

Summary of Ofwat Undertaking plan

April 2026



Introduction

This document is designed to provide a summary of our plans in response to the Ofwat Undertaking.

Yorkshire Water is responsible for collecting and treating wastewater, protecting the environment, and operating our assets in line with the rules set by our regulators and our wider legal obligations. In March 2025, Ofwat completed an investigation into how we manage our wastewater treatment works and our sewer network. This investigation showed that some of the systems, data and processes we relied on were not as strong or consistent as they needed to be and that the governance arrangements supporting them also required improvement.

We recognise and accept this, and we are committed to strengthening the way we work in all the areas identified both by Ofwat and by us. To support this improvement, we have agreed a set of Undertakings with Ofwat. These Undertakings set out the changes we are making to improve how we monitor performance, manage risk, use information, oversee compliance, and make decisions about our wastewater network. They provide a clear pathway to achieving full compliance with the Water Industry Act, the Urban Wastewater Treatment Regulations, and the conditions of our operating licence by improving the systems and processes that have not previously met the level expected or required. Together, the Undertakings form an important part of how we will improve the way we plan, operate and assure our wastewater activities so that we meet our responsibilities now and in the future.

Contents

1. How we are improving the way we work.....	4
2. Identifying and investigating issues earlier.....	4-5
3. Better insight, governance and information.....	5
4. Improving how we learn from pollution incidents.....	5-6
5. Redress Package.....	6
5.1. Discharge Reduction Programme.....	6
5.2. Supporting the Great Yorkshire Rivers Partnership.....	6-7
5.3. What this means for our customers and the environment.....	7
6. Summary.....	7

1. How we are improving the way we work

Meeting the Undertakings means enhancing the systems, processes and oversight that support our wastewater activities. Over the past year we have made significant changes to how we monitor performance, identify issues and manage compliance across our treatment works, sewer network and supporting functions. These improvements ensure that risks are recognised earlier, responses are more consistent and decisions are informed by clearer and more reliable information.

We have introduced more consistent processes for assessing how our assets are operating and for escalating risks or issues when they arise. Alongside this, we have improved the governance arrangements that support this work, ensuring that important and reliable information is shared and reviewed at the right level within our organisation – all the way up to our Board members. This has improved the visibility of issues, supported quicker decision making and helped maintain a clearer link between operational insight and longer-term planning.

We have also invested in the capability of our people. Frontline operational teams have been expanded so that checks and maintenance can be carried out more frequently. Specialist skills have been strengthened in areas such as environmental compliance, permitting, investigations, catchment planning and root cause analysis. Training has been improved so that colleagues understand the standards expected, the legal duties that apply to us and how their work contributes to protecting the environment. More than 400 colleagues have completed our practical pollution response training, improving the quality of evidence gathered on site and supporting faster, more accurate investigations.

Together, these changes provide a stronger foundation for achieving full compliance and improving the way we manage our wastewater activities. They help ensure that issues are identified earlier that actions are followed through consistently and that we have greater confidence in the decisions we take to protect the environment.

2. Identifying and investigating issues earlier

A major part of the Undertakings is improving the way we spot and address potential issues. We now use a clear set of performance triggers that highlight when part of our wastewater system may not be operating as expected. These triggers cover areas such as spill frequency, Emergency Overflow discharges, monitoring performance and pollution incidents and they allow us to recognise concerns much earlier than before.

When a trigger is raised it enters a clear and consistent investigation process. An initial review is carried out using recent data, operational information and site intelligence. Where needed, colleagues visit the site to carry out checks and gather further evidence. This helps distinguish between short term operational issues and more complex problems that require further assessment.

If the issue cannot be resolved immediately, specialist teams carry out a more detailed investigation to understand the root cause and determine whether longer term interventions are needed. All investigations are documented and tracked through enhanced governance arrangements, ensuring actions are completed and risks are escalated where necessary. We have clear timelines for when each step should be undertaken.

This structured approach is already improving the way we respond to potential risks. It provides clearer insight into asset performance, supports consistent decision making and helps prevent problems from recurring.

3. Better insight, governance and information

We have also strengthened the way information is used to support decisions. In the past, performance and investigation data was held in multiple locations, making it harder to gain a clear, joined up view of risks. We are now developing a new digital platform that will bring together information on triggers, investigations, actions and follow up work. This will improve consistency, reduce reliance on manual processes and provide a more reliable picture of performance across our wastewater activities. This platform will be used at all levels in our company to understand our impact on the environment.

While this system is being developed, interim arrangements have been introduced to improve the way information is checked, shared and acted on. Reporting to our Executive team and our Board members has been improved, providing clearer visibility of environmental performance, emerging risks and progress against the Undertakings. Regular forums support quicker escalation and more structured oversight, ensuring that issues are reviewed promptly and that decisions are informed by accurate and consistent information.

These changes are helping us manage risks more effectively and reinforce the link between operational insight, compliance and long-term planning.

4. Improving how we learn from pollution incidents

Understanding why pollution incidents occur and taking the right action afterwards is essential for protecting the environment. We have strengthened this process by establishing a dedicated Root Cause Analysis team that reviews every incident. Their work provides a consistent and evidence-based understanding of what happened, why it happened and what needs to be done to reduce the risk of recurrence.

The scope of this approach now includes reviews of permit compliance issues on site that have not resulted in an incident. This could be where our site permit requires an asset to be in place such as a pump, and it isn't. In this scenario, there hasn't been any environmental impact or discharge, but we want to be clear on our response to this sort of issue as it forms part of our improvement on compliance, so we step in before any impact. This helps identify emerging risks earlier and contributes to a clearer picture of where improvements are required across our asset base. The insights from this work form the basis of our Pollution Incident Reduction Plan, which sets out the actions we are taking to reduce incidents and the longer-term improvements needed across our operations.

Upgraded training for operational colleagues has improved the quality of initial evidence gathered on site and has supported faster and more accurate investigations. Serious incidents continue to be overseen through formal governance routes, ensuring clear accountability and timely action. Together, these changes are helping us reduce pollution incidents and improve the way we protect the environment.

5. Redress package

As part of our commitment to improving the health of Yorkshire's rivers and the wider environment, we have created a £40 million redress for customers package in agreement with Ofwat. This funding brings forward environmental improvements and accelerates work that would otherwise have taken place later. The package focuses on reducing storm overflow discharges through a £36.6 million investment and supporting long term river restoration across the region through our contribution to the Great Yorkshire Rivers Partnership. We know our customers and stakeholders have queried the "fine" that was communicated by Ofwat and wanted to be clear on what happened with the £40m that was referenced in the Ofwat documents. That is not a fine that will be paid but will be reinvested into the environment in Yorkshire. As part of these six-monthly updates on the Undertakings, we will continue to update you all on how this money is being spent and the benefits it introduces to our environment in Yorkshire.

5.1 Discharge reduction programme

A major part of the redress package, £36.6 million, is being invested to reduce the number of discharges from storm overflows. Storm overflows are designed to operate during heavy rainfall, but we recognise that there are locations where performance needs to improve. This funding allows us to bring forward significant discharge reduction schemes that were originally planned for a later date so that improvements can be delivered sooner. This is at the cost of our shareholders and not customers.

We have already begun the early stages of this programme. Initial assessments at the candidate sites have helped us understand the local conditions, the pressures each catchment faces and the types of solutions that may be required. More detailed investigations are now under way. These will give us the technical information needed to confirm the final list of sites and move into the design stage. Typical improvements may include increasing storage or upgrading equipment so that the network can cope better during rainfall. The discharge reduction schemes will be delivered within the current investment period.

5.2 Supporting the Great Yorkshire Rivers Partnership

In addition to the discharge reduction programme, £3.4 million from the redress package will support the Great Yorkshire Rivers Partnership. The Partnership is made up of 16 organisations working together to restore and improve Yorkshire's rivers. It is led by the three Core Partners – Yorkshire Water, the Environment Agency and The Rivers Trust – who have jointly signed the Partnership's commitment charter. A further 13 Delivery Partners support and deliver on the ground restoration projects across the

region. Their work focuses on removing old structures such as weirs, culverts and fords that block the natural movement of fish and alter the way rivers flow. These structures can prevent species like salmon, trout and eels from reaching the habitats they need and can also disrupt the natural form and function of the river. By removing or adapting these barriers, the Partnership helps reconnect long stretches of river, improve conditions for wildlife and support the long-term recovery of important river ecosystems.

The Partnership is already delivering projects across catchments including the Don, Calder, Colne and Esk. The additional funding will enable it to increase the scale of this work, progress more complex schemes and strengthen the capability of the organisations involved. This means more kilometres of river opened up, healthier habitats and improved outcomes for nature and local communities.

5.3 What this means for our customers and the environment

The redress package supports improvements that address areas where performance needs to develop further. Bringing forward discharge reduction schemes will help reduce pressure on local watercourses during rainfall and improve how the wastewater network performs. Funding for the Great Yorkshire Rivers Partnership will contribute to long term river recovery by supporting practical restoration work.

For customers, the package demonstrates that targeted action is being taken in response to the issues identified and that investment is being directed to the areas where it will have the greatest impact. It reflects our commitment to enhancing our systems, improving compliance and delivering environmental improvements now and in the future.

6. Summary

We have made important progress over the past year in strengthening the systems, processes and capability needed to meet our responsibilities. The Undertakings have created a clearer framework for identifying risks, responding to issues and improving the way we manage our wastewater activities. We recognise that this is a long-term programme and that further work is required, but the improvements already in place are helping us make better decisions, manage risks more consistently and protect the environment more effectively.

We will continue to build on this progress over the coming months. This includes further development of our digital systems, ongoing improvements to our governance arrangements and continued investment in capability, catchment planning and pollution reduction activity. The redress package will also help accelerate environmental improvements, providing earlier benefits for local rivers and the communities they support.

To ensure customers and stakeholders can see how this work is progressing, we will publish an update every six months. These updates will provide a clear view of the improvements delivered, the challenges we are addressing and the next steps in meeting our Undertaking commitments. You will be able to find our next update on this in October.

