4C	4C.18 row totals	F & K	3.681	3.683
4C	4C.19 row totals	All	30.726	59.626
4E	4E.10 row totals	All	17.288	11.132
4E	4E.12 row totals	All	0.198	6.354
4H	4H.5	E & F	1.01%	1.13%
4O	4O.5 row totals	All	11.595	5.439
4P	4P.1 row totals	All	4.879	11.035

Why have these data item changed?

Table 1F has been updated for the following adjustments:

1F.1/1F.3/1F.8/1F.18 – In our original submission we included values which were calculated using our interpretation of the guidance, which we discussed with Ofwat at the time. After further consultation with Ofwat, we have agreed to reflect the values using Ofwat’s intended methodology.

1F.10 – Updated to reflect the impacts of the amendments in table 4C.

1F.14 – Retail updated to include depreciation expenditure from table 2C.

1F.15 – Other exceptional items income has been reduced by £5.7m to reflect the inclusion of the insurance money within the totex sharing mechanism in table 4C.

1F.21 – Updated to reflect the revenue sacrifice within the Retail Household price control, this is used to partially fund the Social Tariff WaterSupport.

1F.24 – Correction to value of intercompany loan.

Table 2B/2E/2M/4O/4P – During the completion of the 2021/2022 APR process, we identified 3 schemes which had incorrectly been identified as S185 schemes instead of NRSWA schemes, these tables have been updated to correct this mis allocation of expenditure (2B/4O/4P) and income (2E/2M).

The following updates have been made to table 4C:

4C.1/ 4C.12/4C.18 – The inflation forecasts were updated to two decimal places.

4C.2 – Wastewater Network + have been updated to reflect the correction of the S185 expenditure in table 2B and to include the insurance receipt for the flood. Bioresources have been updated to reflect the Industrial Emissions Directive (IED) Expenditure move to the individual sharing mechanisms in the middle section of table 4C.

4C.7 – Amendments have been made to reflect the impacts of the changes in lines 4C.1 and 4C.2.

4C.13 – Bioresources has been updated to include the IED expenditure for the 75% sharing mechanism determined by The Competition and Markets Authority (CMA).

4C.15 – Updated to reflect the impact of the inflation adjustment in line 4C.12. Bioresources updated to weight for IED 75% sharing.

4C.19 – Updated to include pension deficit, disallowable expenditure and correction to S185 in 2020–21 APR.

Line 4H.5 is the 'Return on Regulatory Equity' value that is also reported on table 1F.

Thank you

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