

# Yorkshire Water Services Limited

Annual Performance  
Report 2024/2025



Published July 2025



YorkshireWater

# How to view this document

## Contents page

Our contents page links to every section within this document. Clicking on a specific section will instantly take you to it.

- 1 Click on the contents button to return to the contents page.
- 2 This button takes you to the previous page.
- 3 This button takes you to the next page.

There are also many other clickable links within this document which we've made easy to spot by underlining and **highlighting** them in blue.

## Reading our APR

Our Annual Performance Report (APR) is designed to be read on screen using a PDF viewer. You can print our APR if you prefer, but because it's a long document you may wish to print in black and white and use the contents page to print the sections you wish to read.

## Definitions

We have included definitions on the same page as the content to make it easier to understand. You can find our full regulatory glossary on our reports webpage: [yorkshirewater.com/reports](https://yorkshirewater.com/reports)

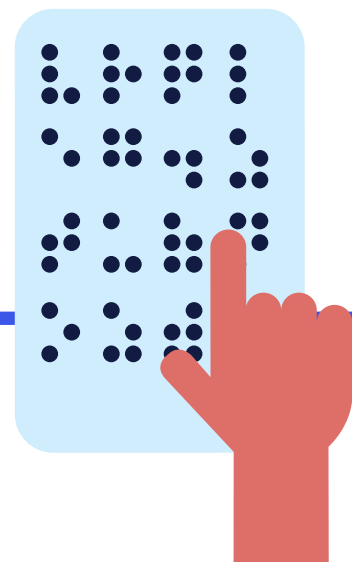


## Accessibility matters. That's why we want all of our customers to be able to engage, navigate, and understand our Annual Performance Report.

By using assistive technology like screen readers, text-to-text speech programmes and Braille displays, we can provide equal access to anyone with visual, mobility, or cognitive impairments.

### We've taken steps to ensure this document supports additional accessibility needs:

- Screen readers will recite content in a logical order, as well as identifying headers and providing alternative text for images.
- Table of contents and bookmarks to aid navigation.
- Easy-to-read text that's structured using headings, clear paragraphs and tables.
- Comfortable colour contrast.



# Welcome to our 2024/2025 Annual Performance Report

**This is our final Annual Performance Report (APR) for Asset Management Period (AMP) 7 and it covers the period from April 2024 to March 2025.**

It tells our customers and stakeholders about the progress we are making to deliver our commitments and gives information on our service levels, cost information and financial performance. This Annual Performance Report provides information required by Ofwat (Water Services Regulation Authority), the body that regulates the water sector to protect customer interests.

## Definition

### AMP

An 'Asset Management Period' is the term given to the five- year period covered by a water company's business plan. AMP1 refers to the first planning period after the water industry was privatised and this covers the period from 1990 to 1995. We are currently in AMP7, which covers 2020 to 2025 and we report on our performance in the financial year 2024/2025 in this APR.





# Get in touch with us

**We welcome your comments and feedback on this Annual Performance Report. If you have any questions, comments or would like to give us feedback on this or any of our other publications, please get in touch with us.**

**There are lots of ways to get in touch:**



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



Send comments via our website link  
**[yorkshirewater.com/get-in-touch](http://yorkshirewater.com/get-in-touch)**



Facebook message us  
**[@yorkshirewater](https://www.facebook.com/yorkshirewater)**



**Or post them to us**  
Western House, Western Way, Bradford, BD6 2SZ



# Contents

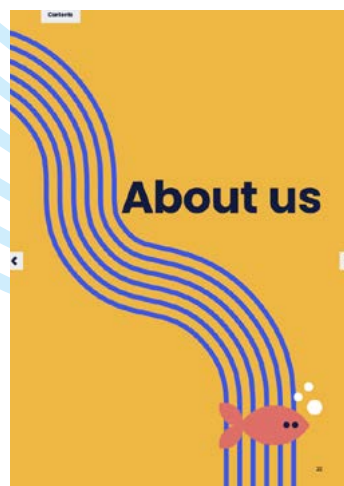
**We've created colour-coded sections to help you to navigate this report easily. Just click on the section you are interested in on the contents page, and it will navigate you to that section.**

**The report is structured as follows:**

<b>1. Introduction</b>	<b>08</b>
This section includes a foreword and links to useful publications and websites and an introduction to what we do here at Yorkshire Water.	
<b>2. Statements from our Board</b>	<b>26</b>
In this section you can find the Board statement on accuracy and completeness of data and information and the Board statement on our company direction and performance.	
<b>3. How we're progressing with our performance commitments</b>	<b>39</b>
In this section, we explain what our performance commitments are, how we are performing against them, a summary of the assurance activities we have completed for the information in this report, and the steps we are taking to improve trust in our information.	
<b>4. Pro forma tables</b>	<b>131</b>
This section includes the information that we must report to our economic regulator, Ofwat. Information is shown in tables with supporting commentary. This section includes a statement from our financial auditor, Deloitte and our technical auditor, AtkinsRéalis.	
<b>5. Meeting our licence conditions</b>	<b>356</b>
In this section we confirm our compliance with the licence conditions relevant for the annual performance report such as the ring-fencing certificate.	
<b>6. Board, leadership, transparency and governance</b>	<b>369</b>
In this section we include information on our company structure and how we are governed. We also include disclosures such as the statement on executive pay and performance.	
<b>7. Transactions with associates and the non-appointed business</b>	<b>420</b>
In this section we disclose all the transactions between us and our associated companies.	

# Finding important information in our annual performance report

This report is quite long. We pack this report with useful and important information. So, to help you find what you're looking for, we created a list of the highlights from each section.



## 1. Introduction

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[Supporting publications](#)

[Supporting websites](#)

[About us](#)

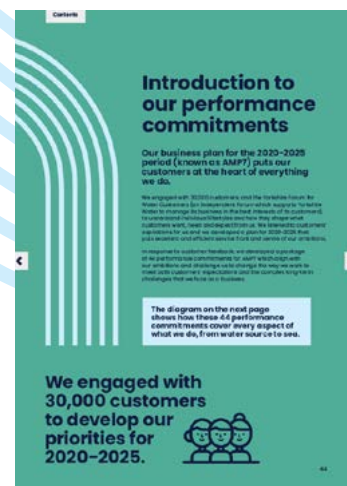
[Open Data](#)



## 2. Statements from our Board

[Board statement on accuracy and completeness of data and information](#)

[Board statement on company direction and performance](#)



## 3. How we're progressing with our performance commitments

[Our assurance process](#)

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# Table 1: Regulatory financial reporting

## introduction

The introduction in this section details Regulatory financial reporting as required by IFRS, with a clear description of significant and losses compared to previous years. The introduction in this section comprises the following table:

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Box 10/102	Statement of non-current assets/liabilities
Box 10/103	Statement of financial position
Box 10/104	Statement of cash flows
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[illegible]

Contribution for group relief not received by group companies (£m)	Associate automatically brought into relief (£m)	Percentage of the associates (%)	A statement of the remaining amount of the payment for the group which has been available	Value of group relief (£m)
10.00	Share Transfer to Limited	50	Preceding corporation tax rate	10.00
5.00	Share Transfer to S Limited	50	Preceding corporation tax rate	5.00
4.00	Share Transfer to Limited	5.000	Preceding corporation tax rate	1.075
1.00	Share Transfer to Management Company	20.00	Preceding corporation tax rate	1.000
1.00	Share Transfer to Limited	5.072	Preceding corporation tax rate	0.50
0.00	Share Transfer to Limited	50	Preceding corporation tax rate	0.00
0.00	Share Transfer to Limited	1.25	Preceding corporation tax rate	0.00
<b>20.00</b>				<b>26.575</b>

## 4. Pro forma tables

## Financial auditor's opinion

### Statement as to disclosure of information to auditors

## Statement on differences between statutory and regulatory accounting guidelines (RAG) definitions

### Tax strategy for the appointed business

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### Note on revenue recognition

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### Note on bad debt policy

## Technical assurance statement

## Statement on innovation

## competition

## 5. Meeting our licence conditions

### Statement on sufficiency of financial resources and facilities



# Our Board of Directors

The primary focus for the Board is to lead the development and delivery of the company's purpose, strategy and values needed to meet the service and performance expectations of our customers and stakeholders.

An executive director is a member of the Board who has management responsibilities within the company.

A non-executive director is a member of the Board who contributes their skills and experience to Board decision-making.

The non-executive directors (i) are engaged in the strategic management of the organization, (ii) are not in a position of making or setting the organization's ordinary policies or procedures, (iii) do not have a direct or indirect financial interest in the organization, (iv) do not have a significant number of shares in the organization, and (v) are not, and are not perceived to be, involved in the day-to-day management of the organization. Non-executive directors are not paid for their services but they are paid for services, such as that of an independent non-executive director, required by large shareholders.



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## 6. Board, leadership, transparency and governance

## Our Group structure

## Our Board of directors

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## Statement on executive pay and performance

## 7. Transactions with associates and the non-appointed business

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## Dividends paid to any associated company

### Guarantees or other forms of security by the appointee

**Transfer of any corporation tax group losses by or to the appointee**

**Supply of any service by or to the appointee**

**Transfer of any asset or liability by or to the appointee**



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# Foreword

**Welcome to our 2024/2025 Annual Performance Report which covers the period from April 2024 to March 2025.**

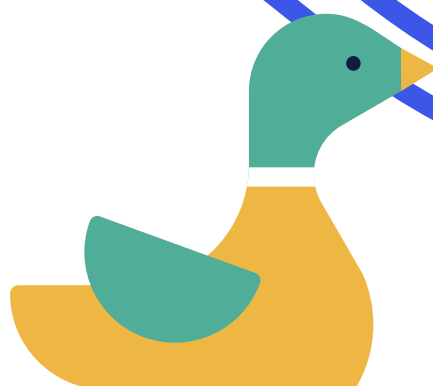
It tells our customers and stakeholders about the progress we are making to deliver our commitments and giving information on our service levels, cost information and financial performance. This Annual Performance Report provides information required by Ofwat (the Office of Water Services), the body that regulates the water sector to protect customer interests.

In April 2020 we started AMP7 – this is our business plan for the period 2020–2025. Our AMP7 plan sets out how we will maintain and improve water and wastewater services in Yorkshire to make sure they are resilient and sustainable.

For AMP7, we have 44 performance commitments. In this report you will be able to see how we are doing in terms of delivering on our performance commitments.

We hope that you will find this report useful and engaging.

We always value your feedback on how we can improve our annual reporting – you can find details about how to contact us on [page 4](#).





# Statement from our Chair

**The 2025 financial year was one of progress and change, both for Yorkshire Water and the sector as a whole. Throughout the year, the Board has remained focused on delivering our corporate vision of ‘a thriving Yorkshire, right for customers, right for the environment’.**

The year was the final year of our investment programme for AMP7, and I am pleased to see the progress we have achieved over the last five years across a range of areas that we know are important for our customers and the environment.

In 2025 Yorkshire Water delivered its highest ever investment in our region, with just under £890m of capital expenditure and £613m of operational expenditure. This step-up in investment will increase further over the next five years through AMP8, helping to drive improved outcomes over the longer-term.

## Our performance this year

We are pleased that our investment and commitment to operational improvements over the year yielded positive outcomes, with our performance improving across nine of the 12 key common regulatory performance commitments for 2025. We know, however that we have further to go to improve our performance for customers and the environment.

This year saw the conclusion of a three-year investigation by Ofwat into the management of our wastewater treatment works and networks. This investigation is sector-wide and Yorkshire Water was one of the first three companies investigated. We have done much to improve our wastewater management since the investigation began and were pleased that this was acknowledged by Ofwat in their conclusions.

We know that there is still more to do, however, and we have agreed with Ofwat that we will invest an additional £40 million in improving the quality of rivers in Yorkshire over the next five years, and have committed to sharing our ongoing improvement plans with Ofwat in October this year. We are pleased that our commitment to improvement was recognised by Ofwat in their announcement of the agreed undertakings in March 2025.

On behalf of the Board, I would like to thank colleagues across the company, our contractors and partners for their continued hard work in helping us drive performance improvements. Further detail on investment and performance can be found in the Chief Executive's overview and throughout this document.

## The PR24 Final Determination

We were pleased to secure regulatory support in the year for our AMP8 Business Plan, which will enable us to deliver what is right for Yorkshire over the next five years.

Following the submission of our Business Plan, in October 2023, Ofwat's Final Determination in December 2024 endorsed a significant rise in overall expenditure to £8.3bn across the five-year period, allowing greater investment in areas that matter to our customers and stakeholders.

At the same time, we are mindful of the increase in customer bills that is needed to pay for this investment and the additional pressure it will put on household budgets, and we have committed to providing significant extra support over the next five years to help customers on low incomes.

While the Board had strong concerns with the overall balance of risk and return in the Final Determination and Ofwat's approach to some issues, it decided in February not to request a referral of Ofwat's decision to the Competition and Markets Authority. Instead, the Board chose to focus the company's efforts on delivering the AMP8 investment programme and advancing service and environmental enhancements for customers.



## Political focus

Following the General Election in June 2024, the water sector has been a high priority for the new Government, with the introduction of the Water (Special Measures) Act, passed in February this year, and the launch of the Independent Water Commission, led by Sir Jon Cunliffe, to review regulation in the water sector.

This ongoing review of the regulatory framework has been a key area of focus for Yorkshire Water, and we will continue to engage with the Commission and the Government as it takes forward reforms in due course.

The Board has continued to hold its meetings across Yorkshire and take advantage of these opportunities to visit our operational sites and meet with stakeholders. For example, during our meeting in Hull in November, the Board visited the flood mitigation scheme that Yorkshire Water has been involved in delivering through the Living With Water partnership.

## Board changes

We have seen a number of changes to our Board during the year and since the year-end. I am delighted that Furqan Alamgir joined the Board as an independent non-executive director in October 2024. As the founder and CEO of Connexin, a leading technology company based in Hull, Furqan knows Yorkshire extremely well. He has a wealth of experience in smart city infrastructure and digital innovation, which will be invaluable as we continue to modernize our operations.

We also welcomed Simon Beer to the Board, as an investor director, in November 2024. Simon was previously an observer who attended our Board meetings on behalf of one of our shareholders and therefore brings considerable knowledge of the business and the sector to the Board, as well as experience from other utility companies.

After the year-end our Chief Financial Officer, Paul Inman, retired from the Board and we have welcomed Martin Gee to Yorkshire Water as his replacement. Paul has achieved a great deal in his short-time with the business and we are extremely grateful for the contribution he has made.

One of our investor director, Russ Houlden, also stepped down from the Board in June 2025, following a change of fund management for one of our ultimate shareholders. Russ has brought much sector expertise to the business and made a significant contribution to our PR24 Business Plan, for which we are very grateful.

## Looking forward

Looking ahead, we are now embarking on a period of increased investment during AMP8, with confidence that our programme will deliver real benefits for the communities we serve and the environment in which we operate.

The Board and senior leadership will continue to engage with the Government's review of the sector and work with stakeholders to establish a new regulatory framework for the water sector that builds long-term confidence from customers and stakeholders, and supports our vision for a thriving Yorkshire.

I would like to thank all those who have contributed to our work at Yorkshire Water over the last year, including my fellow Board members who continue to contribute considerable time and effort in an often challenging environment, helping us to strive towards our vision of a thriving Yorkshire.



**Vanda Murray OBE DBA**  
**Chair**

10 July 2025



# Chief Executive's Overview

**During 2025, we made our largest ever annual investment in the region, completing projects that will reduce sewer discharges, improve wastewater treatment works, enhance water supplies, and lessen our impact on bathing waters.**

**The year also saw the conclusion of our 2025 to 2030 business plan process, which will enable us to continue investing record amounts in Yorkshire's water infrastructure and make further progress towards achieving our vision of 'a thriving Yorkshire, right for customers, right for the environment.'**

Investment is crucial to improving performance and reassuring our customers that we are delivering for Yorkshire. I am therefore pleased that the £889.8m (2024: £684.6m) of capital expenditure last year, was the largest ever investment in Yorkshire's water and wastewater networks.

That programme of investment included the delivery of significant projects such as the £60m phosphorus removal scheme at our Knostrop wastewater treatment works, which serves most of Leeds. Major schemes like these are often complex to deliver, but when completed they enable us to deliver better performance every day for our environment and our customers. We also got our programme of more environmentally friendly wastewater treatment schemes well under way with the opening of an aerated reed bed at Killinghall.

We also faced a number of challenges, with our performance against regulatory targets falling short in key areas, and the award of a significant fine for historic service failures. It is important that we learn where things have gone wrong, and our team have action plans to drive performance improvements and ensure our compliance with our regulatory requirements.

For several years we have been drawing up our business plan for 2025 to 2030, to secure regulatory support for investment in the areas that our customers and stakeholders have told us are important. In December 2024 Ofwat published its Final Determination endorsing the scale of investment in our plan and ensuring we can continue to improve our networks.

## Operational performance

Extreme weather events can have a significant impact on our networks, and with five named storms in the period from September 2024 to January 2025, and the driest Spring period in some parts of Yorkshire for 132 years, we saw both sides of weather-related challenges in the year. While we are investing to increase the resilience of our networks, these events do have an impact on resources and overall performance, as our teams prioritise the delivery of critical day-to-day services.

Improvements to our networks across the year should help us be better placed to meet these challenges in the future. Heavy rainfall can cause capacity issues in our sewer networks, leading to the discharge of very dilute wastewater into waterways to prevent properties being flooded. Last year saw the completion of our Storm Overflow Reduction Plan, which we launched in 2022 with the intention of reducing overall discharges by 20% by March 2025, by investing £180 million in storm overflow improvements. With 120 projects completed, including building extra capacity and removing some surface water from our network, we have already prevented thousands of discharges from our assets.

Our increased investment programme has provided opportunities to innovate, and the past year has seen the increased use of nature based solutions, including the construction of several wetlands at wastewater treatment works. These schemes are embedding sustainable practices and reflect the importance we attach to improving environmental performance, however the concepts are new and the planning processes behind them therefore slow. We are working closely with local authorities and the Environment Agency to improve this.

During each AMP we are challenged to deliver a range of performance commitments by our regulators, with metrics often becoming steadily more stringent across the five-year period. During 2025, we improved performance for nine of the 12 key performance commitments compared with the previous financial year. Despite this improving trend, we only hit regulatory targets for four performance commitments, reflecting the challenges associated with delivering year-on-year improvements in many areas.

We successfully met targets for the Priority Services Register, leakage reduction, mains repairs, and sewer collapses. While there were notable improvements across per capita consumption, supply interruptions, water quality, unplanned outages, and internal sewer flooding, we fell short of meeting our performance commitments in these categories. The three areas where our performance declined were pollution incidents, treatment works compliance, and customer satisfaction.

This level of performance had financial consequences for the company, and we recognise it is not the standard of service that our customers want from us. In 2026, the first year of AMP8, we are seeking to deliver improved performance across all metrics, and striving for heightened customer satisfaction.

Based on our performance in the 2024 calendar year, we expect our Environmental Performance Assessment rating to remain at two-stars. While this is still subject to confirmation by the Environment Agency, this outcome is disappointing and falls short of the level of performance that our team is working to achieve.

Looking forward, one of the most critical challenges we need to address is pollution incidents, including the most serious pollution incidents that cause harm to our customers and the environment. As part of our response to this challenge, we have instigated a company-wide focus on compliance and adherence to key processes, so that we can achieve '100% compliance, 100% of the time'.

## Ofwat Undertakings

In March 2025 Ofwat announced that it had concluded the outcome of its investigation into historic compliance issues at Yorkshire Water's wastewater treatment works and networks. We have agreed a package of undertakings with Ofwat, including:

- £36.6m to be invested in 2025 to 2030 to reduce discharges from storm overflows across Yorkshire and improve river health;
- £3.4m of support to the Great Yorkshire Rivers Partnership to clear artificial barriers in Yorkshire's rivers and support increased biodiversity; and
- Committing to an action plan to ensure our wastewater network is fully compliant with legal requirements.



The cost of the redress package will be paid for by Yorkshire Water and its shareholders, and I hope the measures demonstrate our dedication to meeting regulatory requirements and driving environmental improvements. We appreciate Ofwat's agreement to retaining this funding within our region so that it benefits Yorkshire's environment and customers.

## Financial resilience

During the year we have taken further steps to ensure our long-term financial resilience, with a further £100m being received by Yorkshire Water from our investors as partial repayment of an outstanding inter-company loan. This follows a £400m repayment received during 2024, with a further £437m due by March 2027 to settle the remaining loan in full.

As we transition into AMP8, the increased levels of investment required underline the importance of the steps we have taken to ensure the company's financial resilience, and will be critical to delivering further improvements for our customers and safeguarding the environment.

## Our business plan for 2025 to 2030

Our business plan for 2025 to 2030 was created to meet the broad range of regulatory and legislative requirements that we need to comply with. We also conducted significant engagement with our customers and stakeholders to ensure our plans reflected their needs and expectations. I am pleased to say that 84% of customers supported our plans for the next five years.

The development process for our business plan stretched over several years, and while we had significant concerns with Ofwat's Draft Determination in July 2024, we were pleased that Ofwat accepted the majority of the evidence we provided prior to the Final Determination in December 2024, and endorsed our proposed £8.3 billion business plan for the 2025 to 2030 period.

While this increased investment is vital for improving services and addressing environmental challenges, we recognise that it comes with financial implications for our customers. The rise in overall investment will result in an increase in the average bill of £135 in 2026, equating to around £11 per month. Recognising the financial strain this will place on some households, we have significantly expanded the support framework we offer to customers. More details on these measures are outlined later in this report.

Over the next five years, we will be spending an average of £3.2m every day on improving water services, tackling pollution and making sure the region's infrastructure is fit for the future.

Building on the strong foundations of our Storm Overflow Reduction Plan, our £1.5bn storm overflow programme over the next five years aims to reduce storm overflow discharges from an average of 34 to 16 per year, improving over 450 storm overflows. We will spend a further £361m to reduce phosphorous levels in final effluent across over 80 sites in Yorkshire, including Naburn, Wombwell, and Harrogate South.

We will be improving our performance by making our network smarter and more intelligent, enabling our 24-hour central control teams to access live network performance information, spotting problems before they occur, and taking action sooner. To support these efforts, we are installing 92,000 new monitoring devices on our wastewater network, and we plan to deliver a 25% reduction in internal and external sewer flooding over the next five years. In 2026 initiatives include replacing 225 kilometres of water mains, installing 200,000 smart meters, and enhancing pressure management across key areas of the network.

## Customer support

Over the past year, Yorkshire Water has provided support to customers facing financial difficulties, including through the use of innovative partnerships with key regional organisations such as councils and charitable groups. Often these service providers are closer to people facing challenging circumstances, and we are grateful for their partnerships with us to ensure people requiring our support schemes have access to them.

Nearly 167,000 customers benefited from the company's bill support schemes during the past financial year, which included debt assistance, social tariffs, and contributions to the community trust. This means that since 2020, Yorkshire Water has provided over £115m in bill support, helping alleviate financial burdens for many people in our region.

We also worked to increase the number of customers on the Priority Services Register, which allows us to be aware of those people who may require additional support. Our Register grew by 30,000, bringing the total to 10.6 per cent of customers.

We understand that increasing the level of customer bills will be concerning to many, and through the introduction of a banded tariff this year we've ensured that 60,000 low-income customers will see their bills going down in 2026.

Over the next five years, our WaterSupport and WaterSure schemes will provide around £375 million in bill reductions to help 345,000 customers struggling to pay their water bills. This is an increase of over 100,000 households receiving support from Yorkshire Water compared to the AMP7 period.

## Future of regulation

In October, we welcomed the Government's decision to launch a review of water sector regulation. The review is being undertaken by the Independent Water Commission under the leadership of Sir Jon Cunliffe, and will be the first comprehensive review of the overall framework since the 1990s. We believe there are significant improvements that can be made to the framework to support a more streamlined and joined-up approach to regulation.

As the Government takes forward the Commission's recommendations, we will engage with policymakers and stakeholders to ensure the proposed changes align with the needs of our customers and the environment, while fostering a more efficient and collaborative regulatory framework.

## The retirement of Paul Inman

Paul Inman, our Chief Financial Officer, retired in May this year. Paul has made a significant contribution since joining in 2023, and has played an active role in improving our financial resilience. I am grateful to him and wish him a very happy retirement.

Paul has been succeeded by Martin Gee, most recently the Chief Operating Officer at Lanes Group. Martin brings wide experience of the water sector, and I am delighted that he has chosen to join the leadership team at Yorkshire Water.

## Looking forward

The last year in AMP7 came with challenges in performance, but the work of the team set the stage for what lies ahead. As we step into AMP8, we are focused on becoming more sustainable and leveraging the latest technology to enhance services for customers and the environment. Changes to regulations are expected to streamline processes, enabling us to work more effectively and deliver significant improvements across our network, helping us achieve our vision of a thriving Yorkshire that benefits both customers and the environment.



**Nicola Shaw CBE**  
CEO

10 July 2025

# Supporting publications

We publish a suite of documents alongside our Annual Performance Report which provide additional information on our services and performance.



## Regulatory Glossary

Sometimes we use words that are specific to the water industry. We've put the most frequently used words here into the Regulatory Glossary.

[yorkshirewater.com/about-us/reports](https://yorkshirewater.com/about-us/reports)



## Yorkshire Water Annual Report and Financial Statements

Our Annual Report and Financial Statements (ARFS) provide information on our financial performance and how we are progressing with strategic business objectives.

[yorkshirewater.com/about-us/reports](https://yorkshirewater.com/about-us/reports)

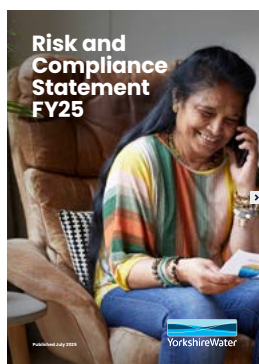


## Kelda Eurobond Co Ltd Accounts

Kelda is the parent company of Yorkshire Water. This publication gives information on Kelda's performance.

[keldagroup.com/investors/document-library](https://keldagroup.com/investors/document-library)





## Risk & Compliance Statement

Our Risk and Compliance Statement provides confirmation that we have complied with the requirements of our licence to operate as a water supplier and the requirements set out in law.

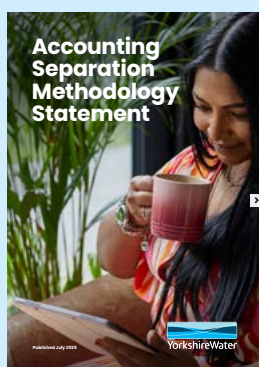
[yorkshirewater.com/about-us/reports](https://yorkshirewater.com/about-us/reports)



## Our Performance Summary

This is a summary of our how we have performed against our performance commitments.

[yorkshirewater.com/about-us/reports](https://yorkshirewater.com/about-us/reports)



## Accounting Separation Methodology Statement

This document includes the enhancements made to processes this year and details the methods of the allocation of totex costs between price controls, as well as the allocations for the upstream services.

[yorkshirewater.com/about-us/reports](https://yorkshirewater.com/about-us/reports)



## Assurance Plan

The Assurance Plan explains our approach to how we check our information so that you can have trust and confidence in the information we publish in our APR.

[yorkshirewater.com/about-us/reports](https://yorkshirewater.com/about-us/reports)

# Supporting websites

We can't always fit all the information we would like to into our APR, instead we reference with websites which contain useful supporting information.

## Our websites

### Our reports

We'd like to let you know how well we're getting on, on all the key parts of the service we provide. You can find all our regulatory reports here on this page. [yorkshirewater.com/about-us/reports](https://yorkshirewater.com/about-us/reports)

### Our performance

We want to let you know about how we're doing in delivering water and waste services and how we're operating as the leading responsible business that we strive to be. Throughout the year you can see how we're performing against the performance commitments that matter to you. [yorkshirewater.com/about-us/our-performance](https://yorkshirewater.com/about-us/our-performance)

### Our business plan for 2025–2030

Over the last couple of years, we have been developing our business plan for 2025–2030 with our customers and stakeholders. You can read all about it here on this page. [yorkshirewater.com/about-us/our-business-plan](https://yorkshirewater.com/about-us/our-business-plan)

### Yorkshire Forum for Water Customers

This webpage provides details of the membership of the group, minutes of recent meetings and information on the challenges which the Forum have provided to Yorkshire Water. It also includes the independent reports published by the Forum. [yorkshirewater.com/about-us/yorkshire-forum-for-water-customers](https://yorkshirewater.com/about-us/yorkshire-forum-for-water-customers)

### Corporate governance and structure

This webpage provides information on the members of the Board, our company structure chart and corporate governance terms of reference and policies. [yorkshirewater.com/about-us/corporate-governance-and-structure](https://yorkshirewater.com/about-us/corporate-governance-and-structure)

These webpages can be found on our 'About us' webpage. [yorkshirewater.com/about-us](https://yorkshirewater.com/about-us)

## External websites

### Discover Water

Some of our information is published on the Discover Water website, allowing customers and stakeholders to easily see comparative performance between water companies: [discoverwater.co.uk](https://discoverwater.co.uk)

### Ofwat

Ofwat also publish information about how companies are performing in reports and publications. These can be found by visiting [ofwat.gov.uk](https://ofwat.gov.uk)

### Consumer Council for Water (CCW)

CCW is the independent voice for water consumers in England and Wales. Since 2005, they have helped thousands of consumers resolve complaints against their water company or retailer, while providing free advice and support. They publish a number of reports, including information on how all companies perform with regards to the areas that matter most for customers. You can find out more about them on the link: [ccw.org.uk](https://ccw.org.uk)

# Open Data

## What is Open Data?

Open data is data that's accessible, usable, and shareable by anyone. It is published under an open licence, such as the UK's Open Government Licence (OGL) or those from Creative Commons. It is important to note that information or data that is freely available but only published in a document, report, or other fixed format without machine-readable access or explicit open licensing is not considered open data.

For us, this means publication online in an accessible format.

## Why is it important?

Open data is useful for sharing aspects of company performance with a wider audience and can create positive results in terms of engagement and trust. Wider open data aims to enhance transparency, foster innovation, and drive economic growth by making more of our data available to the public in a secure and ethically responsible manner. This approach will benefit customers, industry partners, researchers, policymakers, and communities, encouraging collaboration and the development of new insights and solutions.

## Open Data Releases

We are committed to working with the rest of the industry and our regulators to open up access to our data in a standardised and accessible way. Within last year's APR, we highlighted the work we have undertaken in collaboration with other water companies as a key member of Stream ([streamwaterdata.co.uk](https://streamwaterdata.co.uk)).

Since then, we have driven forward our open data capability. This has enabled us to release a number of datasets including drinking water quality, reservoir levels, night flow, domestic consumption, our appointed boundaries and our annual performance data.

In addition, we are proud to have been a key part of the creation of the Water Open Data Strategy which outlines the vision, principles, priorities and commitments of the sector as responsible stewards of data related to national infrastructure and the environment.

## Roadmap

Our roadmap is aligned to our commitments which will be outlined in the Open Data Strategy, due to be published later this year.

In the short term, the focus is on embedding open data by securing executive sponsorship and aligning initiatives with business strategies. Meaningful data releases will be guided by EIR requests and inquiries in conjunction with Stream, ensuring priorities are met. Accessibility efforts start with publishing accessible data and improving internal communication processes. We will continue collaborating with water companies, regulators, and start exploring innovation programs. Team upskilling will target developing open data skills and addressing data literacy gaps. Monitoring and evaluation will start to identify initial capability gaps to inform improvements.

Beyond this, as we look to the medium term (>12 months), actions shift to designing desensitisation tools and agreeing on licenses to support open data integration into daily operations. Data publication will start to become proactive, with stakeholder feedback driving priorities. Accessibility expands with public-facing catalogues, enhanced metadata, and stronger communication channels. We will focus collaboration efforts on community engagement, academic partnerships, and innovation. Training and knowledge sharing will empower staff to handle open data confidently, while feedback from stakeholders refines engagement strategies.

In the long term, embedding open data will become a business-as-usual process with clear responsibilities. The open data strategy includes ongoing review of datasets and maintaining a roadmap aligned with stakeholder needs. Accessibility efforts will ensure sustainable infrastructure that supports community value. The ongoing work in the collaboration space will define data standards and drive innovation challenges with external stakeholders. Team training will continue to evolve to ensure its effectiveness. Lastly, ongoing monitoring will include strategic reviews, policy updates, and showcasing successes to enhance open data's impact.

## Release plan

We will support Stream with their ongoing release process. We will fully participate in the use cases which are prioritised over the next 12 months, this includes Clean UK rivers, lakes and seas, Sewer flooding and Drinking water.

### Publication of Data Tables associated with the APR

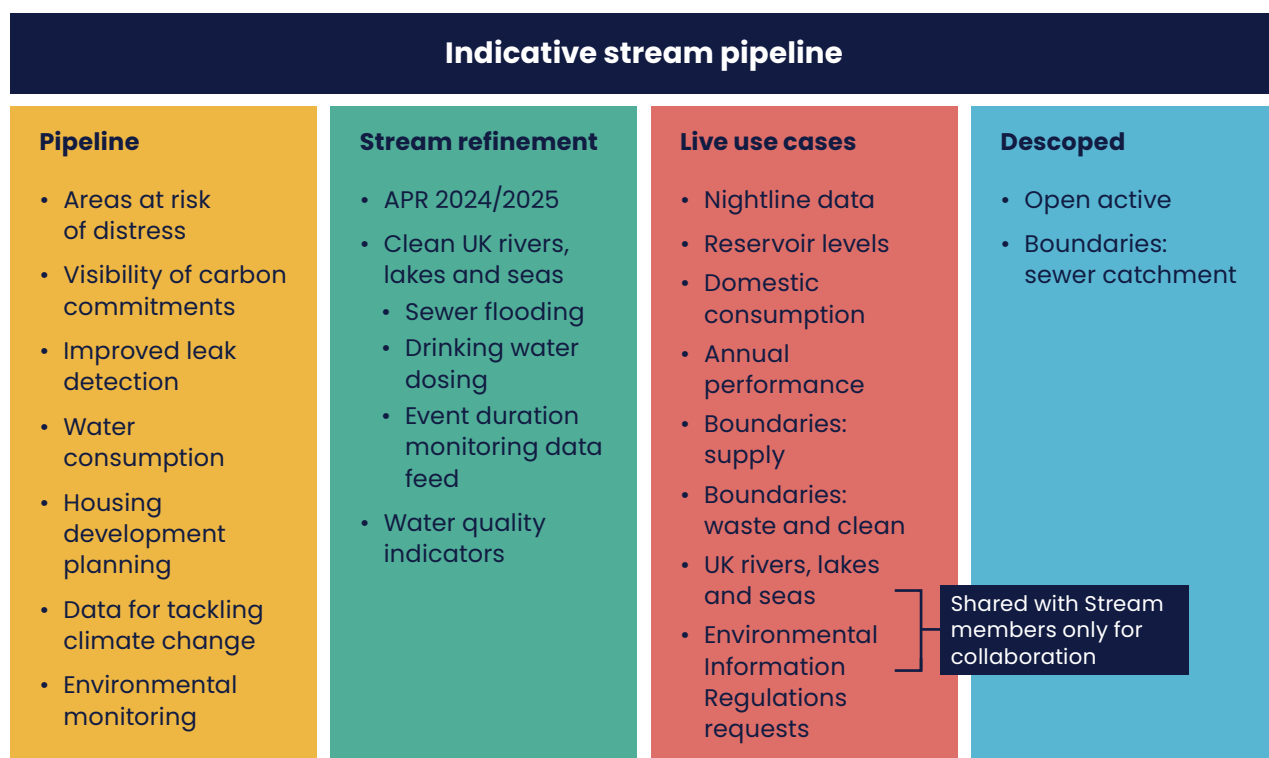
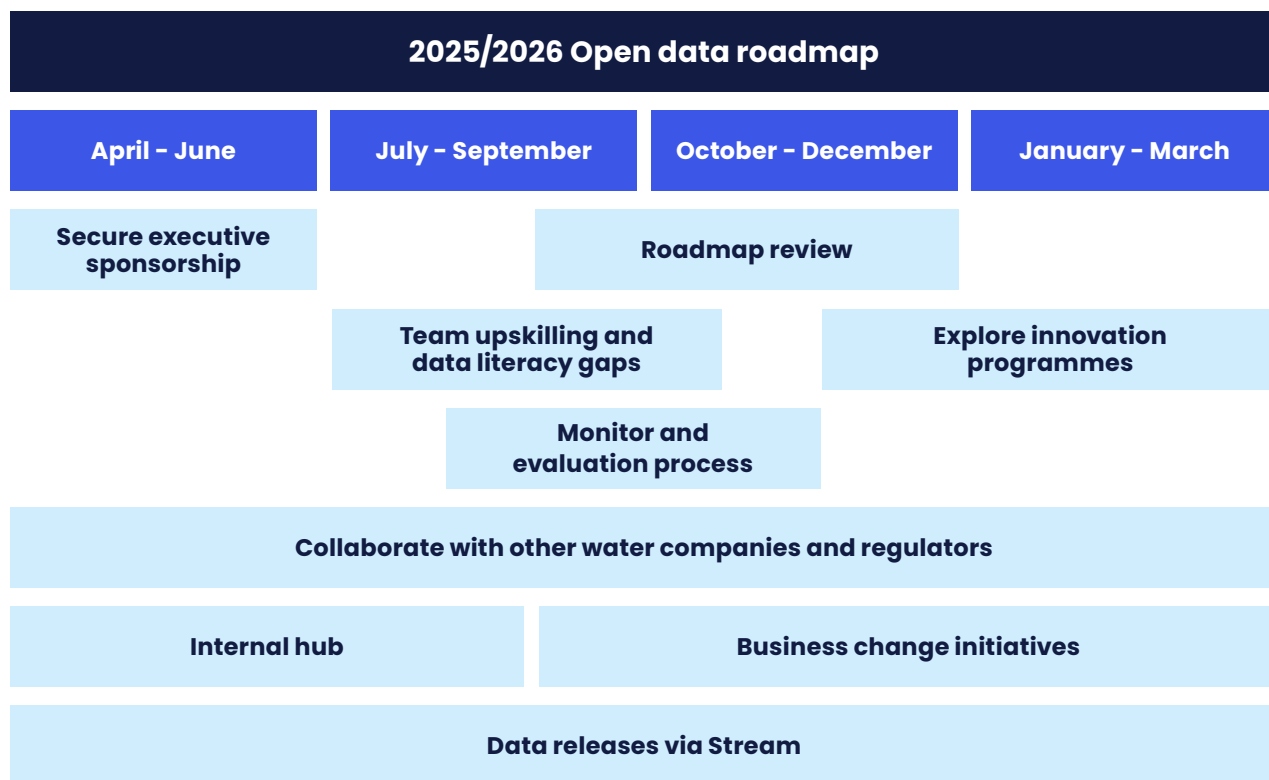
Our 2024/2025 data tables have been created with the intent of publishing under an open data license. It is hoped that this improves accessibility and transparency by exposing the underpinning data to a broad range of stakeholders. Increasing the number of stakeholders able to access and review the data under an open data licence, allows the opportunity for additional data uses or insights to be derived that may not have previously been possible.

To maximise the possibility of stakeholders to review, use or interrogate the data, the datasets have been released with the following characteristics:

- In a machine-readable format to make the consumption of data as easy as possible.
- With meta data to allow stakeholders to understand the meaning of the data.
- Under an open license to maximise the access, distribution or use.
- With a feedback mechanism to allow stakeholders to contact us.
- The Annual Performance Report data is governed by **CC BY 4.0 Deed | Attribution 4.0 International | Creative Commons** (the "Open Data Licence") and by using the data you agree to comply with its terms.

Sharing data with stakeholders is an important part of being transparent about our performance. We are committed to working with the industry to publish appropriate datasets under an open license.

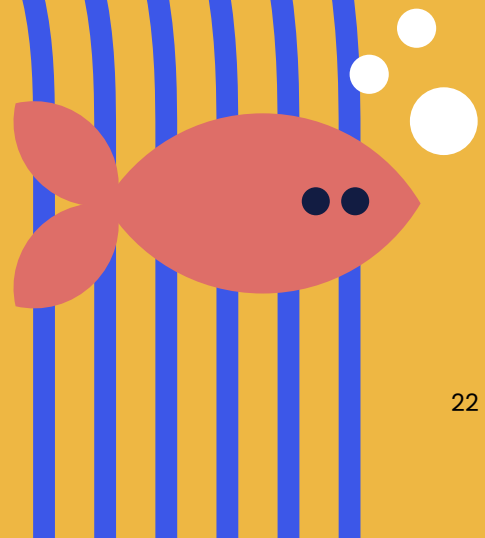
To support our commitments to Open Data, we have created an indicative roadmap for the financial year 2025/2026.

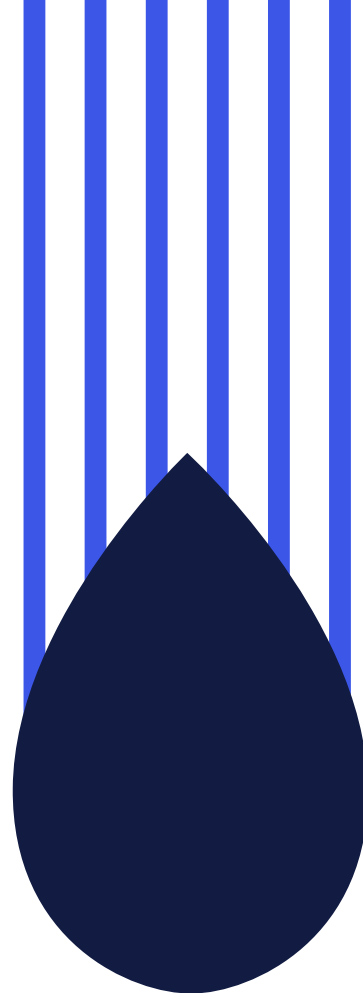


If you have any questions in relation to Open Data, please contact us at [open\\_data@yorkshirewater.com](mailto:open_data@yorkshirewater.com)



# About us





**Today, every day and forever it's our job to make sure that everyone in Yorkshire has the water they need for their busy lives. And, when they've used it, it's our job to take it away and return it safely back to Yorkshire's environment.**

**Water is one of life's most basic essentials and we care deeply about taking care of it in the right way for everyone, all of the time.**

But how we do that really matters; the resources we use and recycle, the way we look after land, our broader support to local communities, and the partnerships we develop will make a massive difference to getting it right for Yorkshire's people and places.



# What we do

## We provide essential water and wastewater services to the people and businesses of the Yorkshire and Humberside region.

To do this, we collect 1.3bn litres of raw water from the environment every day. We use energy and chemicals to treat the water so that it's safe to drink. To get the water to where it's needed we use gravity where we can, but we also have to use energy to pump it through 32,000 km of pipes.

We collect and treat about 1.9bn litres of wastewater from homes and businesses (and rainwater that goes into the 53,000 km of sewers) every day as well. To do this, we use chemicals to help the treatment process and energy to run the treatment plants and pumps.

**Investing over £1m every day** to maintain and enhance Yorkshire's network of pipes, pumps and treatment works.

**Managing around 70,000 acres** of land to protect water quality and enable recreational opportunities.

**Managing just under £1.3bn of water bills** every year and providing customer service when it's needed.

Recycling nutrients and generating energy from leftover human waste.

All maintained by around **4,000 employees**, using a fleet of over **2,000 vehicles** and increasingly complex technology, delivering for today and planning for the long-term.

## Find out more about what we do here:

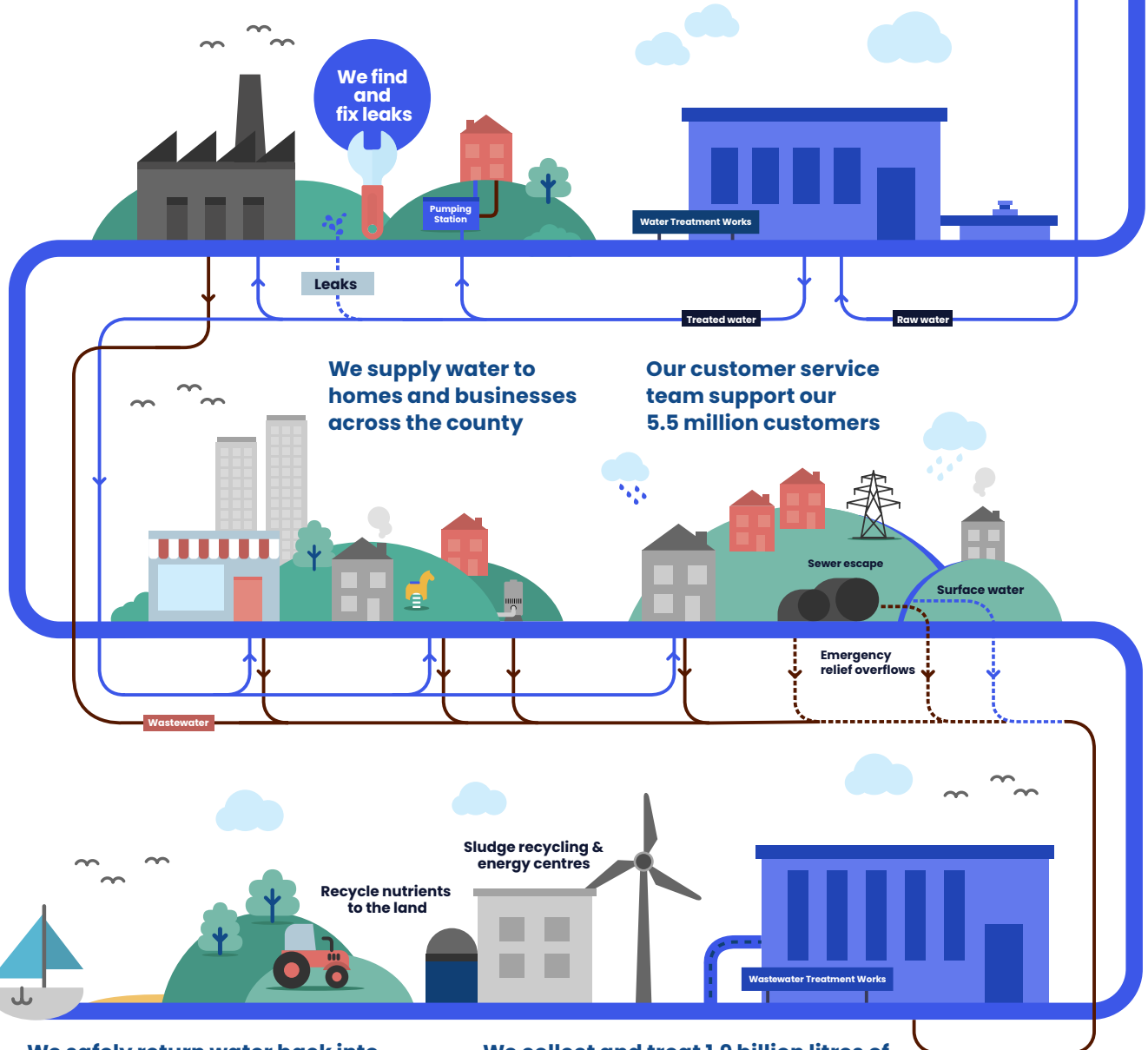
[yorkshirewater.com/about-us/making-yorkshire-brilliant](https://yorkshirewater.com/about-us/making-yorkshire-brilliant)

**We're one of Yorkshire's biggest land owners**

**We collect water from three main sources**



**We have over 603 wastewater treatment works and 50 water treatment works**



**We safely return water back into the environment**

**We collect and treat 1.9 billion litres of wastewater and rainwater every day**

## 2. Statements from our Board

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# Board statement on accuracy and completeness of data and information

**Our aim is to produce an Annual Performance Report that covers the key information that our customers and stakeholders have told us they want to see and are interested in, while also meeting the requirements of our regulator, Ofwat.**

We believe that good assurance needs to be provided at the right time, proportionate to the level of risk identified, asking the right questions and producing good evidence to support the statements made within this report and the information we publish. Assurance is vital to ensure that the data and information published is accurate and complete.

This statement is being made by the Board of Yorkshire Water to confirm the information that is provided through our regulatory reporting for the year 2024/2025 is accurate and complete.

The Board has full ownership of the provision and publication of accurate and complete data and information.

Within this statement, the Board will explain how it takes this role seriously and the approach that the Board has taken to satisfy itself that the information is accurate and complete.

## Our assurance framework

The Board of Yorkshire Water has continued to review the effectiveness of assurance approaches for regulatory reporting and to identify further opportunities for improvement.

A new regulatory reporting assurance framework has been implemented for AMP7. This framework improves the focus of regulatory reporting assurance activities throughout the year. The framework was developed in line with best practice from the water industry and other regulated industries.

Our assurance framework and approach are described in more detail in our published Assurance Plan [yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/)

## Our risk-based approach

Our assurance approach is risk based (this means that we place more focus in areas that are higher risk). The approach to assuring data in AMP7 must be reflective of the risks involved and needs to consider the scale of reporting requirements.

The Board recognises the importance of effective assurance over the information that it bases its decisions on and the information that we publish externally. The importance of transparency, clarity and accuracy is always emphasised by the Board and there have been discussions during the year at the Audit and Risk Committee about the approach to regulatory assurance to ensure that it adequately reflects the associated risks.

## Our three-levels of assurance

**Our assurance approach uses a method called 'three levels of assurance'.**

The first level of assurance is from management controls in our frontline operations which measure performance throughout the year. The second level of assurance consists of line management reviews and reviews by oversight teams with specialist knowledge such as our finance, regulation and legal teams. Yorkshire Water has been developing the alignment of Level 2 assurance across the company, to ensure the assurance obtained, or any lessons learnt from one area, are shared with another. The third level of assurance is provided through independent assurance which includes our Internal Audit function and external auditors. Four suppliers have been appointed to the regulatory reporting assurance framework during AMP7. This existing contract is in place until September 2025. Yorkshire Water is currently procuring for technical independent external assurance providers for AMP8 regulatory reporting assurance requirements.

## Assurance in 2024/2025

**To satisfy ourselves that our published information is accurate and complete all elements of our 2024/2025 regulatory reporting are subject to an appropriate assurance process. In particular:**

- The assurance process includes checks and reviews of data throughout the year then additional audit checks and challenges by Data Providers, Data Managers, Senior Managers and Directors ahead of publication.
- A review of current performance, challenges, issues and risks takes place on a monthly basis by directors and other senior leaders to aid decision making on priorities in the period.
- The assurance process includes review and challenge by our financial auditor, Deloitte, and our technical independent external assurance provider for regulatory reporting, AtkinsRéalis. We have reviewed and actioned all findings from these assurance processes, taking action to ensure that any exceptions and weaknesses in the assurance approaches have been addressed.
- We have worked with the Yorkshire Forum for Water Customers, and listened to customers' feedback, to ensure we meet our ambitions for a document that is accessible.
- The Board has utilised specific individual Directors to support the activities required in this area. The Chief Financial Officer and the Director of Strategy and Regulation have accountability for the development, assurance and publication of the various regulatory and financial submissions at the end of the reporting year. They ensure appropriate resources are in place to deliver the requirements to an appropriate standard and review and challenge compliance with the requirements.

- The Board uses the Business Investment Committee to consider the AMP7 funding strategy, in relation to the funding position and priorities for this regulatory period.
- Performance in matters relating to social purpose and public accountability are regularly reviewed by the Public Value Committee on behalf of the Board.
- The Audit and Risk Committee monitors the effectiveness of Yorkshire Water's enterprise risk management process as well as the effectiveness and operation of Yorkshire Water's system of internal control on behalf of the Board. More information on this is included in the signed Risk and Compliance Statement.
- The Board uses the Audit and Risk Committee to support key assurance activities for regulatory reporting. This Committee takes an active role in engaging with and challenging the assurance approaches in place. It has reviewed the procurement process of external auditors, and the technical independent external assurance providers for regulatory reporting, the effectiveness and independence of the external auditor, the integrity of external reporting, including significant areas of judgement, the regulatory reporting assurance framework for AMP7 and the proposed assurance plans in place.
- Internal Audit have audited the management controls and procedures in relation to Yorkshire Water's APR compliance and reporting processes to review whether these are adequately designed and operating effectively. The audit concluded as significantly effective with four actions agreed with management to further improve controls.
- The Audit and Risk Committee has reviewed the integrity of the regulatory reporting process relating to the APR and other regulatory submissions.
- The outputs from the completed assurance processes have been reviewed and challenged by the Audit and Risk Committee. The Committee has satisfied itself that the approaches taken have appropriately identified and addressed any risks to the provision of accurate and complete data and information in particular areas. The independent external assurance providers, AtkinsRéalis, and the external financial auditors, Deloitte, independently reported their findings to the Audit and Risk Committee in July 2025.

## Exceptions and Weaknesses

The Board has taken action to ensure that any exceptions and weaknesses in the assurance approaches have been addressed. As detailed above, the Audit and Risk Committee has been involved in the development and continued challenge of the assurance approach. The Audit and Risk Committee is responsible for the integrity of the content of those regulatory submissions for which Board approval is required by Ofwat. New submissions and Board requirements, or amendments to the assurance process, are reviewed, discussed, and approved in advance of submissions. Regulatory submissions are owned at an individual Director level, with the Audit and Risk Committee and Board all being engaged throughout the process, enabling them to test and challenge the progress, risks, mitigations, assurance approach and the Board statements themselves prior to approval and publication.

The key assurance findings from the APR 2024/2025 end of year audits have been independently reported to the Audit and Risk Committee, allowing the Audit and Risk Committee and the Board to challenge further where necessary.

The Risk and Compliance Statement provides more information on any exceptions that have been identified during 2024/2025 to achieving our regulatory obligations. All exceptions and departures, regardless of materiality, are reviewed and scrutinised before they are endorsed by Board prior to publication. In summary, the exceptions identified are as follows:

- Water Industry Act: maintain maps of their sewers.
- The Environmental Permitting (England and Wales) Regulations 2016, Ofwat undertaking on urban wastewater treatment regulations and Water Industry Act – Section 94 – General duty to provide sewerage system.
- Pollution prevention and control.
- The Reduction and Prevention of Agricultural Diffuse Pollution (England) Regulations 2018.
- Performance commitments: We have met or exceeded 19 of our 44 performance commitments.

For more information on these exceptions, please see the Risk and Compliance Statement [yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/)

## Statement

The Company is required by the terms of the Instrument of Appointment to prepare regulatory accounts for each financial year in accordance with Condition F of the Instrument of Appointment and the Regulatory Accounting Guidelines. In preparing the regulatory accounts, the Board ensures, through all the measures detailed earlier within this statement, that appropriate accounting policies have been adopted and applied consistently, that applicable standards have been followed and that reasonable and prudent judgements and estimates have been made.

The Board confirms that the APR sets out how the regulatory accounting statements have been completed in accordance with the Regulatory Accounting Guidelines.

The Board of Yorkshire Water is accountable for the quality and transparency of the information provided within this report. Following reasonable and relevant enquiries the Board is satisfied that there are appropriate controls and assurance processes in place and that key risks identified have been responded to, regarding the provision of accurate and complete data and information.

## Approval

The Audit and Risk Committee reviewed the processes and approach to delivery of the APR in March 2025. The Audit and Risk Committee then reviewed the completion of the process, including receiving the assurance findings from the independent financial auditor and the independent technical assurance provider, on 8 July 2025. At these meetings, appropriate enquiries were made on the executive team and the relevant experienced members of staff involved in delivering the APR, in particular the Director of Strategy and Regulation and also the independent financial auditor and the independent technical assurance provider. In between these meetings, the Board members were provided with versions of the developing report and have been able to review and provide comment.

Following feedback from the Audit and Risk Committee and having made reasonable and relevant enquiries, the Board considers that there are appropriate systems, controls and assurance processes in place regarding the information contained within report. The Board approved the APR, including the wording of this Board Statement on Accuracy and Completeness of Data and Information, and approved the release of the APR for publication on 9 July 2025.

The Board authorised the Company Secretary to sign this Board Statement on Accuracy and Completeness of Data and Information on behalf of the whole Board.

**Signed on behalf of the Board**



**Kathy Smith**  
Company Secretary

# Board statement on company performance and direction

**Over 5 million customers who live in Yorkshire, and the millions of people who visit Yorkshire each year, rely on our services for their basic health and lifestyle. Our water is used to supply 140,000 businesses and non-household customers who provide goods and services that support our economy, not only in Yorkshire, but across the UK and beyond.**

This statement shows how our Board sets and reviews our ambitions and targets so that we provide our goods and services to all our customers and stakeholders who depend on Yorkshire Water. Within this statement, we also provide information on the relationship between our financial performance, rewards for our executives and how we deliver our services.

This statement has the following sections:

- How we set our ambitions
- How we monitor performance and make decisions
- How we involve our customers and stakeholders
- How we change and update our commitments
- How we have performed in 2024/2025
- How we balance the relationship between financial performance, rewards for executives and delivering our services.

## How we set our ambitions

We provide services to Yorkshire that are essential for life. We launched a strategy in 2023 which sets our vision firmly on helping Yorkshire to thrive, and this remains our vision for the future. Our vision is **a thriving Yorkshire, right for our customers and right for the environment**. We want to deliver safe, clean, drinking water, take away and treat wastewater, maintain essential assets and all the while providing exceptional service to our customers 24/7, 365 days a year.

**A thriving Yorkshire** means we invest in infrastructure, create jobs and support skills development and education, working in partnership with other organisations across the region.

**Right for our customers** means:

- Quality drinking water that tastes great
- Bills that everyone can afford
- An easy and reliable service that's tailored to customers' individual needs.

**And right for the environment** means:

- Keeping wastewater in the pipes to reduce pollution and keep our rivers and seas healthy
- Protecting our precious water resources by reducing consumption and leakage
- Eliminating carbon from our business to achieve net zero.

You can read more about our strategy within our Annual Report and Financial Statement, published on [yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/)



The water industry works in five-year asset management periods (AMPs). One of the main aspects of the regulatory framework that supports this five-year planning cycle is called the 'price review'. The price review process sets the prices we charge, investment we make and services we provide to customers in each AMP, set in consultation with our customers and Ofwat, our industry regulator, who provides the final sign-off of our plan.

In 2018, we published our plan for AMP7 to set out how we proposed to maintain and improve water and wastewater services in Yorkshire, ensure resilience and sustainability for the short and long-term; at a fair and affordable price to customers in their water bills. We built our plan after engaging with our customers and regulators to understand their priorities. We used the feedback we received to define our goals and to develop measures that would support these goals. AMP7 covers the period from April 2020 to March 2025.

Our promises to you over the five years of AMP7 are defined through our performance commitments. There are 44 performance commitments in AMP7. This annual performance report provides performance in the final year of this AMP7 period.

In October 2023 we published our PR24 Business Plan for AMP8, including priority areas of investment. This covers the period from April 2025 to March 2030. The Board was closely involved in the development of the plan which was supported by our customers.

Our Final Determination from Ofwat for the 2025 to 2030 period allowed us £8.3 billion of investment, which we will focus on our customers and the environment. 'Right for customers' means that we will provide safe, clean, great tasting water and return wastewater safely to the environment. We will do this in a way that delivers good value for money, with bills that everyone can afford. 'Right for the environment' means making our water go further and minimising the impact of wastewater on the natural environment of Yorkshire.

As an anchor institution in the region, this investment in infrastructure, will enable us to create and sustain jobs, to support skills development and education, and to work with other organisations to deliver better outcomes across the region. We know that we face many challenges, including a loss of trust in the sector, the effects of climate variability, and the impact of increasing costs, which affects both our business and our customers. We want to deliver great value for Yorkshire, to be an inspiring and motivating place to work, and to improve the environment around us.

As well as delivering against our regulatory performance commitment targets, we must meet a range of legal obligations, and broader duties to customers, to the environment and other stakeholders. You can find more details of how we identify these requirements, and manage the risks of keeping to them, in our Risk and Compliance Statement [yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/)

## How we monitor our performance and make decisions

There have been changes to the Board during 2024/2025. During the year we have welcomed Furqan Alamgir to our Board as an independent non-executive director, who is the founder and CEO of Connexin, a leading and fast-growing technology company based in Hull. We also welcomed Simon Beer to our Board as a non-executive investor director, who had been on the Board of our ultimate parent company, Kelda Holdings, since December 2016. Also during the year, one of our non-executive investor directors, Isabelle Caumette, has taken a break from the Board for personal reasons and Scott Auty, who previously was one of our Board members from 2017 to 2024 has acted as the alternate for Isabelle in her absence.

The Board makes all decisions with a view to ensuring positive results for our customers, delivered in a sustainable manner.

The Board had six scheduled meetings in the year, with five additional ad-hoc meetings; three to consider the Draft Determination Response to Ofwat and the Final Determination from Ofwat, plus two meetings to discuss the wastewater network investigation by Ofwat. The Board agenda is set for each meeting by the Chair, with input from the executive directors and the Company Secretary. In addition, any of the other directors can request a matter to be added to the agenda at any time. Monthly reports on operational matters, health, safety and environmental matters and financial performance are circulated to the Board members regardless of whether a Board meeting is scheduled.

The Board meets both formally and informally with senior management across the business, gaining insight into the day-to-day operations and the main risks and opportunities facing each part of the business. Members of the Executive Team and senior managers are regularly invited to attend meetings with the Board to share information and to give the non-executive Board members regular direct access to the senior management team.

There is a schedule of Matters Reserved for the Board which sets out the specific matters that must be referred to the Board for approval. These include matters relating to the structure of the company, our policy on dealing with dividends, material regulatory submissions and external press releases, along with significant operational matters.

The Board interacts regularly with groups of colleagues from across the business, through both visits to offices and operational sites, and through informal lunches to learn more from specific groups, such as our Trade Union representatives.

There is also a colleague engagement survey which seeks to understand the views of colleagues across multiple topics. The feedback from our survey is shared with the Board for information, to give the Board a clear understanding of our colleague sentiment.

Decision making will inevitably involve some trade-off to make sure we take a fair and reasoned approach to delivering our services. As part of doing what is right for customers and the environment, it is essential that we understand the impact that we have on our surrounding area, beyond just a financial impact. To do this we have used the concept of the 'six capitals' for a number of years and this influences key decisions that we make at Yorkshire Water. The six capitals approach considers value in the broadest sense and helps us to understand the total value we deliver in six key areas. Using the six capitals framework helps us to make more informed decisions with a fuller understanding of their wider environmental and social implications, both now and in the future. It also provides a means by which to measure progress towards our strategic objectives. The six capitals are:

1. Financial capital – our financial health and efficiency
2. Manufactured capital – our pipes, treatment works, offices and information technology (IT)
3. Natural capital – the materials and services we rely on from the environment, for example water
4. Human capital – our colleagues' capabilities and wellbeing
5. Intellectual capital – our knowledge, processes, innovations and strategic partnerships
6. Social capital – our relationships, trust and contribution to wider society.

Our decision-making is improved by considering the positive and negative impacts and trade-offs between all six capitals. This helps us take a more holistic approach to decision making and investment choices, provides a rich understanding of business risks and opportunities, and ultimately ensures we deliver sustainable long-term value for our customers and other stakeholders.

We undertake an annual assessment of the impacts of our business activities and investments, and we publish this in a report called Our Contribution to Yorkshire. This is available at [yorkshirewater.com/capitals](https://yorkshirewater.com/capitals). 'Our Contribution to Yorkshire' report was published in November 2024 and covers the 2023/2024 reporting year. This report assesses the outputs and impacts, both public and private, created by Yorkshire Water's business activities during the 2023/2024 financial year. In addition to the public health benefits created through the provision of our core water and sanitation services, the report also captures the additional benefits we create through our other activities. Our assessment highlights areas of strong and improving performance over the past year, as well as other areas where further action is needed to improve our performance.

Beyond our six capitals approach to decision making, we also consider the dynamic, external environment in which we operate.

We actively horizon scan, through a systematic process. The purpose is to identify, assess and provide insight into external, high materiality, emerging and enduring trends.

These trends present potential threats and opportunities that could impact the business.

Our horizon scan has three objectives to enable informed decision-making and ultimately, future business readiness:

- Drive the external focus of the organisation,
- Set the context for opportunities and development of strategy, and
- Inform the company of external risks that may need to be managed through our existing risk processes.

This is an annual process which has matured each year to suit business needs. At the 2024 horizon scan, we have further grown our subject matter expert network and actively involved them in a series of collaborative workshops; to identify, challenge and prioritise the trends. This has been supplemented for the first time with customer and stakeholder research, to understand their views and considers the 'right for customers, right for the environment' tenets of our corporate strategy.

Our horizon scan and recommended actions are shared with the Board and the Audit and Risk Committee. They are also used to inform the company's Annual Report and Financial Statement (ARFS) and the company's Strategic Annual Review. Beyond this, the horizon scan serves multiple purposes to inform:

- Future outlook: to enable Executive and Board engagement and subsequent business planning, including future price reviews.
- Testing existing plans: to stress-test both our strategy, and core future plans (Long Term Delivery Strategy and the Strategic Planning Frameworks). The purpose is to determine if the external trends are reflected in these deliverables and to identify if further business-readiness or strategic planning action is required.
- Informing existing business processes: the horizon scan has been further embedded into other existing business processes, this includes our Policy & Influencing Group for any external advocacy/influencing needs.
- Informing near term operational risk: whilst the horizon scan is strategic, we also have a separate but closely linked Resilience Steering Group. This group considers more immediate term and operational risks to the business and how to manage these. The horizon scan is shared with this group to provide an additional layer of insight.

We will continue to monitor and adapt our approach to horizon scanning, to suit business needs. This includes complementing our existing corporate processes.

## How we involve our customers and stakeholders

We listen to our customers and communities so that we can keep improving our customer experience and the service we provide in line with their priorities. Over the past year, we have made significant strides in strengthening this engagement, culminating in the approval of our business plan by our customers. We are now in the first year of AMP8 (2025 to 2030), implementing the initiatives shaped by these insights and feedback.

We engage with our customers in multiple ways:

- Through our daily interactions; by monitoring calls and complaints, sending surveys to customers via text message, reviewing website interactions, and our social media channels;
- Through our Your Water online community, which is a bespoke community that allows customers to provide quick and effective feedback, informing our strategic initiatives and future plans;
- Through tailored research to understand specific customer needs and preferences, supporting immediate service improvements as well as long-term planning;
- Through the Your Yorkshire Water, Your Say platform, which is an independently run session that allows customers to ask questions directly to our CEO and Executive team and provide feedback on performance amongst other areas important to customers; and
- Through the Yorkshire Forum for Water Customers, an independent group that challenges and guides us to ensure customer views are reflected in our business plans and performance commitments.

Over the past year, our research has played a pivotal role in finalising our business plan for AMP8. These insights have helped us shape our priorities for AMP8 and identify key areas of focus, including:

- Maintaining high-quality drinking water and security of supply: Customers value the safety and quality of the water we supply and expect us to ensure sufficient water availability for the future, without harming the environment or increasing costs.

- Making bills affordable and supporting vulnerable customers: Customers have expressed a desire for affordable bills and are willing to contribute to helping those struggling with payments allowing us to offer our largest ever financial support package to our financially vulnerable customers.
- Preventing wastewater issues: Customers want us to stop pollution, sewer flooding, and sewage escapes while also reducing our impact on the environment.
- Investing in infrastructure: Customers want us to improve asset resilience and efficiency, reduce water leakage, and promote water conservation both internally and externally.

As we progress through the first year of AMP8, we remain committed to adapting to changing needs and expectations. Advances in technology, economic factors, and other developments will continue to shape our approach, and we will engage with our customers regularly to ensure that our services evolve in line with their priorities.

We understand the importance of collaboration with organisational stakeholders. Our senior management regularly meets with councils, Members of Parliament, environmental groups, charities prioritising support for vulnerable customers, and other regional groups. These interactions influence operational decisions and feed into our business planning process.

We have a Board committee with a focus on the social purpose and public accountability of the organisation. We call this the Public Value Committee. We understand that we provide an essential public service, as well as playing a key role in the health, wellbeing and prosperity of the region. For more information on the Public Value Committee, please see the report in the ARFS: [yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/)

Our senior management regularly meets with organisational stakeholders such as councils, Members of Parliament, environmental groups, charities prioritising support for vulnerable customers' and many other groups based in the region. These meetings shape operational decisions as well as feeding into the business planning process.

## Working in partnership with Yorkshire

As a major provider of services to the public, we work closely with place-based organisations and partners to maximise our positive impact on the region's environment, economy and social fabric.

Creating new connections, and working in partnership with others in a joined-up approach is key to delivering our environmental goals and is a core pillar of our corporate strategy. We are expanding our approach to partnership working across the region, and have recently embarked on a new partnership with national The Rivers Trust movement and the local member trusts, through which we will seek advice and expertise and work collaboratively to deliver solutions that incorporate a broader range of environmental benefits than we would have achieved working on our own. Similarly, through the Landscapes for Water programme in West Yorkshire, we are working with the National Trust and other partners to improve upland habitats and make our landscapes more resilient to climate change.

As part of our undertakings to Ofwat, which were signed in March 2025, we have also committed to contribute £3.4m to the Great Yorkshire Rivers initiatives to address the challenges posed by artificial barriers to fish passage. This is a partnership between Yorkshire Water, the Environment Agency and The Rivers Trust. This funding will be spent over the next five years and will reconnect at least 500km of rivers across Yorkshire.

Yorkshire Water is the second biggest landowner in Yorkshire and we have known for some time that the management of our landholdings has a significant part to play in climate response and adaptation as well as aiding nature recovery. Realising that anything we can achieve on our own will be magnified by collaboration with other institutional landowners, we regularly speak with other landowners on issues of land change and best practice.

We continue to engage with the Yorkshire Leaders Board, which has played a significant role in the creation of our AMP8 (2025 to 2030) plan. The Leaders Board brings together the leaders and chief executives of Yorkshire's local and mayoral authorities, so this engagement delivers on the aspiration of the National Infrastructure Strategy for regional elected bodies to help set the priorities for water utilities. The Leaders Board recognises that investment in our network is a really important enabler for the growth ambitions of local authorities, particularly with regards to house building. Prior to the submission of our PR24 Business Plan in October 2023, the Yorkshire Leaders Board submitted a letter supporting specific areas of investment in the plan.

The Living with Water partnership has matured significantly over the period of AMP7 with dedication from all partners to ensure the vision, objectives and goals of the partnership are met. The AMP7 investment programme has benefited hugely from the advance in partnership relations and a series of model improvements and improved technical understanding. The partnership is now aligning programmes beyond water management and looking at opportunities to merge housing, highways and other regeneration projects with surface water management, all of which is visible now through the specific projects and outputs that the Living With Water partnership has delivered.

The Living with Water partners have developed a city water resilience approach and a joint blue green vision for the city which will be the framework within which future flood resilience investment will be delivered. In addition to investing in flood resilience infrastructure, the partnership focusses on improving resilience through education; community engagement and co-creation; and the effective planning for and responding to extreme weather incidents.

We have continued to play a leading role in developing the maturity of the Connected by Water partnership, working in partnership with four local authorities – Barnsley, Doncaster, Rotherham and Sheffield – as well as the South Yorkshire Mayoral Combined Authority and Environment Agency. Together, our South Yorkshire alliance is addressing the challenges and opportunities of flood risk, increasing the resilience of our communities, and improving the built and natural environment.



The flooding in November 2019 provided the catalyst for the creation of the alliance and our first Action Plan, with a joint commitment that resilience to flooding needed to be managed on a catchment wide basis with a single strategic plan and aligned investment from all the partners.

The Connected by Water team have created a vision and road map for the way that the Partnership will operate into the future. In addition to some of the shorter term projects being delivered, this has enabled the Partnership to secure external investment for new roles, in order to provide additional focus on delivering the ambitious objectives.

Relationships are being formed with other local authorities across the region about how we can replicate our partnership models to deploy mutually beneficial approaches more broadly across the region.

## How we change and update our commitments

In October 2023 we published our PR24 Business Plan, including priority areas of investment. This covers the period from April 2025 to March 2030 (AMP8).

Whilst much of our Business Plan was based on statutory requirements and guidance from regulators, our plan was supported by our customers, following extensive engagement with customers and stakeholders to understand their priorities for our region. This included over 58,000 individual conversations with customers.

Our Final Determination from Ofwat for the 2025 to 2030 period allowed us £8.3 billion of investment. We will invest across the region to accelerate performance improvements and build future resilience, benefiting our customers and the environment. We will provide safe, clean, great tasting water and return wastewater safely to the environment, and make our water go further and minimise the impact of wastewater on the natural environment of Yorkshire. This includes reducing pollution and sewer flooding and improving our river and coastal water quality. This will take time, but we are cracking on and investing £1.5 billion over the next five years to improve storm overflows.

When creating the plan, we have been conscious that much of the investment between 2025 and 2030 will ultimately be funded through customer bills. We are providing additional support to customers who may struggle with their bills. We are putting in place our largest ever package of financial support to customers who will struggle to afford their bill, with £375m worth of targeted bill reductions by 31 March 2030.

As an anchor institution in the region, we anticipate that the delivery of the plan will provide employment for more than 10,000 people across Yorkshire.

Although we set our regulatory performance commitments using a five-year cycle, our customers' needs and priorities can change. Therefore, we need to review and respond to these changes, working within our regulatory framework.



## How we have performed in 2024/2025

In 2024/2025, we met 19 of our performance commitments. You can find more information on our performance within [Section 3](#) of the Annual Performance Report.

We and the other water companies in England and Wales provide information to a central hub so you can compare how we are performing against each other and how the water industry compares with other sectors. Visit [discoverwater.co.uk](https://discoverwater.co.uk) to find the latest information on water quality, environmental performance, customer service and water bills.

Yorkshire Water is committed to working with the rest of the industry and our regulators to open up access to our data in a standardised and accessible way. We are an active part of an industry open data initiative called STREAM, where together with others from the industry, we are moving to make more of our data available to stakeholders.

## How we balance the relationship between financial performance, rewards for executives and delivering our services

We believe in the importance of being open and transparent about paying our directors and we try to make sure we pay our directors fairly in relation to their experience, their performance, the demands and complexity of their role and the experience our customers have. We strive to ensure the reward received by our directors is market competitive, consistent, simple, value based and balanced, as well as ensuring it is reflective of the pay and employment conditions across the rest of the business. We want to ensure we remunerate fairly; we are able to attract and retain the right calibre of talent; and we want to ensure the reward structure drives the right behaviours, appropriately rewarding strong performance whilst not rewarding poor performance.

Our Yorkshire Water Remuneration Committee operates entirely independently from our executive directors and has always operated in accordance with best practice. The Committee takes into account not just the formulaic outcome of the variable pay scheme that we have in place, but also the performance of the company in the round when making its decisions on the appropriate level of pay each year. This has included performance against all of our Performance Commitments, financial resilience, reputational issues, compliance issues and any other overall performance considerations in the year.

On 6 June 2025 new rules in relation to performance-related pay were published by Ofwat, following the Water (Special Measures) Act 2025. Our Remuneration Committee acknowledges the importance of ensuring these rules are applied appropriately to the remuneration paid to our executive directors and will ensure that any payments made align with these rules.

You can find full details of our directors' pay in our Directors' Remuneration Report, which is published in our ARFS [yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/)

## Statement approval

The Board approved this statement on 09 July 2025. The Board authorised the Company Secretary to sign this statement on behalf of the whole Board.

**Signed on behalf of the Board**



**Kathy Smith**  
Company Secretary

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# Links to more information

We've provided more information on our performance than ever before. Click on the links below to view our other publications and webpages on our performance.

Want to see the Ofwat performance tables?

Go to [Table 3](#) in this APR

Want a summary of our performance?

Visit [yorkshirewater.com/reports/](https://yorkshirewater.com/reports/) to view our Performance Summary report

Want to know more about how we assure our information?

Visit [yorkshirewater.com/reports/](https://yorkshirewater.com/reports/) to view our Assurance Plan

Want to see how we've performed on our performance commitments throughout the year?

Visit [yorkshirewater.com/about-us/our-performance/](https://yorkshirewater.com/about-us/our-performance/) for more information

Visit [yorkshirewater.com/about-us/yorkshire-forum-for-water-customers/](https://yorkshirewater.com/about-us/yorkshire-forum-for-water-customers/) to see the Yorkshire Forum for Water Customers independent report on our performance

Want to know how our performance compares with other water companies?

Visit [discoverwater.co.uk](https://discoverwater.co.uk) to view the Discover Water website



# Our assurance process

**Assurance is the process we use to make sure the work that we do and the information we provide is correct and trustworthy. We use it to identify any potential errors, make improvements and monitor the ways we work. It's important to us that our customers and stakeholders can trust the quality of the information we publish.**

To make sure our information is accurate and you can trust what we publish, we use a way of working called the three levels of assurance. This is a process for checking our activities and information. It's our methodology. This is a comprehensive approach which uses layers of assurance that are effective in identifying where things can be improved. This also gives us consistency across our work and, combined with a comprehensive risk assessment, we can apply the right amount of assurance at the right time.

## Level 1

The first checks take place when the people doing the work check what they have done is correct. These checks can be during or after what they are doing.

## Level 2

Teams specifically in place to carry out checks make sure that the work carried out is correct and support level 1 to do so. They also do risk assessments, check we are working within provided guidance and write reports for the Board to evidence their work.

## Level 3

Internal Audit and our external assurance providers check the overall processes and output to make sure we are compliant, we have identified all risks and undertake plans for improvement. They report directly to the Board.

## The Audit and Risk Committee

The assurance process is overseen and approved by this committee.

## The Board

The outcome of our audits are presented to the Board and they approve the information that we report.

## Stakeholders

We ask our customers to give us feedback and our regulator, Ofwat, also assesses the information that we provide.



# Our assurance plan for the annual performance report

**We have specific assurance processes in place to make sure that the data within our APR is accurate. The steps within the process are detailed below.**

## 1: Planning

We review the guidance available to understand what is required within the new APR and to review what our customers, regulators and other interested parties want from the APR. We put a plan in place to make sure we can deliver what is required by the publication deadline.

## 2: Risk Assessment

When we make our plans for assurance, we know that different information may require different amounts of assurance. We risk assess all data to identify which processes produce the data which may be higher risk. Higher risk processes are those which have a greater likelihood that something could deviate from what was planned which may affect what we report if it does.

We use this information to create a risk-based assurance plan. A risk-based assurance plan helps us target our assurance to these high-risk areas of reported information and focus on improvements that are in our customers' best interests.

## 3: Developing and completing our assurance

We have specific activities that take place within our three lines of assurance to make sure that our data is complete and accurate. We have detailed these steps on the next page.

## 4: Approval and publication

We present the outcomes of our assurance to our Audit and Risk Committee who then report to our Board. The Board is accountable for the quality of the information that we publish. It owns and approves the information within our APR. If the Board is satisfied that processes have been followed and any findings from assurance have been appropriately actioned, it will give approval for our APR to be published. You can read more about the assurance the Board provide in the Board Statement of Accuracy and Completeness of Data and Information in **Section 2** of this APR.

## 5: Review

When we have published our APR we look back over the assurance process that we applied to understand what we could improve. We gather feedback internally, from customers and other stakeholders, and we review what could have gone better to create an improvement plan which we implement within our next risk-based assurance plan.

# Introduction to our performance commitments

**Our business plan for the 2020–2025 period (known as AMP7) puts our customers at the heart of everything we do.**

We engaged with 30,000 customers, and the Yorkshire Forum for Water Customers (an independent Forum which supports Yorkshire Water to manage its business in the best interests of its customers), to understand individual lifestyles and how they shape what customers want, need and expect from us. We listened to customers' aspirations for us and we developed a plan for 2020–2025 that puts excellent and efficient service front and centre of our ambitions.

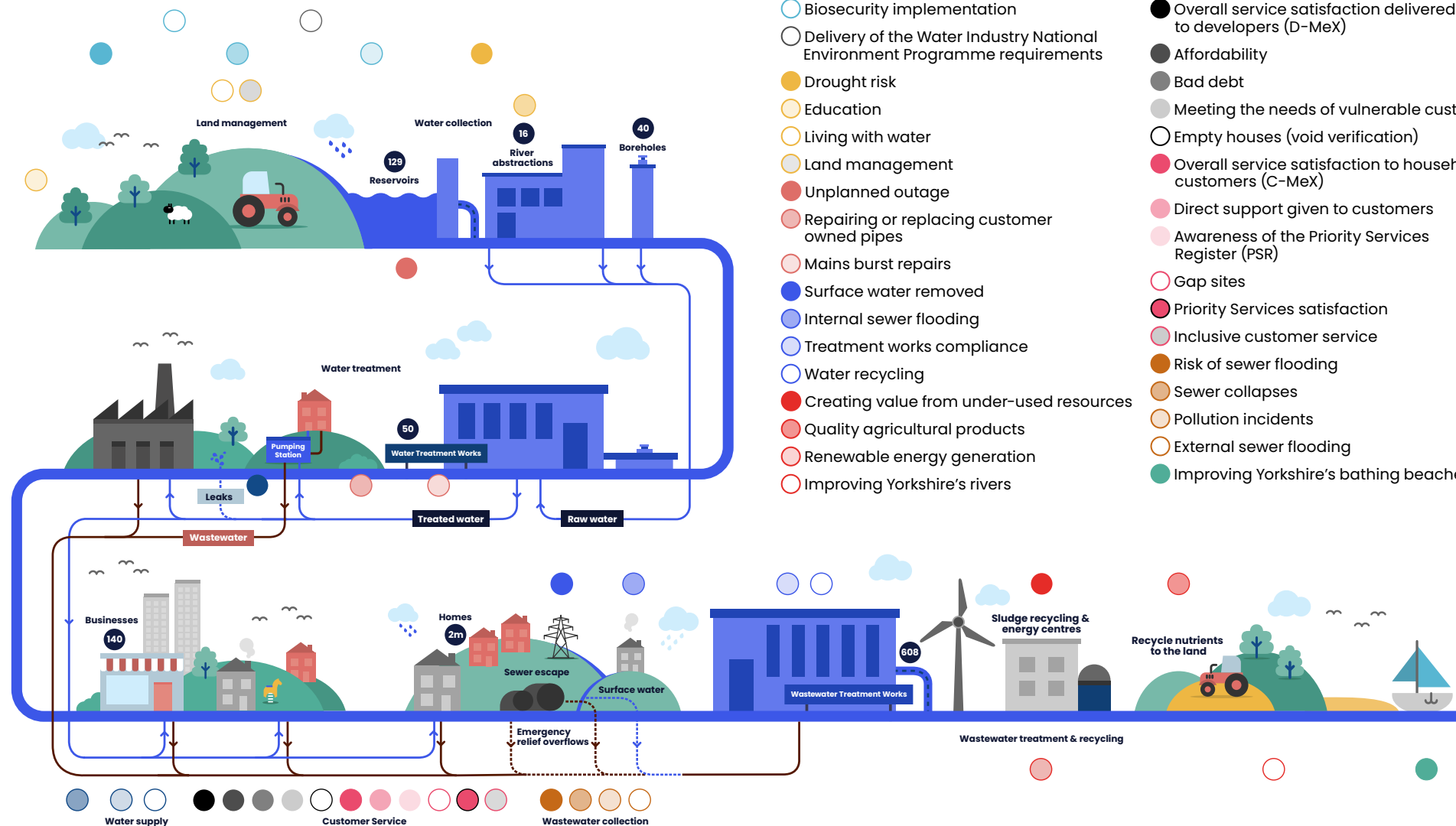
In response to customer feedback, we developed a package of 44 performance commitments for AMP7 which align with our ambitions and challenge us to change the way we work to meet both customers' expectations and the complex long-term challenges that we face as a business.

**The diagram on the next page shows how these 44 performance commitments cover every aspect of what we do, from water source to sea.**

**We engaged with 30,000 customers to develop our priorities for 2020–2025.**



# Our source to sea operation





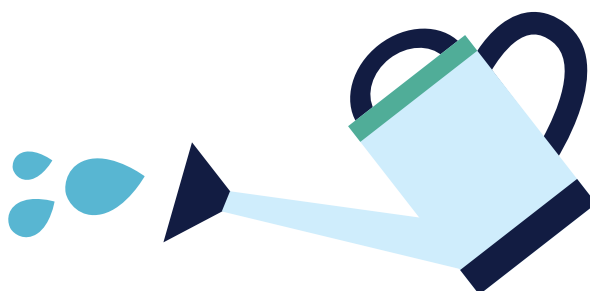
## Outperformance and underperformance

**Some of our performance commitments have been identified as being of greater importance to our customers or our Regulator. To reflect this importance, some of the performance commitments have Outcome Delivery Incentives (ODIs) attached to them.**

ODIs are financial rewards and penalties that are triggered by hitting set performance commitment targets. The targets are designed to challenge us to improve the levels of service provided to our customers and often become more challenging each year.

This means that, for some performance commitments, if we fall short and don't hit our targets, we will receive a financial penalty. If we were able to deliver more, we may receive a financial reward. Some ODIs are penalty only, meaning if we do not perform as expected we will receive a penalty, but there is no reward if we outperform.

Not all our performance commitments have financial incentives, some have only reputational incentives. Although performance commitments with a reputational incentive don't offer a reward or penalty, how we perform can affect how we are seen as a company, making them just as important.



## Comparing our performance

**All water companies have their own set of performance commitments which have been individually developed to meet the needs and concerns of each company's customers. This can make it difficult to compare performance across different water companies, even similar sounding performance commitments can have different definitions.**

Yorkshire Water has 44 performance commitments in total. 15 of these are shared across the water industry, known as common performance commitments. We talk about our common performance commitments on [page 53](#) onwards.

### Discover Water

Discover Water ([discoverwater.co.uk](https://discoverwater.co.uk)) was launched in 2016 to bring key water company information together in one place for customers. The dashboard provided by Discover Water is a clear and simple source for trustworthy and factual information including how companies are performing against each other in key areas.

### Ofwat

Ofwat publish a '**Monitoring financial resilience**' report each year using the information published by water companies in their Annual Performance Reports. The report compares the financial resilience and performance of the water industry. [ofwat.gov.uk/gov.uk/publication/letter-to-yorkshire-water-on-monitoring-financial-resilience-2/](https://ofwat.gov.uk/gov.uk/publication/letter-to-yorkshire-water-on-monitoring-financial-resilience-2/)

Ofwat also publish a **Water Company Performance Report** annually in December. They assess the performance of water companies and rank them in various areas including pollution, water supply interruptions and leakage. [ofwat.gov.uk/regulated-companies/company-obligations/outcomes/water-company-performance-report-2023-24/](https://ofwat.gov.uk/regulated-companies/company-obligations/outcomes/water-company-performance-report-2023-24/)

**Yorkshire  
Water has  
44 performance  
commitments  
in total**



# How did we perform against our performance commitments?

We met performance commitment levels (targets) or maintained/improved our performance compared to the previous year on 29 of our performance commitments, with 19 of our performance commitments meeting their performance commitment levels (targets).

Performance commitment	Unit (how it's measured)	Target	Performance (how we did)	Target Met	Reward or Penalty
<b>Water quality compliance (CRI)</b>	Numerical CRI score, reported to two decimal places.	0.00	3.61	✗	£2.587m Penalty
<b>Water supply interruptions</b>	Hours:minutes:seconds (HH:MM:SS) of water supply lost per property per year.	00:05:00	00:08:27	✗	£4.238m Penalty
<b>Leakage</b>	Percentage reduction of leakage from 2019/2020 baseline.	15.0%	15.1%	✓	£42k Reward
<b>Per capita consumption</b>	Percentage reduction of measured water usage, per person, per day, from 2019/2020 baseline.	8.9%	2.0%	✗	£1.976m Penalty
<b>Mains repairs</b>	Number of repairs per 1,000km of mains.	175.8	173.8	✓	n/a
<b>Unplanned outage</b>	Percentage of peak week production capacity.	2.34%	2.48%	✗	n/a
<b>Risk of severe restrictions in a drought</b>	Percentage of the customer population at risk of experiencing severe restrictions in a 1-in-200 year drought, on average, over 25 years.	0.0	12.0%	✗	n/a



Performance commitment	Unit (how it's measured)	Target	Performance (how we did)	Target Met	Reward or Penalty
<b>Priority services for customers in vulnerable circumstances (in order to meet this performance commitment overall, all three sub measures must be met)</b>	<b>Priority Services Register (PSR) reach:</b> percentage of households that the company supplies with water and/or wastewater services that are registered on the company's PSR;	10.0%	10.6%	✓	n/a
	<b>Attempted contacts:</b> percentage of distinct households on the PSR that the company has attempted to contact over a two-year period;	90.0%	99.6%	✓	n/a
	<b>Actual contacts:</b> percentage of distinct households on the PSR that the company has actually contacted over a two-year period.	35.0%	39.8%	✓	n/a
<b>Internal sewer flooding</b>	Number of internal flooding incidents per 10,000 sewer connections.	1.34	2.21	✗	£7.338m Penalty
<b>Pollution incidents</b>	Number of pollution incidents per 10,000km of the wastewater network.	19.50	28.89	✗	£6.442m Penalty
<b>Risk of sewer flooding in a storm</b>	Percentage of population at risk from internal hydraulic flooding from a 1 in 50-year storm.	22.20%	5.68%	✓	n/a
<b>Sewer collapses</b>	Number of collapses per 1,000km of sewer network.	15.39	6.97	✓	n/a
<b>Treatment works compliance</b>	Percentage compliance of our treatment works.	100.00%	98.39%	✗	£725k Penalty
<b>C-MeX</b>	Customer service level of service scoring out of 100.	n/a	74.48	n/a	£179.8k Penalty
<b>D-MeX</b>	Developer services level of service scoring out of 100.	n/a	82.06	n/a	£1.908m Penalty
<b>Working with others</b>	Number of projects completed to 31 March 2023.	45	46	✓	£30k Reward
<b>Land conserved and enhanced</b>	Number of hectares of land conserved or enhanced by land management and biodiversity activities to 31 March 2025.	15,239	18,299.77	✓	£3.465m Reward

Performance commitment	Unit (how it's measured)	Target	Performance (how we did)	Target Met	Reward or Penalty
<b>Integrated catchment management</b>	Percentage of catchments with the 'Natural Capital Operator' approach implemented with stakeholders to 31 March 2025.	7.7%	0.0%	✗	n/a
<b>Length of river improved</b>	Cumulative length of river improved in kilometres to March 2023.	741.6	627.00	✗	£6.395m Penalty
<b>Biosecurity implementation</b>	Cumulative number of pathways where company biosecurity interventions have reduced the risk of that invasive species spread to 31 March 2023.	12	8	✗	n/a
<b>Operational carbon</b>	The percentage reduction in real terms of net operational carbon equivalent emissions from the 2019/2020 baseline.	12.0%	-172.6%	✗	£3.304m Penalty
<b>Capital carbon and carbon arising from owned land</b>	Percentage reduction in capital carbon emissions and carbon emissions arising from land the company owns.	23.0%	27.0%	✓	n/a
<b>Education</b>	Number of learning hours that Yorkshire Water provides to raise understanding of the value of water.	20,000	30,407	✓	n/a
<b>Creating value from waste</b>	The cumulative value the company creates from resources currently under-used or classified as waste (£m) to 31 March 2025.	£65m	£281m	✓	n/a
<b>Water recycling</b>	The volume of water recycled in the company's treatment sites in megalitres per day (MI/d).	6.29	0	✗	£92k Penalty
<b>Affordability of bills</b>	Percentage of customers who give positive responses to independent survey.	85%	76%	✗	n/a
<b>Direct support given to customers</b>	The number of residential customers who receive financial support through one of the company's approved schemes each year.	83,000	166,906	✓	n/a

Performance commitment	Unit (how it's measured)	Target	Performance (how we did)	Target Met	Reward or Penalty
<b>Cost of bad debt</b>	Percentage of the annual bill which represents the cost of unrecovered residential customers' bills ('bad debt').	3.75%	3.52%	✓	n/a
<b>Priority services awareness</b>	Percentage of household customers who state, when questioned, that they are aware of the additional services offered by the Priority Services Register (PSR).	65%	59%	✗	n/a
<b>Priority services satisfaction</b>	Percentage of residential customers on the Priority Services Register who are satisfied with their experience of the Priority Services Register.	95%	72%	✗	n/a
<b>Inclusive customer service</b>	Percentage improvement in the services provided to customers on the company's Priority Services Register (PSR).	20%	23%	✓	n/a
<b>Gap sites</b>	Percentage of gap sites brought into billing within 12 months of identification.	94%	100%	✓	n/a
<b>Managing void properties</b>	Percentage of household served which are classified as void.	3.80%	3.77%	✓	£108k Reward
<b>Drinking water contacts</b>	Number of times the company is contacted by consumers due to the taste and odour of drinking water, or due to drinking water not being clear, reported per 10,000 population.	8.1	9.4	✗	£1.598m Penalty
<b>Significant water supply events</b>	Number of supply interruption events lasting for a duration of 12 hours or longer.	12	19	✗	£1.855m Penalty
<b>Low pressure</b>	Number of properties receiving or at risk of receiving pressure below the low pressure reference level.	12	9	✓	n/a
<b>Repairing or replacing customer pipes</b>	Number of residential supply pipe repairs and renewals carried out by the company each year for no charge.	8,013	3,868	✗	£1.861m Penalty

Performance commitment	Unit (how it's measured)	Target	Performance (how we did)	Target Met	Reward or Penalty
<b>External sewer flooding</b>	Number of external sewer flooding incidents per year.	5,675	5,684	✗	£85k Penalty
<b>Bathing water quality</b>	Number of designated bathing waters which exceed the European Union Bathing Water Directive requirements.	18	12	✗	£7.410m Penalty
<b>Surface water management</b>	The cumulative number of hectares (Ha) of surface water run-off removed or reduced to 31 March 2025.	20	20	✓	n/a
<b>Quality agricultural products</b>	Percentage of biosolids sent to agricultural land that achieves Biosolids Assurance Scheme (BAS) certification.	100%	100%	✗	n/a
<b>Renewable energy generation</b>	The gigawatt-hours of energy generated from the biogas the company produces.	290	337	✓	n/a
<b>Delivery of water industry national environment programme (WINEP) requirements</b>	Number of required schemes completed each year, as per the latest WINEP programme published by DEFRA.	MET	NOT MET	✗	n/a
<b>Living with water</b>	Amount of money (£m) invested into reducing the risk of internal flooding in the areas of Hull and Haltemprice.	£23m	£15.503	✗	£7.497m Penalty

# Common Performance Commitments

**This section sets out the detail of each of the 15 common performance commitments which Ofwat has put in place for AMP7. This means that our performance can be benchmarked against other water companies across some of the key services that we provide to customers.**

We explain where you can find comparative performance on [page 47 'Comparing our performance'](#).

In this section we explain the 15 common performance commitments, and how we've performed against them. We also let you know what we have learned and how we will maintain or improve our performance going forward.

Each year Ofwat publishes an annual review of water company performance.

Whilst we met the stretching targets set by Ofwat in a number of areas, there are areas where we are failing to meet the expectations of Ofwat and failing to deliver the service expected by our customers, including water supply interruptions, sewer flooding and pollution.

We have a plan in place (named our Service Commitment Plan) to improve our performance. We have published this on our website and have shared this with Ofwat. We meet with Ofwat each quarter to provide them an update on our progress. We have already made considerable progress in some areas, but in others we still have more to do. We have identified a number of actions in our plan that will help improve our performance. This section of our Annual Performance Report provides you with more detail on our performance during 2024/2025 for the measures included in our Service Commitment Plan, which you can read at [yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/)



# Water quality compliance (CRI)

## Measuring the quality of our water

### What is it?

This performance commitment runs on a calendar year basis and shows how we measure the quality of our water. We test water samples, and the results give us a Compliance Risk Index (CRI) score. A lower score is better, and our score increases with each quality failure at all points in our water supply system.

### Why is it important?

We want our customers to trust that the water we supply is clean, safe to drink and adheres to drinking water quality requirements.

This target is set at an aspirational level because no level of exceedance of water quality standards can be considered acceptable.

### Our 2024 performance

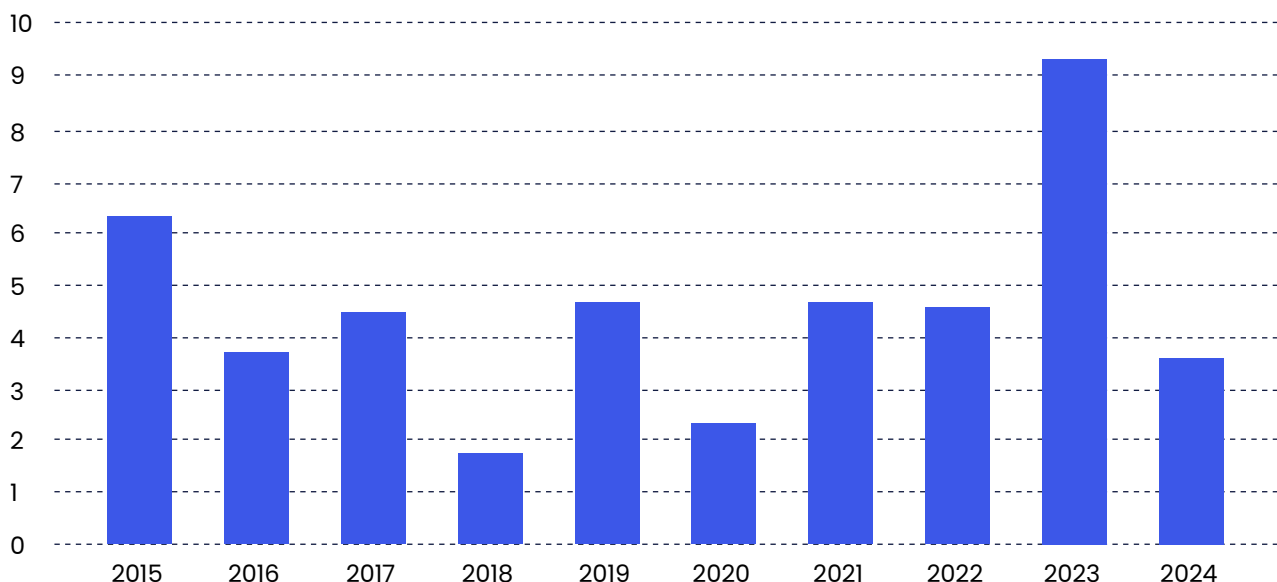
2024 saw a significant improvement of performance, under this measure with a reduction in the number of failures compared to 2023. Although performance improved, we understand we need to improve performance further.

The key new challenge in 2024 was avoiding repetition of the 'Serratia fonticola coliform bacteria' traces at one of our sites. This site has had repeated detections of this bacteria, and following a number of operational tasks to drive improvements, we are pleased to see no detections of coliforms occurred during 2024.

It is common to find that prolonged high temperature weather conditions can impact the integrity of storage tanks and mains systems within the water industry, something we saw in 2023 following the very hot and dry year in 2022. Our programmes of inspection, repair, and maintenance have all delivered an improvement in asset condition, and this has been reflected in a reduction in total failures during 2024. Coliform failures were reduced from 19 in 2023 to 12 in 2024. Service Reservoir coliform failures reduced from 45 in 2023 to 30 in 2024. The total number of coliform detections at customers taps stayed the same at 43 failures. The number of iron failures reduced slightly from 17 in 2023 to 16 in 2024.

An annual 'Compliance Risk Index' (CRI) score has been used to measure water companies since the start of 2015. The below chart shows how we have performed each year since its introduction

Annual CRI Performance



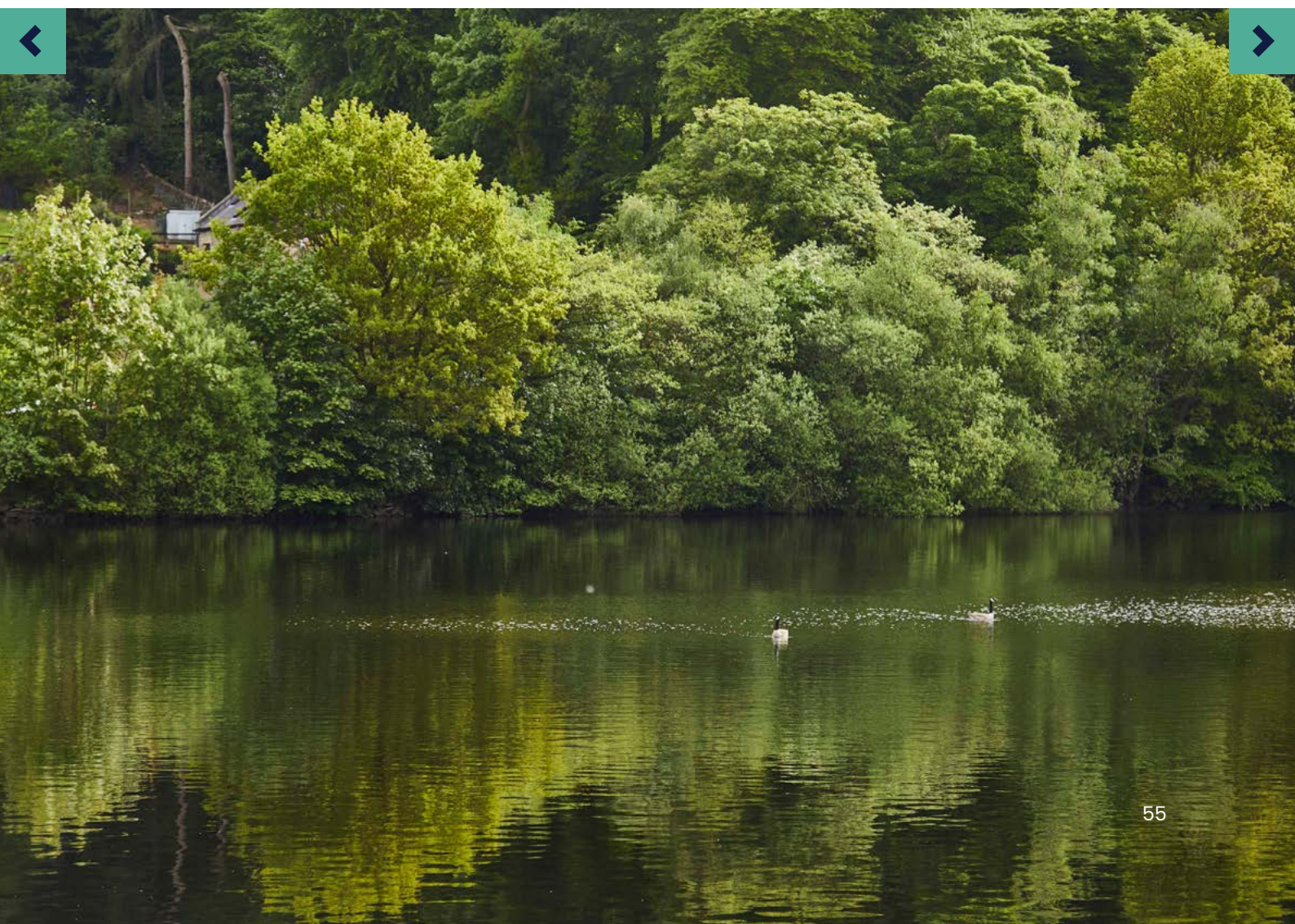


Looking ahead, New technology will come online at our highest risk sites during 2025/2026. The expectation is that this will allow much improved assessment of treatment work performance and is expected to lead to reduced number of failures.

We are also pleased to implement a new team in 2025/2026, which will oversee the route cause analysis of water quality failures. Initially, the focus will be on the biggest impacting groups of water treatment works coliform failures and water supply zone iron failures.

## How are we performing? Water quality compliance

Year	Target	Performance	Target achieved	Reward/Penalty
2020	0.00	2.34	✗	£0.417m Penalty
2021	0.00	4.76	✗	£3.384m Penalty
2022	0.00	4.61	✗	£3.813m Penalty
2023	0.00	9.27	✗	£9.526m Penalty
2024	0.00	3.61	✗	£2.587m Penalty



# Water supply interruptions

## Reducing the length of interruptions to your water supply

### What is it?

The Performance Commitment (PC) for Water Supply Interruptions measures interruptions to supplies of clean water to properties. Properties are defined as having no water when there is no water available at the first cold tap, or operationally equivalent to  $\leq 3$  metres pressure in the main. The duration shall only be considered in the calculation of the measure where the duration of the interruption is 3 hours or greater.

We report this in hours, minutes, and seconds.

### Why is it important?

We understand how much of an inconvenience it can be to be without water. It's important that we reduce the time that our customers are without supply. This performance commitment drives improvements to the efficiency of restoring supply to our customers after an incident.

### Our 2024/2025 performance

Compared to the previous three years, in 2024/2025 we have seen a reduction in the number of customers experiencing water supply interruptions lasting over three hours. The majority of long duration interruptions in the year were caused by power failures and third-party damage to our water network.

We understand the importance of being able to quickly restore services to customers whenever a supply interruption occurs, and we have been focusing in the year on the delivery of several initiatives to bolster our response to service failure. For the first time we now have exclusive access to four dedicated emergency tankers, available around the region, 24 hours a day, 365 days a year to help minimise interruption to supply and make sure any customer impact is minimal. We are also focusing on the root cause of failure to reduce the frequency of interruption events through further optimisation of our network and reducing operating pressures and increasing resilience.

The cold winter months always prove to be a challenge and in late November, we were hit with an incident that affected large parts of the Doncaster area. This would prove to have a significant impact on performance and despite all our efforts, this one event alone impacted our overall level by over 1 minute.

The cold weather and storm events during December and January caused three large impacting events. There were restrictions accessing these sites due to health and safety considerations after the storm, making it difficult to act as quickly as we would have wanted, causing an impact to performance of 1 minute and 16 seconds.

Following the winter months, we stabilised performance through to year end. In total, we recorded seven large impacting events, which is a significant decrease from the 17 we experienced during 2023/2024, and demonstrates the improvements we have made in our handling of larger-scale incidents keeping the customer impact down to a minimum. However, being 3 minutes and 27 seconds over the performance commitment level, indicates there is more for us to do to improve and we have put plans in place to do so through AMP8.



## How are we performing? Water supply interruptions

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	00:06:30	00:07:14	✗	£0.909m Penalty
2021/2022	00:06:08	00:10:38	✗	£5.536m Penalty
2022/2023	00:05:45	00:09:27	✗	£4.551m Penalty
2023/2024	00:05:23	00:10:35	✗	£6.395m Penalty
2024/2025	00:05:00	00:08:27	✗	£4.238m Penalty



# Leakage

## Reducing the water lost from our network as a result of leakage

### What is it?

This measures the amount of water lost between our treatment works and our customers' taps.

It reports the percentage reduction of our leakage each year. In our 2019/2020 Annual Performance Report (APR) we reported our total baseline leakage level. This is a three-year average of annual values. It includes an average of 2017/2018, 2018/2019 and 2019/2020 leakage levels and is expressed in megalitres per day (Ml/d). The 2019/2020 baseline total leakage level is 315.3 Ml/d. Our targets represent a percentage reduction of that figure.

### Why is it important?

It's important that we utilise all the resources that we have to continue to provide Yorkshire with a reliable supply of water. Reducing leakage means we use our water resources more efficiently and demonstrates the resilience of our network.

In January 2025 we transitioned to smart meters for new housing developments and customers replacing their meters. We now have smart meters at over 100,000 properties, where customers benefit from early leak detection and water loss prevention. The smart meters have led to two million litres of leakage being identified and fixed every day.

We have also been able to reduce leakage by managing pressure fluctuations on our network, which helps to reduce strain on our pipes and reduces bursts. We do this through Smart Pressure Control Valves which help to stabilise the average network pressure. Over the past year, we have installed an additional 326 valves, taking the total number to 1,226 across the network, benefitting over 900,000 properties.

We also recently completed a city-wide resilience scheme in Hull, which controls the water flow and pressure to over 100,000 properties. We are now working with industry experts to expand this model to other cities across Yorkshire.

### Our 2024/2025 performance

We have continued to reduce leakage, and are delighted to have achieved our 15% leakage reduction target from the 2020 baseline. We have achieved this through our Leakage Reduction Plan, which combines several initiatives around a 'Prevent', 'Aware', 'Locate' and 'Mend' model.

We have deployed more acoustic loggers across our water network to help detect and locate leaks. These loggers enable us to pinpoint leakage more accurately. During the year we replaced 3,000 acoustic loggers, bringing the total number of devices in operation to over 32,000 since the roll out began in 2018.

We have also created a Digital Twin Network, covering 120 of the most challenging network areas, which accounts for 13.5% of the total leakage on our water network. By integrating low pressure and acoustic data within a computer model, we can identify areas of our network which are underperforming and can investigate and rectify issues faster.

### Looking ahead

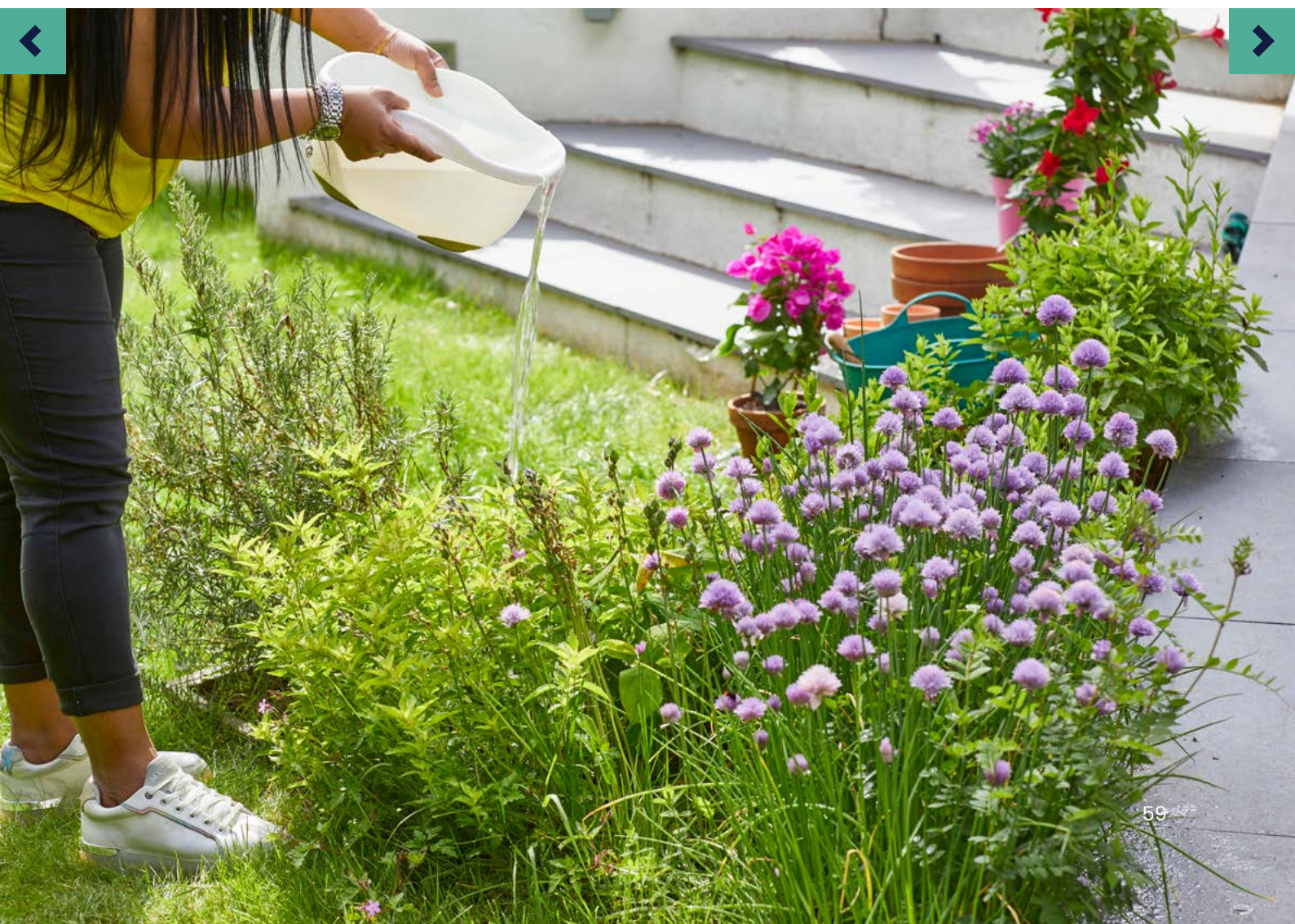
Part of our work to ensure there is always enough water involves reducing leakage as far as possible. So, to continue to reduce leakage further in this next five-year period, we have onboarded over 100 additional roles into the Leakage Reduction Team. This is a mix of additional engineers, dedicated leakage night resource, leakage trainees, customer side specific leakage inspectors and technology deployment resource. The deployers will utilise lift and shift acoustic logger technology to generate points of interest which will be followed up by experienced leakage resource, in an aim to speed up leak location.

We also continue with our Smart Meter rollout and plan to install 1.4 million smart meters by 2030. We are currently in the process of upgrading our current version of Netbase (Leakage Reporting Software Solution) to support the integration of smart meter data.



## How are we performing? Leakage

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	3.4%	3.5%	✓	£56k Reward
2021/2022	7.4%	7.9%	✓	£209k Reward
2022/2023	9.4%	9.5%	✓	£70k Reward
2023/2024	11.7%	12.7%	✓	£431k Reward
2024/2025	15.0%	15.1%	✓	£42k Reward



# Per capita consumption

Helping our customers to use water more efficiently

## What is it?

Per capita consumption (PCC) is a measure on how much water the average person uses each day. It is reported as a percentage reduction of water usage each year from our 2019/2020 reported baseline level. Our baseline is calculated as an average of 2017/2018, 2018/2019 and 2019/2020 performance expressed in litres per person per day (l/p/d) and only covers household usage.

## Why is it important?

It's important we use water carefully to make sure there's enough for everyone. We work with our customers so there is a better understanding of the way in which water is supplied and treated and taken care of. It's also important to us that our customers see the benefits of using less water where possible and we can support them. Reducing water usage mitigates possible long term supply and demand pressures and reduces the need for abstraction.

## Our 2024/2025 performance

For 2024/2025, our 3-year rolling performance is 125.7 l/p/d, calculated as an average of our performance over the last 3 reporting years. This is equivalent to a 2% decrease from our baseline of 128.2 l/p/d, or -2.5 l/p/d in absolute terms.

Our 3-year rolling average has reduced to pre-Covid-19 levels, but in-year consumption in 2024/2025 was higher than we saw in 2023/2024. Customer behaviour has remained changed since Covid-19 with people still working from home more regularly than they did pre-Covid which impacts water usage coupled with a hotter and drier start to 2025.

2024/2025 saw an increase in the consumption from 2023/2024 which has been driven by an increase aligned with Yorkshire enduring it's driest Spring in Yorkshire in 132 years. Just 78mm (3in) of rainfall has been recorded at Sheffield's Weston Park weather station since the start of February, the lowest since 1938. Typically, we would expect to see around 184mm (7in) and, by contrast, the same period in 2024 was the sixth wettest on record, when 300mm (11.8in) fell. In addition to the lack of rainfall we have experienced higher than average temperatures at the start of 2025 in February and March. This has resulted in an increased demand for water for household customers at the end of 2024/2025, thus increasing PCC in the year.

Although weather significantly impacts PCC performance, we recognise that we still need to deliver water efficiencies to drive performance improvements. Looking ahead, here are some activities we believe will do that:

### Water Efficiency Smart DMAs

Upon completion of the two smart district metered areas (DMAs) in Huddersfield and determining the benefits of this, we are planning to complete further DMAs that can be used to understand the demand at a DMA level. This will enable us to see leakage and consumption at a more granular level.

The next DMA that we plan to do is a DMA in Leeds which includes student usage as it's close to the University of Leeds. In selecting this DMA, it will enable us to understand the usage profile of students and the relationship between Leakage and PCC when students are attending university and on leave.



### Commencement of our AMP8 Water Efficiency programme

Upon completion of our AMP7 trials, we are now launching our AMP8 household water efficiency programme which includes water efficiency home audits, flow regulator installs, proactive water efficiency campaign and water efficiency school education.

This blend of initiatives provides a fusion of hard measures (flow regulator installs and water saving devices) alongside behavioural change measures (school education, brand campaign and water efficiency audits) to encourage customers to change their understanding and connection to water to make sustainable changes to reduce their demand.

### Water Saving Campaign Trial with Community Groups

Within our plans for the water saving brand campaign which will run across AMP8, we are planning to extend the existing offering by working with community groups and providing them free water butts (where applicable). This aims to reduce dependency on potable water and to also help educate attendees on the need to use water wisely and reduce water wastage where possible.

## How are we performing? Per capita consumption

Year	Target	Performance	Target achieved	Reward/Penalty*
2020/2021	2.4%	-3.4%	✗	£1.643m Penalty
2021/2022	4.9%	-4.1%	✗	£2.575m Penalty
2022/2023	7.4%	-3.1%	✗	£2.997m Penalty
2023/2024	8.3%	1.0%	✗	£2.065m Penalty
2024/2025	8.9%	2.0%	✗	£1.976m Penalty

\* This is the level of reward/penalty obtained throughout AMP7 based on our performance against the performance commitment levels set at the Periodic Review 2019 (PR19). As detailed within Ofwat's Final Determination for PR24, Ofwat will be adjusting this to take into account the impact Covid-19 had on consumption. More information on this is included in our ODI report.



## Mains repairs

Maintaining and improving the resilience of our below ground water assets

### What is it?

This measure reports the number of repairs that have been made per 1000km of mains in our network.

### Why is it important?

This measure demonstrates the resilience of our network and ensures we continue to maintain and improve our network and provide a reliable water supply to our customers.

### Our 2024/2025 performance

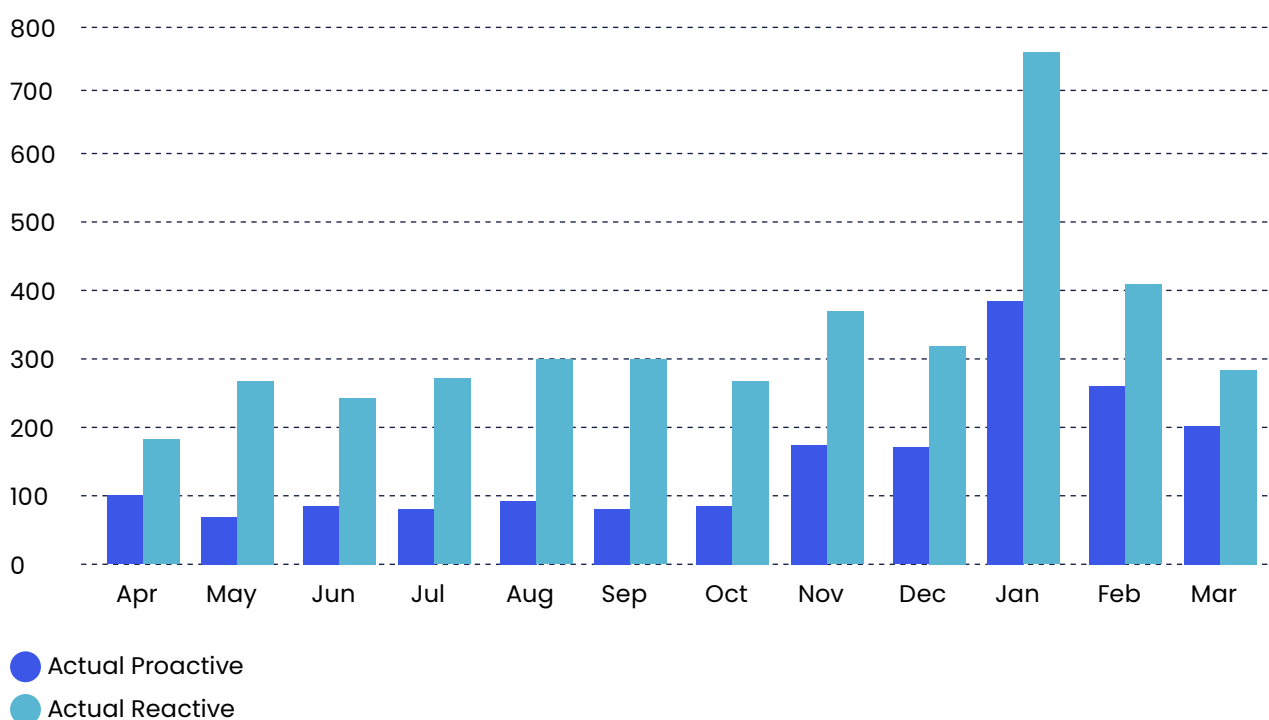
2024/2025 proved to be another successful year against this measure, achieving the performance commitment level for the second consecutive year.

We continue to use advancing technology as part of the mains repair process, including an application computer programme (App) which provides photographic and video evidence of the work undertaken onsite by our Repair & Maintenance Partner, allowing us to efficiently validate that a mains repair has been conducted to high standards.

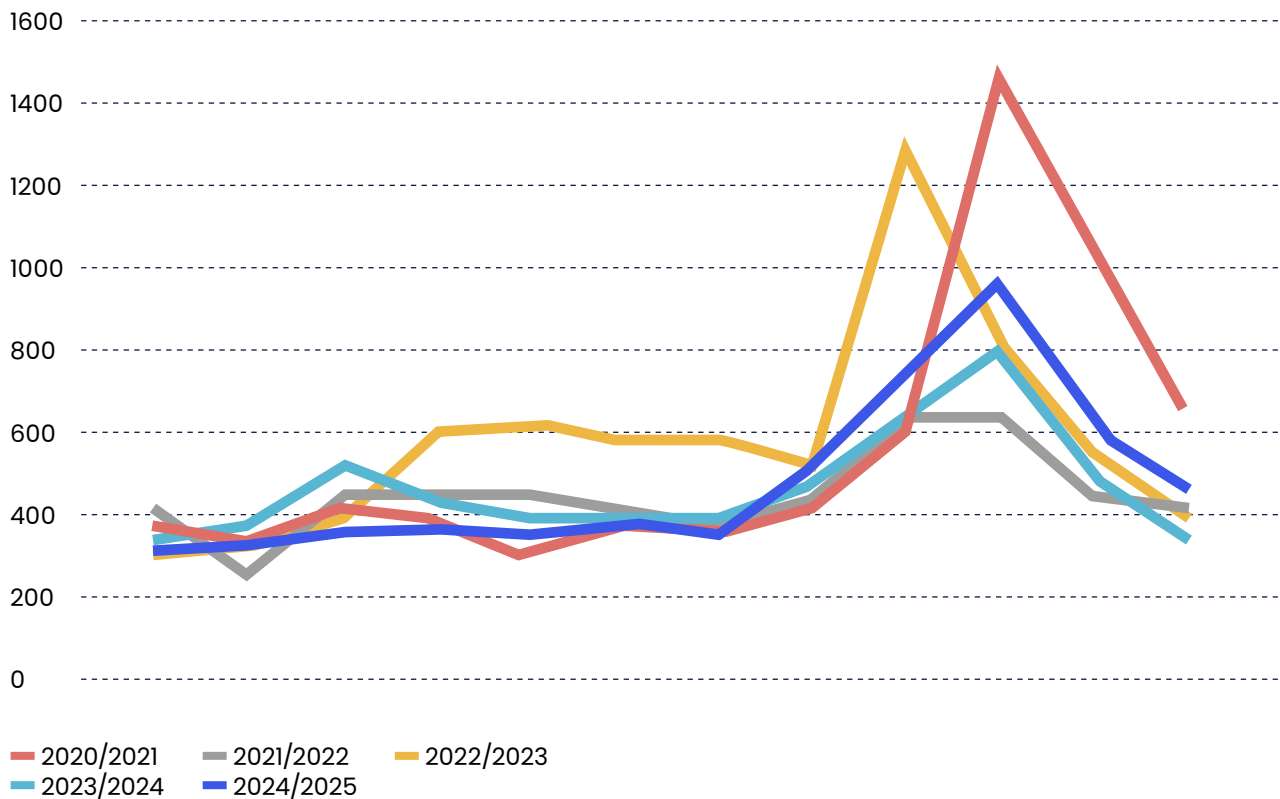
Mains repairs is a measure that was targeted for performance improvement through our published Service Commitment Plan, and we have undertaken a number of key initiatives throughout the year to support improvements against our water supply interruptions, leakage and mains repairs performance commitments. You can read more about our [Service Commitment Plan by clicking here](#).

The below charts show the split between reactive and proactive mains repairs during 2024/2025, and how our total monthly volumes compare to previous years.

**Number of Mains Repairs split by Reactive and Proactive in 2024/2025**



### AMP7 Mains Repairs



Looking ahead, we expect to start a significant mains rehabilitation programme in AMP8, targeting mains known to be in poorer condition. This proactive work is expected to yield a reduction in burst mains over time.

### How are we performing? Mains repairs

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	<186.1	215.8	✗	£3.290m Penalty
2021/2022	<183.6	169.8	✓	£0
2022/2023	<181.0	219.3	✗	£4.726m Penalty
2023/2024	<178.4	175.3	✓	£0
2024/2025	<175.8	173.8	✓	£0

This performance commitment is penalty only, meaning we only receive a penalty for poor performance and no reward for outperformance.

# Unplanned outage

Maintaining and improving our above ground water assets

## What is it?

This measure reports the percentage drop in our peak-week production capabilities. Essentially, it's when the amount of clean water we can produce is reduced temporarily due to our assets not working as expected. We measure the reduction in megalitres per day and report the overall reduction as a percentage.

## Why is it important?

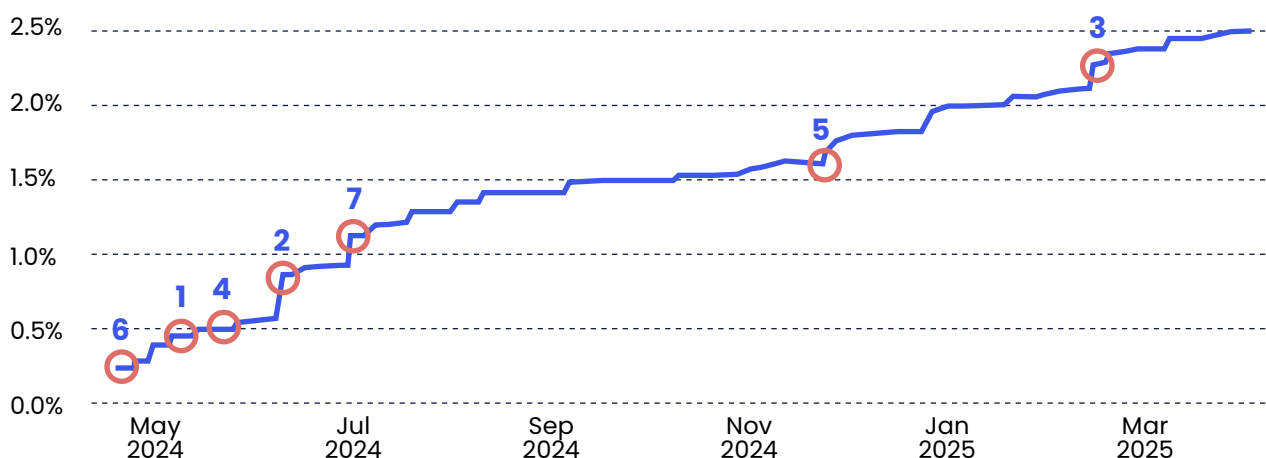
It's important that we maintain and improve our above ground assets to provide a reliable and resilient supply of water to our customers.

## Our 2024/2025 performance

Although our performance has improved from the previous year, where we achieved the set performance commitment level, we have unfortunately missed this year's set target level. We haven't quite managed to improve as much as we wanted to and it means this final year of AMP7 is the only year we did not meet our performance commitment level.

Our largest unplanned outages during 2024/2025 was caused by an Actiflo failure (Actiflo is designed to treat large volumes of water quickly, with a very short hydraulic residence time), where failures in quick succession meant the critical spares (backup assets) also failed and led to a prolonged outage. A full root cause analysis was completed for this asset failure where learnings have been implemented.

During 2024/2025 we saw a reduction in the number of large unplanned outages, with only four outages being over 0.1% level, compared to nine outages above 0.1% last year, these are the jumps highlighted as numbers 1, 2, 3 and 4 on the chart below. The other numbered outages have had less than a 0.1% impact, and more information on each of these can be found in the supplementary table:



Outage identified	Quantity of Outage	Date	Reason
1	0.24	22/04/2024	Borehole water quality issues
2	0.20	14/06/2024	Borehole water quality issues – site still out of service
3	0.12	08/02/2025	Granular activated carbon filter valve failure
4	0.10	11/04/2024	Motive water pump failure led to no ozone
5	0.08	14/11/2024	Actiflo scraper gearbox failure
6	0.08	01/04/2024	Borehole water quality issues
7	n/a	04/07/2024	Loftsome, Loxley and Holmebridge all had an outage which has stacked on the same day. This jump isn't a single outage.

### Peak week production capacity (PWPC):

Our company level of peak week production capacity (PWPC) was 1649.1MI/d. The PWPC is equivalent to the maximum volume of water which can be produced over a period of one week measured in MI/d. We utilise telemetry data to identify the PWPC for each water treatment works over the last 5 years and this data is reviewed annually by a dedicated team, including the Unplanned Outage Manager.

Where we identify sites that have not actually achieved 90% of their PWPC in the reporting year, these sites are selected for a full flow capacity test where this will not pose unnecessary risk to the works or supply system to demonstrate that the declared availability flow can be achieved.

### Exclusions:

Unplanned outage as a consequence of raw water quality changes beyond the normal operating band are excluded from the unplanned outage reported as they are not a reflection of asset health. This will be our last year where we report on water quality exemptions to ensure we are in line with the new 2025/2026 Ofwat guidance.

Water quality exemptions for 2024/2025 is 1.22%, which has decreased from last year's figure of 2.50%, partially helped by the reduction of instances of extreme weather, which have historically caused us challenging raw water quality conditions.

### Planned Outage

Planned outage occurs when assets are proactively taken out of service or become unavailable due to a planned intervention, such as planned maintenance or capital intervention. This work goes through our planned work approvals process known as KAM (Key Asset Management) database. Here, KAM entries are raised by our operational teams and approved and scheduled by our Supply System Engineers who are responsible for managing the company water resources.

The outturn for Planned Outage in the reporting year 2024/2025 is 3.47%, which is a higher figure compared to last year (2023/2024) where the outturn was 2.53%.

## How are we performing? Unplanned outages

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	<5.12%	3.87%	✓	£0
2021/2022	<4.42%	3.82%	✓	£0
2022/2023	<3.73%	3.26%	✓	£0
2023/2024	<3.03%	2.95%	✓	£0
2024/2025	<2.34%	2.48%	✗	£0

# Risk of severe restrictions in a drought

Improving our long-term resilience and lowering risks to water supply

## What is it?

This performance commitment measures how many of our customers would be at risk of experiencing severe water restrictions in a 1-in-200-year drought, on average, over the next 25 years. We report this as the percentage of customers who may be at risk if such an event should occur.

## Why is it important?

We understand the effect it has on our customers when we must put restrictions in place to maintain water supply in our region. It's important that we effectively review our supply and demand analysis to identify any risks to our customers to help us to prevent restrictions being applied. To reflect the importance of this measure, the target throughout 2020–2025 is zero.

## Our 2024/2025 performance

We did not achieve the 0% target on this performance commitment. The percentage of population affected by severe drought restrictions in a 1-in-200-year drought event is 12%. This is the average based on the 25-year period for our baseline planning scenario. This reflects the population at risk of the average supply demand deficit over the 25 years before any of the solutions and potential intervention to prevent this.

Since the start of the AMP7, we have implemented leakage reduction measures which has helped to maintain a supply-demand surplus. We expect to maintain a supply-demand surplus next year and our reported percentage of population affected by severe drought restrictions in a 1-in-200-year drought event is predicted to remain at 12% or lower.

## How are we performing? Risk of severe restrictions in a drought

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	0.0%	0.0%	✓	Reputational
2021/2022	0.0%	4.0%	✗	Reputational
2022/2023	0.0%	4.0%	✗	Reputational
2023/2024	0.0%	4.0%	✗	Reputational
2024/2025	0.0%	12.0%	✗	Reputational



# Priority services for customers in vulnerable circumstances

## Improving services for our vulnerable customers

### What is it?

The Priority Services Register (PSR) offers free extra services to our vulnerable customers who need them. This performance commitment has three elements that are measured and reported separately, however **all three must be achieved** to pass the performance commitment overall.

**Reach:** percentage of households that we supply with water and/or wastewater services that are registered on our PSR.

**Attempted contact:** percentage of individual households on the PSR that we've attempted to contact over a two-year period.

**Actual contact:** percentage of individual households on the PSR that we've actually contacted over a two-year period.

### Why is it important?

It's important that we continue to identify customers in our region that may need additional support from us. We also want to make sure that those on the PSR are receiving services that are still appropriate for them if, for example, their circumstances have changed. Keeping our data compliant and up to date is key to ensuring our customers receive adequate services.

### Our 2024/2025 performance

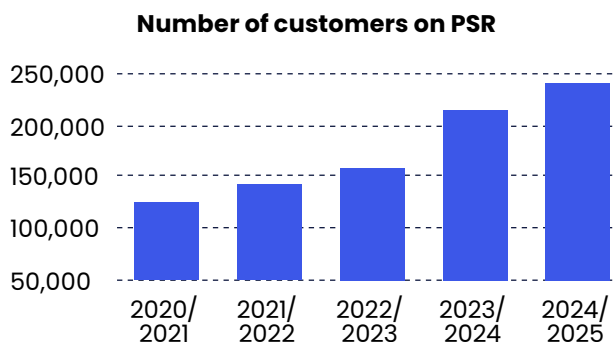
Our performance in the final year of AMP7 reflects our continued commitment to supporting vulnerable customers within our region, achieving all three elements required to achieve the performance commitment level.

The number of customers supported has increased on a yearly basis throughout the last five-year period. This year's performance has seen us deliver our services to an additional 30,000 customers and increase our PSR reach by 1.4%.

This significant increase has been achieved through three key activities:

1. Implementing the data sharing of PSR customers with energy sector organisations to ensure customers only need to tell us once;
2. Auto-enrolling over 85 year olds for bottled water delivery should there be a water outage, as industry benchmarking and customer research suggests these customers may benefit from this service;
3. Increasing promotion of the PSR via multiple channels and on customer contact with our contact centre.

The below chart shows how the volume of customers on the Priority Services Register has increased this period:



Almost all customers on our PSR have received at least two communications from us in the last two years to remind them of their PSR services and request that they update/verify their services with us.

This year we have further embedded text messaging to request customers to confirm their PSR services, and continued email communication to those customers who have signed up for an online account. This is in addition to confirmation on customer contact. These activities have resulted in an 'actual contact' performance of nearly 40% in 2024/2025.

## Reach: Priority services for customers in vulnerable circumstances

Year	Target	Performance	Target Achieved	Reward/penalty
2020/2021	4.0%	3.5%	✗	Reputational
2021/2022	5.8%	3.9%	✗	Reputational
2022/2023	7.5%	4.8%	✗	Reputational
2023/2024	9.1%	9.2%	✓	Reputational
2024/2025	10.0%	10.6%	✓	Reputational

## Attempted contact: Priority services for customers in vulnerable circumstances

Year	Target	Performance	Target Achieved	Reward/penalty
2020/2021	45.0%	46.3%	✓	Reputational
2021/2022	90.0%	45.2%	✗	Reputational
2022/2023	90.0%	99.8%	✓	Reputational
2023/2024	90.0%	107%	✓	Reputational
2024/2025	90.0%	99.6%	✓	Reputational

## Actual contact: Priority services for customers in vulnerable circumstances

Year	Target	Performance	Target Achieved	Reward/penalty
2020/2021	17.5%	17.3%	✗	Reputational
2021/2022	35.0%	14.3%	✗	Reputational
2022/2023	35.0%	17.4%	✗	Reputational
2023/2024	35.0%	34.1%	✗	Reputational
2024/2025	35.0%	39.8%	✓	Reputational

The table below provides the breakdown of PSR membership by the number of individuals registered receiving support for a) communication, b) support with mobility and access restrictions c) support with supply interruption, d) support with security and e) support with other needs.

## PSR membership by main support area: Customers can be included in more than one area.

Year	Communication	Mobility	Supply	Security	Other	Total
2020/2021	12,474	16,318	8,415	48,666	18,619	<b>104,492</b>
2021/2022	15,331	20,413	12,215	50,859	25,536	<b>124,354</b>
2022/2023	24,943	35,366	23,283	53,018	34,976	<b>171,586</b>
2023/2024	37,862	146,197	35,879	39,675	43,900	<b>303,513</b>
2024/2025	57,367	212,937	2,602	25,704	39,165	<b>337,775</b>

# Internal sewer flooding

Reducing disruption caused by internal sewer flooding events

## What is it?

Internal flooding is when an escape from the sewerage system enters a building or passes below a suspended floor. This measure reports the number of internal sewer flooding events each year per 10,000 sewer connections. This includes events that are caused by severe weather.

## Why is it important?

We know that internal flooding incidents have a big impact on the lives of our customers, and we understand how unpleasant these events can be. It's important to us that we reduce these incidents and the effect they have on our customers.

## Our 2024/2025 performance

2024/2025 has resulted in our best Internal Sewer Flooding (ISF) performance this AMP with a 19% improvement in comparison to last year, a 31% improvement in comparison to the start of AMP7 (2020/2021) and a 67% improvement from AMP6. Whilst we have not yet met our performance commitment, we have set clear expectations and developed business plans to guide us in the right direction towards achieving that goal moving forward.

For External Sewer Flooding (ESF), the rate of progress has not met our expectations and we did not meet our performance commitment level. However, we have still seen movement in the right direction with a slight improvement compared to last year that gives us positive momentum for the next year and AMP8 after a few years of deterioration.

We've undergone some significant changes to our processes, systems and team structures. While we're confident that strong governance and assurance has been maintained throughout, these changes have inevitably impacted resource capacity and productivity. As a result, we acknowledge this will have temporarily affected performance. However, we are confident it will lead to better, more reliable service for our customers in future.

## Education & Campaigns

We've spent £2million on a behavioural change campaign between 2023 and 2025. The campaign continues to use the "Bin it. Don't block it" tag line, which has continued to perform well when we survey customers on campaign recall. The campaign has nine creative messages and encourages customers to dispose of fats, oils and greases, wipes of all types and sanitary products correctly. The campaign went live at the end of September 2023 and we aim to reduce ESF and IFS by 15% across the life of the campaign.

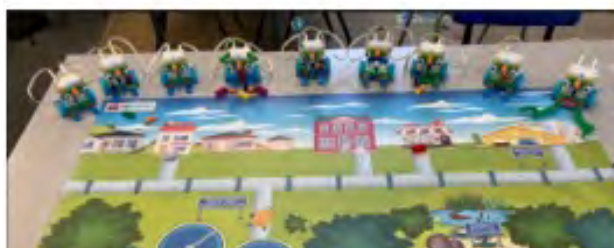


In the first 11 months of the campaign lifespan (September 2023 – May 2024) we saw an 18% reduction in soft blockages in blockage hotspots as well as a 22% reduction in ISF and a 13% reduction in ESF incidents caused by soft blockages in hotspot postcodes. We paused activity in June 2024 to understand the impact on behaviour change. Our research showed we achieved our key objective of raising awareness of how to correctly dispose of Fats, Oils and Greases.

In 2024/2025, we created 65.8million opportunities to see our campaign messaging across digital, paid social, Spotify, TV, video on demand and out of home channels. Final campaign figures will be available in August 2025 along with final behaviour change research.



Our education programme has continued to grow with 80 sessions being delivered since the initiative began. The innovative LEGO education-based programme raises awareness in schools of the causes of sewer blockages around the region. The sessions, which are the first of their kind in the water sector, outline to children what can cause blockages in the sewer network and what should and shouldn't be flushed down the toilet or poured down the sink through the Blockage Buster Challenge.



Our Hey Girls campaign, which we trialled in 2023/2024, was fully rolled out in September 2024 delivering 46 sessions over six months. These sessions focus on educating pupils on not flushing sanitary products by providing them with reusable products as an alternative to disposable, single use produces. So far we've given out over 1,000 products. This project received huge media coverage and was picked up by BBC Look North which created 682,000 opportunities to see and hear about the partnership.

An event we ran in Meadowhall, Sheffield, was picked up by multiple media outlets, including ITV Calendar, and this created 1.7million opportunities to see and hear our blockages messaging.



## Repeats

It's particularly encouraging to see that our strengthened process and focus on sewer flooding have delivered notable improvements in our repeat rates for both internal and external sewer flooding.

The 12 month rolling repeat rate in 2024/2025 for ISF is 3.4%, a significant improvement from 7.7% in 2023/2024 at 7.7%, and for ESF is 7.0%, which is an improvement from 9.2%.

Throughout AMP7, despite some deterioration in 2023/2024, we have ended the AMP with significant improvement.



## How are we performing? Internal sewer flooding

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	<1.68	3.34	✗	£9.025m Penalty
2021/2022	<1.63	2.83	✗	£10.122m Penalty
2022/2023	<1.58	2.67	✗	£9.194m Penalty
2023/2024	<1.44	2.78	✗	£11.303m Penalty
2024/2025	<1.34	2.21	✗	£7.338m Penalty

# Pollution incidents

Improving the quality of the environment

## What is it?

This performance commitment measures the number of pollution incidents caused by our wastewater assets, for every 10,000 km of our wastewater network. This is a calendar year measure from January to December. The measure includes category 1, 2 and 3 incidents as defined by the Environmental Agency (EA) guidance.

## Why is it important?

We know our customers care about the environment and take an interest in this measure, especially if we are not performing well. Any pollution incident is disappointing and so it's important to us to reduce the number of events that occur and improve the quality of our environment.

## Our 2024/2025 performance

Reducing all pollutions is a priority for us and we are extremely disappointed to have seen a decline in our overall pollution performance in the 2024 calendar year to 151 incidents, with 13 of these classified as serious. We take this extremely seriously and are spending much of our time focusing on how to improve our performance, from our frontline colleagues all the way to our Board. We are fully aligned in our desire to achieve zero serious pollutions.

The below table shows our pollution incidents volumes, split by category 1 & 2, and category 3 over the last five-year period:

CCC/APR	2020/2021		2021/2022		2022/2023		2023/2024		2024/2025	
Calendar Year	2020		2021		2022		2023		2024	
Cat Status	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Cat 1&2	0	3	0	5	0	3	0	5	0	13
Cat 3	128	122	126	133	120	111	117	127	102	138



While recognising that challenging weather conditions, such as the named storm events we experienced in early 2024, can have a significant impact on performance against this measure, we understand that we must be better equipped as a business to deal with these scenarios in a more resilient manner. Other factors that impacted our pollution incidents number, include power outages, infrastructure issues on assets and in particular rising mains and mechanical & electrical issues with assets predominantly on our sewage treatment works.

Although performance hasn't been to the level we aim for, there have been a number of initiatives that took place this year to drive improvements, and put us on the right footing going into a new AMP:

#### Network visibility

We initially installed 1,000 devices across our network at pollution hotspots, enabling greater visibility of our network. We saw significant benefit in this approach through the early identification and response to issues before they impact the environment. By the end of 2024/2025, we had grown this number to 5,500 devices and we plan to go further in the next five years.

#### Intelligent Pump Reversal

Pump blockages often occur on Sewage Pumping Stations due to the inappropriate disposal of wet wipes, sanitary products, and kitchen waste such as fats, oils and grease from both domestic properties and local businesses. When this happens, an Operator is sent to site to unblock the pump to prevent a pollution incident. In the last 5 years we have installed intelligent pumps at 500 sites across the region (1,000 pumps) that provide automatic blockage recognition, reverses the pump flow and clearing the blockage prior to any potential pollution.

#### Pressure Monitoring & SMART Air Valves

In the last five years we've installed pressure monitors on 150 of our highest risk rising mains, providing us with live performance information. This system highlights where an asset is drifting outside of its expected operating parameters and could be a developing problem, which may result in a failure.

#### Pollution training

We have refreshed our pollution training which has been rolled out across frontline wastewater operations in face-to-face interactive sessions. Our senior leader population has also undertaken e-learning on pollution at the start of 2025/2026, and now report back on pollution risk when they visit our sites.

#### Investment strategy

Furthermore, we have reviewed, revised and accelerated our investment strategy to reduce pollutions using new technology as well as investing to improve the resilience of those assets most at risk of failure.

During the year we have also recruited a dedicated Pollutions team, to improve our response times when the risk of an incident is detected, using the right equipment to investigate and prevent incidents, or reduce their impact. We are now looking to replicate this approach in other parts of our business.

Overall, we know that we need to do better, both as a company and across the industry, and we are taking significant steps to improve our performance, including increasing training in this area, investing in new technology, investing in assets to improve resilience and increase storage, and recruiting a dedicated Pollutions team to focus on investigating and preventing incidents more quickly.

## How are we performing? Pollution incidents

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	<24.51	24.00	✓	£222k Reward
2021/2022	<23.74	27.36	✗	£2.483m Penalty
2022/2023	<23.00	22.39	✓	£266k Reward
2023/2024	<22.40	26.21	✗	£2.614 Penalty
2024/2025	<19.50	28.89	✗	£6.442m Penalty

## Risk of flooding in a storm

Reducing the flood risk to our customers due to severe weather events

### What is it?

This measures the percentage of our customers who would be at risk of sewer flooding from a 1-in-50-year storm, based on modelled predictions.

### Why is it important?

It's important that we can identify where there is a risk of sewer flooding so we can put plans in place to protect our customers and reduce the effects of severe weather events.

### Our 2024/2025 performance

The population at risk of sewer flooding in a storm has remained consistent to our 2023/2024 levels, at 5.68%.

The metric continues to align with the processes and data used in our Drainage and Wastewater Management Plans.

### How are we performing? Risk of flooding in storm

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	22.20%	5.60%	✓	Reputational
2021/2022	22.20%	5.65%	✓	Reputational
2022/2023	22.20%	5.66%	✓	Reputational
2023/2024	22.20%	5.68%	✓	Reputational
2024/2025	22.20%	5.68%	✓	Reputational

# Sewer collapses

Maintaining and improving the health of our below ground wastewater assets

## What is it?

This performance commitment measures the number of sewer collapses per 1000km of the sewer network. A sewer collapse is where a structural failure has occurred to the pipe that results in a service impact to a customer or the environment and where action is taken to replace or repair the pipe to reinstate normal service.

## Why is it important?

It's important that we maintain our underground wastewater assets as we recognise that a failure of these could have a detrimental effect on our customers and the environment. In order to improve services to our customers for now and the future, we are working hard to reduce the number of sewer collapses on our network.

## Our 2024/2025 performance

Our sewer collapses performance throughout this five-year period (AMP7) has been strong, achieving performance commitment levels in each year.

Our sewer maintenance programme has improved each year. To achieve this, we implemented learnings from the previous four years to further improve our efficiencies in identify high risk properties, and taking proactive steps to avoid sewer collapses. Previously we targeted all properties utilising a high-risk postcode risk. However, for 2024/2025, we have taken a different approach, with the top 10,000 high risk properties individually targeted and surveyed by our operatives, delving deeper into the sewer setup, identifying weak spots that could lead to a sewer collapse.

Looking ahead to AMP8, we will be introducing two more full-time roles to our Network Health Team to build on the positive progress during 2024/2025. This investment of resource will enable us to deliver quality-assured data from experts in collapse and sewer blockage analysis. It will significantly enhance both our tactical and strategic planning for the Network Health Team. Additionally, it will complement our Sewer Maintenance Programme, strengthen our proactive educational initiatives and improve our contributions to the Customer Sewer Alarm (CSA) programme. They will collaborate with our operational teams and partners to enhance the visibility and understanding of collapse reporting. Additionally, they will support the promotion of the most cost-effective solutions that complements and positively influences our collapse performance.

## How are we performing? Sewer collapses

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	<18.26	15.67	✓	n/a
2021/2022	<17.55	11.71	✓	n/a
2022/2023	<16.83	10.96	✓	n/a
2023/2024	<16.11	12.37	✓	n/a
2024/2025	<15.39	6.97	✓	n/a

This performance commitment is penalty only, meaning only receive a penalty for under performance and no reward for outperformance.

# Treatment works compliance

Maintaining and improving the health of our above ground wastewater assets

## What is it?

We have permits that control our discharges into watercourses. This performance commitment measures the percentage of our treatment works that comply with their discharge permits.

## Why is it important?

We want to make sure that our above ground assets are operating as expected and are compliant with their discharge permits. We know it's important to our customers that we limit our effect on the environment and, if we do have an impact on the environment, we are open and transparent about what we happened and how we will improve.

## Our 2024 performance

We have always had a strong track record in this area, and are very disappointed that we had five failing wastewater treatment works in 2024, compared to just one in the prior year. We have taken robust steps to understand the root causes and have taken immediate corrective actions to get us back on track.

In March 2022 Ofwat started a sector-wide investigation into the management of wastewater treatment works and networks. This investigation is being carried out in groups and Yorkshire Water was part of the first group of companies to be investigated. Ofwat announced their findings for Yorkshire Water in March 2025 and concluded that we had failed to meet some of our obligations and

there were improvements to be made. We worked closely with Ofwat throughout the investigation to provide the information they needed, and we also took steps at the same time to strengthen our internal processes, which Ofwat recognised in their conclusions. We know that there is more for us to do and we have agreed a number of undertakings with Ofwat which will ensure compliance in these areas in the future. The undertakings include an additional investment of £40 million to bring forward work to improve the quality of rivers in Yorkshire over the next five years.

We are obviously unhappy that our performance has not been as it should have been, and we are fully committed to improving the environment, which has been recognised by Ofwat, who praised our commitment to getting things "back on track as soon as possible" in their announcement.

Over the next five years we will deliver our biggest ever environmental programme and will be investing £2m every day to improve how our assets perform. This includes upgrades to our treatment works, and improvements to storm overflows and pumping stations.

Over the next five years we will be making our wastewater network smarter by installing 92,000 new monitoring devices. These will help us spot problems before they occur and to take action sooner to prevent our customers being impacted. We are bringing in more resource, and external help, to improve our response times and to increase our maintenance activities, which will also help to prevent more incidents before they occur.

## How are we performing? Treatment works compliance

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	100.00%	99.04%	✗	n/a
2021/2022	100.00%	99.03%	✗	n/a
2022/2023	100.00%	99.68%	✗	n/a
2023/2024	100.00%	99.68%	✗	n/a
2024/2025	100.00%	98.39%	✗	£725k penalty

This performance commitment is penalty only, meaning we only receive a penalty for poor performance and no reward for outperformance. We receive a penalty when we go below 99%.

# C-MeX

## Improving the customer service we provide to our residential customers

### What is it?

The Customer Measure of Experience (C-MeX) metric is designed to measure how satisfied our household customers are with level of service we provide. It's calculated from two surveys in which customers can rate their experience: the Customer Satisfaction Survey (CSS) and the Customer Experience Survey (CES).

**Customer Satisfaction Survey:** a survey of customers who have had recent contact with their water company asking them about their experience.

**Customer Experience Survey:** a survey of randomly selected residents within the region the water company services asking them how satisfied they are with their services. These customers do not have to be the account holders but must be over 18.

Both surveys are completed by agents appointed by Ofwat.

We are ranked against 16 other water companies with number 1 being the best performance and 17th place being the bottom.

### Why is it important?

Our customers are at the heart of everything we do, and we are constantly striving to improve the service we provide. Customer feedback allows us to make plans and concentrate our efforts to improve our services for the better.

### Our 2024/2025 performance

Our 2024/2025 performance against this measure saw a decrease in our overall C-MeX score by 2.06 when compared to the previous year, a disappointing result which positions ourselves 10th within the industry. Factors such as customers perception and trust towards the whole industry being low, price increases and limited communication all being highlighted as significant themes within the results. Unfortunately this decline looks consistent across the industry, with 14 out of the 17 companies experiencing a deterioration in C-MeX scores during 2024/2025.

There is an expectation from Ofwat, that Water Companies offer at least five communication channels for receiving customer contacts and complaints, and at least three online channels. We are pleased to confirm that we meet this expectation and offer six channels of communication in total, with three being online, these are the below:

- Online: Web forms, online account/self-serve and social media.
- Other: Webform (call-back), letter and telephone.

In our drive to improve customer experience, throughout 2024/2025 we have:

- Launched a new Dynamics Customer Resolution Management system for wastewater service and embedding our 'Operations 2.0' model, a geographically localised approach where all customer facing colleagues work as one team, improving response times and right-first-time outcomes.
- We grew our Priority Services Register reach to over 10%, meaning 230,000 households are now receiving additional support.
- We also further extended financial support to 165,000 customers receiving help with their bills.

We have developed a new assurance tool in support of our complaints reporting during the year. This new tool was developed mid-way through the year. This means that we have not completed the full number of checks that we would have wanted to allow us to have confidence in our complaints reporting of +/- 10%. Our assurance checks indicate under reporting of complaints, and we have adjusted our confidence grade to reflect this with accuracy being +/-25%. We are confident that the new statistically significant assurance checks process implemented during 2024/2025, will improve the confidence and accuracy we have in our complaints reporting from 2025/2026.

To drive improvements as we enter the next five-year period (AMP8), the below sets our plan around four key areas:

- Improving the quality of service through the embedding of clear standards across all key customer journeys. This will help us to deliver better experiences more consistently.
- Driving positive perceptions and trust through our brand and communications activity.
- Capturing the benefit from reduced network failure. This will deliver significant improvements in customer-impacting issues such as sewer flooding, supply interruptions and leakage. Through reduced failure, we will have increased capacity to deliver higher quality service to customers who experience issues.
- Using insights from the survey data to drive improvement.

## How are we performing? C-MeX

Year	Target	Performance	Industry ranking	Target achieved	Reward/Penalty
2020/2021	n/a	82.78	8th	n/a	£436k Reward
2021/2022	n/a	80.41	10th	n/a	£14k Penalty
2022/2023	n/a	78.25	11th	n/a	£585k Penalty
2023/2024	n/a	76.54	9th	n/a	n/a
2024/2025	n/a	74.48	10th	n/a	£179.8K Penalty

There is no particular target for this performance commitment but we consider that we have met this performance commitment if we are in the top half of companies and therefore in reward.



## D-MeX

### Improving the customer service we provide to our developers

#### What is it?

The Developer Services Measure of Experience (D-MeX) performance commitment is designed to measure the levels of customer service that we deliver to our customers who are considering or undertaking a new development.

Our overall D-MeX score is calculated from two components that contribute equally:

1. a **qualitative D-MeX score**, based on the ratings provided by developer services customers who transacted with us throughout the reporting year to a customer satisfaction survey; and
2. a **quantitative D-MeX score**, based on our performance against a set of selected Water UK performance metrics throughout the reporting year.

The survey is conducted by an independent agent appointed by Ofwat.

#### Why is it important?

It's important that the services that we provide to developers of all sizes are the highest standard, and so understanding how we are doing helps us drive improvements and focus on where we could do better.

#### Our 2024/2025 performance

This current five-year period (AMP7), has been disappointing, consistently ranking between 15th and 17th within the industry. 2024/2025 delivered a promising quantitative score of 99.61%, but our qualitative score of 64.5% means our overall D-MeX score came in at a disappointing 82.06%. We recognise that this level of performance against this measure is lagging behind expectations of a large water company, and we expect to see improvements as we enter AMP8.

During the year, following a review of Delivery Partner structures across Yorkshire water, a change of Contract Partner took place which caused some short-term disruption and impacted D-MeX scores, we are working closely with our new delivery partner, supporting them to identify where we can deliver more efficiently which should help us provide a better service to customers. We are also replacing more of our technology systems to enable our customer-facing colleagues to have better data when they are interacting with customers.

In the short term we are investing in standalone video technology to support simpler customer journeys, while at the same time defining the requirements for a holistic digital deployment to move to a digital first solution, minimising customer effort and simplifying processes. We have also spent time with our developer customers to gain insight into the areas in which we need to improve, which is now built into our delivery plan for the next AMP.

## How are we performing? D-MeX

Year	Target	Performance	Industry ranking	Target achieved	Reward/Penalty
2020/2021	n/a	62.25	16th	n/a	£2.700m Penalty
2021/2022	n/a	55.08	17th	n/a	£3.398m Penalty
2022/2023	n/a	80.08	17th	n/a	£2.708m Penalty
2023/2024	n/a	83.60	15th	n/a	£1.049m Penalty
2024/2025	n/a	82.06	16th	n/a	£1.908m Penalty

There is no particular target for this performance commitment but we consider that we have met this performance commitment if we are in the top half of companies and therefore in reward.



# Bespoke Performance Commitments

**We engaged with 30,000 customers to understand individual lifestyles and how they shape what customers want, need and expect from us. We've listened to customers' aspirations for us and developed a plan that puts excellent and efficient service front and centre of our ambitions.**

To respond to our customers' feedback, we developed a package of 29 performance commitments that are unique for Yorkshire Water. They align with our ambitions and challenge us to change the way we work to meet both customers' expectations and the complex long-term challenges that we'll face as a business during AMP7.

In this section, we explain the 29 bespoke performance commitments that we've developed and how we've performed against them.

# Working with others

Collaboratively working with third parties to improve Yorkshire for our customers

## What is it?

This performance commitment measures the projects that are completed collaboratively with independent not-for-profit independent agencies, organisations or individuals. We call these projects 'partnership projects'. All partnership projects selected will go through the same business approval processes as any other projects within Yorkshire Water and have the same level of scrutiny and challenge. Only partnership projects with a clear net-benefit to our business objectives and customer outcomes will be selected. In AMP7 we have been set a more stretching target for this measure as we must exclude any land-based partnership projects that are counted towards our land conserved and enhanced performance commitment. We must also quantify the additional benefits achieved by working in partnership over and above those that would have been achieved by working alone. We will quantify these additional benefits using our Six Capitals Framework and have had this independently reviewed at the end of AMP7.

## Why is it important?

These projects contribute direct financial or in-kind support, to capital or operational programmes, investigations, and feasibility studies. Working in partnership with others means that we can deliver more for our customers and the environment. The reward from achieving this performance commitment is ring-fenced to be re-invested in more partnership projects.

## Our performance

This year a total of 14 projects have been submitted, taking the final number of projects submitted to 46 for the AMP and meeting our target.

The final year of the AMP has been a successful year for partnership working, with multiple projects being delivered across the company, each showcasing how partnership working can bring greater value to our customers. Throughout the year partnership working has enabled projects to access specific expertise and knowledge, funding pots, land, volunteers, and community groups, all of which would not have been possible if we attempted the projects alone.

Through the Yorkshire Invasive Species Forum we worked with various stakeholders and partners to support and deliver the treating of 135km of watercourse for invasive non-native species (INNS), harnessed 1,478 volunteer hours, trained 330 high risk individuals in biosecurity practices and engaged 96 landowners across three river catchments on the importance of INNS management.

This year saw the completion of the Bilton School Sustainable Drainage Systems (SuDs) scheme. This project was successful in accessing Department of Education funding. The project has delivered several key benefits, most importantly flood risk in the school and the surrounding areas has been reduced. The project also enhances education by allowing students to interact with and learn about water management and the environment, fostering a deeper connection with nature.



# Working with others

## Performance Commitment Eligibility Criteria

### 1. Identify a partnership project

#### Partnerships are defined as:

Projects where the company engages in activity with independent not-for-profit third-party organisations, agencies or individuals for the delivery of a shared objective.

#### Project is defined as:

Activities where the company contributes direct financial or in-kind support, to capital or operational programmes, investigations, and feasibility studies.

#### Included projects:

- Partnerships and projects may be established to test or trial a concept or technique. If, in the event the test or trial is unsuccessful, the project can still be claimed provided the company can demonstrate that substantive benefits have been delivered.
- Individual partnership projects that are part of a broader partnership as long as they are self-contained projects with their own distinct goals and benefits. i.e. projects within a programme.

#### Projects excluded:

- **the company's own research and development activity;**
- **business as usual delivery of capital projects by contractors; and**
- **repair and maintenance or other framework contracts;**
- **projects that deliver benefits taken into account for the PR19YKY\_2 Land Conserved and Enhanced performance commitment.**

### 2. Partnership projects must have benefits

#### Benefits can include, but are not limited to the following:

- enable delivery of much larger/wider schemes than if the company acts in isolation;
- save money, including avoided operational costs;
- provide additional benefits such as recreational improvements or biodiversity gains;
- enable access to specialist technical expertise, such as local charities/volunteers;
- remove surface water from the company's wastewater network; and
- with the company's involvement would leverage additional funding (for example by demonstrating match funding for bids).

#### Additional benefits:

- protecting or enhancing raw water quality;
- managing the risk of sewer escapes, for example by removing surface water from our network;
- promoting water efficiency and/or the responsible use of sewers;
- protecting our assets or customers from flooding, or coastal erosion;
- projects which increase the diversity of visitors to the countryside particularly at Yorkshire Water locations;
- projects which focus on visits to the countryside and other nature-based activities which support the health and welfare of individuals;
- projects that protect or enhance the natural environment;
- projects that build community resilience.



### 3. Partnership projects go through business approval process

**Business approval process is defined as:**

- must be the same business approval processes as any other projects within the company and have the same level of scrutiny and challenge.
- only partnership projects with a clear net-benefit to meet the company's business objectives and customer outcomes will be selected.
- a partnership project must include the following information:
  - partners involved;
  - total costs of the scheme;
  - contribution required from the company (financial or otherwise);
  - timescales for completion;
  - criteria for determining a successful outcome;
  - proposed project steering group (including third party members) including relevant skills and qualifications; and
  - project governance.

**Business approval process will check the partnership project meets the eligibility criteria**

(Full list of eligibility criteria will be documented in advance of the 2020/2021 reporting year and will be published in the company's Annual Performance Report (APR). The Yorkshire Forum for Water Customers will provide assurance that is appropriate.)

Eligibility criteria includes all the information in Steps 1-3 including:

- projects should have local or community benefits, we cannot fund projects outside our operational boundary (which largely matches the Yorkshire & Humber Government Office Boundary).
- we will carefully consider projects which resolve a long-standing issue, or which are the right thing to do, but which fall outside our regulatory business and what we normally fund.
- we will consider projects which build capacity within partner organisations (i.e skill development, sharing good practice, secondments and mentoring).

**Accepted**

**Rejected**

### 4. Deliver partnership project

## 5. Is project successful?

Partnership projects completed on or before the 31 March will be reported in that year.

Each partnership project will only be considered to contribute to the performance commitment if it meets the published criteria.

The Yorkshire Forum for Water Customers will provide assurance on this.

Some partnership projects will deliver benefits upon completion. Others may take longer to achieve measurable benefits. In these cases, projects will be considered completed when the project steering group agrees that the substantive benefits of the partnership project have been delivered.

**Counted**

**Not counted**

## 6. Report information

The company will report cumulative progress on an annual basis through its Annual Performance Report, setting out if it is on track to achieve the cumulative 2024/2025 performance commitment level. Any outperformance payments will be calculated and applied based on the cumulative total in 2024/2025.

The company will commission and publish a report at PR24 by an appropriately qualified third party that estimates the additional benefits to customers delivered from the company working with third parties as opposed to what the company would have achieved on its own. It will also set out any learning that would increase the benefits of partnerships in the future.

The company will maintain documented reports that set out the benefits delivered from each partnership project and how these have been determined.

## Summary of AMP7 as a whole

Working in partnership can bring a variety of additional benefits, from leveraging match funding to gaining access to specialist knowledge or a diverse range of customers for engagement.

In recent years, we have encouraged a cultural shift towards working with others to address shared challenges and deliver positive outcomes. As a result, over this time, our approach to working with others has matured. We have worked with local authorities, government bodies, non-government organisations, universities, charities, landowners and many more.

Over the last five years we have worked with a range of stakeholders and partners to deliver benefits for our customers and the environment. This includes leveraging over £18m in external funding, enabling us to go further than we otherwise would have, improving 438 kilometres of river and 291 hectares of habitat, engaging with over 16,000 local people and upskilling 791 staff or volunteers and much more.

During this time we have also gained valuable insight and lessons learnt on partnership working, we have used this to inform our approach to partnership working for the next five years and beyond. An excellent example of this can be seen in the way we have developed the Great Yorkshire Rivers Partnership, enabling greater delivery and impact for the environment. This will help us achieve our vision of creating a thriving Yorkshire, right for customers and right for the environment.

In line with our PC requirements please find a link here to the end of AMP report which was assured by our providers AtkinsRéalis [yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/).

## How are we performing? Working with others

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	3	7	✓	Calculated in 2025
2021/2022	9	16	✓	Calculated in 2025
2022/2023	18	19	✓	Calculated in 2025
2023/2024	30	32	✓	Calculated in 2025
2024/2025	45	46	✓	£30k Reward

# Land conserved and enhanced

## Improving our land management and biodiversity activities

### What is it?

This measures the cumulative area of land conserved and enhanced in the company's region through land management and biodiversity focused projects and investments on land owned, and not owned, by the company in the 2020-2025 period. It includes the following programmes:

- Site of Special Scientific Interest (SSSI) programme;
- Local wildlife sites or similar, programme;
- Other schemes benefitting biodiversity (for example, delivering best practice land management schemes); and
- 'Beyond Nature' land management.

These projects must be signed off by the relevant agencies such as the Environment Agency, Natural England or another recognised environmental non-government organisation. We report this by the number of hectares of land affected and improved by our projects.

### Why is it important?

It's important that we do whatever we can to preserve and improve our natural environment. Working with other agencies to improve the way land is managed is vital to ensuring that we improve biodiversity and make the region better for our customers and future generations to enjoy.

### Our performance

During 2023/2024 we submitted an updated ownership overlay to Natural England and reviewed the amount claimed under this performance commitment with them. As a result, there was an uplift of 29.28 hectares and this is included within our reported numbers for 2024/2025.

The aim of Beyond Nature® was to have land management plans in place for various holdings. Beyond Nature® increased from 6,497.12 hectares to 6,795.88 hectares of non-SSSI land signed up this year. This equates to an increase of 4.6%. There was an additional 402.82 hectares signed up, but as some the land is also designated as SSSI, this was excluded from the Beyond Nature® figures to avoid any double counting of performance. The increase has been achieved by working with more agricultural tenants to draw up and agree bespoke Beyond Nature® Management Plans for their holdings.

Land claimed under the biodiversity element of this performance commitment was achieved through the Water Industry National Environment Programme (WINEP) schemes YOR00051 (Biodiversity Enhancement Programme) and YOR00139 (S.41 River resilience programme). These were 5 year WINEP implementation measures that received Environment Agency and Natural England sign off during 2024/2025.

## How are we performing? Land conserved and enhanced

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	3,048	3,084	✓	Calculated in 2025
2021/2022	6,096	6,656	✓	Calculated in 2025
2022/2023	9,143	9,768	✓	Calculated in 2025
2023/2024	12,191	11,045	✗	Calculated in 2025
2024/2025	15,239	18,300	✓	£3.465m Reward

# Integrated catchment management

Developing integrated catchment plans that improve our environment

## What is it?

The performance commitment measures the percentage of catchments we operate where, working with stakeholders, the company implements the 'Natural Capital Operator' model in the 2020–2025 period.

Implementing this model means that the systems operator provides a central oversight and management system to ensure optimal and sustainable use and management of natural capital, and to coordinate investment and management actions.

Catchments are selected based on where we can demonstrate;

- we have an operational presence within the catchment (for example water abstraction and wastewater processing),
- there will be a clear benefit for our customers; and
- there is adequate opportunity to gather the required information to drive change.

Plans must be developed, consulted upon, and agreed with stakeholders including Natural England, the Environment Agency, the relevant Catchment Based Approach (CaBA) partnership, Local Nature Partnership, the Yorkshire Water Biodiversity Advisory Panel; and external regional stakeholders, such as Wildlife and Rivers Trusts.

## Why is it important?

Implementing this model delivers multiple benefits to our customers including improvement to water quality, enhanced biodiversity, reduced flood risk, resilience to climate change and greater community engagement with their local river in a cost-effective manner.

## Our performance

Throughout this AMP, we have continued to review and prioritise our delivery plan in line with our service commitments, to ensure we deliver the best service we can against the key priorities of our customers within the constraints we face. As a result of this, and aligned with the priorities of our customers, we made the difficult decision to put on hold the activity that supported this performance commitment and instead focus our efforts on other areas where we can have a greater impact in improving the quality of our rivers. We will make sure that where there are opportunities to deliver the benefits that this performance commitment sought to achieve, such as improving water quality, enhancing biodiversity, reducing flood risk and improving resilience to climate change, we will pursue this and several of our other performance commitments and delivery of the Water Industry National Environment Programme (WINEP) also help to deliver these benefits.

## How are we performing? Integrated catchment management

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	0%	0%	✓	Reputational
2021/2022	0%	0%	✓	Reputational
2022/2023	2.6%	0%	✗	Reputational
2023/2024	2.6%	0%	✗	Reputational
2024/2025	7.7%	0%	✗	Reputational



# Length of river improved

Improving the health and aesthetics of our rivers

## What is it?

This performance commitment measures the cumulative length of river improved, in kilometres, as a consequence of completed improvement schemes. These schemes have regulatory and legislative drivers and improvements are made under clean and wastewater obligations.

This measure includes schemes that are completed as part of our Water Industry National Environment Programme (WINEP) and non-WINEP schemes. All schemes must be signed off by the Environment Agency (EA).

## Why is it important?

These schemes improve the quality of rivers for river users enhancing opportunities for recreational and other activities. It also measures river health to ensure that water can be abstracted from rivers and lakes for our clean water treatment works, without any negative impact on the environment.

## Our performance

Our performance against this measure is calculated cumulatively over the AMP (from 2020–2025).

We have delivered 627.0km of river length improved, 495.2km of wastewater related schemes and 131.8km of clean water schemes. Across the five years there were initially a total of 97 projects to be delivered to achieve the river length target. From the original list, 28 projects were not delivered within the AMP period due to either technical feasibility issues or due to not achieving the required level of installation and/or performance to claim their output by 31 March 2025. An additional 12 clean projects were agreed and completed to recover some of the shortfall.

A project at Little Don was removed from the WINEP programme with EA approval, as the river improvement was achieved through other schemes. Two projects at Aldwarke and Stockley, included in our performance, have been verbally signed off by the EA at the time of reporting. In the unlikely event of any change in this position through the formal sign off process with the EA for these two projects, we would update Ofwat and update our Annual Performance Report (APR) with this change in position.

In line with PC requirements our Assurance providers have issued a statement confirming our compliance [here](#).

## How are we performing? Length of river improved

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	0.0km	0.0km	✓	n/a
2021/2022	45.6km	50.1km	✓	n/a
2022/2023	47.3km	53.7km	✓	n/a
2023/2024	69.7km	117.9km	✓	n/a
2024/2025	741.6km	627.0km	✗	£6.395m

# Biosecurity implementation

## Protecting our natural environment

### What is it?

Biosecurity represents reasonable and practicable measures to prevent the spread of harmful invasive non-native species (INNS), such as plants, animals, fungi or pathogens. This performance commitment measures the number of Pathway Management Plans that we implement to mitigate a particular pathway of INNS spread.

The Pathway Management Plans must have specific success measures which are independently reviewed and agreed with the Environment Agency. The plan is only considered completed when it has been signed off by the relevant regulators and a third-party assurer. We will also review the engagement and learning across the business in order to shape future policies.

### Why is it important?

We want to protect and improve the natural environment for our customers and future generations by reducing the spread of invasive non-native species. We want everyone to continue to enjoy Yorkshire.

### Our performance

There are twelve main pathways by which we can inadvertently spread invasive non-native species such as Japanese knotweed, for example through moving soil between construction projects containing seeds of invasive plants, or through anglers on our reservoirs transferring invasive invertebrates in their nets. Our target between 2020 and 2025 was to deliver three pathway management plans each year and have a plan for all of the twelve main pathways.

We have completed a total of eight pathways, an increase of two on last year. The two new pathways are Operational Teams and Grounds Management (alongside raw water transfers, bioresource movements, aquatic surveying, terrestrial surveying, public recreation and forestry pathways which have been previously claimed). There are four pathways where we have further incorporated biosecurity within those pathways but have not been able to report them as completed by the end of this AMP; Angling; Boating and Water Sports; Farming and Capital Schemes.

In the year we achieved sign off from regulators on delivery of our underlying Water industry national environment programme (WINEP) biosecurity commitments. This includes the building of recreational biosecurity wash down facilities and working with partners to lead the Yorkshire Invasive Species Forum and associated projects such as biocontrol trials and eDNA monitoring technique development.

We achieved the operational teams and grounds management pathways. Seeing evidence of embedded biosecurity, for example through Yorkshire Water sites being awarded and maintaining external Bronze AQUA biosecurity accreditations. We also focused on communications to raise awareness, including the promotion of the INNS Mapper tool.

We will be continuing work to further implement biosecurity across our operations in AMP8. We have several invasive non-native species (INNS) projects to deliver across the next 5 years including one on biosecurity implementation and one on catchment biosecurity. These along with our other INNS projects and continuing to work with catchment partners across the Yorkshire region will aid in tackling the impact on INNS on the environment and better biosecurity to prevent the spread and introduction of INNS.

## How are we performing? Biosecurity implementation

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	0	0	✓	Reputational
2021/2022	3	2	✗	Reputational
2022/2023	6	4	✗	Reputational
2023/2024	9	6	✗	Reputational
2024/2025	12	8	✗	Reputational



# Education

Encouraging change and understanding the value of water

## What is it?

For this commitment we report the number of face-to-face learning hours that Yorkshire Water provides to promote an understanding of the value of water. This can include regional and community targeted campaigns as well as practical learning delivered at our specialist centres. We gather feedback from both students and group organisers to check on learning, understand the potential for behaviour change and adapt our sessions where appropriate.

## Why is it important?

By teaching our communities the value of water we can drive changes in behaviour and raise awareness of how small changes make big differences. We educate communities about water usage as well as the water and wastewater treatment processes.

## Our performance

During 2024/2025, we delivered 30,407 hours of education as part of this performance commitment, 52% up on target. Our primary school Lego programme, developed in 2023/2024 delivered 77 sessions to 39 schools, reaching over 2000 students. Following the successful collaboration with social enterprise Hey Girls we launched an outreach programme focused on reducing blockages caused by sanitary products. We have delivered 36 sessions at 9 secondary schools, reaching 925 students, with all students receiving a complementary pack of products. A new education centre at Ewden Wastewater Treatment Works has been developed and pilot sessions were successfully delivered in March 2025, from the summer term 2025 we will include the opportunity to visit a wastewater treatment works.

Whilst the pandemic impacted our activities for some considerable time, the team demonstrated resilience and determination, evolving our activities regularly to obtain the best possible outcome for those we were engaging with. We now have a robust programme that provides a wide-ranging offer, and a high demand for services from both internal and external customers. Over the AMP7 period we delivered over 115,000 hours of education against our performance commitment and over 136,000 hours across the full programme.

More details can be found in our AMP7 Education report, published earlier this year: [yorkshirewater.com/education/our-education-report](https://yorkshirewater.com/education/our-education-report)

## How are we performing? Education

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	20,000	5,590	✗	£29k Penalty
2021/2022	20,000	22,576	✓	£0
2022/2023	20,000	28,164	✓	£0
2023/2024	20,000	29,203	✓	£0
2024/2025	20,000	30,407	✓	£0



# Creating value from waste

Reducing materials which are sent to landfill and unlocking value from waste resources

## What is it?

This performance commitment challenges us to reduce waste and recycle as much as we can and reduce our costs in doing so. We measure the extra environmental, social and financial benefits using the Six Capitals approach. You can read more about our Six Capitals approach here: [yorkshirewater.com/about-us/capitals/](https://yorkshirewater.com/about-us/capitals/)

The waste materials include:

- Grit, screenings, fats, oils and greases that enter and collect in the sewer network or wastewater treatment works.
- Water and wastewater sludges produced through treatment processes. There are also sludge storage lagoons, a legacy of historic operational practices.
- Heat lost to the natural environment – from sewage and from water and wastewater treatment plants, including energy generation assets.
- Construction, repair and maintenance waste, for example, excavation materials and redundant kit from sites.
- Land, including areas of unused operational sites and company catchment land where further value can be taken by increasing recreation and environmental improvements.

## Why is it important?

It's important that we reduce waste, keep resources in use for as long as possible, and create further value from under-used resources. This helps us get things right for the environment and right for our customers.

## Our performance

We exceeded our cumulative target for the 2020–2025 period with a reported performance figure of £281m. This PC has demonstrated the additional value achievable through reusing and reducing waste and underused assets across the business and we'll continue to build on our performance in this area in future.

Over the course of AMP7 we identified initiatives that demonstrate how additional value can be created from underused assets. Schemes identified have included the sale of underused land for development, showing the additional social value created through the creation of jobs and income into communities. The use of land to build alternative treatment methods for sewage waste such as the creation of wetlands has demonstrated the additional value of biodiversity gains and reduced running costs, enabling further wetlands to be considered across Yorkshire.

This commitment has demonstrated the value in using a six capitals approach to assess the additional benefits arising from initiatives which reduce waste and improve recycling, and has helped to shape discussions to bring more value in the future.



## How are we performing? Creating value from waste

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	£0m	£3m	✓	Reputational
2021/2022	£5m	£53m	✓	Reputational
2022/2023	£10m	£281m	✓	Reputational
2023/2024	£20m	£281m	✓	Reputational
2024/2025	£65m	£281m	✓	Reputational



# Water recycling

## Increasing the volume of water we recycle

### What is it?

This performance commitment measure the volume of water recycled in our clean and wastewater sites in megalitres per day (ML/d).

It includes:

- The re-use of process water in our clean and wastewater treatment sites; and
- The use of final effluent from our wastewater treatment sites for commercial applications.

### Why is it important?

If we are able to increase the volume of water which we recycle, we can decrease the volume of water we abstract from rivers, streams, canals or underground for use at our clean water treatment works.

### Our performance

Following the Final Determination, we reviewed our delivery plan in line with our service commitments and allowed costs. As a result of this, and aligned with the priorities of our customers, we made the difficult decision to put on hold three specific water recycling schemes that were identified to deliver our Water Recycling performance commitment. This performance commitment was developed to engender a culture of water conservation and to reduce water wastage. We remain committed to these principles, but in line with our customers priorities, we focused our resources on achieving this through leakage reduction.

### How are we performing? Water recycling

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	0	0	✓	n/a
2021/2022	2.77	0	✗	£41k Penalty
2022/2023	5.79	0	✗	£85k Penalty
2023/2024	6.04	0	✗	£89k Penalty
2024/2025	6.29	0	✗	£92k Penalty

# Affordability of bills

## Providing services at an affordable cost

### What is it?

We report the percentage of customers who respond positively to the question “How much do you agree or disagree that the water and sewerage charges that you pay are affordable to you?”

The question is asked by the Consumer Council for Water (CCW) in an annual survey known as ‘Water Matters’.

### Why is it important?

It’s important to us that we do not have unreasonable charges for our services, and we keep our bills affordable. It’s also important we give our customers an opportunity to tell us if they think they are not. It also gives us a chance to assess the support we have in place for our customers who are struggling.

### Our performance

The 2024/2025 research undertaken by CCW and published in their Water Matters report states that 76% of customers are positively satisfied that their water and sewerage charges are affordable to them. This is below the performance commitment target level of 85%. Whilst lower than target, the result is higher than the 74% average for all water and sewerage companies.

The cost-of-living crisis, external water industry perception and industry wide bill increases have led to a downturn in performance on this metric

We’ve increased financial support so that over 165,000 customers are now benefitting from help with their bills. This is a significant increase compared to the previous years, based on increasing the financial support package to support customers during a period of bill increases. This increase was supported by both contributions from customers and the company.

We have extended our campaigns throughout the last financial year to increase awareness of our financial support and have increased our campaigns around our investments to ensure customers can see the value and benefit from their bills.

Despite increased publicity around bill support available and bill value we have seen increased challenges in customers recalling the campaigns we’ve made. We have seen significant increases through our customer tracker of the awareness of support but this has not fluctuated in line with activity. This learning has resulted in us evaluating and testing how we may implement more targeted promotion.

As part of our PR24 plan we have extended the bill support we have available to reach a wider audience of customers who may find their bill unaffordable. This includes transforming our social tariff to a banded tariff providing more meaningful support to those customers with the lowest incomes. We are also extending the support we provide via targeted water efficiency, external signposting and collaborative community engagement. This should increase bill affordability for those customers that need it most.

## How are we performing? Affordability of bills

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	81%	82%	✓	Reputational
2021/2022	82%	79%	✗	Reputational
2022/2023	83%	77%	✗	Reputational
2023/2024	84%	78%	✗	Reputational
2024/2025	85%	76%	✗	Reputational

# Direct support given to customers

## Providing access to our financial support schemes

### What is it?

This measures the number of residential customers who receive financial support through one or more of our approved schemes. These schemes include two social tariffs:

- WaterSure
- WaterSupport

and the following support schemes for customers in debt:

- DWP Resolve
- Resolve
- Community Trust
- Fresh Start

as well as a domestic meter option for those customers requiring financial support.

If a customer receives financial support under more than one of the valid schemes during the reporting period, they will be counted as a single customer receiving support.

### Why is it important?

We need to make sure that people are aware of, and have access to, our financial support schemes when they need them.

### Our performance

The number of customers supported has increased on a yearly basis throughout the period.

This year's performance has seen an increase of over 34% on the previous year with an additional 42,000 customers, above last year's total, being helped. This has taken the total to over 166,000.

The year on year increase throughout the last 5 years has been in both the number of schemes available, as well as the number of customers benefitting from those schemes.

Of all the schemes available, WaterSupport, a social tariff aimed at customers with low incomes, has the largest number of customers, at circa 107,000, for 2024/2025, and accounts for circa 64% of the total customers helped.

The debt management schemes, although grown in numbers, is not reflective of the demand as there is a finite amount of financial investment available for these schemes – this recognises our priority for keeping all customer's bills affordable.

The over-performance seen in the year was delivered by design in response to customer need, particularly in light of the current economic climate. With significant growth planned to continue throughout the coming years we want to ensure we were maximising our reach.

We have successfully increased training into the wider Billing Contact Centre to enable all colleagues to confidently provide WaterSupport to customers. This has enabled increased promotion of the scheme on contact with customers, which has increased the number of customers receiving help.

## How are we performing? Direct support given to customers

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	>58,000	61,406	✓	Reputational only
2021/2022	>69,000	80,778	✓	Reputational only
2022/2023	>75,000	95,138	✓	Reputational only
2023/2024	>79,000	124,396	✓	Reputational only
2024/2025	>83,000	166,906	✓	Reputational only

# Cost of bad debt

Reducing the cost of bad debt to our customers

## What is it?

Bad debt is when we are unable to recover residential customer bills. When we are unable to recover bad debt this becomes a cost to our other customers. In an effort to keep this low, this performance commitment measures the percentage of each customer bill which results from bad debt.

## Why is it important?

It's important that we ensure that our bill-paying customers contribute as little as possible to unrecovered bills. We are committed to keeping bills as low as possible and ensuring that customers pay for the services available to them.

## Our performance

For this performance commitment a lower number is better. It represents the reduction in the percentage of bills that relate to bad debt. The Ofwat price review process incorporates an allowance in prices for the cost of debt considered to be irrecoverable by the company. To help minimise this cost for our customers, we operate a range of schemes designed to help those who struggle to pay their bill, while having strong processes in place for overall debt collection

The bad debt performance commitment is the cost of debt per customer expressed as a % of the average household water and sewerage bill. The bad debt performance commitment target was set at 3.75% of the average household water and sewerage bill for the fifth year of AMP7. The outturn for the year was 3.52% and we met our performance commitment level.

## How are we performing? Cost of bad debt

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	<3.23%	3.00%	✓	Reputational
2021/2022	<3.37%	3.28%	✓	Reputational
2022/2023	<3.48%	3.38%	✓	Reputational
2023/2024	<3.61%	3.39%	✓	Reputational
2024/2025	<3.75%	3.52%	✓	Reputational



# Priority services awareness

## Understanding the benefits of our Priority Services Register

### What is it?

This measures the percentage of household customers who state, when questioned, that they're aware of the additional services offered by Yorkshire Water via the Priority Services Register (PSR). The Customer Council for Water (CCW) conduct a survey independently, called the 'Water Matters Survey'. You can read their latest report here: [Water Matters 2025 – CCW](#)

The PSR is a free service provided to customers in vulnerable circumstances. This can be a situation which is temporary or permanent and impedes a customers' ability to access or benefit from our services. Services within the PSR include:

- Braille bills and information;
- card warnings;
- CD bills;
- priority supply connection;
- help for customers who use home dialysis;
- large print bills or information;
- delivery of bottled water during an interruption to supply;
- nominated person to handle the account;
- password on accounts;
- text telephone contact;
- face-to-face visits.

### Why is it important?

We want our customers to know that extra help is available when they need it. Our customers are at the heart of everything we do and it's important our customers know how to access support from us, when they need it.

### Our performance

We have not achieved our target of 65% awareness in year, but we have seen a significant improvement amongst the customers who were surveyed. We have run a variety of marketing campaigns across the year to increase awareness of the priority services register through letters, leaflets, bills, during incidents and face to face engagement at events.

The annual bill also included an information leaflet explaining the additional support available through our priority services register, this was supported by face-to-face events giving many customers the opportunity to talk to us about their bills.

## How are we performing? Priority services awareness

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	>50%	43%	✗	Reputational
2021/2022	>54%	47%	✗	Reputational
2022/2023	>58%	51%	✗	Reputational
2023/2024	>62%	50%	✗	Reputational
2024/2025	>65%	59%	✗	Reputational

# Priority services satisfaction

Understanding and improving what our vulnerable customers need

## What is it?

This measures the percentage of our customers on the Priority Services Register (PSR) who are satisfied with their experience.

A survey is conducted which asks these customers 'Based on your priority services needs how satisfied are you with Yorkshire Water's service? Please use a scale of 1 to 5 where 5 is equal to very satisfied, 4 to quite satisfied, 3 to neither satisfied nor dissatisfied, 2 to quite dissatisfied and 1 to very dissatisfied.

The survey is conducted by an external company each month and we ask a minimum of 600 customers annually. We make sure that we ask a representative sample of customers who use a variety of the services offered.

## Why is it important?

We need to make sure that the services we offer to customers made vulnerable by their circumstances are adequate and look to make improvements where they are needed.

## Our performance

Overall PSR Satisfaction has continued to decline and is now at to 72% in 2024/2025. An increase in bills, alongside the increased media focus on sewage/pollutions within the industry, were both cited within the top themes for dissatisfaction.

We have proactively engaged with customers where possible to ensure we are increasing awareness of affordability schemes for those struggling with their bills.

There was an improvement in customers citing that they had received poor service, or had not received the service they signed up for (both reducing from 6% to 2%), and an overall increase of 8% giving a "very satisfied" rating. In October 2024, we stood up our new partnership with Water Direct, to improve the resilience of our bottled water delivery service during supply interruptions. This has resulted in an increased number of deliveries to customers for events estimated to exceed five hours and current satisfaction rating with this service is 4.6 out of 5.

Looking ahead, we plan to continue looking for ways to improve our engagement with PSR customers through plans set out in our By Your Side strategy, published in June 2025.

To help ensure our response to those with extra help needs is robust and sustainable, we have published our five-year vulnerability strategy in June 2025 link here. This, alongside improvements to how we communicate expectations with customers, will hopefully help drive greater levels of satisfaction with the support we provide.

<https://www.yorkshirewater.com/media/prpa2k33/yorkshire-water-by-your-side-june-2025-accessible-v2.pdf>

## How are we performing? Priority services satisfaction

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	>82%	91%	✓	Reputational
2021/2022	>84%	80%	✗	Reputational
2022/2023	>88%	85%	✗	Reputational
2023/2024	>92%	81%	✗	Reputational
2024/2025	>95%	72%	✗	Reputational

# Inclusive customer service

Improving the quality of service to our vulnerable customers

## What is it?

Our priority services are reviewed and assessed by an independent panel of third-party organisations and charities. They score three aspects of our priority services:

- the accessibility of our priority services
- the types of services provided; and
- the effectiveness of the services provided.

Each individual organisation gives a score based on a scale of one to five (one=low competence, little evidence of performance; five=highly competent, strong evidence of performance).

This performance commitment reports on the overall score. The overall score is the total of all the scores divided by the number of scores. We report a percentage improvement from our 2019/2020 score (baseline). Our baseline is 3.21.

We also track the average scores of each individual element so we can focus our improvements on the right areas.

This measure is conducted and overseen by an external provider who ensures the quality and accuracy of the responses received are transparent.

## Why is it important?

It's important that the services we provide our vulnerable customers are accessible, wide-reaching and effective. This commitment makes sure we continue to improve and meet our customer's needs.

## Our performance

We have seen a 23% improvement compared to the baseline. All service areas measured have received a positive increase in scoring since 2020, demonstrating all-round improvements in the inclusivity and accessibility of our Priority Services Register (PSR) support services over the past five years.

### Tailoring operational priority services

**during incidents:** we've continued to build on the improvement of operational response during water supply outages, including a new partnership with Water Direct. This partnership has allowed us to scale our response and be more resilient to concurrent incidents.

### Checking our Priority Services are right for

**customers:** we've listened to customer feedback and rolled out bespoke messaging to PSR customers, to keep them informed about their service during a supply interruption. This includes giving all customers an estimate of restoration time where possible.

### Implementing our "By Your Side" strategy:

we've launched our customer vulnerability strategy, which aims to set out our commitments and ambitions in improving support for customers needing extra help.

**Affordability scheme improvements:** we have made several significant improvements in our affordability support, including a digital wellbeing assessment, and full transformation of our social tariff to provide banded support for customers. These were built with input from external organisations and customer insight.

**Training and upskilling:** We have received customer safeguarding training to some of our customer leaders, to help ensure we're able to protect and support customers who need us the most. This includes improving our external signposting framework to gain support from external organisations.

**Services and Access/Signup:** We have redesigned our online application forms this year for both our financial and non-financial support. This has made the registration process easier for customers and our services more accessible.

We published our final “By Your Side” customer vulnerability strategy in June 2025. This will be paired with a comprehensive implementation plan and governance to ensure we have a clear pathway to deliver improvements towards our ambition for customers.

A link to the strategy can be found here:  
[yorkshirewater.com/media/prpa2k33/yorkshire-water-by-your-side-june-2025-accessible-v2.pdf](https://yorkshirewater.com/media/prpa2k33/yorkshire-water-by-your-side-june-2025-accessible-v2.pdf)

## How are we performing? Inclusive customer service

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	4%	24%	✓	Reputational
2021/2022	8%	20%	✓	Reputational
2022/2023	12%	19%	✓	Reputational
2023/2024	16%	24%	✓	Reputational
2024/2025	20%	23%	✓	Reputational

# Gap sites

Reducing the number of connected properties which are unknown to us

## What is it?

A 'gap site' is an occupied property not known to us which is connected for water services and therefore not being billed. We aim to reduce the amount of time it takes to bill these properties from the time they are identified. This commitment reports the percentage of gap sites we identify which are added to the billing system within 12 months of identifying them.

## Why is it important?

If a property is receiving a service and not being billed, it means our other customers are not receiving fair charges. It's important that we identify gap sites and bring them into billing as soon as we can so we can reduce bills for our customers who are already paying.

## Our performance

Our performance against this measure continues to improve, achieving 100% against a 94% target in 2024/2025. We continue to see 39% of sites brought into billing within two months of notification. In the year we had 64 confirmed gap sites which became void and 456 gap sites which were billed. Of the properties identified as gap sites, we are unable to confirm the void status of 38% due to limitations in accessing the dwellings. As required by our reporting and assurance requirements in the performance commitment definition, AtkinsRéalis have provided detail within their technical assurance report on [page 203](#) of this APR, that our methodology is appropriate and our reporting is robust based on the checks undertaken. They have not provided assurance around newly built properties as this is excluded as per the specific exclusions detailed in the performance commitment definition.

The improvement in performance was a result of implementing robust and improved processes to identify and prioritise gap sites and the source of the information that first informs us of them, in conjunction with the dedicated team who complete both desktop and site visits to potential gap sites.

## How are we performing? Gap sites

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	80%	19%	✗	£1.122m Penalty
2021/2022	83%	83%	✓	£0
2022/2023	86%	95%	✓	£0
2023/2024	90%	99%	✓	£0
2024/2025	94%	100%	✓	£0

This performance commitment is underperformance only. As we have achieved the target for this measure, there is no penalty but also no reward.



# Managing void properties

Reducing the number of properties connected and occupied but not billed

## What is it?

'Void properties' are household properties within our supply area which are connected for water or wastewater services but are unoccupied so do not receive a charge. This commitment aims to reduce the void properties by identifying where there are occupied properties or services used which can be billed. We report the percentage of our residential properties which are void properties and aim to be as low as possible.

## Why is it important?

We aim to reduce these to ensure that the charges that our bill paying customers receive are fair and we can reduce these where possible.

## Our performance

The performance commitment target has been met in the year with 3.77% of properties classed as void against the 3.80% target. Performance represents the continued effort and focus on maintaining a robust billing policy on change of tenancy and proactive management of empty properties using third party data to identify occupiers avoiding charges.

In 2024/2025 we have focused on:

- Continuing to mature our empty property charging policy ensuring consistency of application and fairness to customers based on circumstance.
- Improving our approach to how we bill commercial landlords with multiple properties.
- Continue to review our proactive billing from earlier in AMP7 to ensure the customer is still responsible.
- Re-introduced charging of deceased estate accounts.

## How are we performing? Managing void properties

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	<4.5%	4.73%	✗	£832k Penalty
2021/2022	<4.33%	3.78%	✓	£1.989m Reward
2022/2023	<4.15%	3.60%	✓	£1.989m Reward
2023/2024	<3.98%	3.66%	✓	£1.157m Reward
2024/2025	<3.80%	3.77%	✓	£0.108m Reward

# Drinking water contacts

## Improving the quality of our drinking water

### What is it?

We report the number of times we are contacted by our customers due to the look, taste or odour of drinking water per 10,000 of the population we serve. The classification guidance for this performance commitment is defined by the Drinking Water Inspectorate here: [ofwat.gov.uk/publication/dwi-compliance-risk-index-cri-definition/](https://ofwat.gov.uk/publication/dwi-compliance-risk-index-cri-definition/)

We aim to keep these contacts as low as possible.

### Why is it important?

The quality of the water which we provide is of the utmost importance to us. It's important our customers can rely on a high standard of drinking water from us.

### Our performance

Drinking water contacts increased in 2024 in comparison to previous years, meaning we did not achieve our performance commitment target. A total of 5,177 contacts were received in 2024 (9.4 contacts per 10,000 population), which represented a 5% increase from the 4,922 contacts received in 2023 (8.9 contacts per 10,000 population).

Weather conditions in 2023 and 2024 were cooler and wetter than the drought year of 2022. The lower temperatures resulted in a reduction in demand. This is normally associated with a calmer network overall, less disturbance of historic sediments with mains, and reduced need for unusual operation of systems to provide continuous supply.

We continue to see the benefits of our long-term commitment to local area mains flushing. This flushing activity removes historic sediment and hence reduces the opportunity for sediment to be disturbed in normal operation and cause discolouration of supply to customers.

Yorkshire Water has continued with further trunk mains conditioning in 2024/2025. Approximately 450,000 customers around Sheffield will see the benefit of the work completed in 2024. Building on this programme, we have an ambitious plan to implement trunk mains conditioning for supply to over 1 million customers in 33 Water Supply Zones (WSZs) between 2025 to 2030. Due to the scale of this activity, it will be carried out in two phases with assessment of mains upgrade needs in the first 15 WSZs already underway.

## How are we performing? Drinking water contacts

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	<11.4	10.5	✓	£922k Reward
2021/2022	<10.6	10.9	✗	£369k Penalty
2022/2023	<9.7	10.2	✗	£615k Penalty
2023/2024	<8.9	8.9	✓	n/a
2024/2025	<8.1	9.4	✗	£1.598 Penalty

# Significant water supply events

Improving the reliability of our supply

## What is it?

This measures the number of supply interruptions to one or more properties which last for 12 hours or longer. They are counted irrespective of whether it's planned (e.g. during works to improve our network), unplanned (e.g. during an incident) or caused by a third party (e.g. damage to our network).

We aim to keep these events as low as possible.

## Why is it important?

It's important that our customers have a reliable supply of water and, if there is an interruption to supply, we put in adequate measures to mitigate the effects of this, reducing the impact on customers.

## Our performance

Our performance for 2024/2025 has not been where we had hoped and we report an increase on 2023/2024 from eighteen to nineteen significant water supply events, which is seven behind the target of 12 for this performance commitment.

We recognise further improvement is required and we will continue to take learnings, improving assets affected, updating processes and undertaking additional training with colleagues to ensure the best outcomes for our customers.

## How are we performing? Significant water supply events

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	<14	19	✗	£1.325m Penalty
2021/2022	<13	43	✗	£7.950m Penalty
2022/2023	<12	20	✗	£2.120m Penalty
2023/2024	<12	18	✗	£1.590m Penalty
2024/2025	<12	19	✗	£1.855m Penalty

## Low pressure

Improving the water supply our customers receive

### What is it?

This performance commitment reports the number of properties experiencing poor or no water supply due to low pressure.

The low pressure reference level applies to a single property and is measured on the customers, side of any meter or company fittings.

### Why is it important?

It's important to us that our customers have a reliable supply of water and that our services are of the highest standard. Maintaining and improving pressure reduces the risk of supply issues.

### Our performance

The number of properties on the low pressure register for the 2024/2025 reporting year is nine.

During the year 39 properties have been added to the register, and following investigation 40 properties removed.

We continue to identify opportunities for refinement and improvement in our reporting processes. We continue to increase our logger coverage and this plans to continue in AMP8.

### How are we performing? Low pressure

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	<14	12	✓	n/a
2021/2022	<13	4	✓	n/a
2022/2023	<12	4	✓	n/a
2023/2024	<12	10	✓	n/a
2024/2025	<12	9	✓	n/a

This performance commitment is underperformance only. As we have achieved the target for this measure, there is no penalty but also no reward.

# Repairing or replacing customer owned pipes

## Reducing leakage and water quality issues

### What is it?

We report the number of residential supply pipe repairs and renewals carried out by Yorkshire Water each year free of charge.

When a supply pipe leak on a residential property is having a detrimental impact on our network, we can intervene using our statutory powers in Section 73-75 of the Water Industry Act 1991. We can then isolate the water supply and/or locate and repair the leak.

As part of this performance commitment we do not report:

- Business properties receiving a bill for water services,
- 'New Build' residential properties
- Internal leaks where the leak is located inside the property or within the cavity wall,
- Supply pipes under residential properties or structures,
- Where third party accidental, reckless or deliberate damage has occurred.

### Why is it important?

Replacing pipes on residential property will improve the quality, pressure, and flow of water for our customers. It will prevent water being lost through leakage and our customers won't need to contact us about these issues.

### Our performance

We completed 3,868 repairs to residential supply pipes in 2024/2025, which did not achieve our target of 8,013.

Throughout this AMP, we have continued to review and prioritise our delivery plan in line with our service commitments, to ensure we deliver the best service we can against the key priorities of our customers within the constraints we face. As a result of this, and aligned with the priorities of our customers, we made the difficult decision to put on hold some of the activity that supported this performance commitment. This enabled us to focus our efforts on other areas where we feel the benefit is greater e.g. reducing leakage, water quality contacts and mains repairs. However, where we can demonstrate a sustainable benefit to another performance commitment whilst carrying out a customer supply pipe replacement e.g. renewing a lead service pipe to benefit water quality or renewing a leaking supply pipe we will do this work to provide a multi-benefit to performance commitments.

## How are we performing? Repairing or replacing customer owned pipes

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	>6,882	3,850	✗	£1.361m Penalty
2021/2022	>7,109	7,335	✓	£0.101m Reward
2022/2023	>7,386	6,441	✗	£0.424m Penalty
2023/2024	>7,687	4,576	✗	£1.397m Penalty
2024/2025	>8,013	3,868	✗	£1.861m Penalty



# External sewer flooding

Reducing the number of external sewer flooding events

## What is it?

External sewer flooding is when there is flooding within the curtilage (grounds) of a residential, public community or business property. We report the number of these events which occur with a view to reduce these as much as possible.

## Why is it important?

Experiencing or seeing external sewer flooding is an unpleasant experience for our customers and we understand that it's something that can impact their day to day lives. Reducing these incidents lowers the negative impact that this has on our customers and any disruption it may cause.

## Our performance

The number of incidents has reduced by 188 compared with the previous year. Unfortunately, this does not meet our target for this performance commitment. As our external sewer flooding team also manage our internal sewer flooding measure you can read about our performance on [page 69](#) under the measure internal sewer flooding.

## How are we performing? External sewer flooding

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	<7,188	5,038	✓	£16.985m Reward
2021/2022	<6,809	4,578	✓	£17.625m Reward
2022/2023	<6,431	5,375	✓	£8.342m Reward
2023/2024	<6,053	5,873	✓	£1.422m Reward
2024/2025	<5,675	5,685	✗	£0.085m Penalty

# Bathing water quality

## Improving the water quality at our beaches

### What is it?

This performance commitment measures the number of designated coastal bathing waters which exceed the EU Bathing Water Directive requirements for 2020-2025. The 18 designated beaches in our region are:

1. Bridlington North Beach
2. Bridlington South Beach
3. Cayton Bay
4. Danes Dyke
5. Filey
6. Flamborough South Landing
7. Fraisthorpe
8. Hornsea
9. Reighton
10. Robin Hoods Bay
11. Runswick Bay
12. Sandsend
13. Scarborough North Bay
14. Scarborough South Bay
15. Skipsea
16. Whitby
17. Wilsthorne
18. Withernsea

Designated bathing waters in England are classified into 'Excellent', 'Good', 'Sufficient' and 'Poor' based on sampling carried out by the Environment Agency during the bathing water season that runs May-September annually. Sample results from the previous four years are statistically analysed and classifications for each bathing water are usually announced in November each year.

### Why is it important?

Improving the quality of our bathing waters enhances the coastal environment, supports the development of the leisure and tourism industries, and improves our customers' enjoyment of these areas.

### Our performance

The 2024 bathing water season has seen 12 of the 18 designated coastal bathing waters in Yorkshire exceed the minimum standard under the Bathing Water Regulations i.e. achieve 'Good' or 'Excellent'.

While Bridlington South and Scarborough South remained at poor due to a number of elevated samples following rainfall and storm events early in the 2024 season, Robin Hoods Bay, Scarborough North Bay and Fraisthorpe all reduced in classification from Good to Sufficient. Reighton and Wilsthorne both increased classifications from Good to Excellent.

Skipsea was unable to be classified this season due to the bathing water being closed as a result of coastal erosion removing safe beach access at the site. We wrote to Ofwat to inform them that the designated bathing water is listed as closed and that the Environment Agency would be unable to take any regulatory samples that are required for performance reporting.

The bacteria monitored to determine bathing water quality can come from a variety of sources, including cattle, seabirds, dogs, humans, storm overflows, industrial discharges, and harbour activities. Environmental factors can also influence how and where bacteria are transported, and how long they survive. Weather events can have a significant impact on bathing water quality as wet weather can cause an increase in storm overflow operation and runoff from agricultural land, and as dry, hot weather sees an increase in visitors and associated tourist behaviours that can impact bathing water quality. These external influences can all create significant challenges when trying to make improvements to bathing water quality. We continue to work in partnership with local councils, the Environment Agency and other key stakeholders to investigate potential sources of pollution and co-create solutions.

For year 1 of AMP8 we are anticipating an improved position on the year 5 final out turn. We are continuing to work closely with the Environment Agency and the Local Authorities to continue to investigate and improve Yorkshire's poorer bathing waters and have an extensive capital programme at a number of coastal locations to reduce storm overflow operations.

Looking ahead to AMP8, we will be reporting our performance on 21 bathing waters, which is an increase in designated bathing waters due to the three new inland bathing waters recently designated at Ilkley, Wetherby and Knaresborough. The challenge of improving water quality inland varies significantly from coastal locations and we will be continuing to investigate causes and work in partnership to deliver wider catchment improvements at these locations. We have committed to reducing permitted discharges into bathing waters to two per season by 2030.

## How are we performing? Bathing water quality

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	18	Not Measured*	n/a	n/a Impact of Covid-19
2021/2022	18	16	✗	£2.470m Penalty
2022/2023	18	16	✗	£2.470m Penalty
2023/2024	18	16	✗	£2.470m Penalty
2024/2025	18	12	✗	£7.410m Penalty**

\*Due to the impact of Covid-19 on the annual sampling programme no bathing waters received classifications in 2020.

\*\*Yorkshire Water will be requesting an intervention into the automatic operation of the penalty calculations for this performance commitment in 2024 as agreed with Ofwat following the closure of Skipsea bathing water.



# Surface water management

Lowering the amount of surface water that goes into the public sewers

## What is it?

We report the number of hectares (Ha) of surface water run-off removed or attenuated. This performance commitment has three components to its measurement:

- Surface water removed through blue-green infrastructure solutions. This approach mimics the natural water cycle. Doing this regulates flow and treats storm water run-off naturally, resulting in a reduction in peak flows and cleaner water being discharged to water courses. Blue-green infrastructure solutions include what is known as Sustainable Drainage Systems (SuDS).
- Surface water removed through disconnection. This approach uses underground pipes to take surface water straight to receiving water courses.
- Surface water attenuated by blue-green infrastructure. This approach slows the flow of surface water into our network, managed in a more natural way to ensure continuity of our network.

## Why is it important?

Reducing the amount of surface water which runs into the public sewer also reduces the risk of sewer flooding and pollution incidents. It also reduces potential long-term costs to enhance the sewerage network which may otherwise be required to relieve pressure on the network.

## Our performance

This year we have added 12.09 Ha through the completion of three different types of scheme all relating to the Storm Overflow Improvement Plan programme (SOIP): water butt schemes (3.60 Ha), surface water disconnection schemes (7.38 Ha) and school SuDS planters (1.11 Ha)

Across the AMP, this brings the total to 20.45 Ha of area managed. This is rounded to the nearest hectare to provide a cumulative reportable figure of 20 Ha.

This year marks a substantial increase mainly due to the surface water disconnection schemes as part of the SOIP programme which has removed a substantial amount of impermeable area that would have been previously contributing to the combined system. This reduction of surface water flows aids the reduction of spills at the nearby combined sewer overflows (CSOs) that these schemes were designed to improve.

## How are we performing? Surface water management

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	1	1	✓	£0
2021/2022	4	3	✗	£5k Penalty
2022/2023	5	4	✗	£ 5k Penalty
2023/2024	10	8	✗	£10k Penalty
2024/2025	20	20	✓	£0

# Quality agricultural products

Reducing environmental risk and creating agricultural products

## What is it?

During wastewater treatment, liquids are separated from solids. Those solids are then treated physically and chemically to produce a semisolid, nutrient-rich product known as biosolids. We report the percentage of biosolids sent to land that meets the Biosolids Assurance Scheme (BAS). We include sludge imported by third parties within this measure.

## Why is it important?

By recycling our sludge it reduces the environmental risk posed through unsafe disposal of sewerage sludge. It reduces the need for farmer to apply commercial fertiliser and provides a more cost effective approach.

## Our performance

This is the fifth reporting year for this performance commitment and performance to date has been consistently 100%. All of our biosolids that were recycled to agriculture are compliant with the high standards of the Biosolids Assurance Scheme (BAS).

We have processes in place to monitor and identify any issues with biosolids compliance. Where there are potential breaches we place the material in sample and carry out additional sampling to confirm the biosolids are suitable for agricultural use. If a material does not comply with our processes and procedures, we would not recycle this material to agriculture. An alternative and more costly recycling route would be found so we would continue to achieve our target of 100%, and protect the agricultural land.

## How are we performing? Quality agricultural products

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	100%	100%	✓	£0
2021/2022	100%	100%	✓	£0
2022/2023	100%	100%	✓	£0
2023/2024	100%	100%	✓	£0
2024/2025	100%	100%	✓	£0

This performance commitment is underperformance only, meaning only receive a penalty for poor performance and no reward for outperformance.



# Renewable energy generation

Increasing the amount of renewable energy generated

## What is it?

We generate energy through the biogas we produce when we treat sludge. Energy generation of biogas is reported in gigawatt-hours (GWh).

The following types of power generation on our operational sites are excluded from the performance commitment:

- solar;
- wind; and
- hydroelectric.

## Why is it important?

By producing more renewable energy, we mitigate the effects of climate change and protect our customers from price volatility by making Yorkshire Water more self-sufficient.

## Our performance

This year we utilised 337GWh (previous year 297GWh), which is an increase of 40GWh on the previous year. We outperformed our target by 16%.

The increase in utilisation has been due mainly to increased combined heat and power (CHP) availability, high sludge availability and a focus on flare stack management as part of our Industrial Emissions Directive (IED) permits.

Looking forward we expect to improve on this years CHP availability further and will have focus on flare stack management as part of our Industrial emissions directive (IED) permits. We are currently implementing Gas to Grid opportunities at two of our sites; these are commercial opportunities delivered collaboratively by Yorkshire Water and one of our contract partners with completion currently forecast in 2026.

## How are we performing? Renewable energy generation

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	>269 GWh	278 GWh	✓	Reputational
2021/2022	>284 GWh	323 GWh	✓	Reputational
2022/2023	>286 GWh	282 GWh	✗	Reputational
2023/2024	>290 GWh	297 GWh	✓	Reputational
2024/2025	>290 GWh	337 GWh	✓	Reputational

# Delivery of the Water Industry National Environment Programme (WINEP) requirements

## Delivering environmental improvements

### What is it?

Water companies have a primary role in protecting and enhancing the environment and thereby improving the lives of those within the communities they serve. The primary role of the Water Industry National Environment Programme (WINEP) is to provide information to water companies on the actions they need to take to meet the environmental legislative requirements that apply to water companies in England. The Environment Agency has developed the WINEP methodology in line with the UK Government's environmental principles. This performance commitment measures the outputs required, using the latest WINEP tracker for the year in which performance is being reported. We report this performance as 'met' or 'not met'. We'll secure confirmation from the Environment Agency that performance has been correctly reported.

### Our performance

There were 360 outputs required for delivery in Year 5, which in addition to the 646 outputs delivered across Years 1-4 gives a cumulative total of 1006 outputs. A total of 328 of the outputs were achieved by the required delivery date, with 32 unfortunately not delivered, one of which (Clayton West Effluent Transfer) is pending an agreed alteration to a later date, leaving 31. An additional 23 outputs have been moved out in to AMP8 so were not due in 2024/2025.

The number of projects which did not achieve their outputs is disappointing. An internal review has been undertaken and recommendations from the report will be implemented into AMP8 processes to support our delivery goals over the next five years.

### Why is it important?

By completing the schemes set out in the WINEP we improve the natural environment for our customers. It will also help ensure that water can be abstracted from rivers and lakes without any negative effect on the environment.

### How are we performing? Delivery of the Water Industry National Environment Programme (WINEP) requirements

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	Met	Met	✓	Reputational
2021/2022	Met	Met	✓	Reputational
2022/2023	Met	Met	✓	Reputational
2023/2024	Met	Met	✓	Reputational
2024/2025	Met	Not met	✗	Reputational

This performance commitment is reputational only and so, there is no financial penalty or reward attached to its outcome.

# Living with water

## Reducing the risk of internal flooding in Hull and Haltemprice

### What is it?

We have committed to investing £23m into the Hull and Haltemprice partnership schemes to ensure customers receive an improved level of service.

The Hull and Haltemprice Resilience Investment is defined as the blue-green solutions developed and implemented as part of the 'Living With Water' partnership scheme in the region. Further details of the Living With Water Partnership are available here: [livingwithwater.co.uk/](https://livingwithwater.co.uk/)

A reputational gateway for achieving the performance commitment includes the delivery of a reduction in internal flooding risk for properties in Hull and Haltemprice. The reduction in internal flooding risk for properties in Hull is defined as the number of properties at reduced risk of internal flooding during rainfall events (including the impacts of climate change) of 1 in 5 years, 1 in 30 years and 1 in 75 year occurrences.

Delivery of the performance commitment and the reduction in properties at risk of internal flooding is agreed with the relevant agencies and partners involved in the Living With Water partnership. Primarily, this is:

- The Environment Agency
- Hull City Council
- East Riding of Yorkshire Council.

### Why is it important?

We are reducing the number of properties at risk of internal flooding in Hull and Haltemprice. Wider benefits also include a reduction in embedded carbon e.g. avoiding solely using hard engineered solutions and concrete, removal of surface water and integrated partnership working.

### Our performance

We have continued to leverage the strong foundations set in previous years with our Living with Water (LWW) partners to ensure interventions are providing resilience to as many properties as possible whilst ensuring value and wider benefits are delivered for customers and communities.

Our ambition is to create a city that thrives with water by delivering sustainable, long-term solutions with local communities at the heart of every project. This vision is guided by the LWW Blue-Green Plan, a 25-year strategy aimed at strengthening flood resilience in Hull.

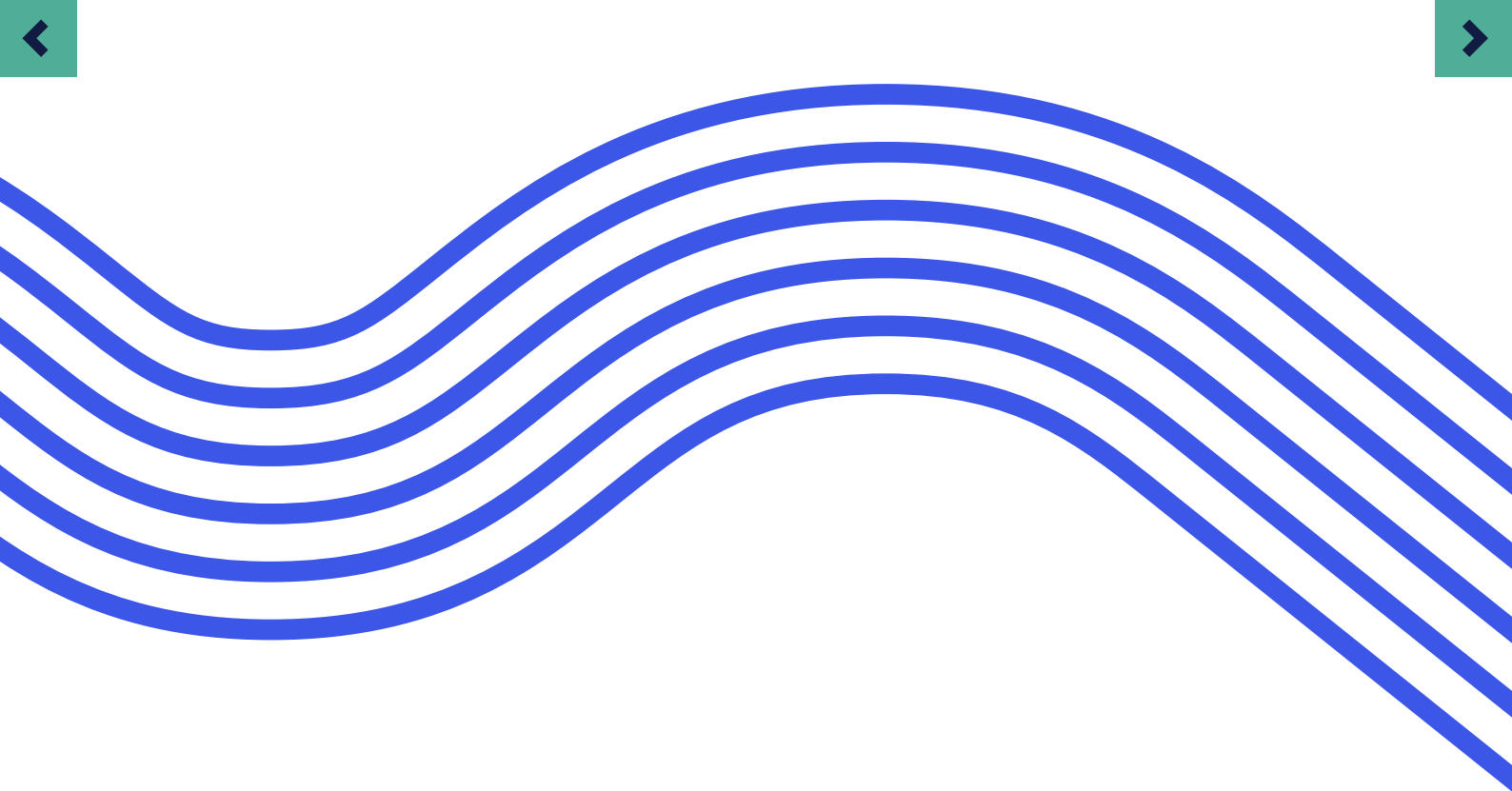
This year, we have continued to make significant progress, with multiple projects underway across Hull and the East Riding. In particular, three active schemes in Bilton, Derringham, and Orchard Park are enhancing flood resilience through the installation of Sustainable Drainage Systems (SuDS).

This year has also seen an expansion of our education and outreach initiatives. We have integrated SuDS into two local schools, providing students with hands-on learning opportunities about sustainable water management. Additionally, our water butt scheme continues to support residents by offering free water butts to households within our project areas, helping to reduce surface water runoff and promote water conservation.

We have not met the reputational gateway at the end of AMP7, and therefore we will continue to invest in AMP8, striving to meet this gateway for the benefit of our customers. As we move forward, Living with Water remains committed to working in partnership to build a more flood-resilient future for Hull and the East Riding.

How are we performing? Living with water

Year	Target	Performance	On track?	Reward/Penalty
2020/2021	£23m by 2025	n/a	✓	Calculated in 2025
2021/2022	£23m by 2025	£1.612m	✓	Calculated in 2025
2022/2023	£23m by 2025	£4.568m	✓	Calculated in 2025
2023/2024	£23m by 2025	£9.617m	✓	Calculated in 2025
2024/2025	£23m by 2025	£15.503m	✓	£7.497m Penalty





# Greenhouse Gas Reporting 2024/2025

Climate change is a huge issue we're all facing together, which is why we've made reducing our greenhouse gas emissions a priority for us. In this section we report our greenhouse gas emissions for the past year across three categories: operational, capital, and land. We aim to achieve net zero operational emissions by 2030 and net zero for all greenhouse emissions no later than 2050.





# Operational carbon

## Reducing our greenhouse gas emissions

### What is it?

This performance commitment measures the reduction in greenhouse gas emissions that are created as a result of our operations. This includes any greenhouse gas emissions created by our day-to-day operational activities like the electricity we use, fuel we put into our vehicles and emissions created when we treat our water and sewage.

Emissions are measured by taking raw consumption data and inputting it into the Carbon Accounting Workbook (CAW) which is developed by UK Water Industry Research (UKWIR). The CAW is the industry standard tool for reporting operational emissions.

This is measured as a percentage reduction from a baseline set in 2019/2020.

### Why is it important?

We care about the environment, so reducing the greenhouse gas emissions from our operations mitigates our impact to climate change.

### Our performance

We have made the decision not to purchase any Renewable Electricity Generation of Origin (REGO) or gas equivalent (RGGO) certificates this year. We have also decided to sell any REGOs that we have generated at our own sites. Therefore, our Scope 2 purchased electricity emissions have significantly increased, along with the associated Scope 3 Transmission and Distribution and Well to Tank losses. This is the main driver for why we have not hit our performance commitment target, and this has resulted in a 172.6% increase in market-based emissions compared to the base line year. Use of residual mix emission factors for market-based emissions reporting of Scope 2 emissions because of not purchasing REGOs results in higher emissions than reported for location-based emissions.

This reflects a strategic realignment of reporting to location-based emissions reporting and considers:

- the AMP8 (2025–30) business plan reporting shift to location-based reporting,
- our plan to set science-based targets out to 2050 on a location basis, reflecting absolute reduction of emissions rather than heavy reliance on financial adjustments
- that the energy sector has a planned pathway to net zero meaning that it will decarbonise over time. If we had continued to purchase REGOs and RGGOs we would be reporting our market-based value to be 90,527 tCO<sub>2</sub>e (101.46% of the year five target)

A 3 ktCO<sub>2</sub>e reduction in transport-company owned vehicles has been seen in 2024/2025 compared to the base year of 2019/2020. The reduction is heavily aided by continued efforts to decarbonise our fleet with the Yorkshire Water zero emission fleet. Continued focus on home charging installation throughout the year has allowed colleagues to have a smooth transition to EV's. Although still small, our repair and maintenance partners have continued to use EVs in their fleet.

Following the submission of our identified energy saving opportunities under the Energy Savings Opportunity Scheme (ESOS), the formation of a new energy reduction team has begun. The team will build on the back of the ESOS work, as well making use of business experts to ensure the best value for customers money, if achieved it will reduce our Scope 2 and 3 emissions. Examples of projects includes the use of variable speed drives, upgrading motors and blowers, lighting upgrades as well as implementing suggestions on maintenance and operation of assets identified during the ESOS assessment. Our largest fossil fuel consuming site has been converted from gas oil to natural gas to provide steam via boilers in the thermal hydrolysis process. Natural gas emits 27% less CO<sub>2</sub>e per kWh of energy consumed.

As we look ahead in 2025/2026 we will be progressing a number of projects to continue to drive performance in this area. These include real time control to monitor and reduce N2O emissions at our largest wastewater treatment works, methane reduction using vacuum degassing at major sludge treatment facility, as well as low carbon heating and increased EV charging infrastructure. This is a significant step change in our ability to monitor, understand and optimise our process emissions.

## How are we performing? Operational carbon

Year	Target	Performance	Target achieved	Reward/Penalty
2020/2021	>2.4%	3.6%	✓	£283k Reward
2021/2022	>4.8%	6.8%	✓	£472k Reward
2022/2023	>7.2%	10.9%	✓	£873k Reward
2023/2024	>9.6%	-177.3%	✗	£2.738m Penalty
2024/2025	>12.0%	-172.6%	✗	£3.304m Penalty

# Capital carbon and carbon arising from owned land

## Reducing our greenhouse gas emissions

### What is it?

This performance commitment measures our capital carbon emissions from the delivery of our capital investment programmes and any emissions arising from our owned land.

The measure covers two areas of the company's carbon footprint:

- **Capital emissions** – the carbon that results from the company's investments to maintain and enhance its water and waste water assets. These activities include the construction, upgrading or refurbishment of assets needed to enhance or maintain service levels.
- **Land emissions** – the net balance of the carbon emissions that are absorbed and locked away in the company's land or released from its land. It doesn't include any human activities on the land we own, such as a farmers property and use of the fuels in the vehicles and equipment. We will report the percentage change in the capital carbon emissions from the baseline.

Our target has been to reduce our emissions by 23% against a baseline calculated for our PR19 business plan.

This measure is subject to an external audit to make sure that all data related to the quantification, baselining, monitoring and reporting of capital carbon emissions is in compliance with PAS 2080:2023.

### Why is it important?

Reducing the greenhouse gas emissions from our capital programme and the land that we own mitigates our impact to climate change.

### Our performance

Throughout AMP7 we completed annual validation to PAS2080, of our processes and approach by an independent third party. This included transitioning to new requirements of the 2023 version of the standard. PAS2080 is a global standard for managing these emissions and ensures we are delivering high quality carbon reduction activities across our company. This exercise has highlighted key areas of improvement that we will work on over the next year, and we will continue to improve our systems.

Throughout the AMP we have developed and embedded our approach to Capital Carbon reduction, calculation and reporting, through enhancement of our processes and ensuring monitoring and assurance is carried out from project level to programme level. We have further embedded carbon reductions into our decision making at key points along our project life-cycle through our Engineering Design Approach and Totex Hierarchy. The Totex Hierarchy ensures the during solution optioneering and development we look to eliminate the need to build, reduce what we build and if we have to build, we do it smarter and more efficiently with the least carbon impact as possible.

This has allowed us to show a reduction of capital carbon and emissions from owned land by 27% against our baseline for the whole AMP7 period compared to our PR19 business plan.

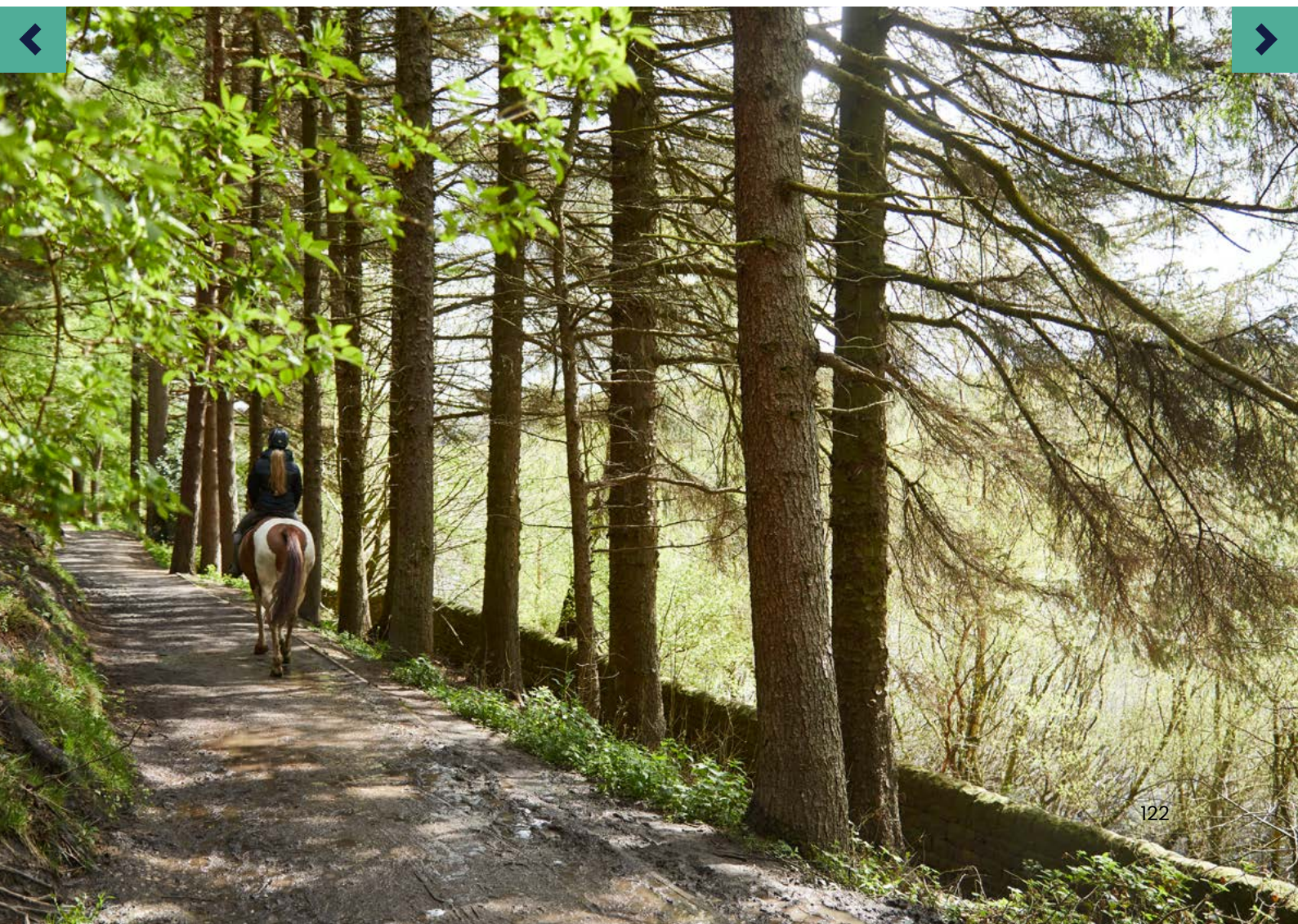


## How are we performing?

Capital carbon and carbon arising from owned land

Year	Target	Performance	On track?	Reward/Penalty
2020/2021	>23% by 2025	71%	✓	n/a
2021/2022	>23% by 2025	44.5%	✓	n/a
2022/2023	>23% by 2025	37.9%	✓	n/a
2023/2024	>23% by 2025	21.1%	✗	n/a
2024/2025*	>23% by 2025	27%	✓	n/a

\* 2024/2025 reporting line represents the cumulative emissions across the whole of AMP7. Previous years compare estimated in year emissions against the PRI9 forecast for that year.





# Embedded Greenhouse emissions reporting for 2024/2025

**The following document summarises Yorkshire Water's embedded greenhouse gas (GHG) emissions in relation to capital projects undertaken within the 2024/2025 reporting year.**

This is the third year of mandatory reporting of embedded emissions of both capital projects and purchased good and services. Further reporting around emissions can be found in [Table 11A](#) of [Section 4](#).

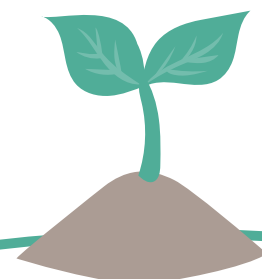
## Capital Projects

The reporting in the capital projects table is based on the same data used for our Capital Carbon performance commitment, which represent 'cradle-to-build' GHG emissions associated with the delivery of Yorkshire Water's capital investment programme for our 2020-2025 asset management plan. There are some key differences between what is reported within the capital carbon performance commitment and the capital projects embedded GHG emissions report, for example the inclusion of emissions associated with our early start AMP8 programme.

In 2024/2025 we have included the embedded GHG emissions associated with our early start AMP8 and storm overflow programme within the reported capital projects emissions. These programmes were not part of our PRI9 performance commitment baseline. In addition, the figures reported in [Table 11A](#) do not incorporate GHG emissions/sequestration from our land holdings.

Embedded GHG emissions data are calculated from models based on material data combined with a third-party emission factor database. All data related to the quantification, baselining, monitoring, and reporting of embedded GHG emissions are in compliance with PAS 2080:2023. Embedded Capital Projects GHG emissions for the 2024/2025 reporting year are presented in [Table 1](#). We have also provided embedded emissions for the previous two years for comparison purposes.

Year	Embedded emissions – Capital Projects (tCO <sub>2</sub> e)	% change from baseline
2021/2022	100,668	Baseline
2022/2023	106,175	5.5%
2024/2025	125,157	24.3%





## Purchased Goods and Services

The embedded GHG emissions associated with purchased goods and services emissions are split evenly between water and wastewater. Calculated emissions are based on third-party emissions factors linked to categories of spend. This is a well-recognised and widely used approach to calculating embedded emissions associated with purchased goods and services. However, it does come with uncertainties due to the use of emission factors that may not be fully reflective of Yorkshire Water's supply chain.

Total wastewater and water emissions have increased by 1.5% compared to 2023 and 8.0% compared to 2024. The most significant contributing factor was an increase in overall spend between 2023/2024 and 2024/2025 for the selected categories of spend.

We will continue to refine the emission factors associated with selected spend categories, particularly those with high emissions, to improve data accuracy. This includes investigating the potential to obtain bespoke emission factors for certain goods and services from our suppliers and to integrate these into our systems.

Year	Embedded emissions – Purchased Goods & Services (tCO <sub>2</sub> e)	% change from baseline
2022/2023	114,193	Baseline
2023/2024	107,364	-6.0%
2024/2025	115,894	1.5%

## The information over the next few pages provides a combined summary of our strengths, weaknesses, opportunities, and threats (SWOT) analysis, in relation to our Operational and Capital Carbon emissions:

The Strengths, Weaknesses, Opportunities and Threats (SWOT) in relation to our operational carbon emissions and embedded emissions in our capital and wider purchased goods and services (e.g., chemicals) are summarised below including details of our reduction plans and approach to management.

### Strengths

#### Common

- Senior management are driving action on decarbonising the business, with governance oversight via our Net Zero Committee chaired by our Chief Executive Officer.
- We have both monthly capital and operational carbon hubs that meet to monitor performance and support the delivery of our carbon reduction plan to help us meet our targets.
- Embedded GHG emissions incorporated into Yorkshire Water's decision-making framework, with price of carbon aligned to Government Green Book investment figures.
- Reporting of embedded GHG emissions for purchased goods and services based on up-to-date and verified emission factors that are compliant with the GHG Protocol.
- Capital carbon calculations are an integrated element of our costing and modelling approach. This ensures that carbon forecasts and data capture processes are embedded across all capital projects within YW.

#### Capital Carbon and Purchased Goods and Services

- Compliance with PAS2080:2023 which is independently assured.
- Emission calculations based on recognised third-party Inventory of Carbon and Energy emission factor database.
- Use of in-house carbon models, which are refined and improved over time.
- Carbon training courses provided to upskill colleagues and contract partners; some of which are mandatory.
- Partner and supply chain engagement on driving low-carbon solutions.
- Extended the use of 3D printed concrete to include water retaining structure at our Killinghall WWTW, launched a new net zero site set up standard, plus on-going work using nature-based solutions to reduce embedded GHG emissions including projects at Ilkley and South Elmsall.

#### Operational Carbon

- Independent verification of operational carbon data inputs to ISO14064-1 via BSI audit.
- Update to the carbon accounting workbook to improve transparency of source data to enable tracing the pathway of input data, emission factors used, and outturn data.
- Carbon expertise across multiple operational business units.
- Improvement in Carbon Accounting and Reporting has been achieved in the last year with the Carbon Accounting and Reporting manager forming and chairing the water industry Carbon Accounting Working group where companies can discuss and develop best practice.

## The information over the next few pages provides a combined summary of our strengths, weaknesses, opportunities, and threats (SWOT) analysis, in relation to our Operational and Capital Carbon emissions:

The Strengths, Weaknesses, Opportunities and Threats (SWOT) in relation to our operational carbon emissions and embedded emissions in our capital and wider purchased goods and services (e.g., chemicals) are summarised below including details of our reduction plans and approach to management.

### Strengths Weaknesses

#### Capital Carbon and Purchased Goods and Services

- Embedded GHG emissions currently calculated and reported for construction activities only (i.e. not maintenance activities).
- Current capital project reporting does not contain all before use lifecycle stages including transport to site or offsite waste management at present.
- Our in-house carbon models use version 2 of the Inventory of Carbon and Energy database (latest version is v4) at present. To be updated for the next AMP.
- Our cradle-to-gate emissions are estimated through the use of a ratio that has been applied to all water and wastewater projects including those which are in pre-construction phase and those that are non-construction capital projects.
- Emission factors used for purchased goods and services are not supplier specific.

#### Operational Carbon

- Our calculation of process emissions is largely through modelling rather than monitoring and measurement.
- Current emission reduction initiatives are focused on incremental rather than transformational change. We aim to affect some step changes in AMP8 through our enhancement and base investment to address scope 1 process emissions and scope 2 energy related emissions.

## The information over the next few pages provides a combined summary of our strengths, weaknesses, opportunities, and threats (SWOT) analysis, in relation to our Operational and Capital Carbon emissions:

The Strengths, Weaknesses, Opportunities and Threats (SWOT) in relation to our operational carbon emissions and embedded emissions in our capital and wider purchased goods and services (e.g., chemicals) are summarised below including details of our reduction plans and approach to management.

### Strengths Weaknesses Opportunities

#### Common

- Many carbon reduction initiatives have co-benefits for climate change resilience (both business and customers).
- There are wider sustainability opportunities associated with land management for carbon sequestration (e.g., biodiversity enhancement, flood risk mitigation).

#### Capital Carbon and Purchased Goods and Services

- Growing momentum, experience, and data availability related to embedded GHG emissions.
- Contractors and suppliers increasingly willing and able to provide required data to calculate embedded GHG emissions.
- Best practice sharing across the water industry and infrastructure groups.
- We are championing the sharing of information and best practice between contract partners.
- Greater engagement with contract partners early in project lifecycle can maximise opportunities to reduce embedded GHG emissions.
- Relatively few projects have completed final invoice approval. Emissions are therefore currently predominantly based on forecasts. Actual data will increasingly be included in future reporting cycles thus increasing the accuracy.

#### Operational Carbon

- Growing appreciation of the need for process emission reduction in the water industry and support from customers and Ofwat for taking action to reduce these and wider emissions.
- Continued focus on grid decarbonisation and efficient use of energy will reduce scope 2, and consequential scope 3, emissions and support cost savings.
- Using our energy resources to support the wider net zero transition for example by exporting biomethane to the gas network.
- Expanding our use of renewables including solar, wind, and district heat.

## The information over the next few pages provides a combined summary of our strengths, weaknesses, opportunities, and threats (SWOT) analysis, in relation to our Operational and Capital Carbon emissions:

The Strengths, Weaknesses, Opportunities and Threats (SWOT) in relation to our operational carbon emissions and embedded emissions in our capital and wider purchased goods and services (e.g., chemicals) are summarised below including details of our reduction plans and approach to management.

### Strengths Weaknesses Opportunities Threats

#### Common

- Opportunities for decarbonisation limited by progress of wider business landscape and other regulatory pressures (e.g., WINEP, CSOs).
- The rate of decarbonisation in the supply chain maybe slower than forecast.
- Climate change may result in additional pressure on systems that increases process and other activities driving emissions upwards.
- Weak Government policy and regulations that retard change and policies that drive growth, for example increased housebuilding.
- With cost of living increases we must be mindful of how we distribute the cost of investments to decarbonise our business, to maintain affordability particularly for our vulnerable customers.

#### Capital Carbon and Purchased Goods and Services

- The scale of the capital programme both during and beyond AMP8 may erode efficiency gains.
- No standardised methodology for assessing embedded GHG emissions available at present.
- Regulatory reporting requirements for GHG emissions continue to evolve.
- Data availability and quality risks, especially for data sourced from smaller contractors and suppliers.

- Contract Partner data availability and resource required to obtain information required for lifecycle stages not currently measured.

#### Operational Carbon

- Reporting using a Market based approach means that the financial decisions around REGO/RGGO purchasing has a large impact on our reportable emissions.
- Changes in external policy could have an adverse impact on our carbon emissions (e.g., more vehicle movements because of increased compliance requirements).
- Uncertainty around the future cost of carbon e.g., this could come from competing demand for green energy and demand driven price increases.
- There is industry wide uncertainty over the calculation and reporting of process emissions, and potential for further uplift in the emission factor used for nitrous oxide emissions.



**Below is a table which details our progress on the reporting of embedded GHG emissions against the Ofwat traffic light system. Against this system we have rated our approach as 'Green' on the basis of meeting five or more of the required criteria within this category.**

Category	Reporting criteria	Met	Explanation
Green	Provision of embedded emissions data as it relates to capital projects (cradle-to-build). We anticipate good practice in this area being for companies to provide cradle-to-gate as well as cradle-to-build based data.	✓	We are reporting embedded emissions data from both cradle-to-build and cradle-to-gate emissions.
	Clear evidence of external verification and certification by an appropriately qualified party as it relates to the use of standards and frameworks, and quality of data.	✓	PAS2080:2023.
	Engagement with more than one recognised standard, framework, or approach for managing and reporting on embedded emissions.	✓	Reference to both PAS2080 and UKWIR Lifecycle definitions.
	Provision of insights into embedded emissions as they relate to construction and maintenance activities.	✗	<p>Embedded GHG emissions currently calculated and reported for construction activities only (i.e. not maintenance activities).</p> <p>However, we capture data and estimate emissions relating to both construction and maintenance activities as part of our whole life carbon forecasts. This includes;</p> <ol style="list-style-type: none"> <li>1. Forecasts of embedded emissions associated with periodic replacement of components.</li> <li>2. Operational maintenance requirement emissions over the lifetime of an asset.</li> <li>3. Construction related emissions.</li> </ol> <p>This information is incorporated into carbon forecasts and informs decision making.</p>

Category	Reporting criteria	Met	Explanation
Green	Complete and detailed SWOT analysis referring to embedded emissions.	✓	Please refer to Combined Carbon SWOT Analysis' document.
	Provision of embedded emissions data as it relates to purchased goods and services (in addition to chemicals).	✓	We have completed this data using Efficio's Carbon Cube tool.
	Evidence of clear stakeholder engagement and education on its GHG emissions management and reporting approach.	✓	We have multiple forms of stakeholder engagement. This includes engagement with water sector carbon groups, contract partner net zero engagement including collaborative task and finish working groups, capital carbon training, Capital Carbon Hub and Carbon Ambassadors Network, and hosting Net Zero Capital Delivery Workshops, including partners across the supply chain, alongside presentations targeted at our value chain delivered via British Water in July 2024, and the Supply Chain Sustainability School focused on AMP8 in January 2025.

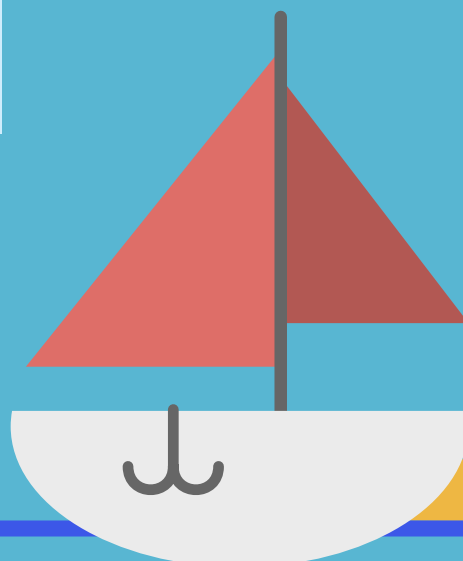
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## Links to additional information

[RAG 3.15 – Guideline for the format and disclosures for the annual performance report](#)

[RAG 4.13 – Guideline for the table definitions in the annual performance report](#)



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# Regulatory information

**The purpose of our regulatory financial information is to help stakeholders understand the translation of statutory financial accounting information, as published under the Companies Act requirements, into the income, costs, assets, liabilities, and cash flows of Yorkshire Water Services Limited's appointed water and wastewater business, according to regulatory accounting standards.**

## This section is structured as follows

This regulatory information section contains financial and non-financial performance information required under the Regulatory Accounting Guidelines (RAGs) issued by Ofwat.

### This includes:

- Regulatory financial reporting which takes information from published statutory financial statements and adjusts that information to take account of differences between statutory financial reporting in accordance with UK Generally Accepted Accounting Principles (UK GAAP) and Regulatory Accounting standards. On adoption of new UK GAAP there was a choice between Financial Reporting Standards, FRS101 and FRS102. We have elected to report our statutory financial information under FRS102.
- Price control and other segmental reporting financial information, which sets out financial information by price control and underlying operational processes.
- Performance summary for our performance commitments.
- Additional regulatory information as required by Ofwat.
- Cost assessment tables provide information on the allocation of expenditure to different investment categories. As well as information on the drivers of expenditure to support the development of cost models and comparative analysis. Where further explanation of specific information is required, technical notes are included as appropriate.

Where specific reference is made to tables and lines within the tables, they will be shown in the commentary as either Table 1A Line 1 or 1A.1, for example.

All tables have been published in an Excel spreadsheet alongside this APR document. The tables can be found at: [yorkshirewater.com/about-us/reports/](http://yorkshirewater.com/about-us/reports/)

# Summary of our overall financial performance

The information on this page is as per the Annual Report Financial Statements (ARFS). Click here for a link: [yorkshirewater.com/reports](https://yorkshirewater.com/reports)

Our revenue (the income we receive for the services we provide) has increased by £72.4m for the year (5.9% increase). This is in line with revenue allowances which rose by around 5.9% due to allowed Consumer Prices Index increases including owner-occupiers' Housing Costs (CPIH) inflation of 4.2%.

Operating costs have decreased by £15.2m from £990.4m to £975.2m in the year (1.5% decrease). Excluding depreciation and amortisation of £362.2m (2024: £375.3m – see note 3 of the Financial Statements at the link above), our underlying operating costs have decreased slightly from £615.1m in 2024 to £613.0m in 2025 (0.3% decrease). This decrease includes the impact of the lower cost of energy (c£24m); and contracted activity (including repairs and maintenance) (c£9m); offset by increased employee costs (c£12m after capital recharges); charges for bad and doubtful debts (c£9m) following a review of our provision methodology (see note 1 for further information); new water quality permit charges (c£5m); and business rates (c£4m). We continued to strengthen our cost control across the business throughout the year which has mitigated additional operational pressures resulting from severe weather, including five named storms in the period from September 2024 to January 2025, and the driest Spring in Yorkshire in 132 years.

Overall, the net impact of the above movements is an increase to EBITDA of £74.5m (12.2% increase) and an increase in operating profit of £87.6m year

on year (37.0% increase). A reconciliation between EBITDA and Operating Profit can be found in our ARFS at the link above.

Capital additions for 2024/2025 were £889.8m (2023/2024: £684.6m). Our investment programmes enable us to maintain and enhance our operational efficiency and the resilience of our infrastructure. We are increasingly focused on how we ensure the most sustainable investment choices are made with consideration for carbon reduction and nature-based solutions, as part of our Nature First commitment.

Our programme of capital investment supports the delivery of service level performance improvements required to meet stretching targets and regulatory commitments. Our single largest programme in AMP7, set out to deliver our Water Industry National Environment Programme (WINEP) commitments is coming to an end. The benefits of this investment have seen improvements to the environment and to river health across Yorkshire. Other significant investments have been made to meet legal and statutory Drinking Water Inspectorate demands and to reduce the frequency of storm overflows, where an investment of £180m has allowed improvement work to be carried out at over 120 Combined Sewer Overflows.

Our Capital Investment programme is set to continue to increase as we go into our first year of the new AMP, where we expect to deliver our biggest annual programme to date. Focus areas for this investment will be new commitments under the Water Industry National Environment Programme and a significant investment in Storm Overflows.

## Revenue

This is the income received for services provided.

**2024/2025: £1,299.4m**  
(2023/2024: £1,227.0m)

## Operating profit

Profit, before interest and tax.

**2024/2025: £324.2m**  
(2023/2024: £236.6m).

## Capital additions

The amount spent to acquire and enhance assets and infrastructure to provide services to our customers.

**2024/2025: £889.8m**  
(2023/2024: £684.6m)

# Financial auditor's opinion

## Deloitte.

Deloitte LLP  
1 City Square  
Leeds  
LS1 2AL

[www.deloitte.co.uk](http://www.deloitte.co.uk)

### Independent Auditor's report to the Water Services Regulation Authority (the WSRA) and the Directors of Yorkshire Water Services Limited

#### Opinion

We have audited the sections of Yorkshire Water Services Limited's Annual Performance Report for the year ended 31 March 2025 ("the Regulatory Accounting Statements") which comprise:

- the regulatory financial reporting tables comprising the income statement (table 1A), the statement of comprehensive income (table 1B), the statement of financial position (table 1C), the statement of cash flows (table 1D), the net debt analysis (table 1E), lines 1F.1 to 1F.3, 1F.5 to 1F.8, 1F.12 to 1F.14, 1F.21 to 1F.22 and 1F.24 to 1F.26 of the statement of financial flows (table 1F) and the related notes; and
- the regulatory price review and other segmental reporting tables comprising the segmental income statement (table 2A), the totex analysis - wholesale (table 2B), the cost analysis - retail (table 2C), the historical cost analysis of fixed assets (table 2D), the analysis of grants and contributions (table 2E), the residential retail (table 2F), the non-household wastewater revenues by tariff type (table 2H), the revenue analysis (table 2I), the infrastructure network reinforcement costs (table 2J), the infrastructure charges reconciliation (table 2K), the analysis of land sales (table 2L), the revenue reconciliation for wholesale (table 2M), household affordability support and debt (table 2N) and historical cost analysis of intangible assets (table 2O) and the related notes.

We have not audited lines 1F.4, 1F.9 to 1F.11, 1F.15 to 1F.20 and 1F.23 of the statement of financial flows (table 1F), the Outcome performance table (tables 3A to 3I) or the additional regulatory information in tables 4A to 4Z 5A to 5B, 6A to 6F, 7A to 7F, 8A to 8D, 9A, 10A to 10H and 11A.

In our opinion, Yorkshire Water Services Limited's Regulatory Accounting Statements have been prepared, in all material aspects, in accordance with Condition F, the Regulatory Accounting Guidelines issued by the WSRA (RAG 1.09, RAG 2.09, RAG 3.14, RAG 4.12 and RAG 5.07) and the accounting policies (including the Company's published accounting methodology statement(s), as defined in RAG 3.14, appendix 2), set out in section 4.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)"), including ISA (UK) 800, and applicable law, and having regard to the guidance contained in ICAEW Technical Release Tech 02/16 AAF (Revised) 'Reporting to Regulators on Regulatory Accounts' issued by the Institute of Chartered Accountants in England & Wales.

Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the Regulatory Accounting Statements within the Annual Performance Report section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit, including the Financial Reporting Council's (FRC's) Ethical Standard as applied to public interest entities, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## Financial auditor's opinion



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### Emphasis of matter – special purpose basis of preparation

We draw attention to the fact that the Regulatory Accounting Statements have been prepared in accordance with a special purpose framework, Condition F, the Regulatory Accounting Guidelines, the accounting policies (including the Company's published accounting methodology statement(s), as defined in RAG 3.14, appendix 2) set out in the statement of accounting policies and under the historical cost convention. The nature, form and content of the Regulatory Accounting Statements are determined by the WSRA. As a result, the Regulatory Accounting Statements may not be suitable for another purpose. It is not appropriate for us to assess whether the nature of the information being reported upon is suitable or appropriate for the WSRA's purposes. Accordingly, we make no such assessment. In addition, we are not required to assess whether the methods of cost allocation set out in the accounting methodology statement are appropriate to the circumstances of the Company or whether they meet the requirements of the WSRA.

The Regulatory Accounting Statements are separate from the statutory financial statements of the Company and have not been prepared under the basis of United Kingdom Generally Accepted Accounting Practice ("UK GAAP"). Financial information other than that prepared on the basis of UK IASs does not necessarily represent a true and fair view of the financial performance or financial position of a Company as shown in statutory financial statements prepared in accordance with the Companies Act 2006.

The Regulatory Accounting Statements have been drawn up in accordance with Regulatory Accounting Guidelines with a number of departures from UK IASs. A summary of the effect of these departures in the Company's statutory financial statements is included in the tables within section 1.

Our opinion is not modified in respect of this matter.

### Conclusions relating to going concern

In auditing the Regulatory Accounting Statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the Regulatory Accounting Statements is appropriate.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- obtaining an understanding of financing facilities including their maturity, compliance with interest cover ratios and other covenants, and obtaining confirmation of undrawn facilities;
- testing the going concern model for consistency with the business model and the forecasts used;
- testing the accuracy of the model and assessing the historical accuracy of forecasts prepared by management;
- assessing the key assumptions used in the forecasts, such as revenue levels and both operating and capital expenditure; this included considering the current and forecast economic environment and financial pressures on households;



## Financial auditor's opinion



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- performing sensitivity analysis including consideration of contradictory evidence, latest third party economic forecasts, latest ratings agency reports, Ofwat financial resilience measures and FY26 results to date; and
- assessing the risk of any management manipulation of key financial metrics that would impact covenant calculations.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises all of the information in the Annual Performance Report other than the Regulatory Accounting Statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the Regulatory Accounting Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Regulatory Accounting Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Regulatory Accounting Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the Regulatory Accounting Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report based on these responsibilities.

### Responsibilities of the Directors for the Annual Performance Report

As explained more fully in the Statement of Directors' Responsibilities set out in section 4, the directors are responsible for the preparation of the Annual Performance Report in accordance with Condition F, the Regulatory Accounting Guidelines issued by the WSRA and the Company's accounting policies (including the Company's published accounting methodology statement(s), as defined in RAG 3.14, appendix 2).

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of the Annual Performance Report that is free from material misstatement, whether due to fraud or error.

In preparing the Annual Performance Report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going

## Financial auditor's opinion



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concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### Auditors' responsibilities for the Audit of the Regulatory Accounting Statements within the Annual Performance Report

Our objectives are to obtain reasonable assurance about whether the Regulatory Accounting Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Regulatory Accounting Statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- Had a direct effect on the determination of material amounts and disclosures in the Regulatory Accounting Statements. These included Regulatory Accounting Guidelines as issued by the WRSA, UK Companies Act, pensions legislation and tax legislation; and
- do not have a direct effect on the Regulatory Accounting Statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included the company's operating licence, regulatory solvency requirements and environmental regulations.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

## Financial auditor's opinion



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- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal audit reports, and reviewing correspondence with HMRC and WSRA.

A further description of our responsibilities for the audit of the Regulatory Accounting Statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of this report

This report is made, on terms that have been agreed, solely to the Company and the WSRA in order to meet the requirements of Condition F of the Instrument of Appointment granted by the Secretary of State for the Environment to the Company as a water and sewage undertaker under the Water Industry Act 1991 ("Condition F"). Our audit work has been undertaken so that we might state to the Company and the WSRA those matters that we have agreed to state to them in our report, in order (a) to assist the Company to meet its obligation under Condition F to procure such a report and (b) to facilitate the carrying out by the WSRA of its regulatory functions, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the WSRA, for our audit work, for this report or for the opinions we have formed.

Our opinion on the Regulatory Accounting Statements is separate from our opinion on the statutory financial statements of the Company for the year ended 31 March 2025 on which we reported on 10 July 2025, which are prepared for a different purpose. Our audit report in relation to the statutory financial statements of the Company (our "Statutory audit") was made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our Statutory audit work was undertaken so that we might state to the Company's members those matters we are required to state to them in a statutory audit report and for no other purpose. In these circumstances, to the fullest extent permitted by law, we do not accept or assume responsibility for any other purpose or to any other person to whom our Statutory audit report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Deloitte LLP  
Leeds, United Kingdom  
10 July 2025



# Statement as to disclosure of information to auditors

**Each director in office at the date of this report confirms that:**

- So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- Each director has taken all the steps they ought to have taken as a director in order to make themselves aware of any relevant audit information, and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

# Table 1: Regulatory financial reporting

## Introduction

The information in this section details 'Regulatory financial reporting' as required by Ofwat, with a brief description of significant variances compared to previous years. The information in this section comprises the following tables.

<a href="#"><b>Pro forma 1A</b></a>	Income statement
<a href="#"><b>Pro forma 1B</b></a>	Statement of comprehensive income
<a href="#"><b>Pro forma 1C</b></a>	Statement of financial position
<a href="#"><b>Pro forma 1D</b></a>	Statement of cash flows
<a href="#"><b>Pro forma 1E</b></a>	Net debt analysis (appointed activities)
<a href="#"><b>Pro forma 1F</b></a>	Financial flows





# < Statement on differences between statutory and Regulatory Accounting Guidelines (RAG) definitions >

Differences between statutory and regulatory definitions for Tables 1A, 1B, 1C and 1D has been provided under Table 1. We have also provided a narrative explanation on the significant differences and what they relate to. We have provided a reconciliation of borrowings between Table 1E and Table 1C and an explanation of the reasons for the differences.



## Table 1A

### Income statement for the 12 months ended 31 March 2025

Line description	Units	DPs	Statutory	Adjustments			Total appointed activities	RAG 4 reference
				Differences between statutory and RAG definitions	Non-appointed	Total adjustments		
Revenue	£m	3	1,299.359	18.292	15.461	2.831	1,302.190	1A.1
Operating costs	£m	3	-975.208	-22.198	-10.826	-11.372	-986.580	1A.2
Other operating income	£m	3	0.000	1.228	0.000	1.228	1.228	1A.3
Operating profit	£m	3	324.151	-2.678	4.635	-7.313	316.838	1A.4
Other income	£m	3	0.000	12.834	0.045	12.789	12.789	1A.5
Interest income	£m	3	52.465	0.000	0.000	0.000	52.465	1A.6
Interest expense	£m	3	-256.688	-64.881	0.000	-64.881	-321.569	1A.7
Other interest expense	£m	3	0.000	0.000	0.000	0.000	0.000	1A.8
Profit before tax and fair value movements	£m	3	119.928	-54.725	4.680	-59.405	60.523	1A.9
Fair value gains/(losses) on financial instruments	£m	3	309.573	0.000	0.000	0.000	309.573	1A.10
Profit before tax	£m	3	429.501	-54.725	4.680	-59.405	370.096	1A.11
UK Corporation tax	£m	3	-23.258	0.000	-1.175	1.175	-22.083	1A.12
Deferred tax	£m	3	-90.946	13.681	0.000	13.681	-77.265	1A.13
Profit for the year	£m	3	315.297	-41.044	3.505	-44.549	270.748	1A.14
Dividends	£m	3	-52.500	0.000	0.000	0.000	-52.500	1A.15
<b>Tax analysis</b>								
Current year	£m	3	22.899	0.000	1.175	-1.175	21.724	1A.16
Adjustment in respect of prior years	£m	3	0.359	0.000	0.000	0.000	0.359	1A.17
UK Corporation tax	£m	3	23.258	0.000	1.175	-1.175	22.083	1A.18
<b>Analysis of non-appointed revenue</b>								
Imported sludge	£m	3			0.000			1A.19
Tankered waste	£m	3			6.019			1A.20
Other non-appointed revenue	£m	3			9.442			1A.21
Revenue	£m	3			15.461			1A.22

#### Key

○ Input cell    ● Calculation cell    ● Copy cell

Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 1A takes information from the statutory accounts and captures the adjustments needed to show the regulatory income statement for the appointed business. Adjustments include both differences between UK Generally Accepted Accounting Principles (UK GAAP) and Regulatory Accounting Guidelines (RAG), and the removal of non-appointed income and costs.

The appointed business is defined as the regulated activities of the appointee, that is those activities necessary to fulfil the functions and duties of a water and sewerage undertaker. The non-appointed business encompasses those activities where we are not a monopoly supplier, or the activity involves the optional use of an asset owned by the appointed business (examples include shared services to the Group and the treatment of tankered waste).

## Financial Performance

Appointed revenue has increased to £1,302.2m (2023/2024: £1,227.2m). This increase is broadly in line with revenue allowances which rose by around 5.9% due to allowed Consumer Prices Index increases including owner-occupiers' Housing Costs (CPIH) inflation of 4.2%.

Non-appointed revenue of £15.5m (2023/2024: £15.6m) is made up of £6.0m from imported tankered waste, £3.7m from Safemove (provides drainage and water searches for property buyers), £2.0m from Homeserve (activity transferred into Yorkshire Water Services Limited from Loop Customer Management Limited during the 2023/24 year), £1.2m from Kelda Non-Regulated companies, £1.0m related to meter reading and £1.6m of other income relating to various intercompany recharges such as car leases.

Operating costs totalling £986.6m (2023/2024: £999.7m) have decreased by £13.1m in the year. This decrease largely relates to depreciation and amortisation for capital expenditure, where the prior year figure included a number of one-off impairments and asset write-offs. Underlying operating costs have decreased slightly in the year, with the lower cost of energy and contracted activity (including repairs and maintenance) offset by increased employee, charges for bad and doubtful debts following a review of our provision methodology (see note 1 of the ARFS for further information); new water quality permit charges; and business rates. We continued to strengthen our cost control across the business throughout the year which has mitigated additional operational pressures resulting from severe weather, including five named storms in the period from September 2024 to January 2025, and the driest Spring in Yorkshire in 132 years.

As in prior years, an adjustment has been made as requested in the information notice 22/01 1.7 in relation to the Innovation Fund. The adjustment removes operating costs of £4.5m (2023/2024: £4.4m) relating to provisions made to pay future Innovation Competition winners from revenue collected from customers for the Innovation Fund. A further adjustment has been made to reverse the operating cost impact of the £3.8m (2022/2023: £4.5m) cash paid to competition winners and for administrative fees in 2024/2025. We have presented this as an adjustment to other income on line 1A.5 in order to maintain the correct cash figure on [Table 1C](#) and to minimise the impact on other tables (in line with discussions with other WaSCs in the prior year). These adjustments result in an overall increase to the profit before tax of £0.7m (2023/2024: £0.1m decrease to profit). The reversal of the £6.5m provision relating to these amounts can be seen in [Table 1C](#) (line 1C.25). The retained earnings and other reserves impact of these adjustments (line 1C.33) relates to the current year impact, plus the brought forward impact of the equivalent adjustments for 2020/2021, 2021/2022, 2022/2023 and 2023/2024.

Other operating income of £1.2m (2023/2024: £2.5m) relates to the sale of our Woodland office (£0.9m), Highfield Farm (£0.2m) and vehicle disposals (£0.1m).

Other adjustments to reclassify revenue, operating costs, other operating income and other income as required by RAGs are detailed below.

Interest income has decreased to £52.5m (2023/24: £66.7m) and interest expense has decreased to £321.6m (2023/2023: £331.2m), largely as a result of lower inflation and SONIA rates, as well as a reduced balance on the intercompany loan due from Kelda Eurobond.

Interest expense of £321.6m comprises:

- Interest payable on intra-group borrowings of £258.8m. This is interest on back-to-back loans with external borrowings raised by subsidiary financing companies;
- Interest charged on external borrowings, excluding those relating to direct procurement for customer arrangements of £37.9m;
- £6.5m relates to amortisation of debt issuance costs;
- Interest payable in relation to other leases under IFRS 16 of £2.7m; and
- Other financing costs/interest costs of £15.7m.



Yorkshire Water holds £1,088.6m (2023/24 £1,112.1m) notional value of inflation linked swaps. There are three cash flows associated with these inflation linked swaps:

- six monthly interest receivable linked to SONIA;
- six monthly interest payable linked to RPI; and
- an RPI-linked bullet that is payable on maturity of the instruments or at certain predetermined dates over the duration of the swaps.

In addition, a proportion of the inflation linked swaps also receive six monthly interest amounts based on a fixed rate.

Fair value gains on financial instruments during the year of £309.6m (2024: £71.6m) reflect the impact of market movements on the remaining portfolio.

## Our dividend policy

We have a dividend policy, in compliance with Condition P30 of the Yorkshire Water Instrument of Appointment, that requires that distributions will only be made after an appropriate financial resilience analysis has been undertaken, that dividends will be adjusted to reflect and recognise company performance and benefit sharing from service and efficiency performance. The policy ensures that delivery for customers and the environment is not just considered but factored into any amounts that are to be paid out as dividends. Whenever a dividend is considered by the Board, a paper is prepared for the Board's consideration, which sets out the purpose of the dividend and how it complies with the dividend policy and Condition P30 accordingly.

When approving dividends to be paid in a financial year, the Board assesses both company performance to date, the financial year in question and that which is expected for the whole of an Asset Management Period (AMP). As such, dividend payments are considered within the longer-term context of the business and not just on the basis of the previous 12 months. There is explicit consideration of the ability of the business to be able to deliver into the future.

During the financial year, Yorkshire Water paid dividends totalling £52.5m (2024 £84.1m). All dividends paid during the year were compliant with the current Board approved dividend policy and Condition P30.

The company's approach to recommending the dividend included the following steps:

- Determining an appropriate base dividend level reflecting the company's actual capital structure;

- Applying an 'in-the-round' adjustment to reflect the wider considerations required by our dividend policy and Condition P30; and
- Ensuring that the company remains financially resilient and that there are sufficient profits available for distribution in the foreseeable future.

A base dividend yield of 4.0% was considered appropriate for the year to March 2025, being consistent with Ofwat's guidance that a base dividend yield of 4% is reasonable for a company whose in-the-round performance aligns with their determination and has little real RCV growth. This would imply a base dividend for the year of £112.5m.

In determining an appropriate 'in the round' adjustment, the wider considerations of the Board included, but were not limited to:

- The ability of Yorkshire Water to finance its current and future activities;
- The financial resilience of Yorkshire Water;
- Yorkshire Water's performance against the PR19 Final Determination, including in relation to specific performance commitments;
- Customer service delivery;
- The level of real RCV growth;
- The wider environmental performance of Yorkshire Water; and
- The risk of regulatory fines and penalties.

On balance, the Board determined that a yield reduction of 2.1% was appropriate (a dividend reduction of £60m), resulting in an overall dividend yield for the year of 1.9% (2024: 2.9%). This compares to a Return on Regulated Equity (on an actual equity basis) of 2.76% for the year (5.59% excluding additional storm overflow investment) and cumulatively over the AMP to date of 3.18% (3.94% excluding additional storm overflow investment).

### The key determining factors behind the reduction in dividend were:

- **Environmental performance.** Significant steps have been taken in the year, including the ongoing investment of £180m in improving storm overflows. However, the Board recognises that the business did not achieve the level of performance required, including the retention of a two-star Environmental Performance Assessment rating and a number of serious pollution events. The Board recognises that wider environmental performance is not yet at the levels required and a reduction in dividend payment was appropriate to support the company's planned improvements.

- **The risk of regulatory fines and penalties.** Along with all other water and wastewater companies, Yorkshire Water has been investigated by Ofwat in relation to sewage treatment works. Ofwat reached a final decision in relation to this investigation in March 2025 with Yorkshire water agreeing to invest an additional £40m over the 2025–30 period to improve the quality of rivers in its region. This £40m investment will be entirely funded by the company and its shareholders across AMP8; therefore no specific adjustment to the dividend this year was considered necessary in relation to this additional £40m investment. The outcome of a similar investigation by the Environment Agency, which is still ongoing is not yet known.
- **Financial resilience.** The financial resilience position of Yorkshire Water improved over the course of the year, supported by the £100m intercompany loan repayment from Kelda Eurobond Limited; however Yorkshire Water remains an “Elevated Concern” within Ofwat’s latest ‘Monitoring Financial Resilience’ report. The company is targeting further improvement and the retention of part of this year’s return to support this was considered appropriate.

The dividends paid in year bring the cumulative dividend yield for the current AMP to 2.5%, remaining below the cumulative return on an actual equity basis of 3.8% (excluding additional storm overflow investment separately funded).

- **Performance against the PR19 determination.** Yorkshire Water delivered a reasonable level of return for the year, representing [5.0]% on an actual equity basis (excluding the impact of additional storm overflow investment separately funded); however this return was partly supported by the high levels of inflation experienced in the period, whilst ODI (customer) performance has been below expectations. Consistent with Ofwat guidance, the Board considered that it was appropriate not to fully reflect the inflation benefit within the dividend paid and to retain some of this year’s return in the company to support its planned improvements to customer performance.

None of the dividends in the current year were paid to the shareholders of Kelda Holdings Limited (2024: £nil), Yorkshire Water’s ultimate parent company, as they continue to support the company’s financial resilience and improvement plan.

The dividends for the year included distributions of £15.7m (2024: £27.9m) that did not impact the company’s liquidity position or its distributable reserves as they were returned to the company in the form of interest receipts on intercompany loans.

The return for the year on an actual equity basis (excluding all financing performance) is 2.0%, so no in year inflation related financing performance is being used to finance the dividend paid of 1.9%.

On a cumulative basis for the 2020–25 period, the total return for the AMP on an actual equity basis (excluding all financing performance) is 1.8% versus a cumulative dividend yield for the AMP of 2.5%. As such, only 0.7% RoRE of cumulative financing performance (about one third of the total) is being used to finance the total dividends paid across the AMP. On this basis, the total proposed deduction to the dividend yield of 2.1% in year and 1.5% for the AMP as a whole, is considered to reflect a large level of prudence in relation to the impact of inflation, particularly as inflation has also caused an element of the cost under performance.

## Technical notes

The table below shows the detailed GAAP adjustments that are made to the income statement as detailed in the statutory accounts to derive the income statement for the appointed business. The net adjustment of £41.0m reduction to profit for the year is £5.9m higher than the previous year (2023/2024: £35.1m net reduction to profit). This reflects an increase to capitalised interest added back to interest expense in the year (£5.7m) which has increased due to additional capital activity; and the IFRS 16 leases adjustment (£0.8m); offset by the impact of the Innovation Fund adjustment (£0.6m).



## Detailed GAAP adjustments

Line description	Profit on Disposal of Fixed Assets	Rental Income	RDEC Income	S104 Income (sewer adoption fees)	Cost Recovery Income	G&C Income	Adopted sewers income (IFRIC 18)	Capitalisation of interest and related depreciation	IFRS 15 Revenue Recognition	Innovation Fund	IFRS 16 Leases	Total
Line 1A.1 Revenue	-	-	-	(0.836)	(0.163)	(10.992)	(3.396)	-	33.679	-	-	18.292
Line 1A.2 Operating costs	(1.122)	(1.449)	(0.106)	-	0.163	-	-	8.798	(33.679)	4.526	0.671	(-22.198)
Line 1A.3 Other operating income	1.122	-	0.106	-	-	-	-	-	-	-	-	1.228
Line 1A.5 Other income	-	1.449	-	0.836	-	10.992	3.396	-	-	(3.839)	-	12.834
Line 1A.7 Interest expense	-	-	-	-	-	-	-	(64.315)	-	-	(0.566)	(64.881)
Line 1A.13 Deferred tax	-	-	-	-	-	-	-	13.879	-	(0.172)	(0.026)	13.681
<b>Total</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(41.638)</b>	<b>0.000</b>	<b>(0.515)</b>	<b>0.079</b>	<b>(41.044)</b>

Please note table may contain roundings.

The differences between statutory financial reporting in accordance with FRS 102 and regulatory financial reporting are:

- Profit on Disposal of Fixed Assets – This removes £1.1m of profit on disposal of fixed assets from operating costs (1A.2) and moves it to other operating income (1A.3) per RAG 4.12 line 1A.3 instructions. As such, this is a presentational adjustment only;
- Rental Income – This removes £1.4m of rental income from operating costs (1A.2) and moves it to other income (1A.5) per RAG 4.12 line 1A.5 instructions. Again, this is a presentational adjustment only;
- RDEC Income – This removes £0.1m of RDEC (Research and Development Expenditure Credit) Income from operating costs (1A.2) and moves it to other operating income (1A.3) per RAG 4.12 line 1A.3 instructions. Again, this is a presentational adjustment only;
- S104 income (sewer adoption fees) – This moves £0.8m of S104 income, relating to fees from developers for adoption of sewers, from revenue (1A.1) to other income (1A.5) per RAG 4.12 line 1A.5 instructions. Again, this is a presentational adjustment only;
- Cost recovery income – This moves £0.2m of cost recovery from revenue (1A.1) to operating costs (1A.2) per RAG 4.12 line 1A.1 instructions.
- Grants and contribution (G&C) income totalling £11.0m recognised in revenue for statutory reporting is reclassified in other income for regulatory financial reporting per RAG 4.12 line 1A.5 instructions. As such, this is a presentational adjustment only;
- Adopted sewers income (IFRIC 18) of £3.4m recognised in revenue for statutory reporting is reclassified in other income for regulatory financial reporting per RAG 4.12 line 1A.5 instructions. Again, this is a presentational adjustment only;

- Interest that is capitalised and the related depreciation in the statutory accounts is removed for regulatory financial reporting in line with regulatory guidance (RAG 1.09 section 4.8). The adjustments increase the regulatory interest expense by £64.3m and reduce related asset depreciation by £8.8m. The net effect of this adjustment is a £55.5m decrease to the regulatory profit before tax for the year. The related balance sheet adjustments are reflected in table 1C, which removes capitalised interest from fixed assets (1C.1) and intangible assets (1C.9), and the cumulative deferred tax impact (1C.29) and retained earnings (1C.33);
- £33.7m of billed and unbilled amounts receivable have not been recognised as revenue in the statutory accounts in the current year, on the basis that they are not probable of collection in accordance with the statutory accounts accounting policy (which is in accordance with IFRS15). This reduction in revenue is offset by a consequential reduction in the bad debt charge and bad debt provision of the same amount. As such, this is a presentational adjustment only. In line with RAG guidelines (RAG 1.09 section 4.4), this adjustment has been reversed in the income statement for the appointed business;
- £4.5m of operating costs relating to provisions made to pay future Innovation Competition winners from revenue collected from customers for the innovation fund have been removed, as requested in the information notice 22/01 1.7. The reversal of the £6.5m provision relating to cumulative Innovation Fund amounts collected in AMP7 to date but unpaid at 31 March 2025 can be seen in [Table 1C](#) (line 1C.25). £3.8m adjustment has been made relating to amounts paid to Innovation Competition winners and for fund administration charges in 2024/2025. As per the prior year, and in line with other WASCs, this amount is presented as a negative adjustment to other income on line 1A.5 in order to maintain the correct cash figure on [Table 1C](#) and to minimise the impact on other tables. These adjustments result in a net £0.7m increase to regulatory profit before tax for the year; and
- RAG 1.09 (section 4.18) requires all companies to account for leases in accordance with IFRS 16 in the regulatory accounting statements. Since Yorkshire Water reports under FRS 102, a RAG adjustment has been included for the year ended 31 March 2025 to ensure IFRS 16 is applied. This has resulted in Yorkshire Water recognising right of use assets within fixed assets and lease liabilities within fixed rate borrowings for regulatory financial reporting. As a result:
  - Right of use assets have been included within [Table 1C](#) with a net book value of £12.5m;
  - Lease liabilities of £12.8m are included within [Table 1C](#), of which £3.6m is due in less than 1 year and £9.2m is due in more than 1 year (includes roundings);
  - Operating expenditure has increased by £0.7m due to the removal of the lease expense offset by additional depreciation charged on the right of use assets and a small element of profit on disposal of leased assets; and
  - Additional interest costs associated with the lease liabilities of £0.6m have been incurred for regulatory financial reporting.

Together the above adjustments for IFRS 16 result in a net increase in the profit before tax of £0.1m.

# Tax strategy for the appointed business

## Adopted by the Board of Yorkshire Water Services Limited on 27 November 2024

**Our approach to management of our tax affairs is in-line with our 10-year strategy and vision launched in 2023:**

- A thriving Yorkshire: right for customers, right for the environment.

Our strategy and vision is supported by:

- Strategic pillars – the key activities that will help us bring our vision to life;
- Foundations – the long-term programmes and ways of working that underpin all our strategic activities; and
- Our behaviours – how we act as we go about our work.

**The most relevant aspects of our businesses' 10-year strategy and vision to our Tax Strategy are:**

- 1. Our vision:** a thriving Yorkshire, right for customers – part of this is having bills that everyone can afford but also being a trusted company to customers;
- 2. Foundations:** a sustainable business – a key foundation of our business is to operate long-term responsible business practices, providing sustainable returns and acting fairly in the long-term interests of Yorkshire; and
- 3. Behaviours;** we own it – we do the right thing, even when it's tough, doing the things that will make the most difference to our customers.

As such, the Group has a tax strategy and policies that address the need to be transparent regarding our approach to tax matters, to build and maintain trust with customers and other stakeholders while also recognising appropriate legislative tax concessions and reliefs which benefit customers through lower bills and help to support a sustainable business.

## A trusted company Behaviour – See it through

We are committed to acting with integrity and to adopt the highest standards of openness and transparency with regards to our approach to our tax affairs. Our tax strategy and policies require that we fully comply with both the letter of UK tax law and its application as it was intended. We make timely and accurate tax returns that reflect our fiscal obligations to Government.

We aim for certainty on the tax positions that we adopt, however, tax law can be unclear at times or subject to interpretation. With this in mind, our policy is:

- not to enter into transactions that have a main purpose of gaining a tax advantage; and
- not to make interpretations of tax law considered to be opposed to the original published intention of the specific law.

To support us in ensuring that we have interpreted tax law and its intended application correctly, we seek advice from large accounting firms, legal firms and/or tax counsel as appropriate.

For example, we do not use artificial tax avoidance schemes or use tax havens to reduce our tax liabilities.

## Relationship with HM Revenue & Customs

An important part of our tax strategy and policies is the maintenance of a strong, proactive working relationship with HM Revenue & Customs ("HMRC"). We are transparent with HMRC and, in cases of interpretation or complexity, work with them on a real time basis to determine the amount of tax due.

# Bills everyone can afford Foundations – a sustainable business

## Tax disclosure

We understand the value of our financial reporting to customers, investors and other stakeholders. We work to provide enhanced, transparent and balanced disclosure in communicating our tax affairs.

Managing our tax liabilities by recognising appropriate legislative concessions and reliefs is of benefit to customers (through fair and affordable bills) and investors (through fair and sustainable returns).

Our tax strategy and policies seek to make use of such appropriate reliefs and to control our tax costs so that money is not wasted. Decisions regarding such reliefs are taken using a decision-making framework that addresses the control of tax costs with being trusted by stakeholders.

Whilst seeking to manage tax liabilities, our policy is not to take an aggressive interpretation of tax legislation or use artificial tax avoidance schemes.

## Tax Governance

Tax is part of the Finance function and is the ultimate responsibility of the Chief Finance Officer who is responsible for the tax strategy and policies.

Tax strategy and policies are reviewed on an on-going basis by the Audit Committee and Board of Directors. Our tax status is reported regularly through the Group's Financeability Governance Group, chaired by the Chief Finance Officer. Tax status is also reported via the Audit Committee through the Group's Strategic Risk Register.

Tax strategy and policy issues are assessed on a case-by-case basis by the Tax Team with appropriate input from the Head of Corporate Finance and Chief Finance Officer in conjunction with the Chief Executive. Day-to-day tax matters are delegated to the Head of Corporate Finance and a team of in-house professionals who hold a combination of accounting and tax qualifications.

## Contribution

When considering the Group's tax contributions, there are several important factors to take into account:

- corporation tax is focused on by stakeholders, however, it is only one of a wide variety of taxes, duties and contributions that are levied on the Group. Amongst other things our costs include employment taxes, national insurance, carbon taxes, fuel duty and business rates;
- taxation is not the only method by which the UK Exchequer can raise revenue from businesses. Other mechanisms include business rates and licenses. These are important to public finances and must be taken into account when considering a company's part in society; and
- large companies are an important source of employment leading to higher Government revenues from employment taxes and increased levels of consumer spending; and we are an important source of investment into national infrastructure achieving a benefit that would have to be funded directly by the state, most likely through public borrowing. The capital allowances we claim on this infrastructure and tax deductible interest costs on debt raised to fund infrastructure expenditure reflect public policy choices made by Government and, wholly intentionally, have the effect of reducing tax liabilities for companies whose investment decisions support those policy choices.

# Current tax reconciliation

The table below reconciles the difference between:

- the tax credit that would be expected if the standard rate of corporation tax in the UK (25%) was applied to the Company's loss before tax and fair value movements; and
- the appointed current tax credit for the year.

	£m
Profit before tax and fair value movements in relation to appointed activities	60.5
Tax credit at the standard rate of corporation tax in the UK of 25%	15.1
<b>Adjustments in relation to assets</b>	
Non-deductible accounting depreciation on fixed assets and amortisation of intangible assets	56.4
Potential capital allowances available to claim on fixed assets (1)	(117.9)
Capital allowances waived and deferred to future years (1)	78.7
<b>Adjustments in relation to financial instruments</b>	
Adjustment to allow an element of the Company's fair value losses as they represent an accruals basis of accounting which is deductible for tax purposes	(5.7)
<b>Other adjustments</b>	
Deductible payments to pension scheme	(1.5)
Employee remuneration accrued but not deductible until paid	0.2
Non-deductible costs (2)	2.7
Non-taxable profits (3)	(2.3)
Utilised losses (4)	(1.3)
Other timing differences (5)	(2.1)
Swap cancellation cost not deductible in prior periods	(0.6)
Adjustments in respect of prior periods	0.4
<b>Appointed current tax credit (6)</b>	<b>22.1</b>

1. The Company has claimed tax losses in the year from other Kelda Group companies. As a result, the Company has reduced its capital allowance claim on its capital expenditure for the year. This tax relief is deferred to later periods. Utilising tax losses in this way and deferring capital allowances will ultimately benefit customers through lower bills in the future.
2. Non-deductible costs mainly relate to non-deductible professional fees and fines, operating expenditure which is capital for tax purposes and other accounting adjustments.
3. Income reflected in the accounts which is not subject to tax as either there is no cash received by the Company or the income has reduced the amount of capital allowances that can be claimed on the assets associated with the income. This amount also includes R&D credit income that has been subject to tax in previous periods.
4. The Company has utilised tax losses in the period generated in an earlier period.
5. Other timing differences mainly relate to provisions which are tax deductible in the year they are paid or released.
6. The appointed current tax charge represents payments to other Kelda Group companies as compensation for them surrendering tax losses to the Company. The Company has no current tax charge for the year in relation to corporation tax liabilities owed to HM Revenue & Customs.



**The current tax charge allowed in price limits is reconciled to the appointed current tax charge as follows:**

	£m
Total current tax charge allowed in price limits (based on corporation tax rate of 19% used in setting prices)	7.2
<b>Tax effect of differences due to:</b>	
Change in tax rates from 19% (used in setting prices) to 25%	2.5
Inflation	0.6
Lower operating profit	(35.5)
Lower finance costs included in actual corporation tax calculations	0.8
Fewer brought forward losses claimed (1)	1.3
<b>Fixed assets</b>	
Assumptions regarding tax allowable depreciation (2)	19.9
Assumptions regarding capital allowances available on brought forward pool balances at 1 April 2024	(8.4)
Assumptions regarding capital allowances available on additions in 2025	(43.4)
Capital allowances waived and deferred to future years (3)	78.6
Assumptions regarding chargeable gains	(0.2)
<b>Other</b>	
Assumptions regarding pension deductions	(1.5)
Assumptions regarding non tax deductible expenses (4)	2.6
Assumptions regarding non taxable items (5)	(2.8)
Adjustments in respect of prior periods	0.4
<b>Appointed current tax charge (6)</b>	<b>22.1</b>

1. The Company has utilised tax losses in the period that were generated in earlier years. Fewer losses were used than anticipated in the FD.
2. Actual tax allowable depreciation is lower than forecast in the FD due to lower levels of capital expenditure in 2021-2025 than anticipated at PR19.
3. The Company has claimed tax losses in the year from other Kelda Group companies. As a result, the Company has reduced its capital allowance claim on its capital expenditure for the year. This tax relief is deferred to later periods. Utilising tax losses in this way and deferring capital allowances will ultimately benefit customers through lower bills in the future.
4. This mainly relates to fines.
5. This mainly relates to the release of a provision that was disallowed in a previous period.

6. The appointed current tax charge represents payments to other Kelda Group companies as compensation for them surrendering tax losses to the Company. The Company has no current tax charge for the year in relation to corporation tax liabilities owed to HM Revenue & Customs.

Factors that will impact future tax charges will include:

- changes in corporation tax rates and capital allowance rates;
- any changes in tax legislation or practice not reflected in the relevant FD.

## Table 1B

### Statement of comprehensive income for the 12 months ended 31 March 2025

Line description	Units	DPs	Statutory	Adjustments			Total appointed activities	RAG 4 reference
				Differences between statutory and RAG definitions	Non-appointed	Total adjustments		
Profit for the year	£m	3	315.297	-41.044	3.505	-44.549	270.748	1B.1
Actuarial gains/(losses) on post-employment plans	£m	3	0.210	0.000	0.000	0.000	0.210	1B.2
Other comprehensive income	£m	3	0.927	0.000	0.000	0.000	0.927	1B.3
Total Comprehensive income for the year	£m	3	316.434	-41.044	3.505	-44.549	271.885	1B.4

The statement of comprehensive income sets out all items which result in a change to our balance sheet reserves. The statutory profit for the year of £315.3m is adjusted for actuarial gains on post-employment plans of £0.2m, and other comprehensive income of £0.9m.

In respect of the fixed asset revaluation, we have a policy under FRS 102 of holding infrastructure assets (networks), residential properties, non-specialist properties and rural estates under a valuation model. The fair value of assets must be reviewed periodically under FRS 102.

The infrastructure assets were revalued during the year resulting in £nil revaluation movement for the 2024/2025 year. The valuation was established by reviewing the discounted cash flows of Yorkshire Water to establish the assets' value in use. In addition, a cross-reference against recent market data regarding Regulated Capital Value (RCV) multiples realised in transactions of similar infrastructure businesses was undertaken to ensure the valuation was appropriate.

Residential properties, non-specialist properties and rural estates were revalued in the 2023/2024 year, with the valuation exercise undertaken in accordance with the professional standards and practice guidance issued by the Royal Institution of Chartered Surveyors in the UK. For the 2024/2025 year it has been assessed that there is no material movement in the market and hence no revaluation has been made in the year.

There is a net actuarial gain on the unfunded pension scheme of £0.3m within Yorkshire Water, with a corresponding adjustment to tax of £0.1m, resulting in a net gain to other comprehensive income of £0.2m. The defined benefit plan, is a multi-employer scheme, and the sponsoring employer is Kelda Group Limited, therefore there are no related values shown in the Yorkshire Water Services Limited Financial Statements.

An adjustment of £1.2m has been made for cash flow hedges taken to equity before taxation, with an offsetting £0.3m adjustment to tax, resulting in a net gain to other comprehensive income of £0.9m.

#### Key


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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

**Table 1C****Statement of financial position for the 12 months ended 31 March 2025**

				Adjustments				
				Differences between statutory and RAG definitions	Non-appointed	Total adjustments	Total appointed activities	RAG 4 reference
Line description	Units	DPs	Statutory					
Non-current assets								
Fixed assets	£m	3	9,951.566	-275.153	2.337	-277.490	9,674.076	1C.1
Intangible assets	£m	3	327.998	-16.827	0.000	-16.827	311.171	1C.2
Investments – loans to group companies	£m	3	437.207	0.000	0.000	0.000	437.207	1C.3
Investments – other	£m	3	2.245	0.000	0.000	0.000	2.245	1C.4
Financial instruments	£m	3	279.594	0.000	0.000	0.000	279.594	1C.5
Retirement benefit assets	£m	3	0.000	0.000	0.000	0.000	0.000	1C.6
Total non-current assets	£m	3	10,998.610	-291.980	2.337	-294.317	10,704.293	1C.7
Current assets								
Inventories	£m	3	8.423	0.000	0.000	0.000	8.423	1C.8
Trade & other receivables	£m	3	458.812	0.000	1.761	-1.761	457.051	1C.9
Financial instruments	£m	3	1.914	0.000	0.000	0.000	1.914	1C.10
Cash & cash equivalents	£m	3	490.511	0.000	0.000	0.000	490.511	1C.11
Total current assets	£m	3	959.660	0.000	1.761	-1.761	957.899	1C.12
Current liabilities								
Trade & other payables	£m	3	-460.291	0.000	-0.353	0.353	-459.938	1C.13
Capex creditor	£m	3	-273.788	0.000	0.000	0.000	-273.788	1C.14
Borrowings	£m	3	-1.981	-3.563	0.000	-3.563	-5.544	1C.15
Financial instruments	£m	3	0.000	0.000	0.000	0.000	0.000	1C.16
Current tax liabilities	£m	3	0.000	0.000	0.000	0.000	0.000	1C.17
Provisions	£m	3	-15.528	0.000	0.000	0.000	-15.528	1C.18
Total current liabilities	£m	3	-751.588	-3.563	-0.353	-3.210	-754.798	1C.19
Net Current assets/ (liabilities)	£m	3	208.072	-3.563	1.408	-4.971	203.101	1C.20

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 1C – continued

Statement of financial position for the 12 months ended 31 March 2025

				Adjustments				
				Differences between statutory and RAG definitions	Non- appointed	Total adjustments	Total appointed activities	RAG 4 reference
Line description	Units	DPs	Statutory					
Non-current liabilities								
Trade & other payables	£m	3	-3.324	0.000	0.000	0.000	-3.324	1C.21
Borrowings	£m	3	-6,689.684	-9.213	0.000	-9.213	-6,698.897	1C.22
Financial instruments	£m	3	-1,510.562	0.000	0.000	0.000	-1,510.562	1C.23
Retirement benefit obligations	£m	3	0.000	0.000	0.000	0.000	0.000	1C.24
Provisions	£m	3	-39.710	6.481	0.000	6.481	-33.229	1C.25
Deferred income – grants & contributions	£m	3	-396.883	0.000	-1.293	1.293	-395.590	1C.26
Deferred income – adopted assets	£m	3	-278.905	0.000	0.000	0.000	-278.905	1C.27
Preference share capital	£m	3	0.000	0.000	0.000	0.000	0.000	1C.28
Deferred tax	£m	3	-813.938	74.569	0.000	74.569	-739.369	1C.29
Total non-current liabilities	£m	3	-9,733.006	71.837	-1.293	73.130	-9,659.876	1C.30
Net assets	£m	3	1,473.676	-223.706	2.452	-226.158	1,247.518	1C.31
Equity								
Called up share capital	£m	3	11.000	0.000	0.000	0.000	11.000	1C.32
Retained earnings & other reserves	£m	3	1,462.676	-223.706	2.452	-226.158	1,236.518	1C.33
Total Equity	£m	3	1,473.676	-223.706	2.452	-226.158	1,247.518	1C.34

Table 1C takes the Balance Sheet as at 31 March 2025 detailed in the ARFS and makes adjustments for the differences between UK statutory financial reporting and regulatory financial reporting, together with removal of the non-appointed assets and liabilities. This then details the Balance Sheet of the appointed business.

The table below details the total adjustment of £223.7m to retained earnings and reserves and the corresponding adjustments to fixed assets, intangible assets, borrowings, provisions, deferred income and deferred tax. This comprises

the differences between statutory and RAG definitions which are the balance sheet equivalent adjustments to those income statement adjustments described in more detail in the narrative to [Table 1A](#).

Please note, the reversal of the IFRS15 adjustment relating to revenues not probable of collection has been included below for completeness. However, as this increases both trade and other receivables and bad debt provision within line 1C.9, this adjustment has a net £nil balance sheet impact.

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Total adjustment

Line description	Capitalisation of Interest and Related Depreciation	IFRS 15 Revenue Recognition	Innovation Fund	IFRS 16 Leases	Total
Line 1C.1 Fixed assets	(287.689)	-	-	12.536	(275.153)
Line 1C.2 Intangible assets	(16.827)	-	-	-	(16.827)
Line 1C.9 Trade and other receivables	-	-	-	-	-
Line 1C.15 Borrowings (current)	-	-	-	(3.563)	(3.563)
Line 1C.22 Borrowings (non-current)	-	-	-	(9.213)	(9.213)
Line 1C.25 Provisions (non-current)	-	-	6.481	-	6.481
Line 1C.27 Deferred income – adopted assets	-	-	-	-	-
Line 1C.29 Deferred tax	76.129	-	(1.620)	0.060	74.569
Line 1C.33 Retained earnings & other reserves	(228.387)	-	(4.861)	(0.180)	(223.706)

Please note table may contain roundings.

## Technical notes

The adjustments presented above reflect the balance side of those adjustments detailed in the [Table 1A](#) commentaries.

As detailed in [Table 1B](#) and the statutory accounts, infrastructure assets (networks), residential properties, non-specialised properties and rural estates are held under a revaluation model, rather than historical cost. Whilst regulatory accounting guidance refers only to historical cost, given that UK GAAP FRS102 offers the choice between historical cost and valuation, and the regulatory guidance does not identify the requirement to re-state fixed assets for those adjustments, no adjustment has been made. This is consistent with the treatment in prior years.



## Table 1D

### Statement of cash flows for the 12 months ended 31 March 2025

				Adjustments				
				Differences between statutory and RAG definitions	Non-appointed	Total adjustments	Total appointed activities	RAG 4 reference
Line description	Units	DPs	Statutory					
Operating activities								
Operating profit	£m	3	324.151	-2.678	4.635	-7.313	316.838	1D.1
Other income	£m	3	27.761	-29.316	0.045	-29.361	-1.600	1D.2
Depreciation	£m	3	362.042	-4.813	0.065	-4.878	357.164	1D.3
Amortisation – Grants & contributions	£m	3	-14.388	14.388	0.000	14.388	0.000	1D.4
Changes in working capital	£m	3	-38.244	0.000	0.032	-0.032	-38.276	1D.5
Pension contributions	£m	3	0.000	0.000	0.000	0.000	0.000	1D.6
Movement in provisions	£m	3	10.756	-0.686	-4.777	4.091	14.847	1D.7
Profit on sale of fixed assets	£m	3	-1.122	0.000	0.000	0.000	-1.122	1D.8
Cash generated from operations	£m	3	670.956	-23.105	0.000	-23.105	647.851	1D.9
Net interest paid	£m	3	-167.987	-0.566	0.000	-0.566	-168.553	1D.10
Tax paid	£m	3	-24.341	0.000	0.000	0.000	-24.341	1D.11
Net cash generated from operating activities	£m	3	478.628	-23.671	0.000	-23.671	454.957	1D.12
Investing activities								
Capital expenditure	£m	3	-787.782	0.000	0.000	0.000	-787.782	1D.13
Grants & Contributions	£m	3	0.000	27.761	0.000	27.761	27.761	1D.14
Disposal of fixed assets	£m	3	2.279	0.000	0.000	0.000	2.279	1D.15
Other	£m	3	0.000	0.000	0.000	0.000	0.000	1D.16
Net cash used in investing activities	£m	3	-785.503	27.761	0.000	27.761	-757.742	1D.17
Net cash generated before financing activities	£m	3	-306.875	4.090	0.000	4.090	-302.785	1D.18

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 1D – continued

### Statement of cash flows for the 12 months ended 31 March 2025

				Adjustments				
				Differences between statutory and RAG definitions	Non-appointed	Total adjustments	Total appointed activities	RAG 4 reference
Line description	Units	DPs	Statutory					
Cash flows from financing activities								
Equity dividends paid	£m	3	-52.500	0.000	0.000	0.000	-52.500	1D.19
Net loans received	£m	3	800.206	-4.090	0.000	-4.090	796.116	1D.20
Cash inflow from equity financing	£m	3	0.000	0.000	0.000	0.000	0.000	1D.21
Net cash generated from financing activities	£m	3	747.706	-4.090	0.000	-4.090	743.616	1D.22
Increase (decrease) in net cash	£m	3	440.831	0.000	0.000	0.000	440.831	1D.23

YWS is not required to publish a cashflow statement in the statutory accounts as the consolidated financial statements of Kelda Eurobond Co Limited include the equivalent disclosures. The company has also taken certain exemptions under FRS 102 available in respect of the disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues.

The cashflow information in [Table 1D](#) is, therefore, derived from the published Profit and Loss account and Balance Sheet information. Similar to [Tables 1A](#) and [1C](#), [Table 1D](#) captures the adjustments needed to both reflect differences between statutory financial reporting in accordance with UK GAAP and regulatory financial reporting and remove non-appointed cashflows to determine the cashflow statement for the appointed business.

Overall, there was a net cash increase on appointed activities of £440.8m for 2024/2025. Cash generated from operations of £647.9m was adjusted for:

- Net interest paid (1D.10) of £168.5m on borrowings taken out to fund historical and current capital investment programmes. In prior years this figure included cash interest on derivatives, however for 2024/2025 these amounts, totalling £29.3m, have been presented within 1D.20 Net loans received/paid as cash flows from financing activities to more consistently reflect the nature of the transactions alongside similar cash flows;

- Cash investment in fixed assets (1D.13) totalling £787.8m, including investment in tangible assets of £695.1m and intangible assets of £92.7m;
- £27.8m in relation to grants and contributions and adopted sewers. Under IFRIC 18 this has been treated as cash generated from operations in the statutory cash flow and is included within Other Income (line 1D.2). In accordance with the RAGs this has been moved to Grants and Contributions (line 1D.14) within investing activities. The amortisation of grants and contributions and adopted sewers (totalling £14.4m), which was adjusted from Operating Profit to Other Income on table 1A, is reflected in the corresponding adjustments to table 1D in lines 1D.1 and 1D.2 due to the Operating Profit lines being automatically linked in the tables. However, this is then adjusted as a further statutory to RAG cashflow adjustment to other income as it is a non-cash movement.
- Dividends paid (1D.19) to fund interest on other borrowings taken out on behalf of Yorkshire Water elsewhere in the group and dividends to the owners of Yorkshire Water totalling £52.5m as detailed in Table 1A commentary; offset by
- Net loans received of £796.9m. This amount includes: £1,141.8m borrowings raised (net of fees); and £29.3m net interest received on derivatives (reclassified from 1D.10 Net interest paid as noted above); offset by £331.7m repayment of borrowings; £37.1m swap accretion and termination payments; and £2.0m payments relating to finance leases and hire purchase agreements. This has then been adjusted for £4.1m relating to operating leases reclassified to finance leases under IFRS16.

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

The table below details the adjustments to the cash flow statement due to differences between statutory and RAG definitions. These are the cash flow equivalent adjustments to those income statement adjustments described in more detail in the narrative to [Table 1A](#).

**Adjustments to the cash flow statement due to differences between statutory and RAG definitions.**

Line description	Profit on Disposal of Fixed Assets	Rental Income	RDEC Income	S104 Income	Cost Recovery Income	G&Cs moved to investing activities	G&C Income	IFRIC 18 Adopted Sewers	Removal of G&C and Adopted Sewers amortisation (non-cash)	Capitalisation of Interest and Related Depreciation	Innovation Fund	IFRS 15 Revenue Recognition	IFRS 16 Leases	Total
Line 1D.1 Operating Profit	-	(1.449)	-	(0.836)	-	-	(10.992)	(3.396)	-	8.799	4.526	-	0.670	<b>(2.678)</b>
Line 1D.2 Other income	-	1.449	-	0.836	-	(27.761)	10.992	3.396	(14.388)	-	(3.840)	-	-	<b>(29.316)</b>
Line 1D.3 Depreciation	-	-	-	-	-	-	-	-	-	(8.799)	-	-	3.986	<b>(4.813)</b>
Line 1D.4 Amortisation – G&C's	-	-	-	-	-	-	-	-	14.388	-	-	-	-	<b>14.388</b>
Line 1D.7 Movement in provisions	-	-	-	-	-	-	-	-	-	-	(0.686)	-	-	<b>(0.686)</b>
Line 1D.10 Net interest paid	-	-	-	-	-	-	-	-	-	-	-	-	(0.566)	<b>(0.566)</b>
Line 1D.14 Grants and Contributions	-	-	-	-	-	27.761	-	-	-	-	-	-	-	<b>27.761</b>
Line 1D.20 Net loans received	-	-	-	-	-	-	-	-	-	-	-	-	(4.090)	<b>(4.090)</b>
<b>Total</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

Please note table may contain roundings.

**Key**

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 1E

### Net debt analysis (appointed activities) at 31 March 2025

					Index linked			
Line description	Units	DPs	Fixed rate	Floating rate	RPI	CPI/CPIH	Total	RAG 4 reference
Interest rate risk profile								
Borrowings (excluding preference shares)	£m	3	3,956.475	-593.415	2,763.730	1,026.243	7,153.033	1E.1
Preference share capital	£m	3	0.000				0.000	1E.2
Total borrowings	£m	3	3,956.475	-593.415	2,763.730	1,026.243	7,153.033	1E.3
Cash	£m	3					-295.161	1E.4
Short term deposits	£m	3					-195.350	1E.5
Net Debt	£m	3					6,662.522	1E.6
Gearing								
Gearing	%	3					70.31%	1E.7
Adjusted Gearing	%	3					72.54%	1E.8
Interest								
Full year equivalent nominal interest cost	£m	3	171.785	-78.770	232.794	16.054	341.863	1E.9
Full year equivalent cash interest payment	£m	3	171.785	-78.770	99.120	5.995	198.130	1E.10
Indicative interest rates								
Indicative weighted average nominal interest rate	%	3	4.342%	13.274%	8.423%	1.564%	4.779%	1E.11
Indicative weighted average cash interest rate	%	3	4.342%	13.274%	3.586%	0.584%	2.770%	1E.12
Time to maturity								
Weighted average years to maturity	nr	3	9.21	11.13	20.53	8.06	12.53	1E.13

Table 1E contains information about our financing structure and the associated interest costs of that financing. Interest payable or receivable on our borrowings is on either a fixed rate, floating rate or inflation linked basis. Inflation and interest rate risk is predominantly managed on a portfolio basis rather than an individual instrument basis.

The company manages the issuance of new debt to ensure that Yorkshire Water's debt maturity profile avoids repayment concentrations, meaning that we avoid the situation where large amounts of debt must be re-paid at the same time. This assists with the company's future refinancing requirements.

This year £700m of fixed rate debt and £100m of CPI linked debt were issued and a £350m RPI:CPIH linked swap was entered into. The prior year RCF balance of £80m was repaid, £1bn of swaps paying floating and receiving fixed rate matured

and £23m of swaps paying RPI and receiving floating rate were cancelled. Our debt has a weighted average years to maturity (line 1E.13) of approximately 12.5 years, which is consistent with the planned approach to the company's financing requirements.

All figures in Table 1E have been calculated in reference to 'RAG 4.13 - Guideline for the table definitions in the annual performance report'. Borrowings include all debt relevant to the regulated company even where this has been taken out by a financing subsidiary. Borrowings in 1E.1 include borrowings at a group level which are relevant to the regulated company including the accretion of index linked swaps and do not include any fair value adjustments or unamortised loan costs. This means, consistent with the prior year, there is a difference between borrowings reported in [Table 1C](#) and Table 1E and the table below provides a reconciliation of the difference.

#### Key

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Please refer to RAG 4.11 - Guideline for the table definitions in the annual performance report

### Reconciliation of borrowing amounts contained within Table 1C (lines 15 & 22) to Table 1E (line 1)

<b>Table 1C:</b>	<b>£m</b>
1C.15 – Borrowings (Current liabilities)	(5.5)
1C.22 – Borrowings (Non-Current liabilities)	(6,698.9)
Table 1C – Borrowings	(6,704.4)
<b>Adjustments:</b>	
(i) Fair value adjustments of bonds held in subsidiary companies included in table 1C but not included in table 1E	(31.8)
(ii) Accretion of IL swaps not included in table 1C but included in table 1E.	(297.4)
(iii) The difference in the book value of internal loans that were exchanged. 1C includes the value reported in Yorkshire Water Services Limited and 1E includes the embedded value of the loans taken out by the financing subsidiary.	7.6
(iv) Unamortised issue costs are included in table 1C but not included in table 1E.	(127.0)
Total adjustments	(448.6)
<b>Table 1E – Borrowings</b>	<b>(7,153.0)</b>

Line **1E.7** contains Yorkshire Water's regulatory gearing, the calculation of which is "Net Debt" as provided in **Table 1E** row 6, divided by the company's RCV as provided in **Table 4C** row 31.

Line **1E.8** represents Yorkshire Water Senior RAR (the definition of which is contained within the terms of Yorkshire Water's Whole Business Securitisation structure).

Actual and forecast amounts of Yorkshire Water's Senior RAR are published twice a year within Compliance Certificates (which is required as part of the terms of Yorkshire Water's Whole Business Securitisation structure). These can be found within the 'Investor Centre' section of the Kelda Group website at [keldagroup.com](http://keldagroup.com)

Lines **1E.9 – 1E.12** contain the full year equivalent nominal and cash interest costs, along with indicative weighted average interest rates.

The issue of £700m fixed rate debt together with the maturity of the £1bn swaps which paid floating and received fixed rate has led to an increase in fixed interest costs this year.

The repayment of the RCF and maturity of the £1bn swaps which paid floating and received fixed rate has decreased floating interest costs this year. This has been slightly offset by the cancellation of some pay RPI: receive floating swaps.

The cancellation of some pay RPI: receive floating swaps and reduction in retail price inflation from 4.3 per cent at 31 March 2024 to 3.2 per cent at 31 March 2025 has led to a year on year decrease in RPI-linked interest costs.

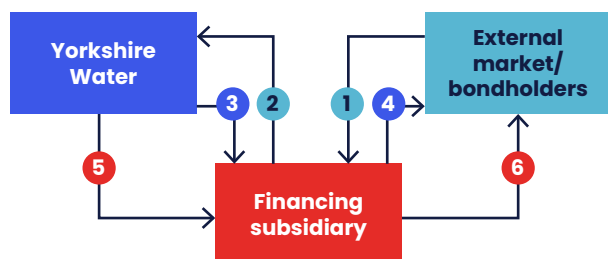
The issue of £100m CPI linked debt has caused a year on year increase in the CPI/CPIH interest cost despite the decrease in Consumer Price Inflation from 3.2 per cent at 31 March 2024 to 2.6 per cent at 31 March 2025.

The weighted average maturity of non-swap debt reported in Table 1E.13 has reduced from 13.6 years to 12.5 years, as another year has elapsed, bringing existing debt a year closer to maturity.



### Technical notes

Yorkshire Water and its financing subsidiaries raise debt finance from a number of sources including, amongst other areas, bank debt, bond debt and finance leases. Any borrowings raised by Yorkshire Water's financing subsidiaries are on-lent to Yorkshire Water, with Yorkshire Water paying interest to those subsidiaries on the same terms as the financing subsidiaries have borrowed at. This is illustrated in the diagram below.



*Illustration of borrowing by Yorkshire Water finance subsidiary and on-lending to Yorkshire Water*

### A. Debt raised

1. Financing subsidiary raises £100m fixed rate bond from the external market with a coupon payable of 5.0% per annum with a maturity of 10 years.
2. Financing subsidiary lends the £100m debt raised to Yorkshire Water.

### B. Annual interest payments

3. Yorkshire Water pays £5m interest to Financing subsidiary on an annual basis.
4. Financing subsidiary pays £5m interest to external bond holders on an annual basis.

### C. Debt repaid

5. Yorkshire Water pays back £100m to Financing subsidiary on maturity date.
6. Financing subsidiary repays bond holders £100m on maturity date.



Table 1F (Yorkshire Water)

Financial flows for the 12 months ended 31 March 2025 and for the price review to date

Line description			12 months ended 31 March 2025						Average 2020–2025						RAG 4 reference
			Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	
			Units	%	£m				%			£m			
DPs				2	3				2			3			
Regulatory equity															
Regulatory equity	£m	3	2925.144	2925.144	2295.605				2805.674	2805.674	2056.038				1F.1
Return on regulatory equity															
Return on regulatory equity	See Column Heading		4.43%	3.48%	4.43%	129.584	101.695	101.695	4.39%	3.22%	4.39%	123.152	90.248	90.248	1F.2
Financing															
Impact of movement from notional gearing	See Column Heading			0.95%	0.59%		27.889	13.543		1.17%	0.80%		32.905	16.380	1F.3
Gearing benefits sharing	See Column Heading			0.00%	0.00%		0.000	0.000		0.00%	0.00%		0.000	0.000	1F.4
Variance in corporation tax	See Column Heading			1.70%	2.16%		49.675	49.675		1.29%	1.76%		36.168	36.168	1F.5
Group relief	See Column Heading			0.00%	0.00%		0.000	0.000		0.00%	0.00%		0.000	0.000	1F.6
Cost of debt	See Column Heading			0.95%	1.39%		27.930	31.801		2.47%	3.84%		69.280	78.906	1F.7
Hedging instruments	See Column Heading			0.01%	0.01%		0.178	0.203		-2.21%	--3.49%		-62.107	-71.771	1F.8
Return on regulatory equity including Financing adjustments	See Column Heading		4.43%	7.09%	8.58%	129.584	207.367	196.918	4.39%	5.93%	7.29%	123.152	166.493	149.931	1F.9

Key

Input cell   Calculation cell   Copy cell

Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 1F (Yorkshire Water) – continued

Financial flows for the 12 months ended 31 March 2025 and for the price review to date

Line description		12 months ended 31 March 2025							Average 2020–2025						RAG 4 reference
		Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity		
		Units	%		£m			%			£m				
DPs		2		3		2		3							
Operational Performance															
Totex out/(under) performance	See Column Heading		-2.18%	-2.77%		-63.682	-63.682		-1.58%	-2.16%		-44.412	-44.412	1F.10	
ODI out/(under) performance	See Column Heading		-1.70%	-2.17%		-49.787	-49.787		-0.87%	-1.19%		-24.493	-24.493	1F.11	
C-MeX out/(under) performance	See Column Heading		0.00%	0.00%		0.000	0.000		0.00%	0.00%		-0.014	-0.014	1F.12	
D-MeX out/(under) performance	See Column Heading		-0.03%	-0.04%		-0.856	-0.856		-0.09%	-0.12%		-2.499	-2.499	1F.13	
Retail out/(under) performance	See Column Heading		-0.67%	-0.85%		-19.515	-19.515		-0.50%	-0.69%		-14.131	-14.131	1F.14	
Other exceptional items	See Column Heading		0.01%	0.01%		0.223	0.223		0.04%	0.05%		1.018	1.018	1F.15	
Operational performance total	See Column Heading		-4.57%	-5.82%		-133.617	-133.617		-3.01%	-4.11%		-84.531	-84.531	1F.16	
RoRE (return on regulatory equity)	See Column Heading	4.43%	2.52%	2.76%	129.584	73.750	63.300	4.39%	2.92%	3.18%	123.152	81.963	65.400	1F.17	
RCV growth	See Column Heading	3.46%	3.46%	3.46%	101.210	101.210	79.428	5.70%	5.70%	5.70%	160.017	160.017	117.263	1F.18	
Voluntary sharing arrangements	See Column Heading		-0.16%	-0.20%		-4.665	-4.665		-0.12%	-0.16%		-3.290	-3.290	1F.19	
Total shareholder return	See Column Heading	7.89%	5.82%	6.01%	230.794	170.295	138.063	10.09%	8.51%	8.72%	283.170	238.690	179.373	1F.20	

Key

Input cell   Calculation cell   Copy cell

Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 1F (Yorkshire Water) – continued  
Financial flows for the 12 months ended 31 March 2025 and for the price review to date

Line description		12 months ended 31 March 2025						Average 2020–2025						RAG 4 reference
		Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	
		Units	%		£m			%			£m			
DPs			2		3			2			3			
Dividends														
Gross Dividend	See Column Heading	3.18%	1.40%	1.78%	93.020	40.819	40.819	3.18%	1.81%	2.48%	89.220	50.893	50.893	1F.21
Interest Receivable on Intercompany loans	See Column Heading		-0.42%	-0.53%		-12.204	-12.204		-0.81%	-1.11%		-22.771	-22.771	1F.22
Retained Value	See Column Heading	4.71%	4.84%	4.77%	137.774	141.680	109.449	6.91%	7.51%	7.36%	193.949	210.568	151.251	1F.23
Cash impact of 2015–2020 performance adjustments														
Totex out/under performance	See Column Heading		0.02%	0.02%		0.528	0.528		0.02%	0.03%		0.528	0.528	1F.24
ODI out/under performance	See Column Heading		0.64%	0.82%		18.809	18.809		0.67%	0.91%		18.809	18.809	1F.25
Total out/under performance	See Column Heading		0.66%	0.84%		19.337	19.337		0.69%	0.94%		19.337	19.337	1F.26



Table 1F has been developed by Ofwat to improve financial transparency. It aims to enable a comparison between actual financial flows to the company's investors under the actual capital structures which companies have adopted, and what they would have been under the notional structure Ofwat have used for setting the prices that customers pay.

### **Return on regulatory equity (lines 1-2)**

#### **1F.1 (Regulatory equity).**

The notional equity was provided by Ofwat, the actual equity was calculated in line with the guidance from Ofwat.

#### **1F.2 (Return on regulatory equity).**

This value was provided by Ofwat and is the adjusted return on regulated equity as calculated in the FD19 financial model for the current year and updated for the impact of the PR24 midnight adjustment, as published by Ofwat.

### **Financing (lines 3-9)**

#### **1F.3 (Impact of movement from notional gearing).**

This is a calculation based on the difference between actual and notional gearing levels.

#### **1F.4 (Gearing benefits sharing).**

This is a zero value as the Gearing Outperformance Sharing Mechanism (GOSM) does not apply to YW as per the CMA FD.

#### **1F.5 (Variance in corporation tax).**

This is calculated in line with Ofwat guidance, however we believe the calculation overstates the actual equity returns arising from taxation.

As part of the PR24 process Ofwat have updated the tax allowance that we would have received in 2024-25 from £6.3m down to zero.

The return of 1.7% that has been calculated in accordance with Ofwat guidance is higher than the simple difference between tax allowance received and the corporation tax paid. The higher level of calculated return arises primarily due to the following factors, which we believe require further consideration as they relate to timing differences which do not ultimately benefit shareholders:

- Deferred capital allowances are capital allowances available to Yorkshire Water that have been deferred and not taken in the year. This is only a timing impact and is unlikely to ultimately benefit shareholders as carried forward capital allowances are realigned at the beginning of each AMP, thereby passing the benefit of the deferred allowances back to customers. In addition, the benefit is potentially distorted as the same capital allowance could possibly be repeatedly disclaimed across subsequent years.

- Tax losses incurred in the year as a result of the relatively high debt indexation costs – this is also a timing impact and not a long-term benefit to shareholders as customers will benefit from these losses in the future as they will be carried forward into the next price review.
- Ofwat's methodology fully disregards the impact of swap interest and indexation costs due to starting from a PBT before fair value adjustments. These additional deductions to Profits Chargeable to Corporation Tax (PCTCT) are utilised by the Company ahead of capital allowances to efficiently manage its current and future tax charge to the benefit of our customers.

#### **1F.6 (Group relief).**

From 2017-18 all losses surrendered to YW by other group companies have been paid for in full at the current rate of corporation tax, so there is no financial benefit shown within the table.

#### **1F.7 (Cost of debt).**

The cost of debt impact (excluding hedging instruments) has been calculated in line with Ofwat guidance

As noted in previous APR submissions, we believe there to be an inconsistency within the calculation, as the comparison to a CPIH cost of debt is inconsistent with the RPI/CPIH weighted return on equity.

#### **1F.8 (Hedging instruments).**

We have assessed the impact of our hedging instruments on our overall cost of debt. In the current year we have calculated that our hedging instruments have increased our overall nominal interest rate by 0.01%.

### **Operational Performance (lines 10-22)**

#### **1F.10 (Totex out/(under) performance).**

This is taken from [Table 2C](#) and represents the total company share of over/underspend against the totex allowances. This is calculated by summing lines 4C.13,14,21 and 24, then deflating to 2017/2018 CPIH average prices.

#### **1F.11 (ODI out/(under) performance).**

This is the ODI net penalty as reported within the ODI performance model, however Ofwat have stated that there will be 2 adjustments to the reported numbers in relation to PCC and bathing water penalties, which would result in an increase of 0.08% to the reported RoRE in the current year and an increase of 0.06% to the reported cumulative RoRE across the AMP.



**1F.12 (C-MeX out/(under) performance).**

As per the Ofwat guidance we have included the value for our 2023/2024 C-MeX performance. This was provided within the "Financial-Flows-Data-Source-new-2024-25" published by Ofwat.

**1F.13 (D-MeX out/(under) performance).**

As per the Ofwat guidance we have included the value for our 2023/2024 D-MeX performance. This was provided within the "Financial-Flows-Data-Source-new-2024-25" published by Ofwat.

**1F.14 (Retail out/(under) performance).**

This has been calculated by comparing the adjusted allowance for retail operating costs, household and the actual costs as reported in table "2C –Operating cost analysis –retail" and then the variance has been deflated to 2017/2018 CPIH average prices.

**1F.15 (Other exceptional items).**

We have included a 50% share of the proceeds of land sales as reported in [Table 2L](#). This has been deflated to 2017/2018 CPIH average prices.

**1F.17 (RoRE).**

This is a calculated line (sum of lines 1F.9 and 1F.16) and is reported in line 4H.5.

**1F.18 (RCV growth from inflation).**

This was provided within the "Financial-Flows-Data-Source-new-2024-25" published by Ofwat.

**1F.19 (Voluntary sharing arrangements).**

We have included the £6m revenue sacrifice within household retail, this £6m is used to support customers on our social tariff WaterSupport, this has been deflated to 2017/2018 CPIH average prices.

**Dividends (lines 21-23)****1F.21 (Gross Dividend).**

The notional Company dividend of 3.18% was provided by Ofwat.

We have included the actual gross dividends that were paid from the appointed company within the relevant years. This has been deflated to 2017/2018 CPIH average prices.

**1F.22 (Interest Received on Intercompany loans).**

We have included the value of interest that the appointed company receives in the year on inter-company loans, less amounts paid in group relief to reflect the amount of dividends paid from the appointed company to fund inter-company interest paid back to the appointed company.

This has been deflated to 2017/2018 CPIH average prices.

Cash impact of 2015-20 performance adjustments.

**1F.24 (Totex out/under performance).**

This was provided within the "Financial-Flows-Data-Source-new-2024-25" published by Ofwat.

**1F.25 (ODI out/under performance).**

This was provided within the "Financial-Flows-Data-Source-new-2024-25" published by Ofwat.

**1F.26 (Total out/under performance).**

This was provided within the "Financial-Flows-Data-Source-new-2024-25" published by Ofwat.

# Statement on RoRE

The calculation for RoRE is undertaken in table 1F. The value is taken from line 1F.17,

		31/03/2025 % RoRE	31/03/2025 £m	Average AMP7	31/03/2025 £m
<b>1F.2</b>	<b>Return on regulatory equity</b>	<b>3.48%</b>	<b>101.7</b>	<b>3.22%</b>	<b>90.2</b>
1F.3	Impact of moving from notional gearing	0.95%	27.9	1.17%	32.9
1F.4	Gearing benefits sharing	-	-	-	-
1F.5	Variance in corporation tax	1.70%	49.7	1.29%	36.2
1F.6	Group relief	-	-	-	-
1F.7	Cost of debt	0.95%	27.9	2.47%	69.3
1F.8	Hedging instruments	0.01%	0.2	(2.21%)	(62.1)
	<b>Financing adjustment total</b>	<b>3.61%</b>	<b>105.7</b>	<b>1.54%</b>	<b>76.2</b>
1F.10	Totex out/(under) performance	(2.18%)	(63.7)	(1.58%)	(44.4)
1F.11	ODI out/(under) performance	(1.70%)	(49.8)	(0.87%)	(24.5)
1F.12	C-MeX out/(under) performance	-	-	(0.00%)	(0.0)
1F.13	D-MeX out/(under) performance	(0.03%)	(0.9)	(0.9%)	(2.5)
1F.14	Retail out/(under) performance	(0.67%)	(19.5)	(0.50%)	(14.1)
1F.15	Other exceptional items	0.01%	0.2	0.04%	1.0
<b>1F.16</b>	<b>Operational performance total</b>	<b>(4.57%)</b>	<b>(133.6)</b>	<b>(3.01%)</b>	<b>(84.5)</b>
<b>1F.17</b>	<b>RoRE (return on regulatory equity)</b>	<b>2.52%</b>	<b>73.7</b>	<b>2.92%</b>	<b>82.0</b>

# Table 2: Price review and other segmental reporting

## Introduction

The information in this section details 'Price review and other segmental reporting' as required by Ofwat, with a brief description of significant variances compared to previous years. The information in this section comprises the following tables.

<a href="#">Pro forma 2A</a>	Segmental income statement
<a href="#">Pro forma 2B</a>	Totex analysis – wholesale
<a href="#">Pro forma 2C</a>	Operating cost analysis – retail
<a href="#">Pro forma 2D</a>	Historic cost analysis of tangible fixed assets
<a href="#">Pro forma 2E</a>	Analysis of 'grants and contributions' – water resources, water Network Plus and wastewater Network Plus
<a href="#">Pro forma 2F</a>	Residential retail
<a href="#">Pro forma 2I</a>	Revenue analysis
<a href="#">Pro forma 2J</a>	Infrastructure network reinforcement costs
<a href="#">Pro forma 2K</a>	Infrastructure charges reconciliation
<a href="#">Pro forma 2L</a>	Analysis of land sales
<a href="#">Pro forma 2M</a>	Revenue reconciliation – wholesale
<a href="#">Pro forma 2N</a>	Residential retail – social tariffs
<a href="#">Pro forma 2O</a>	Historic cost analysis of intangible fixed assets

## Table 2A

### Segmental income statement for the 12 months ended 31 March 2025

Line description	Units	DPs	Residential retail	Business retail	Water resources	Water Network Plus	Wastewater Network Plus	Bioresources	Additional Control	Total	RAG 4 reference
Revenue – price control	£m	3	70.888	0.000	84.351	491.515	561.546	90.755	0.000	1,299.055	2A.1
Revenue – non price control	£m	3	0.000	0.000	1.630	0.866	0.639	0.000	0.000	3.135	2A.2
Operating expenditure – excluding PU recharge impact	£m	3	-80.128	0.000	-36.556	-250.035	-233.349	-29.056	0.000	-629.124	2A.3
PU Opex recharge	£m	3	-2.657	0.000	-0.900	-16.210	21.921	-2.154	0.000	0.000	2A.4
Operating expenditure – including PU recharge impact	£m	3	-82.785	0.000	-37.456	-266.245	-211.428	-31.210	0.000	-629.124	2A.5
Depreciation – tangible fixed assets	£m	3	-1.548	0.000	-10.295	-121.093	-151.634	-23.363	0.000	-307.933	2A.6
Amortisation – intangible fixed assets	£m	3	-7.081	0.000	-0.773	-3.535	-37.816	-0.024	0.000	-49.229	2A.7
Other operating income	£m	3	0.000	0.000	0.756	0.268	0.207	-0.003	0.000	1.228	2A.8
Operating profit	£m	3	-20.526	0.000	38.213	101.776	161.515	36.155	0.000	317.133	2A.9
<b>Surface water drainage rebates</b>											
Surface water drainage rebates	£m	3								0.313	2A.10

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 2A is a summary table showing retail and wholesale revenue and expenditure, including any recharges associated with principal use of assets. Further information can be found in the tables and commentary below.

## Principal use recharge (PU)

We have followed the same principles as in 2023/2024 in relation to principal use recharge.

The methodology is unchanged from prior years with assets allocated to price controls in line with the principal use rules in RAG 2 and RAG 4. Where assets are used by more than one price control, they have been allocated to Network Plus in [Table 2D](#) and [2O](#) with the depreciation or amortisation recharged across price controls using Full Time Equivalent (FTE) headcount.

In line with the RAGs, in 2022/2023, Yorkshire Water changed the approach for reporting the wholesale impact of the principal use recharge. The PU Opex recharge on Table 2A is included within the relevant lines in [Table 4D](#), [4E](#), [4J](#) and [4K](#).

Further information can be found in the Accounting Separation Methodology statement, which can be viewed on the reports webpage here: [yorkshirewater.com/about-us/reports](https://yorkshirewater.com/about-us/reports)

## Technical notes

As per the information notice (IN22/01), the provision in relation to the innovation fund for 2024/2025 has been reversed with no corresponding adjustment to revenue.



# An accounting policy note for price control units

The Annual Performance Report (APR) tables that contain the regulatory accounts have been prepared in accordance with FRS102, except where Ofwat requires a deviation as per RAG 1.09 – Principles and guidelines for regulatory reporting under the ‘new UK GAAP’ regime. Details of all significant accounting policies are detailed with Yorkshire Water’s Annual Report and Financial Statements which can be found on our reports webpage here: [yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/)

The regulatory accounts have been prepared in accordance with RAG2 – Guideline for classification of costs across the price controls. This is to ensure the costs that are reported by the price control segments are consistent, non-discriminatory and transparent.

## **Our Accounting Separation Methodology Statement explains the following:**

- The methodology to meet the requirements of RAG2 (Guideline for classification of costs across the price controls).
- The governance in place over the process.
- A summary for the basis of the allocation of operating costs and assets.
- Any major changes in the year.

Our Accounting Separation Methodology Statement can be found on our reports webpage here: [yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/)

# Note on revenue recognition

## Yorkshire Water Charges Scheme permits that all connected household properties (water, sewerage or both) are chargeable and the occupier is responsible for paying the bill.

The occupier is defined more widely than physical occupation and includes those persons exercising control over premises (e.g. the legal owner or leaseholder). Where an 'occupier' for a property cannot be identified, no charges will be raised. Therefore, there is no turnover recognised for unoccupied properties. Yorkshire Water endeavours to trace the occupiers of properties in order to raise charges that are payable. Charges may be cancelled, or not raised in the first place, where a customer's circumstances indicate this is appropriate. See below.

Water and sewerage charges fall into the following three categories:

### Category Business Rule applied

#### Charges payable in full

- All household (domestic) properties connected for water or waste services or both.
- This includes second homes, holiday homes and properties under renovation.

#### Charges payable in part

- Metered standing charges, payable on metered properties which are still connected.
- Sewerage unmetered tariff, payable on unmetered, occupied properties where the water supply is disconnected but sewerage connection is still provided.
- Surface water and highway drainage, payable on occupied properties where the water supply is disconnected.

#### Chargeable but not billed because the occupier cannot be identified (void properties)

No turnover is recognised in respect of properties which are empty and the owner/occupier cannot be identified. Speculative billing in the name of the 'occupier' is not followed. Where the occupier of a property has been identified, charges may not be raised where:

- The company has been informed that the sole occupier has left the property and it is not expected to be reoccupied immediately (e.g. the customer is in a care home, long-term hospitalisation, in prison, temporarily relocated due to a flood).
- The property has been repossessed or subject to a bankruptcy order.

Where the occupier/previous occupier is deceased and the property was 'owned' by the deceased, charges are raised from the date of death in the name of the executor until the property is sold/re-occupied.

## Voids Management Process

Yorkshire Water has a robust process to determine whether a property is occupied and therefore whether charges are due. The occupier is any person who exercises control over a property and is under a duty of care in respect of visitors. The void property management process is followed to identify whether the property occupier can be identified and charged. Yorkshire Water adopts a risk-based approach to its void property management to ensure the process is cost effective, whilst maintaining a fair billing position with regards to customers individual circumstances. The property management process, therefore, uses several different tools to manage empty properties including customer telephone contact, mailings, meter readings, residency checks using credit reference agencies and physical inspections. If the property management process cannot identify an occupier to be charged, the property will remain unoccupied in our billing file and the property will be counted in our Void Property numbers.

## New properties

All new properties are metered. Charges accrue from the date at which the meter is installed. The developer is billed between the date of connection and first occupancy and this is recognised as turnover. If the developer is no longer responsible for the property and no new occupier has been identified, the property management process referred to above is followed to identify the new occupier. Until the new occupier has been identified the property is treated as unoccupied and is not billed.

## Measured Accrual

Measured income of £832.5m (2023/2024: £771.1m) has been billed (in arrears) to customers in the year. The measured income accrual of £89.9m (2023/2024: £86.3m) is an estimation of the amount of water and wastewater charges unbilled at the year end. Key points to consider around this accrual are as follows:

- The accrual calculation is system generated based algorithms. The system methodology uses historical water consumption and tariff data at a customer account level. For high billing value accounts, additional manual adjustments are made where the latest customer intelligence and billing data varies from the system generated calculations.
- Each year following the year end, a review of the actual amount billed against the accrual is conducted to examine the accuracy of the measured accrual. For 2023/2024 the review indicated an overestimation of the measured accrual of £1.0m (2022/2023: £2.0m overestimation).

A consistent approach has been taken in this area.

**Table 2B****Totex analysis for the 12 months ended 31 March 2025 – wholesale**

Line description	Units	DPs	Water resources	Water Network Plus	Wastewater Network Plus	Bioresources	Additional Control	Total	RAG 4 reference
<b>Base operating expenditure</b>									
Power	£m	3	4.581	47.046	64.811	-13.832	0.000	102.606	2B.1
Income treated as negative expenditure	£m	3	0.000	-0.274	-0.433	-2.825	0.000	-3.532	2B.2
Service charges/discharge consents	£m	3	10.445	0.274	11.158	0.008	0.000	21.885	2B.3
Bulk Supply/Bulk discharge	£m	3	4.448	0.000	0.009	0.004	0.000	4.460	2B.4
Renewals expensed in year (Infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	2B.5
Renewals expensed in year (Non-Infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	2B.6
Other operating expenditure (including Location specific costs & obligations)	£m	3	11.501	164.907	112.094	45.467	0.000	333.969	2B.7
Local authority and Cumulo rates	£m	3	6.482	26.302	22.367	2.389	0.000	57.539	2B.8
Total base operating expenditure	£m	3	37.456	238.255	210.007	31.210	0.000	516.928	2B.9
<b>Other operating expenditure</b>									
Enhancement operating expenditure	£m	3	0.000	26.117	1.421	0.000	0.000	27.539	2B.10
Developer services operating expenditure	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	2B.11
Total operating expenditure excluding third party services	£m	3	37.456	264.373	211.428	31.210	0.000	544.467	2B.12
Third party services	£m	3	0.000	1.872	0.000	0.000	0.000	1.872	2B.13
Total operating expenditure	£m	3	37.456	266.245	211.428	31.210	0.000	546.339	2B.14
<b>Grants and contributions</b>									
Grants and contributions – operating expenditure	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	2B.15

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 2B – continued

Totex analysis for the 12 months ended 31 March 2025 – wholesale

Line description	Units	DPs	Water resources	Water Network Plus	Wastewater Network Plus	Bioresources	Additional Control	Total	RAG 4 reference
<b>Capital expenditure</b>									
Base capital expenditure	£m	3	8.642	88.860	187.511	13.273	0.000	298.286	2B.16
Enhancement capital expenditure	£m	3	6.078	39.041	465.052	26.512	0.000	536.683	2B.17
Developer services capital expenditure	£m	3	0.000	35.270	5.870	0.000	0.000	41.140	2B.18
Total gross capital expenditure excluding third party services	£m	3	14.720	163.171	658.433	39.785	0.000	876.109	2B.19
Third party services	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	2B.20
Total gross capital expenditure	£m	3	14.720	163.171	658.433	39.785	0.000	876.109	2B.21
<b>Grants and contributions</b>									
Grants and contributions – capital expenditure	£m	3	0.012	18.436	10.593	0.000	0.000	29.041	2B.22
Net totex	£m	3	52.164	410.980	859.268	70.995	0.000	1,393.407	2B.23
<b>Cash expenditure</b>									
Pension deficit recovery payments	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	2B.24
Other cash items	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	2B.25
Totex including cash items	£m	3	52.164	410.980	859.268	70.995	0.000	1,393.407	2B.26

### Comparison to PR19 (2024/2025 Price Base)

The total gross regulated capital expenditure associated with the delivery of the wholesale programme in the current reporting year was £876.1m against a Final Determination (FD) of £334.1m.

Expenditure within the year relating to our Management & General (M&G) programme totals £73.8m. Of this £58.6m was assessed using Principal Use and therefore allocated to Wastewater Network Plus. Where possible any remaining support costs that are directly attributable to a specific price control are

directly allocated (£8.4m) with only general cross business management and general costs (£6.7m) apportioned across the price controls and accounting separation categories by the full time equivalent (FTE) allocation supporting each area as in previous years' reporting.

Throughout this document when we refer to the base Final Determination values for comparison, this also includes Developer Services expenditure.

Gross base capital expenditure of £339.4m, including £41.1m developer services, is above the Final Determination of £252.6m with this investment supporting service improvements required to meet our performance commitment targets.

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report



The total enhancement capital expenditure of £536.7m, of which £62.5m relates to AMP8 accelerated and transitional expenditure, is above the Final Determination of £81.5£m.

In 2024-2025 we had third party diversion expenditure totalling £5.3m which as per the latest RAGs are now shown with the Developer Services expenditure line. These costs are also reported in [Table 4P](#) and identified as non-price control diversion and as such not included in [Table 4N.4](#) and 4O.4.

Further detailed information on the expenditure reported in the current report year and for comparisons against the previous year and the PR24 forecast for each service area and price control can be found in the commentaries for [Tables 2J, 4D, 4E, 4L, 4J, 4K, 4M, 4N, 4O & 4P](#).

Capitalised and amortised income totalling £29.0m has been received in the current report year through grants and contributions against a Final Determination of £29.0m, £23.7m in the Capex allowance and £5.3m in Opex allowance.

Further detailed information on the income received through grants and contributions in the current report year for each service area and price control can be found in the commentary for [Tables 2E](#).

This table breaks down wholesale Totex expenditure into the price controls in accordance with the regulatory accounting guidelines specified by Ofwat.

## Operating Expenditure Summary

### Energy Consumption and Costs

Energy costs across the price controls saw a reduction of £22.5m in 2024/2025 due to lower unit prices, consumption and renewable incentives. Lower consumption has been achieved through the installation of energy efficient assets, higher overall generation volumes and more favourable weather conditions compared to the prior year.

### Other Operating Expenditure

Across the price controls Yorkshire Water have seen an overall £5.1m increase in other operating expenditure. Increases in costs were largely due to inflationary pressures.

The final year of AMP7 (2024/2025) has been the largest investment year and as such an increase to capital salary recharges associated with WINEP, smart metering, and modernisation programmes is evident in the full year outcome compared to the prior year and has partially offset some inflationary pressures.

Modernisation projects are mainly software related with increased spend in areas such as cloud-based solutions (not capital). These programmes are focused on the development of predictive functionality and to improve productivity and asset availability across Yorkshire Water.

## Regulatory and PR24 Costs

Discharge licence costs payable to the Environment Agency (EA) have increased by £4.9m in 2024/2025 and has been offset with lower PR24-related cost. PR24 costs were mainly incurred in the years leading up to 2024/2025 hence the reduction.

## Principal Use

Wastewater Network Plus have seen a £3.1m increase year on year due to the reduction in recharges out to other price controls.

The reduction in Principal Use recharge is due to an impairment charge included in 2023/2024 following a periodic revaluation of office and buildings.

## Rates

Business rates increases were driven by high CPI at 6.6% year on year.

For more detail please refer to tables [4J](#) and [4K](#) variance commentaries.

## Technical notes

As per the information notice (IN22/01) the provision in relation to the innovation fund in 2024/2025 has been excluded from operating expenditure with no corresponding adjustment to revenue.

Principal use recharge continues to be reported within base operating expenditure.

# Note on capitalisation policy

## Costs are capitalised following the company's capitalisation policy which states that capital expenditure includes:

- Acquisition of land and buildings.
- Expenditure of more than £1,000 on the construction, provision, purchase, replacement or improvement of other fixed assets or their major renewal. Where individual items each costing less than £1,000 are part of an approved project falling within this definition then the whole of the expenditure is to be capitalised, e.g. Initial furniture and equipment for newly constructed premises.
- Salaries, salaries on cost and associated costs of staff employed on capital works.

The cost of a tangible fixed asset comprises its purchase price and any costs directly attributable to bringing it into working condition for its intended use. Any other costs are treated as operating expenditure. Directly attributable costs are:

- The labour costs of Group employees arising directly from construction or acquisition of the tangible fixed asset.
- The incremental costs to the Group that would have been avoided only if the tangible fixed asset had not been constructed or acquired.

Administration and other general overhead costs are excluded from the cost of a tangible fixed asset.

## Table 2C

### Cost analysis for the 12 months ended 31 March 2025 – retail

Line description	Units	DPs	Residential	Business	Total	RAG 4 reference
<b>Operating expenditure</b>						
Customer services	£m	3	34.453	0.000	34.453	2C.1
Debt management	£m	3	4.224	0.000	4.224	2C.2
Doubtful debts	£m	3	34.980	0.000	34.980	2C.3
Meter reading	£m	3	1.514	0.000	1.514	2C.4
Other operating expenditure	£m	3	4.866	0.000	4.866	2C.5
Local authority and Cumulo rates	£m	3	0.090	0.000	0.090	2C.6
Total operating expenditure excluding third party services	£m	3	80.128	0.000	80.128	2C.7
<b>Depreciation</b>						
Depreciation (tangible fixed assets) on assets existing at 31 March 2015	£m	3	0.022	0.000	0.022	2C.8
Depreciation (tangible fixed assets) on assets acquired after 1 April 2015	£m	3	1.525	0.000	1.525	2C.9
Amortisation (intangible fixed assets) on assets existing at 31 March 2015	£m	3	0.000	0.000	0.000	2C.10
Amortisation (intangible fixed assets) on assets acquired after 1 April 2015	£m	3	7.081	0.000	7.081	2C.11
<b>Recharges</b>						
Recharge from wholesale for legacy assets principally used by wholesale (assets existing at 31 March 2015)	£m	3	0.085	0.000	0.085	2C.12
Income from wholesale for legacy assets principally used by retail (assets existing at 31 March 2015)	£m	3	0.000	0.000	0.000	2C.13
Recharge from wholesale assets acquired after 1 April 2015 principally used by wholesale	£m	3	2.572	0.000	2.572	2C.14
Income from wholesale assets acquired after 1 April 2015 principally used by retail	£m	3	0.000	0.000	0.000	2C.15
Net recharges costs	£m	3	2.657	0.000	2.657	2C.16
Total retail costs excluding third party and pension deficit repair costs	£m	3	91.413	0.000	91.413	2C.17
Third party services operating expenditure	£m	3	0.000	0.000	0.000	2C.18
Pension deficit repair costs	£m	3	0.000	0.000	0.000	2C.19
Total retail costs including third party and pension deficit repair costs	£m	3	91.413	0.000	91.413	2C.20
<b>Debt written off</b>						
Debt written off	£m	3	27.422	0.000	27.422	2C.21
<b>Capital expenditure</b>						
Capital expenditure	£m	3	6.703	0.000	6.703	2C.22

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 2C – continued

### Cost analysis for the 12 months ended 31 March 2025 – retail

Line description	Units	DPs	Residential	RAG 4 reference
<b>Comparison of actual and allowed expenditure</b>				
Cumulative actual retail expenditure to reporting year end	£m	3	396.253	2C.23
Cumulative allowed expenditure to reporting year end	£m	3	322.838	2C.24
Total allowed expenditure 2020-2025	£m	3	322.838	2C.25

Retail capital expenditure totalling £6.7m has been reported in the current report year.

Table 2C further breaks down the retail operating costs included in [Table 2A](#) into cost categories.

#### **Expected Credit Losses (Doubtful Debt) (year-on-year increase of £8.9m)**

There has been an absolute increase in household debt year-on-year which has resulted in a consequential increase in the charge for expected credit losses (doubtful debt). In addition, the methodology used for estimating recoverability risk that includes historic performance, macroeconomic pressures and direct debt recovery action has been adopted and has resulted in an increased charge.

The net movement in the provision is an increase of £6.1m after addressing statute barred debt of £5m and in-year arisings of £2.8m (for example dealing with deceased customer estates).

#### **Customer Services (year-on-year increase of £3.0m)**

Loop contract costs have increased by £1.9m in 2024/2025. Largely due to increased resources to mitigate increasing call handling times and in support of direct debt recovery initiatives (See expected credit losses above).

From January to March, Loop experienced unprecedented call volumes as a result of rising bills. This also impacted call handling times due to customers exploring options to reduce their bills by either requesting a meter or accessing social tariffs or WaterSure scheme.

Customer services also benefitted from the modernisation projects mentioned in [Table 2B](#) commentary therefore, this service received an allocation of the associated costs.

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

# Note on bad debt policy

**Debt is only written off after all available economic options for collecting the debt have been exhausted and the debt has been deemed to be uncollectable.**

This may be because the debt is considered to be impossible, impractical, inefficient or uneconomic to collect. Debt may also be written off as part of the customer help schemes that Yorkshire Water offer.

Situations where this may arise and where debt may be written off are as follows:

- Where the customer has absconded without paying and strategies to trace their whereabouts and collect outstanding monies have been fully exhausted.
- Where the customer has died without leaving an estate or has left an insufficient estate on which to levy execution.
- Where the customer does not have any assets/has insufficient assets on which to levy execution.
- Where the age and/or value of the debt makes it uneconomic to pursue – all debts of less than £65 are written off.
- Where county court proceedings and attempts to recover the debt by debt collection agencies have proved unsuccessful.
- Where the customer has been declared bankrupt, is in liquidation or is subject to insolvency proceedings or a debt relief order and no dividend has been or is likely to be received.

## Bad and doubtful debts provisions policy

The bad debt provision is charged to operating costs to reflect the company's assessment of the risk of non-recoverability of debtors. It is calculated by applying expected residual debt rates to debts outstanding at the end of the accounting period. These rates consider the age of the debt, write offs, payment history and type of debt.

The provision is built on a 'by customer' basis ageing all debt by customer against the oldest invoice date. It is calculated by applying expected residual debt rates to arrears outstanding at the end of the accounting period. The residual debt values are tracked over a period of 2 years and these rates are then applied to the debts outstanding at the end of the accounting period aged on a 'by customer' basis. Further adjustments are made to the provision firstly based on internal management actions (such as proactive debt collection initiatives) and secondly macroeconomic factors (such as inflation).

The bad and doubtful debts provisioning policy is applied to both unmeasured and measured accounts. A provision of £72.6m is held on 31 March 2024 (31 March 2024: £65.1m). The main elements of the provision are as follows:

- £38.5m unmeasured household debtor provision. Calculated using information based on the age of debts.
- £28.0m measured household debtor provision. Calculated using information based on the age of debts.
- £4.4m unbilled household measured accounts provision.

There has been an increase in the bad debt provision in the year. The main driver for this is increased household debt in the year, particularly in the older debt which has continued to build up over the AMP period. We have also seen new debt risk in the year such as increased applications for debt relief orders following the relaxation of the eligibility criteria.

As is the case with any accounting estimate, actual amounts recovered may differ from the estimated levels of recovery which would impact on operating results. The Yorkshire Water website contains details of Yorkshire Water's guide to debt recovery services.



## Table 2D

### Historic cost analysis of tangible fixed assets at 31 March 2025

Line description	Units	DPs	Residential Retail	Business Retail	Water resources	Water Network Plus	Wastewater Network Plus	Bioresources	Additional Control	Total	RAG 4 reference
<b>Cost</b>											
At 1 April 2024	£m	3	18.986	0.000	439.098	4,369.600	5,648.632	584.085	0.000	11,060.401	2D.1
Disposals	£m	3	-1.208	0.000	-3.065	-87.189	-78.224	-17.079	0.000	-186.765	2D.2
Additions	£m	3	0.469	0.000	10.986	174.908	583.785	34.415	0.000	804.563	2D.3
Adjustments	£m	3	0.054	0.000	0.139	0.209	0.436	0.029	0.000	0.867	2D.4
Assets adopted at nil cost	£m	3	0.000	0.000	0.000	0.000	30.965	0.000	0.000	30.965	2D.5
At 31 March 2025	£m	3	18.301	0.000	447.158	4,457.528	6,185.594	601.450	0.000	11,710.031	2D.6
<b>Depreciation</b>											
At 1 April 2024	£m	3	-15.930	0.000	-29.659	-979.621	-683.322	-203.390	0.000	-1,911.922	2D.7
Disposals	£m	3	1.208	0.000	2.857	86.305	78.164	17.073	0.000	185.607	2D.8
Adjustments	£m	3	-0.146	0.000	-0.079	-0.565	-0.838	-0.077	0.000	-1.705	2D.9
Charge for year	£m	3	-1.548	0.000	-10.295	-121.093	-151.634	-23.363	0.000	-307.933	2D.10
At 31 March 2025	£m	3	-16.416	0.000	-37.176	-1,014.974	-757.630	-209.757	0.000	-2,035.953	2D.11
Net book amount at 31 March 2024	£m	3	1.885	0.000	409.982	3,442.554	5,427.964	391.693	0.000	9,674.078	2D.12
Net book amount at 1 April 2023	£m	3	3.056	0.000	409.439	3,389.979	4,965.310	380.695	0.000	9,148.479	2D.13
<b>Depreciation charge for year</b>											
Principal services	£m	3	-1.548	0.000	-10.295	-121.093	-151.634	-23.363	0.000	-307.933	2D.14
Third party services	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2D.15
Total	£m	3	-1.548	0.000	-10.295	-121.093	-151.634	-23.363	0.000	-307.933	2D.16

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 2D analyses changes in the fixed assets of both wholesale and retail activities of Yorkshire Water.

The accounting policies in relation to fixed assets and depreciation are set out in full in note 1 of the statutory Annual Report and Financial Statements which can be found on the reports page here:

[yorkshirewater.com/about-us/reports](https://yorkshirewater.com/about-us/reports)

The table above details that the net book value of tangible fixed assets at 31 March 2025 amounts to £9,674.1m, an increase of £525.6m since the start of the year. This movement includes:

- An adjustment to the opening balances for both cost and depreciation, which have been reduced by £1,879.1m following a review by the Financial Reporting Council into revalued infrastructure assets. There is no change to the opening net book value of assets arising from this. Further information is available in the disclosures to the YW statutory accounts. Offsetting this is an adjustment of £0.6m between cost and depreciation following a review of leased assets under IFRS16.
- Fixed asset additions during the year of £804.6m, which has increased from 2023/2024 (£610.8m) mainly due to the delivery of large volumes of assets through to beneficial completion in line with regulatory requirements and includes significant investment in the WINEP programme for phosphorous removal. Adjustments related to the assessment of leased assets under IFRS16, a reduction of £0.8m in the year.

- Assets adopted at nil cost comprise sewer adoptions valued at £31.0m, a minor increase of £0.3m from 2023/2024 (£30.7m).
- The depreciation charge for the year is £307.9m. This is lower than the previous year (£329.3m) largely due to one-off impairments and asset write-offs incurred in 2023/2024 relating to decommissioned sites, that have not occurred in 2024/2025.
- The net book value of disposals in the year totals £1.2m due to the sale of the Woodlands office (£0.9m), Highfield Farm (£0.2m) and vehicle disposals (£0.1m).

## Technical notes

As noted in [Table 1C](#), Yorkshire Water elects under FRS102 to hold infrastructure and land/property assets at valuation rather than historic cost. Other than the changes to opening balances for both cost and depreciation which net out to nil, there is no adjustment to the valuation of infrastructure assets or land/property assets in 2024/2025.

RAG 1.09 requires all companies to account for leases in accordance with IFRS 16. This has resulted in Yorkshire Water recognising right of use assets within fixed assets and an additional depreciation charge on the right of use assets.

## Table 2E

**Analysis of 'grants and contributions' for the 12 months ended 31 March 2025 – water resources, water Network Plus and wastewater Network Plus**

Line description	Units	DPs	Fully recognised in income statement	Capitalised and amortised (in income statement)	Fully netted off Capex	Total	RAG 4 reference
<b>Grants and contributions – water resources</b>							
Diversions – s185	£m	3	0.000	0.000	0.000	0.000	2E.1
Other contributions (price control)	£m	3	0.000	0.000	0.000	0.000	2E.2
Price control grants and contributions	£m	3	0.000	0.000	0.000	0.000	2E.3
Diversions – NRSWA	£m	3	0.000	0.000	0.000	0.000	2E.4
Diversions – other non-price control	£m	3	0.000	0.000	0.000	0.000	2E.5
Other contributions (non-price control)	£m	3	0.000	0.012	0.000	0.012	2E.6
Total grants and contributions	£m	3	0.000	0.012	0.000	0.012	2E.7
Value of adopted assets	£m	3	0.000	0.000	0.000	0.000	2E.8
<b>Grants and contributions – water Network Plus</b>							
Connection charges	£m	3	0.000	7.708	0.000	7.708	2E.9
Infrastructure charge receipts – new connections	£m	3	0.000	2.701	0.000	2.701	2E.10
Requisitioned mains	£m	3	0.000	4.335	0.000	4.335	2E.11
Diversions – s185	£m	3	0.000	0.502	0.000	0.502	2E.12
Other contributions (price control)	£m	3	0.000	0.346	0.000	0.346	2E.13
Price control grants and contributions before deduction of income offset	£m	3	0.000	15.592	0.000	15.592	2E.14
Income offset	£m	3	0.000	0.006	0.000	0.006	2E.15
Price control grants and contributions after deduction of income offset	£m	3	0.000	15.586	0.000	15.586	2E.16
Diversions – NRSWA	£m	3	0.000	2.618	0.000	2.618	2E.17
Diversions – other non-price control	£m	3	0.000	0.000	0.000	0.000	2E.18
Other contributions (non-price control)	£m	3	0.000	0.233	0.000	0.233	2E.19
Total grants and contributions	£m	3	0.000	18.437	0.000	18.437	2E.20
Value of adopted assets	£m	3	0.000	0.000	0.000	0.000	2E.21

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 2E – continued

Analysis of 'grants and contributions' for the 12 months ended 31 March 2025 –  
water resources, water Network Plus and wastewater Network Plus

Line description	Units	DPs	Fully recognised in income statement	Capitalised and amortised (in income statement)	Fully netted off Capex	Total	RAG 4 reference
<b>Grants and contributions – wastewater Network Plus</b>							
Receipts for on-site work	£m	3	0.000	5.681	0.000	5.681	2E.22
Infrastructure charge receipts – new connections	£m	3	0.000	2.667	0.000	2.667	2E.23
Diversions – s185	£m	3	0.000	0.769	0.000	0.769	2E.24
Other contributions (price control)	£m	3	0.836	0.018	0.000	0.854	2E.25
Price control grants and contributions before deduction of income offset	£m	3	0.836	9.135	0.000	9.971	2E.26
Income offset	£m	3	0.000	0.000	0.000	0.000	2E.27
Price control grants and contributions after deduction of income offset	£m	3	0.836	9.135	0.000	9.971	2E.28
Diversions – NRSWA	£m	3	0.000	0.514	0.000	0.514	2E.29
Diversions – other non-price control	£m	3	0.000	0.000	0.000	0.000	2E.30
Other Contributions (non-price control)	£m	3	0.000	0.945	0.000	0.945	2E.31
Total grants and contributions	£m	3	0.836	10.594	0.000	11.430	2E.32
Value of adopted assets	£m	3	0.000	30.965		30.965	2E.33

Line description	Units	DPs	Water resources	Water Network Plus	Wastewater Network Plus	Total	RAG 4 reference
<b>Movements in capitalised grants and contributions</b>							
b/f	£m	3	0.036	235.288	143.305	378.629	2E.34
Capitalised in year	£m	3	0.012	18.437	10.594	29.043	2E.35
Amortisation (in income statement)	£m	3	0.000	-6.576	-5.506	-12.082	2E.36
c/f	£m	3	0.048	247.149	148.393	395.590	2E.37

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

### Comparison to PR19 (2024/2025 Price Base)

Income totalling £29.0m has been received in the current report year through grants and contributions against a Final Determination of £29.0m, £23.7m in the Capex allowance and £5.3m in Opex allowance.

We have also reported s104 income that we within the fully recognised in income statement category of £0.8m, this did not have a FD allowance.

### Water services

Grants and contributions associated with the wholesale water programme in the current report year total £18.4m which is higher than the Final Determination of £15.4m. Further detail of the how this income is split is explained below:

A total of £7.7m has been received from developers for s45 new connections against a FD allowance of £8.0m. Water infrastructure charge receipts totalling £2.7m against a FD allowance of £1.5m. A total of £4.3m of income on requisitioned water mains, in comparison with FD allowance of £1.3m, has been received due to an increase in requests compared to the level of activity used to calculate the FD allowance.

The remaining income on the water programme relates to income received due to requests to divert our water mains assets which totals £0.5m in the current report year against a FD allowance of £2.7m. We also have some price control other contributions expenditure of £0.3m in water Network Plus, this comes from non-domestic customers who received a benefit from some Network Reinforcement work we completed.

Detail of the associated expenditure reported in year can be found in the commentary for [Table 4N](#).

There is also a total of £2.6m income associated with diverting our mains as part of a NRSWA (New Roads and Street Works Act 1991) requests, against an FD allowance of £1.9m, with the subsequent expenditure reported in [Table 4P](#). There is a small amount of non-price control other contributions of £0.01m in Water Resources received from Northumbrian Water, with a further £0.2m of non-price control other contributions in Water Network Plus. The majority of this income come from our Billing Solutions scheme.

### Wastewater services

Grants and contributions associated with the wholesale wastewater programme in the current report year total £10.6m which is lower than the Final Determination of £13.6m. Further detail of the how this income is split is provided below:

A total of £5.7m is with regards to income on requisitioned sewers in comparison with FD allowance of £2.3m. Wastewater infrastructure charge receipts totalling £2.7m have been received in year which is lower than the FD allowance of £6.4m.

The remaining income on the wastewater programme relates to income received due to requests to divert our sewers which totals £0.8m in the current report year against a FD allowance £1.3m, and a small amount of other price control expenditure of £0.02m.

Detail of the associated expenditure reported in year can be found in the commentary for [Table 4O](#).

There is also a total of £0.5m income associated with diverting our sewers as part of a NRSWA (New Roads and Street Works Act 1991) requests, against an FD allowance of £3.5m, with the subsequent expenditure reported in [Table 4P](#). There is a non-price control other contribution of £0.9m which comes from our Living with Water programme.

We have also reported s104 income that we within the fully recognised in income statement category of £0.8m, this did not have a FD allowance.

### Comparison to Previous Year (2024/2025 Price Base)

Grants and contributions associated with the wholesale water programme has increased by 15% compared to the previous year (£16.1m). The majority of the variance is a reduction in diversions (both s185 and NRSWA) compared to 2023/2024, this is offset by an increase in connection charges and infrastructure charge receipts.

Grants and contributions associated with the wholesale wastewater programme has decreased by 2% compared to the previous year (£10.8m). The majority of the variance is a reduction in diversions (both s185 and NRSWA) compared to 2023/2024, this is offset in part by an increase in requisition.

## Table 2F

### Residential retail for the 12 months ended 31 March 2025

Line description	Revenue	Number of customers	Average residential revenues	RAG 4 reference
Units DPs	£m 3	000s 3	£ 3	
<b>Residential revenue</b>				
Wholesale revenue	947.850			2F.1
Retail revenue	70.888			2F.2
Total residential revenue	1,018.738			2F.3
<b>Retail revenue</b>				
Revenue Recovered ("RR")	70.888			2F.4
Revenue sacrifice	6.000			2F.5
Actual revenue (net)	76.888			2F.6
<b>Customer information</b>				
Actual customers ("AC")		2,305.487		2F.7
Reforecast customers		2,292.838		2F.8
<b>Adjustment</b>				
Allowed revenue ("R")	76.068			2F.9
Net adjustment	-0.820			2F.10
<b>Other residential information</b>				
Average household retail revenue per customer			33.350	2F.11

In 2024/2025 we are reporting £70.9m of household retail revenue from our residential customers.

We have reported a revenue sacrifice of £6.0m in the year, which increases our actual revenue to £76.9m.

The £6m revenue sacrifice relates to the annual £2m, which was included within our PR19 submission, and £4.0m of additional support which is part of the £15m customer support that we announced in June 2022.

Our allowed revenue for 2024/2025 has been calculated to be £76.1m, this takes into account our actual customers in 2024/2025 and the impact of the in-period ODIs from 2022/2023.

Our overall performance in 2024/2025 shows an under recovery of £0.8m.

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report



Table 2I

Revenue analysis for the 12 months ended 31 March 2025

Line description	Units	DPs	Household	Non-household	Total	Water resources	Water Network Plus	Total	RAG 4 reference
Wholesale charge – water									
Unmeasured	£m	3	212.467	1.719	214.186	34.296	179.890	214.186	21.1
Measured	£m	3	223.990	136.075	360.065	50.055	310.010	360.065	21.2
Third party revenue	£m	3	0.000	1.615	1.615	0.000	1.615	1.615	21.3
Total wholesale water revenue	£m	3	436.457	139.409	575.866	84.351	491.515	575.866	21.4
Line description	Units	DPs	Household	Non-household	Total	Wastewater Network Plus	Bioresources	Total	
Wholesale charge – wastewater									
Unmeasured – foul charges	£m	3	162.532	1.797	164.329	128.222	36.107	164.329	21.5
Unmeasured – surface water charges	£m	3	44.922	1.033	45.955	44.350	1.605	45.955	21.6
Unmeasured – highway drainage charges	£m	3	15.752	0.195	15.947	15.440	0.507	15.947	21.7
Measured – foul charges	£m	3	209.056	115.273	324.329	275.042	49.287	324.329	21.8
Measured – surface water charges	£m	3	59.007	14.044	73.051	70.376	2.675	73.051	21.9
Measured – highway drainage charges	£m	3	20.124	7.381	27.505	26.931	0.574	27.505	21.10
Third party revenue	£m	3	0.000	1.185	1.185	1.185	0.000	1.185	21.11
Total wholesale wastewater revenue	£m	3	511.393	140.908	652.301	561.546	90.755	652.301	21.12
Wholesale charge – Additional Control									
Unmeasured	£m	3	0.000	0.000	0.000				21.13
Measured	£m	3	0.000	0.000	0.000				21.14
Total wholesale additional control revenue	£m	3	0.000	0.000	0.000				21.15
Wholesale Total	£m	3	947.850	280.317	1,228.167				21.16
Retail revenue									
Unmeasured	£m	3	22.993	0.000	22.993				21.17
Measured	£m	3	47.582	0.000	47.582				21.18
Retail third party revenue	£m	3	0.313	0.000	0.313				21.19
Total retail revenue	£m	3	70.888	0.000	70.888				21.20

Table 2I – continued  
Revenue analysis for the 12 months ended 31 March 2025

Line description	Units	DPs	Household	Non-household	Total	Wastewater Network Plus	Bioresources	Total	RAG 4 reference
Third party revenue – non-price control									
Bulk supplies – water	£m	3			1.630				2I.21
Bulk supplies – wastewater	£m	3			0.593				2I.22
Other third-party revenue – non price control	£m	3			0.866				2I.23
Principal services – non-price control									
Other appointed revenue	£m	3			0.046				2I.24
Total appointed revenue	£m	3			1,302.190				2I.25

Revenue Analysis

Total wholesale and retail revenue received from household customers for the year 2024/2025 was £1,018.4m, compared to £957.0m in 2023/2024, an increase of £61.4m.

- Household unmeasured income increased by £11.9m to £458.7m (2023/2024: £446.8m).
- Household measured income increased by £49.6m to £559.8m (2023/2024: £510.2m).
- Total wholesale revenue received from non-household customers increased by £12.6m to £277.5m in 2024/2025 (2023/2024: £264.9m), mainly due to price.
- Non household wholesale measured income increased by £11.9m to £272.8m (2023/2024: £260.9m).
- Non household wholesale unmeasured income increased by £0.7m to £4.7m (2023/2024: £4.0m).

Key

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Please refer to RAG 4.II – Guideline for the table definitions in the annual performance report

## Table 2J

### Infrastructure network reinforcement costs for the 12 months ended 31 March 2025

Line description	Units	DPs	Network reinforcement Capex	On site/site specific Capex (memo only)	RAG 4 reference
<b>Wholesale water Network Plus (treated water distribution)</b>					
Distribution and trunk mains	£m	3	4.274	0.000	2J.1
Pumping and storage facilities	£m	3	10.630	0.000	2J.2
Other	£m	3	0.000	0.000	2J.3
Total	£m	3	14.904	0.000	2J.4
<b>Wholesale wastewater Network Plus (sewage collection)</b>					
Foul and combined systems	£m	3	0.573	0.000	2J.5
Surface water only systems	£m	3	0.126	0.000	2J.6
Pumping and storage facilities	£m	3	0.267	0.000	2J.7
Other	£m	3	0.000	0.000	2J.8
Total	£m	3	0.966	0.000	2J.9

### In-year Actual Expenditure (2024/2025 Price Base)

Water network reinforcement expenditure totalling £14.9m has been reported in the current report year. This majority of this expenditure is investment of £10.6m on our Pumping and storage facilities at various sites, the largest scheme reported cost in the year is £5.8m for the upgrade of our mains, pumping station and service reservoir in Elvington due to the new housing estates and prison being built in the area.

Wastewater network reinforcement expenditure totalling £1.0m has been reported in the current report year.

### Comparison to Previous Year (2024/2025 Price Base)

Our water network reinforcement expenditure has increased by 43% compared to the previous year.

Our wastewater network reinforcement expenditure has increased by 46% compared to the previous year.

Please see commentary for tables [4N](#) and [4O](#) for details.

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 2K

### Infrastructure charges reconciliation for the 12 months ended 31 March 2025

Line description	Units	DPs	Water	Wastewater	Total	RAG 4 reference
<b>Impact of infrastructure charge discounts</b>						
Infrastructure charges	£m	3	2.701	2.667	5.368	2K.1
Discounts applied to infrastructure charges	£m	3	0.021	0.747	0.768	2K.2
Gross Infrastructure charges	£m	3	2.722	3.414	6.136	2K.3
<b>Comparison of revenue and costs</b>						
Variance brought forward	£m	3	-19.183	12.572	-6.611	2K.4
Revenue	£m	3	2.701	2.667	5.368	2K.5
Costs	£m	3	-14.904	-0.966	-15.870	2K.6
Variance carried forward	£m	3	-31.386	14.273	-17.113	2K.7

### In-year Actual Expenditure (2024/2025 Price Base)

As agreed in our proposed developer charging framework, we moved immediately to a suite of fully cost reflective developer charges to only recover costs associated with developer driven network reinforcement activity. It was agreed that until 2023 when a five-year rolling average must be used, we would build our infrastructure charges from 2018 on an incremental basis to reflect any changes to the relating expenditure in comparison to the assumptions in the Final Determination.

The water network reinforcement expenditure of £14.9m within the year and the carried forward variance of (£19.2m) is compared to the revenue of £2.7m, this leaves a variance of (£31.4m).

Our wastewater network reinforcement expenditure of £1.0m is much lower than the forecast activity, this when added to the balance of £12.6m leaves a variance of £14.3m against the £2.7m of revenue.

### Infrastructure Charges

The total value of 'Discounts Applied to Infrastructure Charges' for 2024/2025 is made up of two components. The first is the total value of environmental discounts applied to water and foul infrastructure charges based on the value of charge reductions for new developments with water efficient fittings. Our discounts are derived from the industry 'Water Calculator' and based on a reducing multiplier that measure daily forecast water consumption below 110lpppd (Litres Per Person Per Day).

The second component is the total value of Surface Water Drainage (SWD) charges 'not charged' where surface water for new developments is discharged to a watercourse or soak away rather than into the YWS network. These properties are identified from our central billing records where new properties have not been set up without an annual SWD charge.

In 2024/2025 we have continued to promote our environmental discounts in both our annual charges book and at consultations with our customers. The value of our total discount (water and waste) has reduced from £1.012m (2022/2023) to £0.748m (2024/2025) due to lower volumes of new properties connected – see [Table 4Q](#).

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 2L  
Analysis of land sales for the 12 months ended 31 March 2025

Line description	Units	DPs	Water resources	Water Network Plus	Wastewater Network Plus	Additional control	Total	RAG 4 reference
Land sales – proceeds from disposals of protected land	£m	3	0.007	0.395	0.157	0.014	0.573	2L.1

- Protected land sales of £0.6m include sales of surplus land on water treatment sites.
- There were 6 disposals of protected land in 2024/2025 of which none of these were above the threshold for reporting to Ofwat.



Table 2M

Revenue reconciliation for the 12 months ended 31 March 2025 – wholesale

Line description	Units	DPs	Water resources	Water Network Plus	Wastewater Network Plus	Bioresources	Additional Control	Total	RAG 4 reference
Revenue recognised									
Wholesale revenue governed by price control	£m	3	84.351	491.515	561.546	90.755	0.000	1,228.167	2M.1
Grants & contributions (price control)	£m	3	0.000	15.586	9.971	0.000	0.000	25.557	2M.2
Total revenue governed by wholesale price control	£m	3	84.351	507.101	571.517	90.755	0.000	1,253.724	2M.3
Calculation of the revenue cap									
Allowed wholesale revenue before adjustments (or modified by CMA)	£m	3	85.586	498.021	555.895	95.186	0.000	1,234.688	2M.4
Allowed grants & contributions before adjustments (or modified by CMA)	£m	3	0.000	13.407	9.996	0.000	0.000	23.403	2M.5
Revenue adjustment	£m	3	-0.926	-9.706	5.875	-2.536	0.000	-7.293	2M.6
Other adjustments	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	2M.7
Revenue cap	£m	3	84.660	501.722	571.766	92.650	0.000	1,250.797	2M.8
Calculation of the revenue imbalance									
Revenue cap	£m	3	84.660	501.722	571.766	92.650	0.000	1,250.797	2M.9
Revenue Recovered	£m	3	84.351	507.101	571.517	90.755	0.000	1,253.724	2M.10
Revenue imbalance	£m	3	0.309	-5.379	0.249	1.895	0.000	-2.927	2M.11

Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report



### Water resources price control

In 2024/2025 the wholesale water resources revenue recognised is £84.4m compared to the revenue cap of £84.7m, an under recovery of £0.3m – (0.37%)

Within our PR24 submission we assumed that the revenue recovered would be aligned with the revenue allowance, the impact of this variance will be assessed through the PR24 blind year reconciliation process.

### Water Network Plus price control

In 2024/2025 the wholesale water Network Plus revenue recognised is £507.1m, however within this revenue number there is £1.4m of third party recharges that have to be excluded when comparing to the revenue cap of £501.7m.

This results in an over recovery of £4.0m, 0.79%.

Within our PR24 submission we assumed that the revenue recovered would be £3.4m under the revenue allowance, the impact of this variance will be assessed through the PR24 blind year reconciliation process.

### Wholesale wastewater Network

#### Plus price control

In 2024/2025 the wholesale wastewater Network Plus revenue recognised is £571.5m, however within this revenue number there is £0.2m of third party recharges that have to be excluded when comparing to the revenue cap of £571.8m.

This results in an under recovery of £0.4m, (0.07%).

Within our PR24 submission we assumed that the revenue recovered would be £0.6m under the revenue allowance, the impact of this variance will be assessed through the PR24 blind year reconciliation process.

### Bioresources price control

In 2024/2025 the bioresources revenue recognised is £90.8m compared to the revenue cap of £92.7m, an under recovery of £1.9m – (2.05%).

Within our PR24 submission we assumed that the revenue recovered would be £0.06m under the revenue allowance, the impact of this variance will be assessed through the PR24 blind year reconciliation process.



## Table 2N

### Residential retail – social tariffs

Line description	Revenue	Number of customers	Average amount per customer	RAG 4 reference
Units DPs	£m 3	000s 3	£ 3	
<b>Number of residential customers on social tariffs</b>				
Residential water only social tariffs customers		0.071		2N.1
Residential wastewater only social tariffs customers		2.199		2N.2
Residential dual service social tariffs customers		84.090		2N.3
<b>Number of residential customers not on social tariffs</b>				
Residential water only no social tariffs customers		114.917		2N.4
Residential wastewater only no social tariffs customers		130.088		2N.5
Residential dual service no social tariffs customers		1,974.122		2N.6
<b>Social tariff discount</b>				
Average discount per water only social tariffs customer			98.592	2N.7
Average discount per wastewater only social tariffs customer			116.417	2N.8
Average discount per dual service social tariffs customer			219.562	2N.9
<b>Social tariff cross-subsidy – residential customers</b>				
Total customer funded cross-subsidies for water only social tariffs customers	0.005			2N.10
Total customer funded cross-subsidies for wastewater only social tariffs customers	0.171			2N.11
Total customer funded cross-subsidies for dual service social tariffs customers	12.350			2N.12
Average customer funded cross-subsidy per water only social tariffs customer			0.043	2N.13
Average customer funded cross-subsidy per wastewater only social tariffs customer			1.293	2N.14
Average customer funded cross-subsidy per dual service social tariffs customer			6.000	2N.15
<b>Social tariff cross-subsidy – company</b>				
Total revenue forgone by company to fund cross-subsidies for water only social tariffs customers	0.002			2N.16
Total revenue forgone by company to fund cross-subsidies for wastewater only social tariffs customers	0.085			2N.17
Total revenue forgone by company to fund cross-subsidies for dual service social tariffs customers	6.113			2N.18
Average revenue forgone by company to fund cross-subsidy per water only social tariffs customer			28.169	2N.19
Average revenue forgone by company to fund cross-subsidy per wastewater only social tariffs customer			38.654	2N.20
Average revenue forgone by company to fund cross-subsidy per dual service social tariffs customer			72.696	2N.21

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

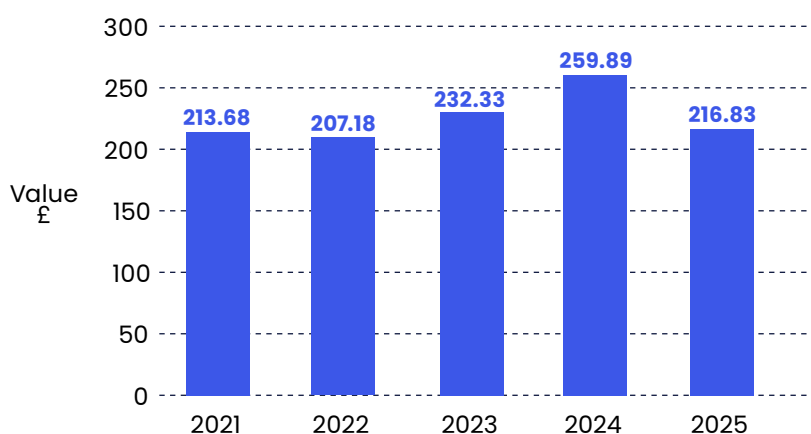
## Table 2N – continued

### Residential retail – social tariffs

Line description	Revenue	Number of customers	Average amount per customer	RAG 4 reference
Units DPs	£m 3	000s 3	£ 3	
<b>Social tariff support – willingness to pay</b>				
Level of support for social tariff customers reflected in business plan			4.000	2N.22
Maximum contribution to social tariffs supported by customer engagement			6.000	2N.23
<b>Section B – WaterSure tariffs</b>				
<b>WaterSure tariffs</b>				
Number of unique customers on WaterSure		15.261		2N.24
Total reduction in bills for WaterSure customers	5.989			2N.25
Average reduction in bills for WaterSure customers			392.410	2N.26

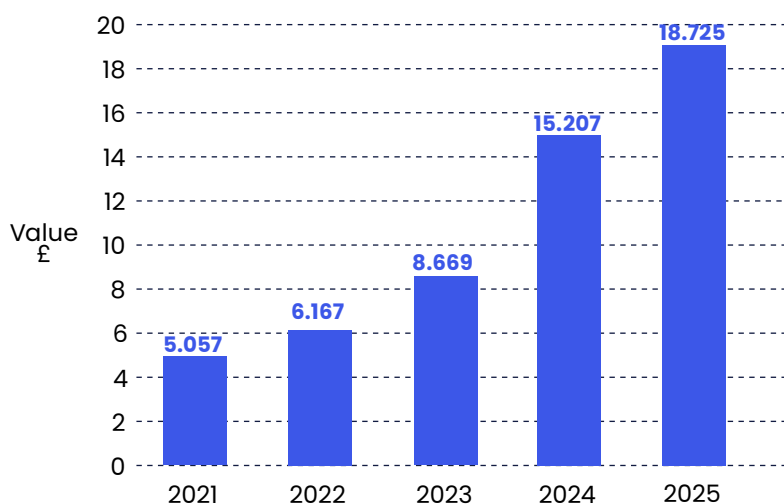
2024/2025 has seen a £216.83 in the average discount per dual service social tariff customer compared to previous year.

#### Average discount per dual social tariff customer £



We have seen an increase in the total social tariff subsidy:

#### Total social tariff subsidy £m



#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report



This ties in with the increase in the number of customers being supported with social tariffs. We have seen a 26k increase, with 86k being the weighted average number supported.

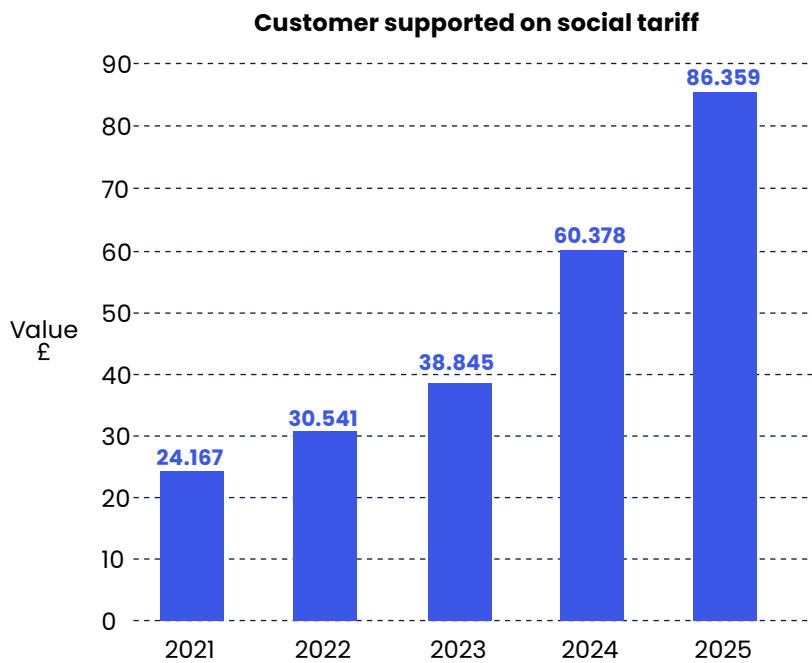


Table 20

Historic cost analysis of intangible fixed assets

Line description	Units	DPs	Residential Retail	Business Retail	Water Resources	Water Network Plus	Wastewater Network Plus	Bioresources	Additional Control	Total	RAG 4 reference
Cost											
At 1 April 2024	£m	3	38.372	0.000	3.148	22.251	350.979	0.149	0.000	414.899	2O.1
Disposals	£m	3	-0.051	0.000	-0.256	-0.378	-39.705	0.000	0.000	-40.390	2O.2
Additions	£m	3	8.125	0.000	0.734	4.201	68.922	0.006	0.000	81.988	2O.3
Adjustments	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2O.4
Assets adopted at nil cost	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2O.5
At 31 March 2025	£m	3	46.446	0.000	3.626	26.074	380.196	0.155	0.000	456.497	2O.6
Amortisation											
At 1 April 2024	£m	3	-6.425	0.000	-1.125	-7.223	-121.673	-0.041	0.000	-136.487	2O.7
Disposals	£m	3	0.051	0.000	0.256	0.378	39.705	0.000	0.000	40.390	2O.8
Adjustments	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2O.9
Charge for year	£m	3	-7.081	0.000	-0.773	-3.535	-37.816	-0.024	0.000	-49.229	2O.10
At 31 March 2025	£m	3	-13.455	0.000	-1.642	-10.380	-119.784	-0.065	0.000	-145.326	2O.11
Net book amount at 31 March 2025	£m	3	32.991	0.000	1.984	15.694	260.412	0.090	0.000	311.171	2O.12
Net book amount at 1 April 2024	£m	3	31.947	0.000	2.023	15.028	229.306	0.108	0.000	278.412	2O.13
Amortisation for year											
Principal services	£m	3	-7.081	0.000	-0.773	-3.535	-37.816	-0.024	0.000	-49.229	2O.14
Third party services	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2O.15
Total	£m	3	-7.081	0.000	-0.773	-3.535	-37.816	-0.024	0.000	-49.229	2O.16

Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report



Table 20 analyses changes in the intangible fixed assets of both wholesale and retail activities of Yorkshire Water.

Accounting policies in relation to fixed assets and depreciation are set out in full in note 1 of the statutory Annual Report and Financial Statements which can be found on the reports page here:

[yorkshirewater.com/about-us/reports](https://yorkshirewater.com/about-us/reports)

The table above details that the net book value of intangible fixed assets at 31 March 2025 amounts to £311.2m, an increase of £32.8m since the start of the year. This movement includes:

- Additions of £82.0m, mainly due to investment in modernisation of operational software systems and improvements to customer service and billing systems.
- Amortisation in the year is £49.2m, an increase of £6.3m on 2023/2024 due to the increased investment in software detailed above.
- Disposals in the year consist of asset-life expired software.





# Table 3: Performance summary

## Introduction

The information in this section details the 'Performance Summary' as required by Ofwat. A breakdown of how we performed against each of our Performance Commitments can be found in [section 3](#). The information in this section comprises the following tables:

<a href="#">Pro forma 3A</a>	Outcome performance – Water common performance commitments
<a href="#">Pro forma 3B</a>	Outcome performance – Wastewater common performance commitments
<a href="#">Pro forma 3C</a>	Customer measure of experience (C-MeX) table
<a href="#">Pro forma 3D</a>	Developer services measure of experience (D-MeX) table
<a href="#">Pro forma 3D</a>	Outcome performance – Non financial performance commitments
<a href="#">Pro forma 3F</a>	Underlying calculations for common performance commitments – water and retail
<a href="#">Pro forma 3G</a>	Underlying calculations for common performance commitments – wastewater
<a href="#">Pro forma 3H</a>	Summary information on outcome delivery incentive payments
<a href="#">Pro forma 3I</a>	Supplementary outcomes information

## AtkinsRéalis assurance report

AtkinsRéalis



**AMP 7 Technical  
Assurance Provider**

100108243/JAJ/OUT/148

9<sup>th</sup> July 2025

# ASSURANCE OF YORKSHIRE WATER 2024/25 ANNUAL PERFORMANCE REPORT

# AtkinsRéalis assurance report

## Notice

This document and its contents have been prepared and are intended solely as information for Yorkshire Water and use in relation to 2024/25 Annual Performance Assurance Report.

AtkinsRéalis assumes no responsibility to any other party in respect of or arising out of or in connection with this document and/or its contents.

### Document history

Revision	Purpose description	Originated	Checked	Reviewed	Authorised	Date
1.0	For client for review	Various	RD	JAJ	JAJ	11/06/25
2.0	New information added	Various	RD	JAJ	JAJ	13/06/25
3.0	Updates following review meeting	Various	RD	JAJ	JAJ	16/06/25
4.0	Updates following closure of remaining issues.	Various	RD	JAJ	JAJ	01/07/25
5.0	Update following completion of PR19 Blind Reconciliation	GJ	RD	JAJ	JAJ	09/07/25



# AtkinsRéalis assurance report

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# AtkinsRéalis assurance report

## Assurance Statement

AtkinsRéalis is engaged by Yorkshire Water to provide independent assurance on technical and some financial aspects of the annual reporting activities that Yorkshire Water carries out. This statement is part of a continuous improvement process that has involved detailed consideration of the methodologies and their application by which Yorkshire Water reports on its performance at financial year end. We presented our findings to the Yorkshire Water Executive Committee on 17<sup>th</sup> June 2025, Customer Forum on 19<sup>th</sup> June 2025 and the Yorkshire Water Audit and Risk Committee on 8<sup>th</sup> July 2025.

Our approach to technical assurance is to draw upon our experiences at previous rounds of audit and to plan in detail who should be present, what information will be covered, where and when. We issue a notification, carry out the audit, provide immediate verbal feedback and a formal feedback summary including requests for further information or clarification with a table of issues raised. The issues from all the audits and subsequent interactions are compiled into an Issues Log, which is used to manage the resolution of reporting issues before the finalisation of the technical assurance process. This statement reflects the technical assurance position after the iterative process of resolving outstanding issues has concluded.

The areas in scope for this assurance are:

- Data and commentary reported as part of the Annual Performance Report (APR) to Ofwat:
  - Table 3A, 3B, 3E, 3F, 3G, 3H and 3I - Outcome performance tables (common and bespoke measures)
  - Table 3C – C-MeX
  - Table 3D – D-MeX
  - Table 2B, 2E, 2K, 2N, 4A, 4D; 4E, 4F, 4G, 4J, 4K, 4L, 4M, 4N, 4O, 4P, 4Q, 4R, 4Z, 5A, 6A, 6B, 6C, 6D, 7B, 7C, 7D, 7E, 7F, 8A, 8C, 8D, 10G, 11A – Asset and financial data
  - Table 11A including process and traffic light system for embedded Green House Gas emissions
  - Bioresources Market Information and Market Activity
  - Past delivery data and PR19 blind year reconciliation (end of AMP additional requirement)
  - Condition G Licence Statement
  - Ofwat additional data request – average time properties experience low pressure
- DWI submissions for Drinking Water Quality Contacts and reporting related to Compliance Risk Index and Events Risk Index
- Report to CCW
- Reporting to Environment Agency
- Reporting to Water UK

In a series of over 80 virtual meetings from April to June 2025 we carried out combined methodology and data audits designed to confirm whether:

- Yorkshire Water has appropriate systems, procedures and reporting mechanisms in place to control and meet its reporting obligations.
- Yorkshire Water understands the accuracy of the data that it is providing and is able to identify where specific reported data may not be appropriate to meet regulatory expectations. Many of the items that we audit inherently contain an element of uncertainty, so it is not possible to assure their absolute accuracy.
- The key assumptions and processes that are used to report against Yorkshire Water's Performance Commitments are consistent with the way that the target was set for the PR19 Final Determination or through the Competition and Markets Authority process.
- The methodologies that have been used for reporting of the common metrics are consistent with the technical guidance that published by Ofwat, and where there are shortfalls these have been identified appropriately using the Red, Amber, Green classifications provided by Ofwat in the RAG Compliance Checklists.

For the areas we cover and from the information we have been provided, we conclude that the Company has a full understanding of and has sufficient processes and internal systems of control to meet its reporting obligations. We also conclude that the Company has appropriate systems and processes in place to allow it to manage its reporting risks. Established reporting processes demonstrate either consistent good practice or improvements from previous years. We can see further positive progress has been made on the methodologies, documentation and supporting evidence for reporting. We have also seen a positive audit process, with challenge embraced and responded to.

There were in total 26 changes to reported data which were identified through the audit process and would have been material to this year's reporting but have been addressed prior to submission.





# AtkinsRéalis assurance report

In relation to Performance Commitments, there are 6 areas where we identified “Amber” reporting risks to the business. This indicates shortfalls in methodology or that it is still in development, that there is incomplete data or minor errors that does not materially impact on the performance reported relative to targets and threshold values, or if there are potential material issues in the accuracy of the reported values that this has been exposed to Ofwat. The “Ambers” relate to:

1. 3A.4 Per capital consumption - There is an underlying concern about the accuracy of customer meters and newer domestic meters. The Meter Under Registration (MUR) issue on newer meters also effects the Domestic Customer Monitor from which PCC is derived. This is not a new issue, it was also highlighted last year.
2. 3A.14 Low pressure – The time taken to investigate and resolve data and logger issues introduces some uncertainty in the reporting. The Company continues to increase logger coverage, now at 80%, which also promotes higher confidence in the reporting. These are not new issues, they have been highlighted previously.
3. 3B.3 Sewer collapses – There is a lack of robustness around the process for checking whether collapse causes in the sewer flooding and pollution datasets should also be classified as reportable collapses. There is therefore some uncertainty in the accuracy of the reported value, which is reflected in the Company's stated confidence grade that the value could be in the range of 10% to 25% higher. We confirmed that this does not impact on the determination of any penalty.
4. 3B.5 Length of river improved - We are able to confirm the reporting although we note that Yorkshire Water has only received informal acceptance for two of the reported schemes rather than formal written confirmation. We believe that Yorkshire Water has taken a pragmatic and in our opinion appropriate approach to count these schemes in its reporting although there remains a small residual risk until formal notification is received, which the Company has exposed in its commentary to Ofwat.
5. 3B.10 Surface water management - There are known weaknesses in both the Company's methodology and gaps in the data that is available, which has led to a reduction in the value that is now being reported. This is not a new issue, it was also highlighted last year.
6. 3C.5 to 7 Household complaints - This year a significant amount of quality assurance checks have been carried out of customer contacts, which is a positive step, but in the Company's view the sampling is not robust enough to provide reliable results about the accuracy of the reporting. Those checks indicate under reporting of complaints, and the Company has stated a confidence grade between 10% to 25%, and we think the evidence suggests it is more likely to be at the upper end of that range. The Company has been transparent about this in its commentary to Ofwat. This is not a new issue, it was also highlighted last year.

Overall, we believe that the published metrics provide a fair and reasonable account of Yorkshire Water's performance in 2024/25. While we observed a number of issues for which we provide comment within this report, these do not impact materially upon the potential to sign-off the Company submission.

We confirm that Yorkshire Water has provided us with full and transparent access to its systems and processes, including unrestricted access to all systems, files and documents that we requested from the Company. During the assurance activities, we had free access to the Regulation team and the cooperation of the people responsible for preparing and reporting the 2024/25 APR and other regulatory submissions.

**Julian Jacobs**

Regulation Director and Lead Technical Assurer to Yorkshire Water

# AtkinsRéalis assurance report

## 1. Scope of work

AtkinsRéalis has been appointed to provide external assurance on the regulatory submissions presented by Yorkshire Water to Ofwat under the conditions set out in its Licence with the Secretary of State. There is also associated regulatory reporting to the EA, DWI, Water UK, CC Water and for Customers which falls within the scope of our assurance.

The areas in scope for assurance are:

- Data and commentary reported as part of the Annual Performance Report (APR) to Ofwat:
  - Table 3A, 3B, 3E, 3F, 3G, 3H and 3I - Outcome performance tables (common and bespoke measures) including assurance of RAG Compliance Checklists where applicable
  - Table 3C – C-MeX
  - Table 3D – D-MeX
  - Table 2B, 2E, 2K, 2N, 4A, 4D; 4E, 4F, 4G, 4J, 4K, 4L, 4M, 4N, 4O, 4P, 4Q, 4R, 4Z, 5A, 6A, 6B, 6C, 6D, 7B, 7C, 7D, 7E, 7F, 8A, 8C, 8D, 10G, 11A – Asset and financial data
  - Table 11A including process and traffic light system for embedded Green House Gas emissions
  - Bioresources Market Information and Market Activity
  - Condition G Licence Statement
  - Ofwat additional data request – average time properties experience low pressure
- DWI submissions for Drinking Water Quality Contacts and reporting related to Compliance Risk Index and Events Risk Index
- Report to CCW
- Reporting to Environment Agency
- Reporting to Water UK

The scope of our assurance for the updated past delivery data for the PR19 blind year reconciliation focused on the following requirements detailed in IN 25/02:

- PR19 blind year reconciliation
- The past delivery data table for the blind year reconciliation
- Strategic regional water resources reconciliation model
- Updated versions of the following models:
  - ODI performance
  - In-period adjustments
  - Strategic regional water resources
  - RPI-CPIH wedge

It should be noted that the following were not within our scope:

- Assurance of the outperformance or underperformance payments for 2024/25
- Assurance of the underlying processes for identifying GSS events and Customer Charter triggers. Our assurance is limited to confirming the accuracy of the GSS and Customer Charter payments made (customer numbers and values) reported in Table 4Z Section C

## 2. Key Findings

We confirm that Yorkshire Water has provided us with full and transparent access to its systems and processes, including unrestricted access to all systems, files and documents that we requested from the Company. During the assurance activities, we had free access to Regulation team and the full cooperation of the people responsible for preparing and reporting the 2024/25 APR and regulatory submissions and the supporting information.

### 2.1 Categorisation of Issues

As with previous years we classify our findings into 'Red', 'Amber' and 'Green' categories. The definition for each category as follows:



# AtkinsRéalis assurance report

Categories	Definition
<b>Red</b>	These are material reporting risks to the Company relating to either the application of the methodology, the accuracy of the reported data and/or the meeting of a performance commitment.
<b>Amber</b>	These are significant issues where we identified reporting risks to the business. They may relate to the methodology and/or data, however they do not alter the performance reported relative to targets and threshold values, or the impact on performance has been exposed by the Company in its commentary to Ofwat.
<b>Green</b>	These signifies either no issues or relatively minor issues that are designed to provide continuous improvement to the reporting process and are highlighted within the individual audit summaries that we provide for the Company.

We identified 319 issues during our assurance activities. We categorise the issues raised both initially and then the categorisation if and when they are closed. From the initial categorisation, there were 26 Red issues, 145 Amber issues and 148 Green issues identified.

Categorisation	Initial	Final	Open
<b>Red</b>	24 (8%)	1 (<1%)	0 (0%)
<b>Amber</b>	145 (46%)	29 (9%)	2 (100%)
<b>Green</b>	148 (46%)	287 (91%)	0 (0%)
<b>Total</b>	<b>319</b>	<b>317</b>	<b>2</b>

The Company has addressed all the issues within its control and can be considered as resolved for APR-25 (93 of issues have been marked as revisit next year). There are 2 issues open which relate to the fact that the Company is reporting provisional scores issued by the Drinking Water Inspectorate (DWI) for the Compliance Risk Index (CRI) and the Events Risk Index (ERI). There is still therefore a risk that the final scores may change, although it should be noted there is no further action that Yorkshire Water can do to close these issues as the Company is awaiting notification from the DWI.

## 2.2 AMP7 Performance Commitments

We have reviewed all the financial and non-financial PCs on a PC-by-PC basis as part of our assurance work and capture our findings below. Any weaknesses have been identified but overall we are satisfied that the PC requirements have been met.

**Table 2-1 Summary of financial PCs reviewed**

Performance Commitment	Findings	Methodology	Data
3A.1 Water quality compliance (CRI)	The CRI is calculated by the DWI based on supporting data provided by Yorkshire Water during the year and the reported score may be subject to change as Yorkshire Water is waiting on the final confirmation from DWI. We found the Company's methodology and systems to be robust, appropriate and effective checks and controls have been built in, and we were satisfied that the data reported to the DWI and ultimately to Ofwat through this Performance Commitment appears reliable, accurate and complete.	Green	Green
3A.2 Water supply interruptions	We confirmed through our assurance activities that Yorkshire Water's is fully compliant with the common methodology. The data can be considered as reliable, accurate, and complete, with robust methodologies and controls in place to support the reported figures. The RAG Compliance Checklist that has been submitted is in our opinion a fair reflection of its methodology.	Green	Green
3A.3 Leakage	For Leakage, we confirmed through our assurance activities that all Components of the Compliance Checklist are correctly assessed as Green, with some sub-components assessed as not fully compliant but with no material impact on reported performance. The overall methodology and its application for the reporting of leakage is therefore in our opinion robust. Two Elements of Component 13 Unmeasured consumption are assessed as Amber. These relate to the representativeness of the Domestic Consumption Monitor (13c) and the meter under-registration of the Domestic Consumption Monitor (13h). There remains concern about the accuracy of customer meters and in particular newer domestic meters, as discussed below under 3A.4 PCC. The Distribution Input (DI) meter asset stock is old, average age 19 years, is	Green	Green

# AtkinsRéalis assurance report

	losing accuracy and replacement rates are not keeping up with the deterioration rates. The inaccuracy through meter under-registration (MUR) is accommodated within the MLE adjustments made when reporting leakage. However, this is not sustainable in our opinion. One element of Component 15 Other Water Use is Amber as the estimated water delivered unbilled (legally or illegally) (15b) at 2.2% is greater than 1.8% of the Distribution Input. There is a body of evidence to support the reported figure. One element of Component 16 Water balance and MLE is Amber as the Water Balance discrepancy (16e) at 2.1% is greater than 2% and under 3%. This discrepancy is accounted for by appropriate use of the MLE adjustments.		
3A.4 Per capita consumption	For Per Capita Consumption, we confirmed through our assurance activities that all Components of the Compliance Checklist are correctly assessed as Green, with one of the sub-components assessed as not fully compliant but with no material impact on reported performance. Two elements of Component 4 Unmeasured household consumption are assessed as Amber. These concern the representativeness of the Domestic Consumption Monitor (4c) and the meter under registration of the Domestic Consumption Monitor (4g). We have expressed our concern and the need for urgent action to improve the Domestic Consumption Monitor. An ongoing study by WRC notes that Yorkshire Water's 15mm meter stock is made up primarily of a type of meter which in the last 5 years appear to have declined in quality and accuracy. The Meter Under Registration (MUR) issue on newer meters also effects the Domestic Customer Monitor from which PCC is derived. The less accurate meters should in our opinion be swapped out. This is not a new issue, it was also highlighted last year.	Green	Amber
3A.5 Mains repairs	For Mains Repairs, we confirmed through our assurance activities that Yorkshire Water's is fully compliant with the common methodology. The RAG Compliance Checklist that has been submitted is in our opinion a fair reflection of its methodology. All of our random data checks on jobs closed as bursts and exclusions were satisfactory and in accordance with the Company's methodology. Following last year's consolidation of the new software system (FYLD) for Data Collection introduced two years ago, it has been evident that FYLD enables a higher quality of data to be captured through video, narrative, and timeline. This allows the Company to have a better understanding of jobs that are raised and the accuracy as to whether they are Mains Repairs or not, hence the robustness of the reporting has been enhanced.	Green	Green
3A.6 Unplanned outage	For Unplanned Outage, we confirmed through our assurance activities that Yorkshire Water's is fully compliant with the common methodology. The RAG Compliance Checklist that has been submitted is in our opinion a fair reflection of its methodology. The reporting of unplanned and planned outage is strongly tied into the management of outage and is subject to detailed scrutiny and checking. The supporting documentation and validation is comprehensive and robust. The temperate climatic conditions over the year have been favourable for the outage performance, and the reported figure is an improvement on last year's value of 2.95%. However, with a committed performance level of 2.48%, the Company has missed the PC target of 2.34%. This is the final year for which water quality exclusions are allowed. The reported figure for unplanned outage would be 3.7% if included. This confirms that future (AMP8) performance requirements will be challenging in the absence of the facility to exclude outages for raw water quality reasons. Much work will need to be done to improve the resilience of the water treatment facilities to raw water quality deterioration, through process or operational practice improvements.	Green	Green
3A.7 Working with others	Assurance for APR-25 included a specific requirement set out in Yorkshire Water's PR19 Final Determination to commission and publish a report by an appropriately qualified third party to estimate the additional benefits delivered to customers as a result of the Company working with third parties and setting out any learning that would increase the benefits of partnerships in the future. We have completed this requirement in the form of a separate standalone report for Ofwat. Our findings are also summarised here. Based upon the assurance activities that we have undertaken, we confirm that: <ul style="list-style-type: none"> <li>The cumulative number of projects delivered by Yorkshire Water over the five year AMP7 is 46</li> <li>Projects meet the definition of activities where the Company has contributed to direct financial and in-kind support, capital or operational programmes, investigations or and feasibility studies</li> </ul>	Green	Green

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	<ul style="list-style-type: none"> <li>Projects meet the definition of partnerships where the Company has engaged in activity with independent not for profit third-party organisations, agencies and/or individuals for the delivery of a shared objective</li> <li>The estimate of additional benefits delivered to customers is a true and fair reflection of the outputs and outcomes from said projects. As part of our assurance activities we identified additional benefits that were not being reported by the Company and adjustments have been made as a result of our findings. There is still the potential risk that some benefits have not been systematically captured, especially from projects delivered in the early years when the understanding around benefits capture was less mature, and therefore that the Company may be under-reporting but we think the materiality is relatively small</li> <li>There is a strong body of evidence to justify the benefits from the partnership approach and lessons learned which can be applied to increase the benefits derived from projects in the future</li> </ul>		
3A.8 Land conserved and enhanced	The methods used by the Company are robust and in line with reporting guidance. We are satisfied with the accuracy of the reported data. The Company is outperforming the Year 5 cumulative target by an additional 2,900 hectares.	Green	Green
3A.9 Education	We consider the methods used by the Company to be robust and comprehensive and we were satisfied with the accuracy of the reported data. The Company is outperforming the Year 5 target by an additional 10,407 hours of education delivered.	Green	Green
3A.10 Gap sites	The Company's methodology is appropriate and we are satisfied that the reporting is robust based on the checks that we have undertaken. As part of this PC, there is also a requirement to report separately the number of Gaps sites identified which are also Voids. The Company is unable to determine the void status of all the properties identified as Gap sites. There are currently 38% of properties with a 'Don't know' marker. This limitation has been made clear in the Company's commentary.	Green	Green
3A.11 Managing void properties	This reporting line is a calculation of the percentage of voids from the properties counts in Table 4R. The Company's approach to identifying, reducing and reporting voids is appropriate and aligns with good practice we have seen elsewhere. The properties reporting appears to be reliable, accurate and complete and the calculation was correct.	Green	Green
3A.12 Drinking water contacts	The Company's overall methodology and reporting is robust and appropriate. Yorkshire Water has embedded comprehensive checks which should ensure its reporting is robust, however as in previous years, we identified a small number of contacts that are miscategorised due to human error, and which required a subsequent adjustment in the reporting from 9.3 to 9.4, and thus a slight increase in the penalty incurred. The impact of both this error and also another error identified on the wider DWI definition of customer contacts to the DWI means that regulatory submission to the DWI has also been resubmitted.	Green	Green
3A.13 Significant water supply events	The underlying methodology for reporting significant water supply events is robust with every significant event being reviewed in detail. The calculation method differs from the supply interruptions in two respects: the incident start time is recorded as the moment the company became aware of the incident and the precautionary principle is not applied. Instead, Yorkshire Water uses a best central estimate based on a detailed incident review and in some cases this requires professional judgement. While we found no evidence of incorrect assessments, this approach carries a small risk that some significant events could inadvertently be missed.	Green	Green
3A.14 Low pressure	The Company has comprehensive processes in place for reporting properties with low pressure. Pressure logger coverage is at 80% and the Company has plans to further increase it which we concur is required. As is normal industry practice, incidents of low pressure are investigated to confirm the validity of the results. These investigations consider network system issues, logger performance, exceptional demand and potential third party interference. We have noted that there were 31 pressure incidents under investigation at year end and are aware of one investigation remaining unresolved over the entire reporting year. This introduces uncertainty to the reported figure, although it is not possible to determine the materiality or any adjustments that would be made should all investigations be concluded. On this basis, we assess the reported data as Amber.	Green	Amber
3A.15 Repairing or replacing	Overall, the methodology is appropriate and the data appears to be robustly reported. The reporting is based on manual trawl of spreadsheets supported by photos and videos from a software tool.	Green	Green



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customer owned pipes			
3B.1 Internal sewer flooding	For Internal Sewer Flooding, we confirmed through our assurance activities that Yorkshire Water's is fully compliant with the common methodology. The RAG Compliance Checklist that has been submitted is in our opinion a fair reflection of its methodology. Overall, the methodology and reporting are appropriate and robust. The sewer flooding management team demonstrate a continual improvement mindset and this is evidenced through the process and governance initiatives that have been embedded over the AMP. The process is being managed and controlled proactively by the management team. A few gaps and inconsistencies in application and the gathering of data and information to support incident classification were identified and we made minor suggestions about how to improve the reporting of this measure.	Green	Green
3B.2 Pollution incidents	Overall, pollutions reporting is being managed appropriately. The methodology is robust and aligns with Ofwat guidance. The reported performance can be considered reliable, accurate and complete. There are significant performance challenges for AMP8. The EA is implementing a number of changes including uprating the classification of incidents from Category 4 to Category 3, looking for evidence of sewage fungus, and reviewing the process for retrospectively including pollutions assessed from event duration monitoring.	Green	Green
3B.3 Sewer collapses	For Sewer Collapses, we confirmed through our assurance activities that Yorkshire Water's is fully compliant with the common methodology. The RAG Compliance Checklist that has been submitted is in our opinion a fair reflection of its methodology. While the issue relating to the accuracy of the data may result in potential under-reporting, this does not impact on the RAG classification and the confidence level is still significantly below the PC target and has no impact on incurring a penalty for the performance. The Company accepts that there is still room for improvement in relation to cross-checking and reconciling with the Internal Sewer Flooding, External Sewer Flooding and Pollution Performance Commitments but it is not clear if this would impact on the reporting. The data quality issues are reflected in the Company's stated confidence grade of +/-25%, which our own checks confirmed. Progress is being made to improve the approach to reconciliation of the various Performance Commitment measures by integrating teams with reporting responsibilities and the Company plans to increase efforts in this area next year.	Amber	Amber
3B.4 Treatment works compliance	The methodology is robust, aligns with Ofwat guidance, and the reported performance can be considered reliable, accurate and complete. We have made a small number of recommendations to improve process and documentation however we did not identify any issues with the reporting.	Green	Green
3B.5 Length of river improved	Processes are robust and in line with guidance. We were able to confirm the reporting although we note that Yorkshire Water has only received informal acceptance for two of the reported schemes rather than formal written confirmation. The Final Determination states that the length can only be counted once the Environment Agency has agreed all schemes to achieve the improvement have been delivered and each scheme meets the requirements so on this basis we believe that Yorkshire Water has taken a pragmatic and in our opinion appropriate approach to count these schemes in its reporting although there remains a small residual risk until formal notification is received. The Company has exposed this issue in its commentary to Ofwat.	Green	Amber
3B.6 Operational Carbon	Yorkshire Water has reported its operational carbon emissions for many years and benefits from an established process. The Company also undergoes external ISO14064 compliance assurance. The Company has chosen not to purchase REGO or gas equivalent (RGGO) certificates this year and opted to sell any REGOs generated at its sites which resulted in an increase in Scope 2 market-based emissions for purchased electricity and related Scope 3 Transmission and Distribution and WTT losses, which led to the 2024 Performance Commitment target being missed.	Green	Green
3B.7 Water recycling	We have not been asked to audit this PC because there has been no activity and the Company is therefore reporting zero.	N/A	N/A
3B.8 External sewer flooding	The sewer flooding management team demonstrate a continual improvement mindset and this is evidenced through the process and governance initiatives that have been embedded over the AMP. The process is being managed and controlled proactively by the management team. A few gaps and inconsistencies in application and the gathering of data and information to support incident classification were identified and we made minor suggestions about how to improve the reporting of this measure.	Green	Green





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3B.9 Bathing water quality	Overall, the methodology is appropriate and the reporting is robust. We reviewed in detail the designated coastal bathing waters process. In respect of coastal bathing waters, the number of sites meeting 'Poor', 'Sufficient', 'Good' or 'Excellent' classification is supported by the data gathered by the EA and assessed separately by the Company's internal processes and aligns with that reported on the Defra website. The Company has six sites that are not 'Good' or 'Excellent'; however, we note the issues associated with Skipsea and that it could not be classified. Engagement with Ofwat did not result in the site being removed from the Company's target. As such the PC requirement remains at 18 out of 18 coastal bathing waters to be at a 'Good' or 'Excellent' classification. However, Ofwat noted that the issues with Skipsea are beyond Yorkshire Water's control and that it would remove the financial impact of the underperformance of Skipsea but requires that it be reported as if it had not met the classification standard.	Green	Green
3B.10 Surface water management	Weaknesses were highlighted with the methodology and data last year and this continued to be an issue. The information provided to support this year's reporting did not consistently meet the quality standards expected. As a result many schemes were excluded from reporting or the extent of area managed claimed was reduced to account for the uncertainty in the data. The Company has therefore taken a conservative approach to reporting the area managed, which is appropriate based on the information available. The impact of the challenges we made in a number of areas has resulted in a reduction of the reported value from 25 hectares to 20 hectares.	Amber	Amber
3B.11 Quality agricultural products	The Company's process is assured through external auditing of adherence to the Biosolids Assurance Scheme (BAS) requirement. The BAS certificate is provided if the Company can evidence appropriate biosolids management, from source control, treatment to agricultural recycling, which it has obtained. . We concur that this is a robust method and source for reporting the data and that there are no issues identified.	Green	Green
3B.12 Living with Water	During the reporting year, and in response to issues raised at audit previously, the Company has engaged with Ofwat to change the PR19 Performance Commitment wording to correct 'unambiguous errors' noting the key change from 'protection from' to 'at reduced risk of flooding. Ofwat accepted the changes and therefore issues identified as areas to revisit were no longer applicable. We have assured the reporting of the Reputational Gateway using the PR19 methodology and we note that there have been no changes to the approach this year. There have also not been any scheme completions in the reporting year. There is the one area where the methodology differs from that used at PR19, the usage of 'local critical durations' for the rainfall events simulated through the hydraulic model. We note that this has been agreed with the Living With Water Board. The change appears to be a reasonable development of the original methodology, considering the differing characteristics of each scheme extent.	Green	Green
3C.1 to 3 Annual C-MeX score	Overall the datasets sent to the market research company for the purposes of conducting the customer service survey are satisfactory. There are human errors which lead to contacts not being logged, we are unable to assess the materiality but we think the Company's checks should be strengthened to reinforce the need to log all contacts, however we do not believe this would have any impact on the survey score itself as any contacts omitted are completely random. The results have been transcribed accurately into the Ofwat tables.	Green	Green
3C.5 to 7 Total household complaints	We raised concerns about the robustness of the complaints reporting last year and the Company is not yet able to provide robust evidence to confirm the accuracy of the reported value. This should be seen within the context that complaints reporting is challenging for a number of reasons, including an element of subjectivity and also because of the inherent weaknesses in our view in the industry guidance produced by CCW. In addition, Yorkshire Water has been implementing new CRM systems across Billing, Water and Wastewater which in our experience take time for the new processes to bed in. This year a significant amount of quality assurance checks of customer contacts have been carried out, which is a positive step, but in the Company's view the sampling is not robust enough to provide reliable results about the accuracy of the reporting. Those checks indicate under reporting of complaints, and the Company has stated a confidence grade between 10% to 25%, and we think the evidence suggests it is more likely to be at the upper end of that range. The Company has been transparent about this in its commentary to Ofwat.	Green	Amber
3D D-MeX score	Overall, the Company's processes are robust and appropriate, and they are documented effectively. We found isolated errors in the Company's 1 <sup>st</sup> line	Green	Green



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	checks and controls built into the processes and the findings have been addressed to correct the reporting of the quantitative element of D-MeX. For the qualitative element of D-MeX, we were able to confirm that a compliant dataset is sent to the market research company each month.		
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**Table 2-2 Summary of non-financial PCs reviewed**

Performance Commitment	Findings	Methodology	Data
3E.1 Risk of severe restrictions in a drought	This is a challenging metric to report as the Ofwat guidance is both complex and ambiguous. Notwithstanding, we are satisfied that the methodology is appropriate and the reporting is robust.	Green	Green
Priority services for customers in vulnerable circumstances 3E.2 PSR reach 3E.3 Attempted contacts 3E.4 Actual contacts	The Company has implemented a new reporting suite in the report year and with dashboards for tracking performance, and was able to demonstrate its robustness, with controls built in. Overall, we are satisfied that the methodology is appropriate and that the reporting is reliable.	Green	Green
3E.5 Risk of sewer flooding in a storm	Overall, we are satisfied that the methodology is appropriate and that the reporting is reliable. The ArcGIS system that underpins the reported numbers is robust and comprehensive. It does require extensive data provision from multiple sources, precluding the ability to fully verify robustness and accuracy from all source data, and which reinforces a need to ensure that there are checks and controls in place throughout the chain supplying the data (particularly relevant to the data inputs from hydraulic modelling).	Green	Green
3E.6 Integrated catchment management	We have not been asked to audit this PC because there has been no activity and the Company is therefore reporting zero.	N/A	N/A
3E.7 Biosecurity implementation	The Company methodology and data processes are thorough, and detailed evidence was provided to support the Objective achievement. We are satisfied that the Company has reported accurately the completion of 8 Pathway Management Plans.	Green	Green
3E.8 Capital carbon and emissions arising from owned land	This PC reflects emissions from the Company's capital works and emissions sequestered by the Company's habitat management activities. There is a clear process for deriving the capital carbon data, based on project delivery at particular gates. Although this year's PC target was missed slightly, the Company continues to develop and embed reduction strategies for capital emissions through appropriate calculations and reporting processes, including robust monitoring and assurance.	Green	Green
3E.9 Creating value from waste	The procedure document provides a good summary of the reporting process and how checks are carried out. The Company's methodology is robust with checks built in and captured effectively in a procedure document. There is no change to the number for this reporting year as the Company had already met its PC target. No additional assurance was therefore required as no new data was presented	Green	Green
3E.10 Affordability of bills	The reported data is sourced from CCW who commission the customer research. We were able to confirm that the data has been transcribed accurately.	Green	Green
3E.11 Direct support given to customers	The methodology is comprehensive and the reporting process appears to be robust. Internal checks and controls are built into the Company's processes. We carried out our own checks and did not identify any issues in the accounts we sampled during audit.	Green	Green
3E.12 Cost of bad debt	The data is accurate and based on a clear, validated methodology with no issues identified in the calculations.	Green	Green
3E.13 Priority services awareness	The methodology for reporting this measure appears robust. The survey data is collated by CCW. No material findings were identified during audit sampling.	Green	Green
3E.14 Priority services satisfaction	Overall the Company's processes for managing and reporting appears robust and appropriate. No issues were found with the reporting during our checks.	Green	Green
3E.15 Inclusive customer service	The Company's methodology for managing and reporting is robust and appropriate. There were no material issues identified with the reporting.	Green	Green

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3E.16 Renewable energy generation	The methodology accurately describes the process followed, which uses SCADA data, and some assumptions and calculations to manage shortfalls in data. The method could be enhanced through sub-metering and instrumentation to enhance data quality. Overall, we concluded that the dataset is robust for the purposes of reporting.	Green	Green
3E.17 WINEP Delivery	The reporting methodology and documented procedure are robust and up to date. The dataset underlying the reported figure is complete and there is a good evidence trail to demonstrate how the reported number has been generated. The Company has reported 'Not Met' for this line because Yorkshire Water has not completed 32 of the 360 outputs which had a regulatory delivery date of 31 <sup>st</sup> March 2025 or earlier. We have no concerns over the reported value for the year.	Green	Green

## 2.3 Reporting of Additional Regulatory Information

We have reviewed other data reported and highlight, on an exception basis, areas of note that we encountered or where there has been significant improvement in addressing issues highlighted last year.

**Table 2-2 Areas of note encountered during audit of additional regulatory information tables**

Submission	Findings	Methodology	Data
Table 4R Population (Water and Wastewater)	We repeat our previous audit finding from earlier years about the approach to calculating population using occupancy multiplied over property counts. We understand the reasoning to maintain this approach until the end of AMP7. We have recommended previously that property numbers are not used as the basis for the AMP8 population reporting. The Company has confirmed they plan to review the methodology for population. This is even more pertinent because for this year the Company is reporting a population drop of around 20k people which predominantly results from a reduced occupancy in the region according to its external data provider, which we have challenged.	Amber	Green
7B.1-10 Large Works Classification 7D1-16 Number of works in each size banding and loads received	The main risks to data accuracy relate to the impact of recently updated catchment boundaries on population equivalent (PE) calculations and potential trade effluent billing anomalies relating to rebates (crossover with 7C.12 Volume of trade effluent), both of which can affect load banding. These issues have been highlighted in previous years.	Green	Amber
7C.11,14,15 Sewers Rehabilitated or Refurbished	Of the total 74km of sewers reported as rehabilitated or refurbished, 39km are associated with the storm overflow reduction programme. These particular sections do not have corresponding 'as-laid' drawings. The data has been extracted from the programme reporting function within SAP; however, there is currently no method available to verify the accuracy of this information.	Green	Amber
7C.5 Sewer Blockages	There are some weaknesses with the methodology which result in over-reporting of the number of sewer blockages. The key quality control check within the sewer blockages reporting process is the end of year 2% sample review of incidents. Checks undertaken suggest that the number of sewer blockages is over-reported, by potentially 15% to 20%. This is based on findings from the Company's 2% check and supported by data sampling that we undertake. Out of a total of 42 orders we sampled, 10 had a 'Not Determined' or 'Undetermined Blockage' impact cause. No evidence of blockage clearance was present in 6 of these 10 orders, and a further order was also a duplicate. The usage of the 'Not Determined' impact cause has again significantly increased this reporting year when compared to previously. We have recommended that the Company instigates system and process changes that enable an impact cause to only be assigned if action has been taken to clear or attempt to clear a blockage, together with removal of the 'Not Determined' impact cause. This would improve the accuracy of the reporting.	Amber	Amber
7C.12 Volume of trade effluent	As in previous years, significant Trade Effluent billing rebates have been identified at several sites which impacts on reported volumes. This year there is a site that has had a significant change in volume which is not "real" but rather an issue with billing cycles. Yorkshire Water's view is that this is not material because it gets corrected in the following year and we do concur that it is a small proportion of the overall volume. This can impact on works bandings as highlighted above in relation to 7B.1 to 10 and 7D.19 to 19. In	Amber	Green

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	addition, there is an argument that Yorkshire Water's methodology should take account of billing cycles. We understand this is Ofwat's view in relation to the impact of billing cycles on leakage and PCC reporting and thus by extension this should be taken into account here too.		
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## 2.4 End of AMP requirement: PR19 Reconciliation Models

We are required to undertake assurance of Yorkshire Water's PR19 reconciliation models submitted for the purpose of PR19 "blind year" reconciliation.

Ofwat's Information Notice (IN) 25/01 "Expectations for the PR19 blind year reconciliation" sets out their expectations of how companies should update their reconciliation of the AMP7 incentive mechanisms to reflect actual performance in FY25. It requires companies to submit PR19 reconciliation models and data tables. It also requires that companies provide supporting commentary summarising the key movements compared to the 2024 Final Determination.

In its email of 12<sup>th</sup> June 2025 Ofwat further confirmed that it expects all blind year models and tables submitted to be externally assured, and that it expects a proportionate process with assurance over any significant variations, stating:

*This includes proportionate assurance over the processes for populating the models and data tables and review of them. We expect the processes for populating the models are similar to those used for PR24 business plans and updated submissions provided alongside company responses to PR24 Draft Determinations. We therefore note that assurers should already have assured previous versions of these models as part of the PR24 process.*

*We also expect assurance to have been undertaken over any significant variations between actual performance in the blind year submissions and forecast performance included in PR24 Final Determinations to enable us to have confidence in the data submitted in the blind year submissions.*

The Company has provided us with copies of all of its PR19 reconciliation models as well as its supporting commentary, methodology and background calculations. We reviewed these models and carried out an audit session with key members of staff.

We reviewed the process followed by the Company in populating these models, from its background calculations to the outputs. We trailed reported model inputs back to the APR tables figures or external sources. The Company presented us with a summary of the variance between the PR24 Final Determination figures and the revised incentives using APR-25 actuals. We used this to focus our efforts in a proportionate way on the areas with most significant differences, i.e. RPI-CPIH wedge, ODI performance and the revenue forecasting incentive.

We can confirm that we have undertaken assurance of the models and supporting commentary and that the Company has addressed all of the issues we identified. We also asked the Company to demonstrate that it had undertaken second-line assurance which it has subsequently provided.

We considered that the Company should only report outturn (rather than forecast or allowed) totex in the fields of the Strategic Regional Water Resources Model. The Company rectified this error. We also asked the Company to verify and explain why the totex cost sharing variance is positive for RCV and negative for revenue. The Company carried out analysis which explained the effects through the differences in Pay As You Go proportions.

The Company has amended its incentive calculations to take account of the effects of Covid on PCC. We note that the guidance does not make it explicitly clear (unlike the APR guidance in IN25/02) whether the blind year models should or should not be corrected for the effects of Covid on PCC. The Company has clearly stated its assumption in its commentary which we consider to be a reasonable approach.

## 2.5 Summary of Changes in Company Submission

We have listed below a summary of the impact of changes made as a result of the technical assurance of the Yorkshire Water's submissions. These changes relate to either or both changes to the Company methodology and the reported data. Their RAG status was at one time either likely to be "Amber" or "Red" but these areas generally have a "Green" status now because the issue(s) identified have been addressed and therefore are no longer likely to represent notable issues or risks.

In total, there have been 26 changes to areas of reported compared with what was originally presented for audit (28 in APR-24, 23 in APR-23, 27 in APR-22, 39 in APR-21). If a reporting area is not listed herein, there were no issues



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identified with the reported data and if any changes to the methodology were suggested, they were only minor improvements to the documentation of the end-to-end processes.

**Table 2-3 Summary of Changes to Company Methodology and/or Reported Data**

No.	Table, Line and Subject	Changes to Methodology applied	Changes to Reported Data	Reported Data	
				Audit	Final
1.	3A.10 Gap Sites (Number of Gap sites identified which are voids)		The Company was able to review the site history to confirm the Void status of properties which were marked as 'Don't Know'.	53	64
2.	3A.12 Drinking Water Contacts		Sample of outbound contacts identified that majority were in fact inbound and thus needed to be reported. As a result of undertaking this check, some flushing and duplicate contacts also identified for removal.	9.3	9.4
3.			The Company incorrectly stated it had met its Committed Performance Level when in fact it had failed.	Yes	No
4.	3B.8 External sewer flooding		Incident reclassification following review during audit session.	5,685	5,684
5.	3B.10 Surface Water Management		Errors identified through SuDS in Schools data sampling.	2.56ha	1.11ha
			Errors and / or uncertainty in surface water disconnection scheme scope identified during data sampling.	10.63ha	7.38ha
			Overall claimable area impacted by changes to	25ha	20ha
6.	3G.5 Sewer collapses		Incident reclassification following review during audit session	364	367
7.	3E.1 Risk of Restrictions in a drought		Change of planned to actual distribution input results in population at risk going from 0 to 5,440,510.	0	5,440,510
8.	3I.2 Risk of Restriction in a drought			8%	12%
9.	3D D-MeX		Inaccurate passes reported when fails identified.	W6.1: 100% W17.1: 100%	W6.1: 99.1% W17.1: 97.3%
10.	4R.28 Resident Population (Waste water)		Incorrect occupancy data was used. Analysis was linked to an outdated spreadsheet.	5448.509	5572.028
11.	4Z A.1-2 Other bill reduction schemes	Automated summaries have been included in the reporting process for Breathing Space following issues replicating the data processing for 4Z A.1 at audit. Additional data processing steps included for 4Z A.2 to capture/discard accounts based on whether benefit was actually	Both as a result of methodology changes and change to units/DP.	1.899, (£)0.135 1.436, (£)3.698	1936, (£)0.1363945, (£)3.712

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No.	Table, Line and Subject	Changes to Methodology applied	Changes to Reported Data	Reported Data	
				Audit	Final
		credited/debited to the customer account during the year.			
12.	4Z B.3-8 Household customers in arrears	Automated summaries have been included in the reporting process following issues replicating the data processing at audit.	Data processing was repeated at audit and the reported numbers were corrected as a result.	30,135, (£)25,844.784 2,251, (£)1,301.640 203,366, (£)160,172.463 37,265, (£)16,288.402 66,582, (£)102,381.960 26,024, (£)13,011.263	No change 2,251, (£)1,301.614 No change No change 66,865, (£)102,381.820 26,007, (£)13,011.216
13.	4Z B.9 Temporary payment suspension - payment breaks	Additional check included to identify customers who have no (£) value associated with their payment break.	Customers with no (£) value associated with their payment break not to be captured.	775, (£)102.397	754, (£)102.397
14.	4Z B. 11-13 Debt collected by external agents	Additional internal checks incorporated following issues with the "date" field in the source data	Reported numbers updated	17,109, (£)21,734.005 22,104, (£)13,916.635 667, (£)906.778	No change 22,314, (£)14,030.739 694, (£)919.394
15.	4Z.C1 Payments in line with Guaranteed Standards Schemes (GSS)		4Z.C1 should have aligned with the sum of GSS payments in 4Z.C4 to 4Z.C14 but it did not. While this was updated, the numbers still did not reconcile, and this was again subsequently checked and corrected. In addition, the format of the units was incorrect as values were stated in Millions when it should be Hundreds of Thousands.	Multiple lines	Multiple lines
16.	5A.23 Average pumping head – raw water abstraction 6A.6 Average pumping head - raw water transport 6A.34 Average pumping head – water treatment 6B.24 Average pumping head – treated water distribution		During the audit we evidenced that the Volumes of the Price Control for the Raw water Abstraction and Raw Water Transport were inaccurate. This was recommended to be checked as it had an impact on the final values. Following the checks, the figures reported had minor changes.	APH – Raw Water Abstraction: 11.43 m.hd APH – Raw Water Transport: 18.98 m.hd APH – Water Treatment: 14.09 m.hd APH – Treated Water Distribution: 58.52 m.hd	APH – Raw Water Abstraction: 10.96 m.hd APH – Raw Water Transport: 18.24 m.hd APH – Water Treatment: 14.09 m.hd APH – Treated Water Distribution: 58.50 m.hd



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No.	Table, Line and Subject	Changes to Methodology applied	Changes to Reported Data	Reported Data	
				Audit	Final
17.	6A.33 Zonal population receiving water treated with orthophosphate dosing		Calendar year calculation had been incorrectly used, when the FY24/25 value also reported in 4R.30 should have been used.	5534.519	5442.353
18.	6C.18-20 Comms pipes		Issues with the source data capturing replacement jobs that occurred outside of the reporting year. Resolved at audit.	455015 379348 1010205	455056 379472 1010040
19.	6C.23 Compliance Risk Index		DWI provided an updated Provisional CRI score which the Company updated in 3A.1 but overlooked updating the 6C.23 entry.	3.66	3.61
20.	7B.3 Large WWTWs and Loads Received		During a review of the spreadsheet used to determine the values for tables 7B1–10, we identified that the calculation for 7B.3 – Population Equivalent had not refreshed correctly. This issue was corrected as part of the audit process, and the updated data has been reflected in the Ofwat tables.	Multiple	Multiple
21.	7C.6 Total number of gravity sewer collapses		Incident reclassification following review during audit session.	288	291
22.	7C.11,14,15 Lengths of sewers rehabilitated, replaced and refurbished		We identified a number of schemes that were initially recorded as 'new' with corresponding entries marked as 'abandoned'. Upon review, there were schemes which were determined to be replacements rather than new sewer installations. Table 7 was updated accordingly to reflect correction.		
23.	7D.1-15 Large WWTWs and Loads Received		We found Hatfield Woodhouse was incorrectly included in the data. This site is decommissioned and now pumps its load to Thorn, although the asset inventory has not yet been updated to reflect this. It was agreed that Hatfield Woodhouse should be removed from the list of works, and its load added to Thorn.		
24.	7E.15 Number of odour complaints		Error in count possibly due to a filter that was in place.	143	153
25.	7E.21 Drainage area removed from surface water management activities		This data was provided by the team that produce 3B10 - Surface Water Management. We checked this data against the assurance statement for 3B10 and identified that the number had changed as a result of the audit of 3B10.	106,344 m2	73,778 m2



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No.	Table, Line and Subject	Changes to Methodology applied	Changes to Reported Data	Reported Data	
				Audit	Final
26.	Leakage Components/MLE		Changes to confidence grades applied for consistency with MLE and Compliance Checklist narrative.	Various	Various

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### Appendix – Additional Assurance Requirements and Statements



# AtkinsRéalis assurance report

## A. Bioresources Market Information

AtkinsRéalis was engaged by Yorkshire Water to provide independent assurance on non-financial aspects of the annual reporting activities that the Company carries out. This assurance statement encapsulates observations we made during the technical audit of Yorkshire Water's publication of its Bioresources Market Information for 2025.

This statement is part of a continuous improvement process that has involved detailed consideration of the methodologies and their applications by which Yorkshire Water reports on its performance at financial year end. For the areas we cover, and from the information we have been provided with, we conclude that the Company has a full understanding of and has sufficient processes and internal systems of control to meet its reporting obligations. We also conclude that the Company has appropriate systems and processes in place to allow it to manage its reporting risks.

The issues from our audit and subsequent interactions are compiled into an Issues Log, which is used to manage the resolution of reporting issues before the finalisation of the technical assurance process. This statement reflects the technical assurance position after the iterative process of resolving outstanding issues has concluded.

Based upon our assessment of the data and the supporting information we have reviewed, we conclude that:

- The Company has followed Ofwat's guidance in preparing this information and/or explained their material assumptions and provided suitable clarifications.
- The statements of numerical data are consistent with our audits of the supporting information, which is appropriately robust.
- The Company's explanations of their activities and assumptions are reasonably based.

Overall, the information provided in the Bioresources Market Information submission 2025 provides a fair, balanced and reasonable summary of the Company's sludge production and sludge treatment facilities, and the contracts that have been agreed with third parties to provide bioresources services.

## B. Carbon

In relation to Operational Carbon, AtkinsRéalis has provided independent external third party assurance that:

- all data relating to operational greenhouse gas emissions is compliant with the version of the international carbon reporting standard (ISO 14064, Part 1) which was in effect at the time of PR19 Final Determinations publication. This includes the 2019-20 baseline.
- We have assured the reported data and confirm that it is a true and reasonable reflection of performance and that Yorkshire Water has reported this measure in absolute terms, using both a 2019-20 baseline grid emissions factor and the actual year grid emissions factor, to provide transparency on reductions achieved through its own activities and those through national grid decarbonisation.

In relation Capital Carbon and carbon arising from owned land, AtkinsRéalis has provided independent external third party assurance that data related to the quantification, baselining, monitoring and reporting of capital carbon emissions appears is compliant with the latest version, PAS 2080:2023 based on the evidence provided to us combined with the methodology and data checks we have undertaken.

## C. Direct support given to customers

AtkinsRéalis has provided independent external third party assurance on an annual basis to confirm that the methods employed and data reported in relation to number of customers is a true and fair reflection of performance.

## D. Gap sites

AtkinsRéalis has provided independent external third party assurance and we are able to confirm in our opinion based on our review of Yorkshire Water's methodology and audit checks on a robust sampling of the reported data that the Company has rigorous processes that are correctly implemented to identify and bill both gap sites.

The Company must also report the number of gap sites which become voids and the number of gaps sites which are billed in order to recognise the contribution this performance commitment makes the managing void properties performance commitment. It should be noted that the Company is unable to determine the void status of all the properties identified as Gap sites: there are 38% of properties with a 'Don't know' marker in the report year. Yorkshire Water has been clear about this limitation in the Company's commentary.

## E. Length of river improved

AtkinsRéalis has provided independent external third party assurance and we are able to confirm in our opinion that:



# AtkinsRéalis assurance report

- all information has been correctly sourced from reliable systems
- no changes have been made to the underlying modelling or assumptions and therefore any improvements indicated by modelling would be the result of company initiated improvements

In relation to the requirement to assure that the models had been constructed and verified in line with industry best practice, this relates to activities undertaken for PR19 and therefore preceding our appointment in AMP7. We understand from Yorkshire Water that the models were built and calibrated by EA based on their monitoring and datasets. These models were then shared with the Company to determine the required permit levels and impact of these levels. The future permit levels were then shared back with EA and built into the agreed WINEP. The EA audited a selection of the revised models and agreed with the modelling outcomes before building them into the WINEP so on that basis it is reasonable to confirm they were assured.

We note that Yorkshire Water has only received informal acceptance for two of the reported schemes rather than formal written confirmation. The Final Determination states that the length can only be counted once the Environment Agency has agreed all schemes to achieve the improvement have been delivered and each scheme meets the requirements so on this basis we believe that Yorkshire Water has taken a pragmatic and in our opinion approach to count these schemes in its reporting.

## F. Working with Others

AtkinsRéalis has been engaged by Yorkshire Water to provide third party independent assurance on its Working with Others (WWO) Performance Commitment in line with its PR19 Final Determination. This included a specific requirement to commission and publish a report by an appropriately qualified third party to estimate the additional benefits delivered to customers as a result of the Company working with third parties and setting out any learning that would increase the benefits of partnerships in the future.

In order to meet this requirement, we have carried out the following additional assurance beyond Ofwat's minimum requirements as we believe a pre-requisite to assuring the benefits and any learning has been to establish that projects meet the criteria for both the type of projects and also partnerships required under the Performance Commitment. This has also included assurance over the quantity of projects being reported each year, before we then consider the additional benefits and learning from the projects.

Yorkshire Water has compiled a comprehensive report setting out its delivery of projects associated with the Working with Others Performance Commitment. We have undertaken assurance of the contents of this report, alongside assuring the information and data for the individual projects that have been reported over the five year period.

Based upon our assurance activities and information reviewed we confirm that:

- We have been given free access to relevant staff and information on request, including unrestricted access to all systems, files and documents that we requested once they became available for review
- The processes, procedures and assumptions are robust, consistent with guidance, uncertainties have been declared and risks understood
- Our professional opinion and feedback have been appropriately considered

Based upon the assurance activities that we have undertaken, we confirm that:

- The cumulative number of projects delivered by Yorkshire Water over the five year AMP7 is 46
- Projects meet the definition of activities where the Company has contributed to direct financial and in-kind support, capital or operational programmes, investigations or and feasibility studies
- Projects meet the definition of partnerships where the Company has engaged in activity with independent not for profit third-party organisations, agencies and/or individuals for the delivery of a shared objective
- The estimate of additional benefits delivered to customers is a true and fair reflection of the outputs and outcomes from said projects. As part of our assurance activities we have identified additional benefits that were not being reported and adjustments have been made as a result of our findings. There is still the potential risk that some benefits have not been systematically captured, especially from projects delivered in the early years when the understanding around benefits capture was less mature, and therefore that the Company may be under-reporting but we think the materiality is relatively small
- There is a strong body of evidence to justify the benefits from the partnership approach and lessons learned which can be applied to increase the benefits derived from projects in the future

A standalone report has also been produced which sets out in more detail the findings from our assurance activities alongside and supporting this Assurance Statement.



## AtkinsRéalis assurance report

AtkinsRéalis



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## Table 3A

### Outcome performance – Water performance commitments (financial)

or much more information on our Performance Commitment, please view [Section 3](#) of this document.

Line description	Unique reference	Unit	Decimal places	Performance level – actual	PCL met?	Outperformance or underperformance payment £m	Forecast of total 2020–25 outperformance or underperformance payment £m	RAG 4 reference
<b>Common PCs – Water (Financial)</b>								
Water quality compliance (CRI)	PR19YKY_20	number	2	3.61	No	-2.587	-19.727	3A.1
Water supply interruptions	PR19YKY_21	hh:mm:ss	0	00:08:27	No	-4.238	-21.629	3A.2
Leakage	PR19YKY_22	%	1	15.1	Yes	0.042	0.808	3A.3
Per capita consumption	PR19YKY_25	%	1	2.0	No	-1.976	-11.256	3A.4
Mains repairs	PR19YKY_24	number	1	173.8	Yes	0.000	-8.016	3A.5
Unplanned outage	PR19YKY_23	%	2	2.48	No	0.000	0.000	3A.6
<b>Bespoke PCs – Water and Retail (Financial)</b>								
Working with others	PR19YKY_1	nr	0	46	Yes	0.000	0.000	3A.7
Land conserved and enhanced	PR19YKY_2	nr	0	18299.77	Yes	3.465	3.465	3A.8
Education	PR19YKY_7	nr	0	30407	Yes	0.000	-0.029	3A.9
Gap sites	PR19YKY_17	%	0	100	Yes	0.000	-1.122	3A.10
Managing void properties	PR19YKY_18	%	2	3.77	Yes	0.108	4.411	3A.11
Drinking water contacts	PR19YKY_26	nr	1	9.4	No	-1.598	-1.660	3A.12
Significant water supply events	PR19YKY_27	nr	0	19	No	-1.855	-11.130	3A.13
Low pressure	PR19YKY_28	nr	0	9	Yes	0.000	0.000	3A.14
Repairing or replacing customer owned pipes	PR19YKY_29	nr	0	3868	No	-1.861	-4.942	3A.15
Financial water performance commitments achieved		%			53			3A.27
Overall performance commitments achieved (excluding C-MeX and D-MeX)		%			48			3A.28

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 3B

## Outcome performance – Wastewater performance commitments (financial)

Line description	Unique reference	Unit	Decimal places	Performance level – actual	PCL met?	Outperformance or underperformance payment £m	Forecast of total 2020–25 outperformance or underperformance payment £m	RAG 4 reference
<b>Common PCs – Wastewater (Financial)</b>								
Internal sewer flooding	PR19YKY_31	Number of internal sewer flooding incidents per 10,000 sewer connection	2	2.21	No	-7.338	-46.982	3B.1
Pollution incidents	PR19YKY_30	Pollution incidents per 10,000km of sewer length	2	28.89	No	-6.442	-11.051	3B.2
Sewer collapses	PR19YKY_33	Number of sewer collapses per 1,000 km of all sewers	2	6.97	Yes	0.000	0.000	3B.3
Treatment works compliance	PR19YKY_32	%	2	98.39	No	-0.725	-0.725	3B.4
<b>Bespoke PCs – Wastewater (Financial)</b>								
Length of river improved	PR19YKY_4	km	2	627	No	-6.395	-6.395	3B.5
Operational Carbon	PR19YKY_6a	%	1	-172.6	No	-3.304	-4.414	3B.6
Water recycling	PR19YKY_9	nr	2	0	No	-0.092	-0.307	3B.7
External sewer flooding	PR19YKY_35	nr	0	5684	No	-0.085	44.289	3B.8
Bathing water quality	PR19YKY_36	nr	0	12	No	-7.410	-14.820	3B.9
Surface water management	PR19YKY_37	nr	0	20	Yes	0.000	-0.020	3B.10
Quality agricultural products	PR19YKY_40	%	0	100	Yes	0.000	0.000	3B.11
Living with Water scheme	PR19CMA_YKY-01	£m	3	15.5030955	No	-7.497	-7.497	3B.12
Financial wastewater performance commitments achieved		%			25			3B.19

## Key

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## Table 3C

### Customer measure of experience (C-MeX) table

Item	Unit	Value	RAG 4 reference
Annual customer satisfaction score for the customer service survey	Number	73.00	3C.1
Annual customer satisfaction score for the customer experience survey	Number	75.95	3C.2
Annual C-MeX score	Number	74.48	3C.3
Annual net promoter score	Number	11.00	3C.4
Total household complaints	Number	22744	3C.5
Total connected household properties	Number	2,399,641	3C.6
Total household complaints per 10,000 connections	Number	94.781	3C.7
Confirmation of communication channels offered	TRUE or FALSE	TRUE	3C.8

#### Key



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## Table 3D

### Developer services measure of experience (D-MeX) table

Item	Unit	Value	RAG 4 reference
Qualitative component annual results	Number	64.50	3D.1
Quantitative component annual results	Number	99.61	3D.2
D-MeX score	Number	82.06	3D.3
Developer services revenue (water)	£m	15.613	3D.4
Developer services revenue (wastewater)	£m	10.718	3D.5

#### Calculating the D-MeX quantitative component

Water UK performance metric	Unit	Reporting period (1 April to 31 March)	Quantitative score (annual)	RAG 4 reference
W1.1	%	100.00%		3D.W1
W3.1	%	99.97%		3D.W2
W4.1	%	96.41%		3D.W3
W6.1	%	99.11%		3D.W4
W7.1	%	100.00%		3D.W5
W8.1	%	100.00%		3D.W6
W17.1	%	97.62%		3D.W7
W17.2	%			3D.W8
W18.1	%	100.00%		3D.W9
W20.1	%			3D.W10
W21.1	%			3D.W11
W23.1	%			3D.W12
W24.1	%			3D.W13
W25.1	%			3D.W14
W26.1	%			3D.W15
W27.1	%			3D.W16
W28.1	%			3D.W17
W29.1	%			3D.W18
W30.1	%	100.00%		3D.W19
S1.1	%	100.00%		3D.W20
S3.1	%	100.00%		3D.W21
S4.1	%	100.00%		3D.W22
S6.1	%			3D.W23
S7.1	%	100.00%		3D.W24
S8.1	%			3D.W25
S9.1	%			3D.W26
WN1.1	%	100.00%		3D.W27
WN2.2	%	100.00%		3D.W28
WN4.1	%	100.00%		3D.W29
WN4.2	%	100.00%		3D.W30
WN4.3	%			3D.W31

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## Table 3D – continued

### Developer services measure of experience (D-MeX) table

Water UK performance metric	Unit	Reporting period (1 April to 31 March)	Quantitative score (annual)	RAG 4 reference
SN2.2	%	100.00%		3D.W32
SN4.1	%			3D.W33
SAM 3/1	%	100.00%		3D.W34
SAM 4/1	%	96.88%		3D.W35
SLPM – S1/2	%	100.00%		3D.W36
SLPM – S2/2a	%	100.00%		3D.W37
SLPM – 2/2b	%	100.00%		3D.W38
SLPM – S3	%	100.00%		3D.W39
SLPM – S4/1	%	100.00%		3D.W40
SLPM – S5/1a	%			3D.W41
SLPM – S7/1	%	100.00%		3D.W42
D-MeX quantitative score (for the reporting period)	%	99.61%		3D.7
D-MeX quantitative score (annual)	Number		1.00	3D.8

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## Table 3E

### Outcome performance – Non financial performance commitments

Line description	Unique reference	Unit	Decimal places	Performance level – actual	PCL met?	RAG 4 reference
<b>Common</b>						
Risk of severe restrictions in a drought	PR19YKY_38	%	1	12.0	No	3E.1
Priority services for customers in vulnerable circumstances – PSR reach	PR19YKY_42	%	1	10.6	Yes	3E.2
Priority services for customers in vulnerable circumstances – Attempted contacts	PR19YKY_42	%	1	99.6	Yes	3E.3
Priority services for customers in vulnerable circumstances – Actual contacts	PR19YKY_42	%	1	39.8	Yes	3E.4
Risk of sewer flooding in a storm	PR19YKY_34	%	2	5.68	Yes	3E.5
<b>Bespoke PCs</b>						
Integrated catchment management	PR19YKY_3	%	1	0	No	3E.6
Biosecurity implementation	PR19YKY_5	nr	0	8	No	3E.7
Capital carbon and emissions arising from owned land	PR19YKY_6b	%	1	27	Yes	3E.8
Creating value from waste	PR19YKY_8	£m	0	281	Yes	3E.9
Affordability of bills	PR19YKY_11	%	0	76	No	3E.10
Direct support given to customers	PR19YKY_12	nr	0	166906	Yes	3E.11
Cost of bad debt	PR19YKY_13	%	2	3.52	Yes	3E.12
Priority services awareness	PR19YKY_14	%	0	59	No	3E.13
Priority services satisfaction	PR19YKY_15	%	0	72	No	3E.14
Inclusive customer service	PR19YKY_16	%	0	23	Yes	3E.15
Renewable energy generation	PR19YKY_41	nr	0	337	Yes	3E.16
WINEP Delivery	PR19YKY_NEP01	text	0	Not Met	No	3E.17
Non-financial performance commitments achieved		%			53	3E.29

#### Key

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Table 3F

Underlying calculations for common performance commitments – water and retail

Line description	Unit	Standardising data indicator	Standardising data numerical value	Performance level – Actual (current reporting year)	Performance level – Calculated (i.e. standardised)	RAG 4 reference
Performance commitments set in standardised units – Water						
Mains repairs – Reactive	Mains repairs per 1000km	Mains length in km	32,465.70	3,898	120.07	3F.1
Mains repairs – Proactive	Mains repairs per 1000km	Mains length in km	32,465.70	1,743	53.69	3F.2
Mains repairs	Mains repairs per 1000 km	Mains length in km	32,465.70	5,641	173.75	3F.3
Per capita consumption (PCC)	lpd	Total household population (000s) and household consumption (Ml/d)	5,442.35	695.33	127.80	3F.4

Line description	Unit	Performance level – actual (2017–2018)	Performance level – actual (2018–2019)	Performance level – actual (2019–2020)	Baseline (average from 2017–2018 to 2019–2020)	Performance level – actual (2020–21)	Performance level – actual (2021–2022)	Performance level – actual (2022–2023)	Performance level – actual (2023–2024)	Performance level – actual (2024–2025)	Performance level 3 year average (current and previous 2 years)	Calculated performance level to compare against PCLs	RAG 4 reference
Performance commitments measured against a calculated baseline													
Leakage	Ml/d	323.0	324.1	298.7	315.3	289.8	283.1	282.8	260.0	260.2	267.7	15.1	3F.5
Per capita consumption (PCC)	lpd	128.3	128.6	127.7	128.2	141.2	131.5	123.9	125.3	127.8	125.7	2.0	3F.6

**Table 3F – continued****Underlying calculations for common performance commitments – water and retail**

Line description	Unit	Standardising data indicator	Standardising data numerical value	Total minutes lost	Number of properties supply interrupted	Calculated performance level	RAG 4 reference		
Water supply interruptions									
Water supply interruptions ≥ 3 hours	Average number of minutes lost per property per year	Number of properties (thousands)	2,402.72	20305035	58,659	00:08:27	3F.7		
Water supply interruptions ≥ 6 hours	Average number of minutes lost per property per year	Number of properties (thousands)	2,402.72	8639020	16,081	00:03:36	3F.7a		
Water supply interruptions ≥ 12 hours	Average number of minutes lost per property per year	Number of properties (thousands)	2,402.72	2400359	2,474	00:01:00	3F.7b		
Water supply interruptions ≥ 24 hours	Average number of minutes lost per property per year	Number of properties (thousands)	2,402.72	56567	33	00:00:01	3F.7c		
Line description	Current company level peak week production capacity (PWPC) MI/d	Reduction in company level PWPC MI/d	Outage proportion of PWPC %						
Unplanned or planned outage									
Unplanned outage	1,649.10	40.92	2.48%						3F.8
Line description	Total residential properties (000s)	Total number of households on the PSR (as at 31 March)	PSR reach	Total number of households on the PSR over a 2 year period	Number of attempted contacts over a 2 year period	Attempted contacts %	Number of actual contacts over a 2 year period	Actual contacts %	RAG 4 reference
Priority services for customers in vulnerable circumstances									
Priority services for customers in vulnerable circumstances	2,308.92	243,593	10.6%	38,762	38,592	99.6%	15,442	39.8%	3F.9

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## Table 3G

### Underlying calculations for common performance commitments – wastewater

Line description	Unique reference	Unit	Standardising data indicator	Standardising data numerical value	Performance level – actual current reporting year	Calculated performance level	RAG 4 reference
<b>Performance commitments set in standardised units</b>							
Internal sewer flooding – customer proactively reported	PR19YKY_31	Number of internal sewer flooding incidents per 10,000 sewer connection	Number of sewer connections	2,396.09	456	1.90	3G.1
Internal sewer flooding – company reactively identified (i.e. neighbouring properties)	PR19YKY_31	Number of internal sewer flooding incidents per 10,000 sewer connection	Number of sewer connections	2,396.09	74	0.31	3G.2
Internal sewer flooding	PR19YKY_31	Number of internal sewer flooding incidents per 10,000 sewer connection	Number of sewer connections	2,396.09	530	2.21	3G.3
Pollution incidents	PR19YKY_30	Pollution incidents per 10,000km of sewer length	Sewer length in km	52,263.00	151	28.89	3G.4
Sewer collapses	PR19YKY_33	Number of sewer collapses per 1,000 km of all sewers	Sewer length in km	52,678.00	367	6.97	3G.5

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## Table 3H

### Summary information on outcome delivery incentive payments

Line description	Initial calculation of performance payments (excluding C-MeX and D-MeX) £m (2017-2018 prices)	RAG 4 reference
<b>Initial calculation of in period revenue adjustment by price control</b>		
Water resources	-0.297	3H.1
Water Network Plus	-12.559	3H.2
Wastewater Network Plus	-22.820	3H.3
Bioresources (sludge)	-1.817	3H.4
Residential retail	0.108	3H.5
Business retail	0.000	3H.6
Dummy control	0.000	3H.7
<b>Initial calculation of end of period revenue adjustment by price control</b>		
Water resources	2.170	3H.8
Water Network Plus	-11.255	3H.9
Wastewater Network Plus	-12.596	3H.10
Bioresources (sludge)	0.000	3H.11
Residential retail	0.000	3H.12
Business retail	0.000	3H.13
Dummy control	0.000	3H.14
<b>Initial calculation of end of period RCV adjustment by price control</b>		
Water resources	0.000	3H.15
Water Network Plus	0.000	3H.16
Wastewater Network Plus	0.000	3H.17
Bioresources (sludge)	0.000	3H.18
Residential retail	0.000	3H.19
Business retail	0.000	3H.20
Dummy control	0.000	3H.21

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**Table 3I****Supplementary outcomes information**

Line description	Current company level peak week production capacity (PWPC) MI/d	Reduction in company level PWPC MI/d	Outage proportion of PWPC %								RAG 4 reference	
Unplanned or planned outage												
Planned outage	1,649.10	57.16	3.47%								31.1	
Line description	Deployable output	Outage allowance	Dry year demand	Target headroom	Total population supplied	Customers at risk						
Risk of severe restrictions in drought												
Risk of severe restrictions in drought	1,440.51	43.90	1,274.68	129.84	5,468,680	5,440,510						31.2
Line description	Total pe served	Total pe in excluded catchments	Percentage of total pe in excluded catchments	Total pe Option 1a	Percentage of total pe Option 1a	Total pe Option 1b	Percentage of total pe Option 1b	Vulnerability risk grade				
								Low	Medium	High		
Percentage of total population served												
Risk of sewer flooding in a storm												
Risk of sewer flooding in a storm	5,315,272	0	0.00%	234,538	4.41%	5,080,734	95.59%	94.32%	0.28%	5.39%	31.3	
Line description	Number of patch repairs or relining undertaken on sewer and not included in reported sewer collapses											
Sewer collapses												
Sewer collapses	1,552										31.4	

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# Table 4: Additional regulatory information – service level

## Introduction

The information in this section details 'Additional regulatory information – service level' as required by Ofwat, with a brief description of significant variances compared to previous years. The information in this section comprises the following tables.

<a href="#"><b>Pro forma 4A</b></a>	Water bulk supply
<a href="#"><b>Pro forma 4B</b></a>	Analysis of debt
<a href="#"><b>Pro forma 4C</b></a>	Impact of price control performance to date on RCV
<a href="#"><b>Pro forma 4D</b></a>	Totex analysis – water resources and water Network Plus
<a href="#"><b>Pro forma 4E</b></a>	Totex analysis – wastewater Network Plus and bioresources
<a href="#"><b>Pro forma 4F</b></a>	Major project expenditure for wholesale water by purpose
<a href="#"><b>Pro forma 4G</b></a>	Major project expenditure for wholesale wastewater by purpose
<a href="#"><b>Pro forma 4H</b></a>	Financial metrics
<a href="#"><b>Pro forma 4I</b></a>	Financial derivatives
<a href="#"><b>Pro forma 4J</b></a>	Base expenditure analysis – water resources and water Network Plus
<a href="#"><b>Pro forma 4K</b></a>	Base expenditure analysis – wastewater Network Plus and bioresources
<a href="#"><b>Pro forma 4L</b></a>	Enhancement expenditure – water resources and water Network Plus
<a href="#"><b>Pro forma 4M</b></a>	Enhancement expenditure – wastewater Network Plus and bioresources
<a href="#"><b>Pro forma 4N</b></a>	Developer services expenditure – water resources and water Network Plus



- [Pro forma 4O](#) Developer services expenditure – wastewater Network Plus and bioresources
- [Pro forma 4P](#) Developer services non-price control expenditure
- [Pro forma 4Q](#) Developer services – Non financial information
- [Pro forma 4R](#) Connected properties, customers and population
- [Pro forma 4V](#) Mark-to-market of financial derivatives analysed based on payment dates
- [Pro forma 4W](#) Defined Benefit Pension Scheme – Additional Information
- [Pro forma 4Y](#) Accelerated infrastructure delivery project expenditure – wastewater Network Plus and bioresources
- [Pro forma 4Z](#) Household bill reduction schemes, debt and Guaranteed Standards Scheme (GSS) payments



## Table 4A

Water bulk supply information for the 12 months ended 31 March 2025

Line description	Volume	RAG 4 reference
Unit DPs	MI 3	
<b>Bulk supply exports</b>		
Finningley to Anglian Water	93.437	4A.1
Bradway Grange Farm to Severn Trent Water	0.465	4A.2
NAV – IWNL	910.940	4A.3
NAV – Leep	2.141	4A.4
NAV – ESP	66.853	4A.5
NAV – Icosa	31.304	4A.6
Total bulk supply exports	1,105.140	4A.26
<b>Bulk supply imports</b>		
Ladybower from Severn Trent Water	19,103.200	4A.27
Total bulk supply imports	19,103.200	4A.52

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## Table 4B

### Analysis of debt for the 12 months ended 31 March 2025

Due to the size of the data table, we have published Table 4B separately on our website here: [yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/)

The table itself displays our analysis of debt per 'fixed rate instrument' and 'Floating rate instrument' for 2024/2025 and provides the following information:

- Instrument
- Issuer
- Category
- Maturity type
- Instrument identifier
- Seniority
- Long-term issue credit rating
- Currency
- Issue date
- Issue price
- Maturity date
- Years to maturity
- Original issuance/facility size
- Principal sum outstanding
- Amount used to calculate nominal interest cost and cash interest payment
- Years to maturity x principal sum
- RPI interest rate
- CPI interest rate
- Reference benchmark
- Reference benchmark rate
- Margin over reference benchmark rate
- Nominal interest rate
- Nominal interest cost
- Cash interest cost
- Utilisation fee
- Commitment fee
- Issuance costs
- Value per balance sheet
- Fair value of debt
- Further information

Within the Cost of debt breakdown "Post Swap" entries for nominal interest cost (4B.418), principal sum outstanding (4B.419) and cost of debt (4B.421) agree to 1E.9, 1E.1 and 1E.11 respectively.

"Pre Swap" entries for average years to maturity (4B.417) agree to 1E.13, in accordance with Ofwat guidance that average maturity within 1E.13 reflects only non-swap instruments.

Ofwat's calculation of "Post Swap" average years to maturity (4B.422) only includes swaps in a designated hedging relationship. As noted within the narrative accompanying Table 1E, Yorkshire Water predominantly manage inflation and interest rate risk on a portfolio basis. If the "Post Swap" maturity calculation within Table 4B were to be restated to include all swaps, the average years to maturity would be:

Fixed	Floating	RPI	CPI/CPIH	ALL
9.62	33.55	24.43	6.12	12.85

1. Class A and Class B ratings reflect debt ratings issued by CRA's on publicly rated debt (S&P/Moody's/Fitch).
2. Yorkshire Water manages inflation and interest rate risk predominantly on a portfolio basis rather than an individual instrument basis.
3. The total fair values of swaps are shown on the paying legs.
4. SONIA cash flows are calculated using compounded SONIA at the year end, for the relevant interest period with 5 day lookback applied.

For all swaps, underlying instrument type (Pre swap), column 7, has been left blank in line with the guidance received from Ofwat in the Yorkshire Water specific response to comments on the 2024/2025 annual reporting consultation, which is contrary to the worked example in section 4.9 of RAG4.13 – Guidance for the table definitions in the annual performance report. This approach has been adopted to ensure "Pre swap" figures (4B.413-4B.417) are correctly stated, excluding all swap instruments.

All entries in Table 4B agree to [Table 1E](#).

Table 4C

Impact of price control performance to date on RCV

			12 months ended 31 March 2025					Price control period to date					
Line description	Units	DPs	Water resources	Water Network Plus	Wastewater Network Plus	Bioresources	Additional Control	Water resources	Water Network Plus	Wastewater Network Plus	Bioresources	Additional Control	RAG 4 reference
Totex (net of business rates, abstraction licence fees and grants and contributions)													
Final determination allowed totex (net of business rates, abstraction licence fees, grants and contributions and other items not subject to cost sharing)	£m	3	28.939	330.933	330.766	67.778	0.000	183.110	1,615.814	2,322.780	349.801	0.000	4C.1
Actual totex (excluding business rates, abstraction licence fees, grants and contributions and other items not subject to cost sharing)	£m	3	35.249	381.111	836.891	42.205	0.000	208.633	1,865.096	2,698.523	238.578	0.000	4C.2
Transition expenditure	£m	3	0.000	-10.865	-51.629	0.000	0.000	0.405	-10.599	-49.563	0.083	0.000	4C.3
Disallowable costs	£m	3	0.000	0.396	7.092	0.000	0.000	0.010	2.648	15.889	0.047	0.000	4C.4
Total actual totex (net of business rates, abstraction licence fees and grants and contributions)	£m	3	35.249	369.850	778.170	42.205	0.000	209.028	1851.849	2633.071	238.614	0.000	4C.5
Variance	£m	3	6.310	38.917	447.404	-25.573	0.000	25.918	236.035	310.291	-111.187	0.000	4C.6
Variance due to timing of expenditure	£m	3	0.000	0.000	281.842	22.636	0.000	0.000	0.000	0.000	0.000	0.000	4C.7
Variance due to efficiency	£m	3	6.310	38.917	165.562	-48.209	0.000	25.918	236.035	310.291	--111.187	0.000	4C.8
Customer cost sharing rate – outperformance	%	2	55.00%	55.00%	55.00%	0.00%	0.00%	55.00%	55.00%	55.00%	0.00%	0.00%	4C.9
Customer cost sharing rate – underperformance	%	2	45.00%	45.00%	45.00%	0.00%	0.00%	45.00%	45.00%	45.00%	0.00%	0.00%	4C.10
Customer share of totex overspend	£m	3	2.840	17.513	74.503	0.000	0.000	11.663	106.216	139.631	0.000	0.000	4C.11
Customer share of totex underspend	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4C.12
Company share of totex overspend	£m	3	3.471	21.404	91.059	0.000	0.000	14.255	129.819	170.660	0.000	0.000	4C.13
Company share of totex underspend	£m	3	0.000	0.000	0.000	-48.209	0.000	0.000	0.000	0.000	-111.187	0.000	4C.14

Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report



Table 4C – continued

Impact of price control performance to date on RCV

			12 months ended 31 March 2025					Price control period to date					
Line description	Units	DPs	Water resources	Water Network Plus	Wastewater Network Plus	Bioresources	Additional Control	Water resources	Water Network Plus	Wastewater Network Plus	Bioresources	Additional Control	RAG 4 reference
Totex – business rates and abstraction licence fees													
Final determination allowed totex – business rates and abstraction licence fees	£m	3	16.696	39.401	21.190	1.461	0.000	75.881	179.067	96.303	6.641	0.000	4C.15
Actual totex – business rates and abstraction licence fees	£m	3	16.927	26.576	22.367	28.057	0.000	78.628	149.780	91.154	41.451	0.000	4C.16
Variance – business rates and abstraction licence fees	£m	3	0.231	-12.825	1.177	26.596	0.000	2.747	-29.287	-5.149	34.810	0.000	4C.17
Customer cost sharing rate – business rates	%	2	-148.72%	90.29%	90.00%	75.52%	0.00%	28.42%	89.75%	90.00%	75.86%	0.00%	4C.18
Customer cost sharing rate – abstraction licence fees	%	2											4C.19
Customer share of totex over/underspend – business rates and abstraction licence fees	£m	3	-0.344	-11.580	1.059	20.086	0.000	0.781	-26.286	-4.634	26.406	0.000	4C.20
Company share of totex over/underspend – business rates and abstraction licence fees	£m	3	0.575	-1.245	0.118	6.510	0.000	1.966	-3.001	-0.515	8.404	0.000	4C.21
Totex not subject to cost sharing													
Final determination allowed totex – not subject to cost sharing	£m	3	0.000	3.265	0.025	0.000	0.000	0.155	15.672	1.001	0.238	0.000	4C.22
Actual totex – not subject to cost sharing	£m	3	-0.012	3.690	7.102	0.734	0.000	1.481	34.026	29.291	2.650	0.000	4C.23
Variance – 100% company allocation	£m	3	-0.012	0.425	7.077	0.734	0.000	1.326	18.354	28.290	2.412	0.000	4C.24
Total customer share of totex over/under spend	£m	3	2.496	5.933	75.562	20.086	0.000	12.444	79.930	134.997	26.406	0.000	4C.25

Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 4C – continued  
Impact of price control performance to date on RCV

			12 months ended 31 March 2025					Price control period to date					
Line description	Units	DPs	Water	Water	Wastewater	Bioresources	Additional	Water	Water	Wastewater	Bioresources	Additional	RAG 4 reference
			resources	Network Plus	Network Plus		Control	resources	Network Plus	Network Plus		Control	
RCV													
Total customer share of totex over/under spend	£m	3	2.496	5.933	75.562	20.086	0.000	0.000	0.000	0.000	0.000	0.000	4C.26
PAYG rate	%	2	86.573%	82.317%	68.316%	67.021%	0.000%	82.160%	75.454%	45.219%	58.166%		4C.27
RCV element of cumulative totex over/underspend	£m	3	0.335	1.049	23.941	6.624	0.000	0.000	0.000	0.000	0.000	0.000	4C.28
Adjustment for ODI outperformance payment or underperformance payment	£m	3											4C.29
Green recovery	£m	3						0.000	0.000	0.000			4C.30
RCV determined at FD at 31 March	£m	3						720.754	2,998.471	5,365.699	390.549		4C.31
Projected 'shadow' RCV	£m	3						720.754	2,998.471	5,365.699	390.549	0.000	4C.32

Totex (net of business rates, abstraction licence fees and grants and contributions) (Lines 1-14)

Line 4C.1 (Final determination allowed totex)

This was provided by Ofwat in the Financial Flows Data spreadsheet and was inflated to nominal prices from 2017-18 Average CPIH price base.

Line 4C.2 (Actual totex)

This has been calculated as per the Ofwat line definition, however we have included the impact of insurance income related to flood recovery claims within the cumulative wastewater network control. The value of this is income is £8.7m (£3.0m 2021/2022 and £5.7m 2020/2021). We have also made adjustments to transfer the industrial emission directive (IED) expenditure and the strategic resources option expenditure into line 4C.16, this will enable the correct sharing mechanisms to be applied. The IED expenditure sharing mechanism was determined by the CMA and is 75:25 customer funded, the SRO has been approved through RAPID and will be recovered through the PR24 process through the strategic regional water resources reconciliation model.

Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Line 4C.3 (Transition expenditure)

We have included the transitional totex that we incurred in 2018/2019 and 2019/2020 within our cumulative position and have removed the AMP8 transitional and accelerated totex incurred in 2023/2024 and 2024/2025.

Line 4C.4 (Disallowable costs)

This has been calculated as per the Ofwat line definition.

Line 4C.7 (Variance due to timing of expenditure)

We have included an adjustment to show the cumulative impact of timing differences across the AMP7 as being zero.

Line 4C.9 (Customer cost sharing rate – outperformance)

This reflects the sharing rates which were included in the CMA FD19.

Line 4C.10 (Customer cost sharing rate – underperformance)

This reflects the sharing rates which were included in the CMA FD19.



## Totex – business rates and abstraction licence fees (Lines 15– 21)

We have included our Industrial Emissions Directive (IED) expenditure within Bioresources as 4C had not been updated to include this specifically.

### Line 4C.15 (Final determination allowed totex – business rates and abstraction licence fees)

This was provided by Ofwat in the Financial Flows Data spreadsheet and was inflated to nominal prices from 2017/2018 Average CPIH price base. As we have no allowance for IED or the SRO then no adjustment was required.

### Line 4C.16 (Actual totex – business rates and abstraction licence fees)

We have included IED expenditure into this line to date this is £32.8m (£25.7m 2024/2025, ££2.4m 2023/2024, £1.6m 2022/2023, £1m 2021/2022, £2.1m 2020/2021).

### Line 4C.18 (customer cost sharing rate – business rates)

This line is used in the table to provide the sharing value of business rates, abstraction, IED and SRO recovery, therefore this line includes the weighted % for each price control after the different sharing rates were applied.

### Line 4C.19 (customer cost sharing rate – abstraction licence fees)

We have left this line blank as it does not feed into the calculation of this section.

### Totex not subject to cost sharing (Lines 22–24)

Line 4C.22 (Final determination allowed totex – not subject to cost sharing).

This was provided by Ofwat in the Financial Flows Data spreadsheet and was inflated to nominal prices from 2017/2018 Average CPIH price base.

### Line 4C.23 (Actual totex – not subject to cost sharing)

We have followed Ofwat guidance and have in addition included the CMA expenditure that we excluded from line 4C.2 within our cumulative position.

### RCV (Lines 26–32)

Line 4C.26 Total customer share of totex over/under spend.

This is a calculated line, however as the published RCV value in 2024/2025 already includes the 'midnight' adjustment Ofwat have stated the cumulative columns (Price control period to date) are to be over written with zero values. This will mean that the Published RCV (4C.31) and the projected 'shadow' RCV (4C.32) will have the same value.

### Line 4C.27 (PAYG rate)

This was provided by Ofwat in the Financial Flows Data spreadsheet

### Line 4C.29 (adjustment for ODI outperformance payment or underperformance payment)

We do not have any ODIs linked to RCV adjustments.

### Line 4C.31 (RCV determined at FD at 31 March)

This was published by Ofwat within the RCV spreadsheet and includes the FD24 'midnight' adjustments.

### Line 4C.32 (Projected 'shadow' RCV)

This is a calculated cell, which in 2024/2025 is set to be the same value as line 4C.31.

## Table 4D

Totex analysis for the 12 months ended 31 March 2025 – water resources and water Network Plus

				Network Plus					
Line description	Units	DPs	Water resources	Raw water transport	Raw water storage	Water treatment	Treated water distribution	Total	RAG 4 reference
Operating expenditure									
Base operating expenditure	£m	3	37.456	13.089	2.950	80.218	141.997	275.711	4D.1
Enhancement operating expenditure	£m	3	0.000	0.000	0.000	0.000	26.117	26.117	4D.2
Developer services operating expenditure	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	4D.3
Total operating expenditure excluding third party services	£m	3	37.456	13.089	2.950	80.218	168.115	301.829	4D.4
Third party services	£m	3	0.000	0.000	0.000	0.000	1.872	1.872	4D.5
Total operating expenditure	£m	3	37.456	13.089	2.950	80.218	169.987	303.701	4D.6
Grants and contributions									
Grants and contributions – operating expenditure	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	4D.7
Capital expenditure									
Base capital expenditure	£m	3	8.642	0.247	0.115	25.501	62.997	97.502	4D.8
Enhancement capital expenditure	£m	3	6.078	0.900	0.017	18.756	19.368	45.119	4D.9
Developer services capital expenditure	£m	3	0.000	0.529	0.000	0.000	34.741	35.270	4D.10
Total gross capital expenditure excluding third party services	£m	3	14.720	1.676	0.132	44.257	117.106	177.891	4D.11
Third party services	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	4D.12
Total gross capital expenditure	£m	3	14.720	1.676	0.132	44.257	117.106	177.891	4D.13
Grants and contributions									
Grants and contributions – capital expenditure	£m	3	0.012	0.211	0.000	0.000	18.225	18.448	4D.14
Net totex	£m	3	52.164	14.554	3.082	124.475	268.868	463.144	4D.15
Cash expenditure									
Pension deficit recovery payments	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	4D.16
Other cash items	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	4D.17
Totex including cash items	£m	3	52.164	14.554	3.082	124.475	268.868	463.144	4D.18

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 4D – continued

Totex analysis for the 12 months ended 31 March 2025 – water resources and water Network Plus

				Network Plus					
Line description	Units	DPs	Water resources	Raw water transport	Raw water storage	Water treatment	Treated water distribution	Total	RAG 4 reference
Atypical expenditure									
Item 1	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	4D.19
Item 2	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	4D.20
Item 3	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	4D.21
Item 4	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	4D.22
Item 5	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	4D.23
Total atypical expenditure	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	4D.24

### Capital expenditure

#### Water Resources

#### Comparison to PR19 (2024/2025 Price Base)

Gross regulated capital expenditure associated with the delivery of the wholesale water resources programme in the current reporting year was £14.7m, including £0.2m of AMP8 transitional expenditure, against a Final Determination of £9.1m.

A total of £8.6m has been expended within the water resources base programme to maintain and improve service where required, to support the delivery of our water and cross-business Performance Commitments, this is above the FD allowances of £6.1m.

The water resources enhancement capital expenditure in the current report year totals £6.1m, including £0.2m of AMP8 transitional expenditure, against a Final Determination of £3.0m.

Income has been received totalling £0.01m from grants and contributions in the current year associated with the water resources programme against a Final Determination of £0.0m.

Further detailed information on the grants and contributions reported on line 4D.14 can be found in [Table 2E](#) which identifies all income received through grants and contributions by type.

### Comparison to Previous Year (2024/2025 Price Base)

We had a base expenditure of £15.6m in the previous year, a decrease of 45%. This was mainly due to three large infrastructure projects that had substantial expenditure in 2023/2024 but which had minimal 2024/2025 expenditure, these were offset by a couple of non-infrastructure schemes which greatly increased expenditure in 2024/2025 compared to the previous year.

We had enhancement expenditure of £8.8m in the previous year, a decrease of 31%. Please see our commentary on [Table 4L](#) for more detail.

#### Water Network Plus

#### Comparison to PR19 (2024/2025 Price Base)

Gross regulated capital expenditure associated with the delivery of the wholesale water Network Plus programme in the current reporting year was £163.2m, including £10.7m of AMP8 transitional expenditure, against a Final Determination of £131.6m.

A total of £124.1m has been expended within the water Network Plus base programme to maintain and improve service where required, to support the delivery of our water and cross-business Performance Commitments, £35.3m is for developer services, against a Final Determination base allowance of £107.7m, which also includes the allowance for all Developer services capital expenditure.

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

The water Network Plus enhancement capital expenditure in the current report year totals £39.0m against a final determination of £23.9m.

Within the report year we had no third party services expenditure as mains diversions which are NRSWA requests, where a proportion of the income is received that offsets against the total scheme delivery cost, are now included within the Developer Services expenditure reporting line as per RAG 4.13. These costs are also reported in [Table 4P](#) and identified as non-price control diversions and as such not included in [Table 4N.4](#).

Income has been received totalling £18.5m from grants and contributions in the current year associated with the water Network Plus programme against a Final Determination of £15.4m, £13.5m in the Capex allowance and £1.8m in Opex allowance.

Further detailed information on the grants and contributions reported on line 4D.14 can be found in [Table 4E](#) which identifies all income received through grants and contributions by type.

## Comparison to Previous Year (2024/2025 Price Base)

We had a base expenditure of £89.5m in the previous year, a decrease of 1%. This was driven by an increase in our infrastructure water distribution block expenditure, offset by a decrease in water treatment non-infrastructure expenditure. We discuss this in more detail in our commentary for [Table 4J](#).

We had growth expenditure of £29.8m in the previous year, an increase of 18%. Please see our commentary on tables [4N](#) for more detail.

We had enhancement expenditure of £44.0m in the previous year, a decrease of 11%. Please see our commentary on [Table 4I](#) for more detail.

We had Grants and contributions of £16.1m in the previous year, an increase of 14%. Please see our commentary on [Table 2E](#) for more detail.

Table 4D provides information relating to wholesale water upstream services from raw water abstraction to water distribution. For further information regarding base operating expenditure variances please refer to [Table 4J](#).

## Operating expenditure

### Water Resources

Please refer to [Table 4J](#) for base operating expenditure variance commentary.

### Water Network Plus

Please refer to [Table 4J](#) for base operating expenditure variance commentary.

Treated water distribution has seen an annual decrease in operating cost of £7.4m principally reflecting a £7.1m decrease in base operating expenditure, £0.4m decrease in enhancement expenditure to drive leakage performance improvements, and £0.3m decrease in third party services.

## Technical notes

As per the information notice (IN22/01) the provision in relation to the innovation fund in 2024/2025 has been excluded from operating expenditure with no corresponding adjustment to revenue.

Table 4E

Totex analysis for the 12 months ended 31 March 2025 – wastewater Network Plus and bioresources

			Network Plus Sewage collection			Network Plus Sewage treatment		Bioresources				RAG 4 reference	
				Surface water drainage	Highway drainage	Sewage treatment and disposal	Imported sludge liquor treatment	Sludge transport	Sludge treatment	Sludge disposal			
Line description	Units	DPs	Foul								Total		
Operating expenditure													
Base operating expenditure	£m	3	52.523		19.728	7.333	129.885	0.538	10.520	10.763	9.928	241.217	4E.1
Enhancement operating expenditure	£m	3	0.000		0.000	0.000	1.421	0.000	0.000	0.000	0.000	1.421	4E.2
Developer services operating expenditure	£m	3	0.000		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4E.3
Total operating expenditure excluding third party services	£m	3	52.523		19.728	7.333	131.306	0.538	10.520	10.763	9.928	242.638	4E.4
Total third party services	£m	3	0.000		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4E.5
Total operating expenditure	£m	3	52.523		19.728	7.333	131.306	0.538	10.520	10.763	9.928	242.638	4E.6
Grants and contributions													
Grants and contributions – operating expenditure	£m	3	0.000		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4E.7
Capital expenditure													
Base capital expenditure	£m	3	86.021		26.582	8.428	66.080	0.400	0.048	11.385	1.840	200.784	4E.8
Enhancement capital expenditure	£m	3	130.834		70.219	15.627	248.370	0.002	0.000	26.512	0.000	491.564	4E.9
Developer services capital expenditure	£m	3	4.229		1.453	0.215	-0.027	0.000	0.000	0.000	0.000	5.870	4E.10
Total gross capital expenditure excluding third party services	£m	3	221.084		98.254	24.270	314.423	0.402	0.048	37.897	1.840	698.218	4E.11
Third party services	£m	3	0.000		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4E.12
Total gross capital expenditure	£m	3	221.084		98.254	24.270	314.423	0.402	0.048	37.897	1.840	698.218	4E.13
Grants and contributions													
Grants and contributions – capital expenditure	£m	3	7.872		2.403	0.300	0.018	0.000	0.000	0.000	0.000	10.593	4E.14
Net totex	£m	3	265.735		115.579	31.303	445.711	0.940	10.568	48.660	11.768	930.263	4E.15

Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 4E – continued

Totex analysis for the 12 months ended 31 March 2025 – wastewater Network Plus and bioresources

			Network Plus Sewage collection			Network Plus Sewage treatment		Bioresources			Total	RAG 4 reference
Line description	Units	DPs	Foul	Surface water drainage	Highway drainage	Sewage treatment and disposal	Imported sludge liquor treatment	Sludge transport	Sludge treatment	Sludge disposal		
Cash expenditure												
Pension deficit recovery payments	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4E.16
Other cash items	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4E.17
Totex including cash items	£m	3	265.735	115.579	31.303	445.711	0.940	10.568	48.660	11.768	930.263	4E.18
Atypical expenditure												
Item 1	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4E.19
Item 2	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4E.20
Item 3	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4E.21
Item 4	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4E.22
Item 5	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4E.23
Total atypical expenditure	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4E.24

Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report



## Wastewater Network Plus

### Comparison to PR19 (2024/2025 Price Base)

Gross regulated capital expenditure associated with the delivery of the wholesale wastewater Network Plus programme in the current reporting year was £658.4m, including £31.7m of AMP8 transitional expenditure and £19.9m of acceleration expenditure, against a Final Determination of £170.5m.

A total of £193.4m has been expended within the wastewater Network Plus base programme to maintain and improve service where required, to support the delivery of our wastewater and cross-business Performance Commitments, £5.9m is for developer services, against a Final Determination base allowance of £124.9m, which also includes the allowance for all Developer services capital expenditure.

The wastewater Network Plus enhancement capital expenditure in the current report year totals £465.1m against a final determination of £45.5m. The overspend in 2024/2025 is due to the ramping up of expenditure to catch up on the underspend that we reported, against the Final Determination forecast expenditure, in the first 4 years of the AMP. The delays on the programme were due to our continued focus on driving efficiencies to deliver the WINEP programme within the Final Determination funding allowance.

Within the report year we had no third party services expenditure as mains diversions which are NRSWA requests, where a proportion of the income is received that offsets against the total scheme delivery cost, are now included within the Developer Services expenditure reporting line as per RAG 4.13. These costs are also reported in [Table 4P](#) and identified as non-price control diversions and as such not included in [Tables 4O](#).

Income has been received totalling £10.6m from grants and contributions in the current year associated with the wastewater Network Plus programme against a Final Determination of £13.6m, £10.1m in the Capex allowance and £3.5m in Opex allowance.

Further detailed information on the grants and contributions reported on line 4E.14 can be found in [Table 2E](#) which identifies all income received through grants and contributions by type.

### Comparison to Previous Year (2024/2025 Price Base)

We had a base expenditure of £230.8m in the previous year, a decrease of 19%. Please see our commentary on [Table 4K](#) for more detail.

We had growth expenditure of £10.8m in the previous year, a decrease of 45%. Please see our commentary on [Tables 4O](#) and [4P](#) for more detail.

We had enhancement expenditure of £265.8m in the previous year, an increase of 75%. Please see our commentary on [Table 4M](#) for more detail.

## Bioresources

### Comparison to PR19 (2024/2025 Price Base)

Gross regulated capital expenditure associated with the delivery of the wholesale bioresources programme in the current reporting year was £39.8m, against a Final Determination of £22.8m.

A total of £13.3m has been expended within the bioresources base programme to maintain and improve service where required, to support the delivery of our wastewater and cross-business Performance Commitments, this is below the FD allowances of £13.9m.

The bioresources enhancement capital expenditure in the current report year totals £26.5m, against a Final Determination of £9.0m.

We do not have any Bioresources growth expenditure or grants and contributions income.

### Comparison to Previous Year (2024/2025 Price Base)

We had a base expenditure of £12.8m in the previous year, an increase of 3%. Please see our commentary on [Table 4K](#) for more detail.

We had enhancement expenditure of £4.4m in the previous year, an increase of over 500%. Please see our commentary on [Table 4M](#) for more detail.

Table 4E provides information relating to wholesale wastewater upstream services from sewage collection to sludge disposal, for further information please see [Tables 2B](#) and [4K](#).

## Operating expenditure

### Sewage Collection

Please refer to [Table 4K](#) for base operating expenditure variance commentary.

### Sewage Treatment

Please refer to [Table 4K](#) for base operating expenditure variance commentary.

Sewage Treatment has seen a £1.4m increase in enhancement expenditure in relation to WINEP.

### Bioresources

Please refer to [Table 4K](#) for base operating expenditure variance commentary.

## Technical notes

As per the information notice (IN22/01) the provision in relation to the innovation fund in 2024/2025 has been excluded from operating expenditure with no corresponding adjustment to revenue.



Table 4F  
Major project expenditure for wholesale water by purpose for the 12 months ended 31 March 2025

			Expenditure in report year £m						Cumulative expenditure incurred on schemes in £m						
			Water Network Plus						Water Network Plus						
Line description	Units	DPs	Water resources	Raw water transport	Raw water storage	Water treatment	Treated water distribution	Total	Water resources	Raw water transport	Raw water storage	Water treatment	Treated water distribution	Total	RAG 4 reference
Major project capital expenditure by purpose															
Capital expenditure purpose – line 1	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.1
Capital expenditure purpose – line 2	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.2
Capital expenditure purpose – line 3	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.3
Capital expenditure purpose – line 4	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.4
Capital expenditure purpose – line 5	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.5
Capital expenditure purpose – line 6	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.6
Capital expenditure purpose – line 7	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.7
Capital expenditure purpose – line 8	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.8
Capital expenditure purpose – line 9	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.9
Capital expenditure purpose – line 10	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.10
Total major project capital expenditure	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.11

Table 4F – continued  
Major project expenditure for wholesale water by purpose for the 12 months ended 31 March 2025

			Expenditure in report year £m						Cumulative expenditure incurred on schemes in £m							
			Water Network Plus						Water Network Plus							
Line description	Units	DPs	Water resources	Raw water transport	Raw water storage	Water treatment	Treated water distribution	Total	Water resources	Raw water transport	Raw water storage	Water treatment	Treated water distribution	Total	RAG 4 reference	
Major project operating expenditure by purpose																
Operating expenditure purpose – line 1	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.12	
Operating expenditure purpose – line 2	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.13	
Operating expenditure purpose – line 3	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.14	
Operating expenditure purpose – line 4	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.15	
Operating expenditure purpose – line 5	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.16	
Operating expenditure purpose – line 6	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.17	
Operating expenditure purpose – line 7	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.18	
Operating expenditure purpose – line 8	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.19	
Operating expenditure purpose – line 9	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.20	
Operating expenditure purpose – line 10	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.21	
Total major project operating expenditure	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4F.22	

CAPEX commentary

We have nil return on this table for the reporting year following the guidance contained in ‘RAG 4.13 Guideline for the table definitions in the annual performance report’.



Table 4G

Major project expenditure for wholesale wastewater by purpose for the 12 months ended 31 March 2025

Expenditure in report year £m												

**Major project expenditure for wholesale wastewater by purpose for the 12 months ended 31 March 2025**

[illegible]

## CAPEX commentary

We have nil return on this table for the reporting year following the guidance contained in 'RAG 4.13 Guideline for the table definitions in the annual performance report'.

## Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report



## Table 4H

### Financial metrics for the 12 months ended 31 March 2025

Line description	Units	DPs	Current year	AMP to date	RAG 4 reference
<b>Financial indicators</b>					
Net debt	£m	3	6662.522		4H.1
Regulatory equity	£m	3	2,812.950		4H.2
Regulatory gearing	%	2	70.31%		4H.3
Post tax return on regulatory equity	%	2	1.35%		4H.4
RoRE (return on regulatory equity)	%	2	2.52%	2.92%	4H.5
Dividend yield	%	2	1.87%		4H.6
Retail profit margin – Household	%	2	-1.97%		4H.7
Retail profit margin – Non household	%	2	0.00%		4H.8
Credit rating – Fitch	Text	n/a	n/a		4H.9
Credit rating – Moody's	Text	n/a	Baa2 (Stable)		4H.10
Credit rating – Standard and Poor's	Text	n/a	BBB+ (Stable)		4H.11
Return on RCV	%	2	3.25%		4H.12
Dividend cover	dec	2	5.16		4H.13
Funds from operations (FFO)	£m	3	493.233		4H.14
Interest cover (cash)	dec	2	4.14		4H.15
Adjusted interest cover ratio (ACICR)	dec	2	1.85		4H.16
FFO/Net debt	dec	2	0.07		4H.17
Effective tax rate	%	2	35.89%		4H.18
Retained cash flow (RCF)	£m	3	440.733		4H.19
RCF/Net debt	dec	2	0.07		4H.20
<b>Borrowings</b>					
Proportion of borrowings which are fixed rate	%	2	55.31%		4H.21
Proportion of borrowings which are floating rate	%	2	-8.30%		4H.22
Proportion of borrowings which are index linked	%	2	52.98%		4H.23
Proportion of borrowings due within 1 year or less	%	2	0.04%		4H.24
Proportion of borrowings due in more than 1 year but no more than 2 years	%	2	4.22%		4H.25
Proportion of borrowings due in more than 2 years but no more than 5 years	%	2	12.07%		4H.26
Proportion of borrowings due in more than 5 years but no more than 20 years	%	2	69.62%		4H.27
Proportion of borrowings due in more than 20 years	%	2	14.05%		4H.28

The values included on the table do not include any rounding adjustments.

#### Key

○ Input cell    ● Calculation cell    ● Copy cell

Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

**Table 4H.6. Dividend Yield**

'Dividend yield' is a calculated item linking to [Table 1A](#). Dividend yield of 1.87% (2023/2024: 2.40%) is lower than last year. The dividend has been paid to cover costs relating to the entity that have been incurred elsewhere in the group. This was a legal distribution as sufficient distributable reserves were available at the date of distribution.

**4H.9 – 4H.11:** Yorkshire Water Services Limited and its financing subsidiaries have credit ratings assigned to their issued debt by three rating agencies, Fitch Ratings (Fitch), Moody's Investors Service (Moody's) and S&P Global Ratings (S&P).

Yorkshire Water Services Limited and its financing subsidiaries have issued two types of debt: Class A and Class B – the main difference between the two is that the Class A lenders have more rights and also payment priority in the event of an unresolved Event of Default than Class B lenders. Fitch, Moody's and S&P periodically confirm and/or re-rate Class A debt and Class B debt credit ratings in the form of published notices.

The latest published ratings for Yorkshire Water Services Limited and its financing subsidiaries are shown in the table below (outlook status shown in brackets):

Rating Agency	Class A debt rating	Class B debt rating	Latest publication
Fitch	A- (stable)	BBB- (stable)	July 2023
Moody's	Baa2 (stable)	Ba1 (stable)	January 2024
S&P	A- (negative)	BBB (negative)	November 2022

The credit rating reports for all three of the rating agencies that assign credit ratings to Yorkshire Water Services Limited and the other companies within the Yorkshire Water Financing Group can be found on our group website at: [keldagroup.com/investors/creditor-considerations/ratings-reports/](https://www.keldagroup.com/investors/creditor-considerations/ratings-reports/)

Ofwat monitors Yorkshire Water's Moody's Class A Debt Rating and S&P's Class A Issue Rating. Accordingly, these two ratings meet the definition for inputting into the table as at 31 March 2024.

**Table 4H.13. Dividend cover**

The dividend cover ratio for this year is 5.157 (2023/2024: 0.362). This has increased due to the regulatory profit for the year of £270.7m (2023/2024: profit of £30.4m) per [Table 1A.14](#), which is higher due largely to the reduction in fair value of financial instruments from £71.6m in 2024 to £309.6m in 2025.

**4H.15:** We have used the formula in Ofwat's guidance to calculate the interest cover (cash) in [Table 4H](#) line 15:

*Interest cover (cash) = Funds from operations (Table 4H line 14) calculated before deducting interest paid (cash) / Interest paid (cash)*

Interest paid on borrowings is made up of the following:

	£m
YW Net Interest Paid excluding derivative interest cashflows ( <a href="#">Table 1D</a> Line 10 of the APR).	168.0
Derivative interest cashflows presented as part of Table 1D Line 20 of the APR	(29.3)
Add back interest received on subordinated inter-company loans (see note 6 of Yorkshire Water Services Ltd annual report and financial statement for the year ended 31 March 2025). <a href="https://www.yorkshirewater.com/reports">yorkshirewater.com/reports</a>	15.7
Add loan repayment from YW to fund interest payments on exchange bonds held by subsidiary companies to pay the interest on bonds raised by those subsidiary companies (see note 16 of Yorkshire Water Services Ltd annual report and financial statement for the year ended 31 March 2024 and further detail below). <a href="https://www.yorkshirewater.com/reports">yorkshirewater.com/reports</a>	2.7
<b>Interest Paid on Borrowings</b>	<b>157.1</b>

Certain bonds issued by subsidiaries of YW and subsequently on-lent to YW at their issue date had their terms changed in 2009. The changes involved exchanging the bonds with the bond holders for new bonds – resulting in changes to both their nominal value and applicable interest rates. 'Exchange Accounting' was applied by YW in relation to these bonds.

The difference in the pre and post exchange interest rates resulted in a funding gap between the interest payable on the original bonds and the actual interest payable at the new interest rates.

These differences are covered by loans between YW and its subsidiary – Yorkshire Water Finance Plc (YWFplc) whereby YW pays an amount over to YWF plc in order for the correct amount of interest to be paid to the bond holders. For the year ended 31 March 2025 this difference amounted to £2.7m. The associated loans will be repayable in full when the bonds mature.

The purpose of adding the £2.7m to the interest cost is to reflect the actual interest cost that YW and its subsidiaries have to pay to its external bond holders and therefore better reflects the actual interest attributable to YW.

Following a reporting change in line with FRC guidance cash interest paid in relation to derivatives is now disclosed within line 20 rather than line 10 in [Table 1D](#). To comply with the definition of interest paid which is "all cash interest paid on borrowings in the year, net of the impact of swap arrangements" we have adjusted for the £29.3m net interest received on our derivatives.

Therefore, the calculation for line 15: Interest cover (cash) is as follows:

$$\text{Interest cover (cash)} = (£493.2m + £157.2m) / £157.2m = 4.14 \text{ times.}$$

**4H.16:** We have used the formula in Ofwat's guidance (which is different to the methodology used within our covenanted interest cover ratios and also the methodology used by the credit rating agencies) to calculate the adjusted interest cover (cash) in [Table 4H](#) line 16. The formula is as follows:

Adjusted interest Cover (cash) = (Funds from operations (table 4H line 14) before deducting interest paid (cash) less RCV run off) / Interest paid (cash).

Interest paid on borrowings is as per line 15 - Interest cover (cash). RCV run off is defined within Yorkshire Water's final determination and is adjusted to the year-end price base. The RCV run off figures are published by Ofwat each year.

Therefore, the calculation for line 16: Adjusted interest cover (cash) is as follows:

$$\text{Interest Cover (cash)} = (£493.2m + £157.2m - £359.0m) / £157.2m = 1.85 \text{ times.}$$

**4H.21 – 4H.28:** Yorkshire Water has a balanced mix of funding at fixed, floating and inflation linked interest rates. Yorkshire Water predominantly manages inflation and interest rate risk on a portfolio basis rather than an individual instrument basis and assesses debt portfolio exposures including derivatives.

The reported proportion of index linked debt is 53.0% which includes derivatives. If derivatives were not included, then the company's index linked exposure would be 35.1%.

Yorkshire Water's debt maturity profile reflects the company's effective management of its refinancing requirements.

Yorkshire Water measures its debt percentages against the company's regulated capital value to ensure that no more than 20 per cent of the company's refinancing requirements fall due within any 24-month period and that no more than 40 per cent falls due within any AMP.

Table 4I

## Financial derivatives

Line description	Nominal value by maturity (net) at 31 March				Total value at 31 March		Total accretion at 31 March	Interest rate		RAG 4 reference
	0 to 1 years	1 to 2 years	2 to 5 years	Over 5 years	Nominal value (net)	Mark to Market		Payable	Receivable	
Units	£m	£m	£m	£m	£m	£m	£m	%	%	
DPs	3	3	3	3	3	3	3	3	3	
<b>Interest rate swap (sterling)</b>										
Floating to fixed rate	0.000	0.000	20.000	25.000	45.000	3.646	0.000	6.033%	5.504%	4I.1
Floating from fixed rate	0.000	0.000	340.000	90.000	430.000	33.968	0.000	6.452%	3.888%	4I.2
Floating to index linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%	4I.3
Floating from index linked	0.000	0.000	110.203	978.445	1,088.648	1,441.397	224.920	2.803%	10.262%	4I.4
Fixed to index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%	4I.5
Fixed from index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%	4I.6
Index-linked to index-linked	0.000	0.000	650.000	0.000	650.000	1.447	0.000	0.000%	0.000%	4I.7
Total	0.000	0.000	1,120.203	1,093.445	2,213.648	1,480.458	224.920			4I.8
<b>Foreign Exchange</b>										
Cross currency swap USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.9
Cross currency swap EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.10
Cross currency swap YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.11
Cross currency swap Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.12
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.13
<b>Currency interest rate</b>										
Currency interest rate swaps USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.14
Currency interest rate swaps EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.15
Currency interest rate swaps YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.16
Currency interest rate swaps Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.17
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.18

## Key

○ Input cell    ● Calculation cell    ● Copy cell

Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

**Table 4I – continued****Financial derivatives**

Line description	Nominal value by maturity (net) at 31 March				Total value at 31 March		Total accretion at 31 March	Interest rate		RAG 4 reference
	0 to 1 years	1 to 2 years	2 to 5 years	Over 5 years	Nominal value (net)	Mark to Market		Payable	Receivable	
Units	£m	£m	£m	£m	£m	£m	£m	%	%	
DPs	3	3	3	3	3	3	3	3	3	
<b>Forward currency contracts</b>										
Forward currency contracts USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.19
Forward currency contracts EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.20
Forward currency contracts YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.21
Forward currency contracts CAD	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.22
Forward currency contracts AUD	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.23
Forward currency contracts HKD	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.24
Forward currency contracts Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.25
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000			4I.26
<b>Other financial derivatives</b>										
Other financial derivatives	0.000	0.000	0.000	0.000	0.000	-2.354	0.000			4I.27
Total financial derivatives	0.000	0.000	1,120.203	1,093.445	2,213.648	1,478.104	224.920			4I.28

Due to the size of the data table, we have published the second half of Table 4I separately on our website here: [yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/)

**Key**

○ Input cell    ● Calculation cell    ● Copy cell

Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 4I provides an analysis of Yorkshire Water portfolio of financial derivatives.

Yorkshire Water's operations expose the company to a variety of financial risks that include interest rate risk and inflation risk.

Yorkshire Water has several interest rate swaps to manage the interest rate risk arising from the debt instruments that are used to finance the company's activities.

Yorkshire Water's revenues are partly linked to the underlying rate of inflation, measured by the consumer price index including owner-occupiers' housing costs (CPIH). Revenues are therefore subject to fluctuations in line with changes in CPIH. In addition, Yorkshire Water's RCV, which is one of the critical components for setting customer's bills, is also linked to inflation. The percentage of the company's net debt to RCV is a covenant within Yorkshire Water's financing arrangements. In the absence of any management action, negative inflation could potentially lead to a breach of gearing limits, however, this risk is mitigated by Yorkshire Water maintaining levels of inflation linked debt and being a counterparty to inflation linked swaps.

Interest received on inflation linked swaps is based on the Sterling Overnight Index Average (SONIA). Interest is paid at fixed amounts plus RPI. Movements in RPI are also applied to the nominal value of inflation linked debt and swaps to determine additional amounts to be paid either at maturity or during the life of some inflation linked swaps. Therefore, the impact of inflation reductions on income and RCV is mitigated by reduced interest charges and lower value of inflation linked debt used in calculating gearing as a percentage of RCV.

The inflation profile of Yorkshire Water's debt and swap portfolio continues to be reviewed in relation to reform of RPI methodology, and any changes would be expected to be made before 2030.

## Table 4I line notes

### 4I.1: Floating to fixed rate interest rate swaps

In relation to managing interest rate risk Yorkshire Water holds £45.0m (2024: £45.0m) nominal value of legacy floating to fixed rate swaps.

### 4I.2: Floating from fixed rate interest rate swaps

In relation to managing interest rate risk, Yorkshire Water holds £430.0m (2024: £1,430.0m) nominal value of floating from fixed rate swaps. During the year ending 31 March 2025, swaps with a nominal value of £1,000.0m matured. These swaps were entered into during September 2023 and had the impact of fixing the floating receive legs of Yorkshire Water's inflation linked swaps until the end of AMP7.

### 4I.4: Floating from index linked swaps

In relation to managing inflation risk, Yorkshire Water holds £1,088.6m (2024: £1,112.1m) nominal value of floating from index linked swaps (termed inflation linked swaps). During the year ending 31 March 2025, the Mandatory Breaks on swaps with a nominal value of £23.4m were addressed. Post-February 2025 cash flow were cancelled through an early settlement payment made in February 2025.

Yorkshire Water's inflation linked swaps have the following cashflows:

- Six monthly interest is received by Yorkshire Water based on SONIA.
- Six monthly interest is paid by Yorkshire Water based on a fixed rate plus RPI.
- An RPI linked amount is also payable on maturity of the swaps or at certain predetermined dates over the duration of the swaps.
- A proportion of the swaps also receive six monthly interest amounts based on a margin over the SONIA based rate.

The maturity dates of the company's portfolio of inflation linked swaps range from 2038 to 2063.

At 31 March 2025, swaps with a total nominal value of £269.1m included Mandatory Break clauses in their terms. The dates for these Mandatory Breaks are: 21 February 2028 (£110.2m), 21 August 2030 (£117.5m), and 21 February 2033 (£41.4m). It is prudently assumed in Table 4I that swaps will mature on their Mandatory Break date.

Where swaps have been bifurcated, the resulting instruments are treated as a single derivative for the purposes of the data shown in Table 4I whilst reflecting the terms of the bifurcation.

### 4I.7: Index-linked to index-linked

Yorkshire Water holds RPI to CPI/CPIH swaps with a total notional value of £650.0m (2024: £300.0m) to hedge inflation basis risk.

The swaps have the following cashflows:

- Annual accretion receivable linked to RPI.
- Annual accretion payable linked to CPI/CPIH plus a fixed accretion amount payable.

Both RPI-linked and CPI/CPIH-linked accretion accrued on these swaps at 31 March 2025 was £nil (2024: £nil).



#### 4I.27: Other financial derivatives

Other financial derivatives relate to Yorkshire Water's exposure to energy price fluctuations. Yorkshire Water aims to manage this risk by fixing energy contract prices where possible and operating within an energy purchasing policy that is designed to manage price volatility risk. The notional amounts of energy that Yorkshire Water has hedged is in megawatts per hour (i.e. not in £m's) and therefore the nominal value by maturity has been left blank in line 4I.27.

Lines 4I.29–4I.140 provide further analysis by swap types of data items included in lines 4I.1 to 4I.28.

Table 4I requests information on swap mark to market values rather than swap fair values. The table below reconciles the mark to market values shown in Table 4I to the fair value amounts shown within [Table 1C](#) (which include credit risk and other valuation adjustments), the latter being reflected within Yorkshire Water's published financial statements.

[Table 4B](#) requests information on the fair value of instruments. Those values included within [Table 4B](#) for financial derivatives are consistent with those presented within [Table 1C](#). Other financial instruments (energy swaps) are not included within [Table 4B](#).

### Data validation

Within the statement of financial position at [Table 1C](#), in accordance with generally accepted accounting principles, financial derivatives are stated at fair value rather than the mark to market value. The fair value of a swap is essentially the mark to market value of the swap adjusted to take into account the potential impact of the risk of swap counterparties defaulting (the counterparties being Yorkshire Water and the bank or financial institution providing the swap) as well as a number of other valuation adjustments.

### Table 4I to Table 1C reconciliation

Derivative type	Table 4I – mark to market values – liabilities shown as negative and assets shown as positive £m	Valuation adjustment to reflect the day 1 loss/gain on exchange transaction on exchanged swaps in line with IFRS accounting £m	Credit risk and other adjustments required under FRS102 accounting £m	Table 1C – fair value £m
Floating to fixed rate	-3.646	0.000	0.125	-3.521
Floating from fixed rate	-33.968	0.000	0.441	-33.527
Floating from index linked	-1,441.397	60.218	188.156	-1,193.023
Index-linked to index-linked	-1.447	0.000	0.106	-1.341
Other financial derivatives	2.354	0.000	0.004	2.358
<b>Total</b>	<b>-1,478.104</b>	<b>60.218</b>	<b>188.832</b>	<b>-1,222.054</b>

Table 1C	£m
Non-current assets: Financial instruments	279.594
Current assets: Financial instruments	1.914
Non-Current liabilities: Financial instruments	-1,510.562
Current liabilities: Financial instruments	0.000
<b>Total</b>	<b>-1,229.054</b>

## Technical notes

### Nominal value

The Nominal value is the face amount that is used to calculate all payments made and received under the associated swap.

### Mark to market value

The mark to market value is the net present value of all future expected receipts and payments under a swap. The amount is based on the current market expectations of future interest rates, future inflation rate, and future energy prices depending on the swap in question. Out-of-the-money (liability) positions are presented as positive, in-the-money (asset) positions are presented as negative. This signage convention is reversed in the Table 4I to [Table 1C](#) reconciliation presented.

### Accretion

Accretion on floating from index linked derivatives reflects the uplift to the nominal liability arising from inflation up to 31 March 2025. The payment of this accretion will occur in future periods and has therefore been discounted to present value using an appropriate rate applied to the specific life of the swaps.

### Interest rates

Interest rates payable and receivable for floating legs of derivatives have been determined using compounded SONIA rates for either 6 months or 12 months with 5 day lookback, dependent on the relevant swap as at 31 March 2025.

As only accretion and not interest is settled on index-linked to index-linked derivatives, interest rates are shown as 0.000%.



## Table 4J

Base expenditure analysis for the 12 months ended 31 March 2025 – water resources and water Network Plus

				Water Network Plus					
Line description	Units	DPs	Water resources	Raw water distribution	Raw water storage	Water treatment	Treated water distribution	Total	RAG 4 reference
Operating expenditure									
Power	£m	3	4.581	8.564	0.013	14.766	23.703	51.627	4J.1
Income treated as negative expenditure	£m	3	0.000	0.000	0.000	-0.224	-0.050	-0.274	4J.2
Bulk Supply/Bulk discharge	£m	3	4.448	0.000	0.000	0.000	0.000	4.448	4J.3
Renewals expensed in year (infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	4J.4
Renewals expensed in year (non-infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	4J.5
Other operating expenditure	£m	3	11.501	2.936	2.382	64.582	92.767	174.168	4J.6
Local authority and Cumulo rates	£m	3	6.482	1.589	0.556	0.813	23.344	32.784	4J.7
Service Charges									
Canal & River Trust abstraction charges/discharge consents	£m	3	0.811	0.000	0.000	0.000	0.000	0.811	4J.8
Environment Agency/NRW abstraction charges/discharge consents	£m	3	9.634	0.000	0.000	0.274	0.000	9.908	4J.9
Other abstraction charges/discharge consents	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	4J.10
Location specific costs & obligations									
Costs associated with Traffic Management Act	£m	3	0.000	0.000	0.000	0.007	2.233	2.240	4J.11
Costs associated with lane rental schemes	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	4J.12
Statutory water softening	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	4J.13
Total base operating expenditure	£m	3	37.456	13.089	2.950	80.218	141.997	275.711	4J.14
Capital expenditure									
Maintaining the long term capability of the assets – infra	£m	3	4.512	0.081	0.000	0.000	45.679	50.272	4J.15
Maintaining the long term capability of the assets – non-infra	£m	3	4.130	0.166	0.115	25.501	17.318	47.230	4J.16
Total base capital expenditure	£m	3	8.642	0.247	0.115	25.501	62.997	97.502	4J.17
Traffic Management Act									
Projects incurring costs associated with Traffic Management Act	nr	0	0	0	0	0	21730	21730	4J.18

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Capital expenditure

### In-year Actual Expenditure (2024/2025 Price Base)

A total of £97.5m has been invested in maintaining the long-term capability of our water assets in the current report year. The above table identifies the split of this investment between each of the price controls as well as by infrastructure investment of £50.3m and non-infra £47.2m.

The total of £50.3m water infra base investment is split between the Water Resources price control £4.5m and the water Network Plus price control £45.8m.

The total £47.2m of water non-infra base investment is split between the Water Resources price control £4.1m and the water Network Plus price control £43.1m.

Water Resources investment of £8.6m includes £6.1m of directly allocated investment and £2.5m associated with its reallocation of Management and General costs apportioned across the whole programme.

Water Network Plus investment of £88.9m includes £83.6m of directly allocated investment and £5.3m associated with its reallocation of Management and General costs apportioned across the whole programme.

### Comparison to Previous Year (2024/2025 Price Base)

We had a base expenditure of £105.1m in the previous year, a decrease of 7%.

Infrastructure expenditure decreased by 6% in total against £ m in the previous year. There was a decrease of 65% in Water Resources driven by three large infrastructure projects that had substantial expenditure in 2023/2024 but which had minimal 2024/2025 expenditure. This was offset by an expenditure increase of 13% in Water Network Plus driven by increased expenditure on our block R&M schemes.

Non-infrastructure expenditure decreased by 8% in total against £m in the previous year. There was an increase of 53% in Water Resources which greatly increased expenditure in 2024/2025 compared to the previous year.

This was offset by a decrease of 12% in water Network Plus, drive by a few large Water Treatment schemes which either completed or greatly reduced expenditure compared to the previous year.

## Operating expenditure

Table 4J splits out the base expenditure in 4D.

### Energy Consumption and Costs (year-on-year decrease of £10.3m)

Energy costs across the water price controls saw a reduction of £10.3m in 2024/2025 due to lower unit prices and consumption. Favourable weather reduced the need to pump resources around the region resulting in lower overall consumption. Renewable incentives further reduced the cost of power.

### Other Operating Expenditure Water Treatment (year-on-year decrease of £8.1m)

The cost of chemicals reduced year-on-year due to a combination of lower usage and commercial agreements that delivered overall favourable value. The operational need for sludge handling and tankering also fell year-on-year leading to an overall reduction in cost compared to 2023/2024.

### Treated Water Distribution (year-on-year decrease of £7.1m)

Treated Water Distribution faced higher winter pressures compared to 2023/2024 due to freeze-thaw conditions leading to additional leakage mitigation. Efforts to reduce leakage more sustainably have shifted from repairs to replacement and further supported by active pressure management.

A reduction in overall repair and maintenance (R&M) spending was achieved through contract assurance teams driving operational and commercial efficiency, reducing trial holes, and minimizing out-of-hours work where appropriate.

For more information on year on year variances refer to the commentary for [Tables 2B](#) or [4D](#).

# Table 4K

Base expenditure analysis for the 12 months ended 31 March 2025 – wastewater Network Plus and bioresources

Line description	Units	DPs	Foul	Expenditure in report year					RAG 4 reference
				Wastewater Network Plus					
				Surface water drainage	Highway drainage	Sewage treatment and disposal	Sludge liquor treatment		
Operating expenditure									
Power	£m	3		6.029	2.250	0.720	54.857	0.956	4K.1
Income treated as negative expenditure	£m	3		0.000	0.000	0.000	-0.425	-0.007	4K.2
Bulk Supply/Bulk discharge	£m	3		0.000	0.000	0.000	0.009	0.000	4K.3
Renewals expensed in year (infrastructure)	£m	3		0.000	0.000	0.000	0.000	0.000	4K.4
Renewals expensed in year (non-infrastructure)	£m	3		0.000	0.000	0.000	0.000	0.000	4K.5
Other operating expenditure	£m	3		43.062	16.112	5.832	47.379	-0.413	4K.6
Local authority and Cumulo rates	£m	3		0.250	0.178	0.091	21.846	0.002	4K.7
Service Charges									
Canal & River Trust abstraction charges/discharge consents	£m	3		0.000	0.000	0.310	0.000	0.000	4K.8
EA/NRW abstraction charges/discharge consents	£m	3		3.100	1.157	0.370	6.222	0.000	4K.9
Other abstraction charges/discharge consents	£m	3		0.000	0.000	0.000	0.000	0.000	4K.10
Location specific costs & obligations									
Costs associated with Traffic Management Act	£m	3		0.083	0.031	0.010	-0.001	0.000	4K.11
Costs associated with lane rental schemes	£m	3		0.000	0.000	0.000	0.000	0.000	4K.12
Costs associated with Industrial emissions directive	£m	3		0.000	0.000	0.000	0.000	0.000	4K.13
Total base operating expenditure	£m	3		52.523	19.728	7.333	129.885	0.538	4K.14
Capital expenditure									
Maintaining the long term capability of the assets – infra	£m	3		53.560	17.033	5.389	3.038	0.000	4K.15
Maintaining the long term capability of the assets – non-infra	£m	3		32.461	9.549	3.039	63.042	0.400	4K.16
Total base capital expenditure	£m	3		86.021	26.582	8.428	66.080	0.400	4K.17
Traffic Management Act									
Projects incurring costs associated with Traffic Management Act	nr	0		663	248	79	0	0	4K.18
Operating expenditure (AMP7 shadow reported values)									
Power	£m	3		0.000	0.000	0.000	0.463	0.000	4K.19
Income treated as negative expenditure	£m	3		0.000	0.000	0.000	0.000	0.000	4K.20

Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 4K – continued

Base expenditure analysis for the 12 months ended 31 March 2025 – wastewater Network Plus and bioresources

Line description	Units	DPs	Expenditure in report year				RAG 4 reference
			Bioresources			Total	
			Sludge Transport	Sludge Treatment	Sludge Disposal		
Operating expenditure							
Power	£m	3	0.006	-13.842	0.004	50.979	4K.1
Income treated as negative expenditure	£m	3	0.000	-2.825	0.000	-3.258	4K.2
Bulk Supply/Bulk discharge	£m	3	0.000	0.004	0.000	0.013	4K.3
Renewals expensed in year (infrastructure)	£m	3	0.000	0.000	0.000	0.000	4K.4
Renewals expensed in year (non-infrastructure)	£m	3	0.000	0.000	0.000	0.000	4K.5
Other operating expenditure	£m	3	10.509	25.047	9.912	157.440	4K.6
Local authority and Cumulo rates	£m	3	0.005	2.380	0.003	24.755	4K.7
Service Charges							
Canal & River Trust abstraction charges/discharge consents	£m	3	0.000	0.000	0.000	0.310	4K.8
EA/NRW abstraction charges/discharge consents	£m	3	0.000	0.000	0.008	10.857	4K.9
Other abstraction charges/discharge consents	£m	3	0.000	0.000	0.000	0.000	4K.10
Location specific costs & obligations							
Costs associated with Traffic Management Act	£m	3	0.000	0.000	0.000	0.121	4K.11
Costs associated with lane rental schemes	£m	3	0.000	0.000	0.000	0.000	4K.12
Costs associated with Industrial emissions directive	£m	3	0.000	0.000	0.000	0.000	4K.13
Total base operating expenditure	£m	3	10.520	10.763	9.928	241.217	4K.14
Capital expenditure							
Maintaining the long term capability of the assets – infra	£m	3	0.000	0.000	0.000	79.020	4K.15
Maintaining the long term capability of the assets – non-infra	£m	3	0.048	11.385	1.840	121.764	4K.16
Total base capital expenditure	£m	3	0.048	11.385	1.840	200.784	4K.17
Traffic Management Act							
Projects incurring costs associated with Traffic Management Act	nr	0	0	0	0	990	4K.18
Operating expenditure (AMP7 shadow reported values)							
Power	£m	3	0.000	0.000	0.000	0.463	4K.19
Income treated as negative expenditure	£m	3	0.000	-0.463	0.000	-0.463	4K.20

Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report



## Capital expenditure

### In-year Actual Expenditure (2024/2025 Price Base)

A total of £200.7m has been invested in maintaining the long-term capability of our wastewater assets in the current report year. The above table identifies the split of this investment between each of the price controls as well as by infrastructure investment of £79.0m and non-infra £121.8m.

The total of £79.0m wastewater infra base investment is purely in the Wastewater Network Plus price control.

The total £121.8m of wastewater non-infra base investment is split between the Bioresources price control £13.3m and the Wastewater Network Plus price control £108.5m (this includes all M&G expenditure assessed as principal use).

Wastewater Network Plus investment of £187.5m includes £124.4m of directly allocated investment (this includes the principal use expenditure) and £64.8m associated with its reallocation of Management and General costs apportioned across the whole programme.

Bioresources investment of £13.3m includes £13.1m of directly allocated investment and £0.2m associated with its reallocation of Management and General costs apportioned across the whole programme.

### Comparison to Previous Year (2024/2025 Price Base)

We had a base expenditure of £243.6m in the previous year, a decrease of 19%.

Infrastructure expenditure decreased by 9% in total against £86.5m in the previous year. This was driven by some 2023/2024 emergency schemes that had minimal or no expenditure in 2024/2025 in the Wastewater Treatment price control.

Non-infrastructure expenditure decreased by 23% in total against £157.1m in the previous year. There was a small increase of 3% in Bioresources, there was large a decrease of 25% in Wastewater Network Plus, the reasons for this are two-fold: some 2023/2024 emergency schemes that had minimal or no expenditure in 2024/2025 in the Wastewater Treatment price control and the IT modernisation programme greatly reduced in 2024/2025 compared to the previous year, across all of wastewater Network Plus.

## Operating expenditure

Table 4K splits out the base expenditure in [4E](#).

### Energy Consumption and Costs (year-on-year decrease of £12.2m)

Energy costs across the waste price controls saw a reduction of £12.2m in 2024/2025 due to lower unit prices and consumption. Renewable incentives further reduced power costs.

Sewage Collection saw reduced consumption due to decreased pumping, and Sewage Treatment benefited from reduced flows and increased focus on energy optimisation projects.

Bioresources achieved the best-ever performance in combined heat and power (CHP) generation, with a 14.7% increase in 2024/2025, due to a dedicated generation team ensuring improved maintenance support and increased CHP availability.

### Other Operating Expenditure Sewage Collection (year-on-year increase £6.0m)

Sewage Collection saw increased overtime costs to minimise contractor use during times of escalation with particular focus on below ground maintenance and reactive priorities.

Yorkshire Water are currently adopting advanced technologies and practices to reduce its environmental impact. This programme of investment and upgrade will continue into AMP8 enabling a more connected and proactively maintained sewer network allowing it to focus on interventions based on risk and real time analysis.

### Sewage Treatment (year-on-year decrease £0.8m)

Favourable weather patterns reduce the volume and flow to sewage treatment works (STWs) which has been offset by higher levels of process driven sludge production linked to the implementation of WINEP.

Sewage Treatment has seen increased tankering costs in 2024/2025 in response to power outages on site driven by a series of named but predominantly windy storms across the year. This has helped to reduce the volume of impacts to the environment as Yorkshire Water strive for 100% compliance, 100% of the time.

### Bioresources (year-on-year increase £2.8m)

Water quality driven process changes such as WINEP and environmental protection steps linked to IED sites has resulted in a higher reliance on third parties to treat and dispose of sludge. As an example, the WINEP processes result in a 30% increase in sludge production. For more information on year on year variances refer to the commentary for [Table 2B](#) or [4E](#).

## Table 4L

### Enhancement expenditure for the 12 months ended 31 March 2025 – water resources and water Network Plus

Due to the size of the data table, we have published Table 4L separately on our website here: [yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/)

## Capital expenditure Comparison to PR19 (2024/2025 Price Base)

The water resources enhancement capital expenditure in the current report year totals £6.1m, including £0.2m of AMP8 transitional expenditure, against a Final Determination of £3.0m and this is all directly allocated.

The water Network Plus enhancement capital expenditure in the current report year totals £39.0m, including £10.7m of AMP8 transitional expenditure, against a final determination of £23.9m. There is £27.8m of direct allocation and £0.6m associated with its reallocation of Management and General costs apportioned across the whole programme.

We have included 1 free-form line, 4L.100 – COVID-19 capital costs. This was created in 2020/2021 to show enhancement expenditure that was due to COVID-19 delays. We have no costs assigned to here this year, however we shown the expenditure from 2020/2021 within the cumulative column.

We have no water acceleration schemes so this column will always be a nil-return.

We have transition expenditure of £10.9m, this is made up of £2.6m on water quality obligations, including lead reduction, £7.2m on smart metering and £1.1m on supply-demand schemes.

## Regulatory obligations delivered within the reporting year

There were two DWI regulatory obligations relating to our wholesale water resources and water Network Plus programme due for completion within the reporting year.

Oldfield WTW – Notice- LI/YKS/2018/00003 was completed this year at a cumulative cost of £3.7m.

Fixby WTW – Notice – LI/YKS/2018/00002 was completed this year at a cumulative cost of £13.1m.

The costs for these schemes can be found on line 4L.67.

We have completed 5 WINEP investigation schemes at a cumulative cost of £3.4m, this can be found on line 4L.16.

We have been reviewing our leakage schemes shown on line 4L.26. These schemes don't have direct obligations and so are not always clearly shown to have completed. We have reviewed all the schemes reported to this line in AMP7 to see which have actually completed, that we did not show in the APR table.

We have inputted a value of £24.7m, however only £11.3m of this comes from schemes which completed in 2024-2025.

Completion Year	Number of schemes	Sum of Spend at Completion Year
2022	2	0.374
2023	9	5.215
2024	7	7.810
2025	14	11.279
<b>Total</b>	<b>32</b>	<b>24.678</b>

All other AMP7 Water WINEP and DWI regulatory obligations are forecast to be completed before or in line with their corresponding compliance dates.

## Comparison to Cumulative Allowance

We have spent £327.8m in AMP7 (at 2024/2025 price base) against an allowance of £209.6m.

Our WINEP Capex is £19.5m below our allowance.

Our Leakage expenditure is £164.4m against an allowance of £36.3m. Our Capex expenditure has outturned close to the allowance, at £32.8m but for consistency it was agreed that we would also show Opex delivering leakage improvements as enhancement and this was not accounted for within the FD allowance.

We are slightly over our metering allowance (£1.8m), this is driven by increased DMO requests in the AMP.

We are slightly over our water quality allowance as whole by £4.4m, however, this is driven by expenditure below our allowance for Raw Water Deterioration, offset by expenditure above the allowance for Taste and Odour and Lead.

## Comparison to Previous Year (2024/2025 Price Base)

We had Water Resources enhancement expenditure of £8.8m in the previous year, a decrease of 31%. The major variances were on the following lines:

- **4L.1** Ecological improvements at abstractions (£0.7m)
- **4L.10** Drinking Water Protected Areas (£1.1m) – a few schemes either closed down or reduced spend in 2024/2025, the biggest variance was c. £0.8m.
- **4L.16** Investigations (£1.0m).

We had water Network Plus enhancement expenditure of £44.0m in the previous year, a decrease of 11%. The major variances were on the following lines:

- **4L.26** Leakage improvements delivering benefits in 2020-2025 (£6.0m) – the leakage driven smart metering schemes were mostly completed in 2023/2024.
- **4L.39** New meters requested by existing customers (£1.2m) – this is a DMO block scheme, customer demand for meters was lower this year than the previous one.
- **4L.64** Improvements to taste, odour and colour (£7.0m) – this was driven by one scheme completing in year 4, one having a 50% reduction in expenditure and a reversal of an accrual for an AMP7 transition holding scheme.

## Operating expenditure

Treated Water Distribution has reported £26.1m of leakage related enhancement expenditure. This has seen a decrease of £0.4m compared to 2023/2024.



## Table 4M

### Enhancement expenditure for the 12 months ended 31 March 2025 – wastewater Network Plus and bioresources

Due to the size of the data table, we have published Table 4M separately on our website here: [yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/)

## Capital expenditure Comparison to PR19 (2024/2025 Price Base)

The wastewater Network Plus enhancement capital expenditure in the current report year totals £465.0m, £31.7m of AMP8 transitional expenditure and £19.9m of acceleration expenditure, against a final determination of £45.5m. There is £464.7m of direct allocation and £0.3m associated with its reallocation of Management and General costs apportioned across the whole programme.

The overspend in 2024/2025 is due to the ramping up of expenditure to catch up on the underspend that we reported, against the Final Determination forecast expenditure, in the first 4 years of the AMP. The delays on the programme were due to our continued focus on driving efficiencies to deliver the WINEP programme within the Final Determination funding allowance.

We have a few lines showing negative expenditure for the year due to two schemes which have reversals of accruals in previous years.

**4M.1:** Conservation drivers (£0.06m).

**4M.22:** Effective storage in the network to reduce spill frequency at CSOs etc (green solutions) (£0.04m).

**4M.44:** Investigations (£0.01m).

The bioresources enhancement capital expenditure in the current report year totals £26.5m, against a Final Determination of £9.0m and this is all directly allocated.

We have included seven free-form lines:

**4M.75:** WINEP/NEP Investigations (Frequently Spilling Storm Overflows) Capex.

**4M.77:** COVID Capital – This was created in 2020/2021 to show enhancement expenditure that was due to COVID-19 delays. We have no costs assigned to here this year, however we shown the expenditure from 2020/2021 within the cumulative column.

**4M.79:** Living with Water Capex (contributions received are shown in table 2E).

**4M.81:** Industrial Emissions Directive Capex.

**4M.83:** CSO Improvement Programme Capex.

**4M.85:** AMP8 Storm Overflow Schemes.

**4M.87:** Treatment for nutrients (N or P) and/or sanitary determinants, nature based solution (WINEP/NEP).

We have wastewater acceleration expenditure of £19.9m, this all relates to our inland bathing water schemes at Ilkley.

We have transition expenditure of £31.7m, this is all on WINEP obligations, we discuss this in more detail in the reconciliation against PR24 section of this commentary.

## Regulatory obligations delivered within the reporting year

We have completed four schemes to increase flow to full treatment at a cumulative cost of £6.3m, this can be found on line **4M.10**.

We have completed six schemes to increase storm tank capacity at a cumulative cost of £25.9m, this can be found on line **4M.13**.

We have completed two schemes to increase storage in the network to reduce spill frequency at CSOs at a cumulative cost of £7.8m, this can be found on line **4M.19**.

We have completed one chemicals removal scheme at a cumulative cost of £5.7m, this can be found on line **4M.26**.

We have completed 61 phosphorus removal schemes at a cumulative cost of £392.9m, this can be found on line **4M.35**.

We have completed eight schemes for reduction of sanitary parameters at a cumulative cost of £21.6m, this can be found on line **4M.38**.



We have completed one growth at sewage treatment works scheme at a cumulative cost of £0.4m, this can be found on line 4M.48.

## Comparison to Cumulative Allowance (Totex 2024/2025 Price Base)

We have been tracking our expenditure against our allowance for [Table 4M](#) as part of the Service Delivery Plan.

We have outturned at £935.8m for the AMP against an allowance of £1,003.5m.

We have spent £669.1m on WINEP against an allowance of £948.8m. We have also outturned significantly lower than our allowance on Sludge Enhancement (£39.2m variance).

We have significant expenditure in two areas that we did not have an agreed allowance:

Industrial Emissions Directive – £32.8m.

CSO Improvement Programme – £182.1m.

## Comparison to Previous Year (2024/2025 Price Base)

We had wastewater Network Plus enhancement expenditure of £265.8m in the previous year, an increase of 75%. This variance is on all the reporting lines but in some cases is relatively minor, we discuss the major (>£1m) variances below:

- **4M.7:** Flow monitoring at sewage treatment works £1.5m – a couple of UMON4 block schemes have increased expenditure in 2024-2025 compared to the previous year.
  - **4M.13:** Schemes to increase storm tank capacity £4.5m – the variance is driven by two main factors, increased expenditure on one scheme and a new scheme beginning in 2024/2025.
  - **4M.16:** Schemes to provide additional effective storage at sewage treatment works through green infrastructure £9.2m – a single scheme, was incorrectly reported as a phosphorus scheme in the previous year £1.3m – we are moving the 2023/2024 expenditure to the correct line in the cumulative expenditure for 2024/2025.
  - **4M.19:** Storage in the network to reduce spill frequency at CSOs etc (grey solutions) £14.3m – three schemes greatly increased expenditure this year compared to the last.
  - **4M.26:** Chemical removals schemes £1.6m – increased expenditure this year compared to last on one scheme.
  - **4M.35:** Phosphorus removal (£22.1m) – there is variance across all of the phosphorus schemes, the decrease is driven by some of the larger schemes reducing expenditure in 2024/2025 as they came to completion.
  - **4M.38:** Reduction of sanitary parameters £16.4m – three schemes have greatly increased expenditure in 2024/2025 compared to the previous year.
  - **4M.57:** Sludge enhancement (quality) (£1.0m) – expenditure is slowing down as we get to the end of the AMP.
  - **4M.72:** Security – Non-SEMD (£1.6m) One scheme has reduced expenditure from £1.5m last year to £0.3m this year.
  - **4M.75:** WINEP/NEP Investigations (Frequently Spilling Storm Overflows) Capex (£2.6m) – expenditure is slowing down as we get to the end of the AMP.
  - **4M.79:** Living with Water Capex £5.1m – this is largely drive by increased expenditure on two schemes.
  - **4M.83:** CSO Improvement Programme Capex £123.8m – this programme was still being raised in 2023/2024, expenditure greatly increased on the existing schemes this year and new schemes began.
- We had Bioresources enhancement expenditure of £4.4m in the previous year, an increase of over 500%. This was driven by one line:
- **4M.81:** Industrial Emissions Directive Capex £23.1m – this programme was just starting in 2023/2024, expenditure greatly increased on the existing schemes this year and new schemes began.

## Operating expenditure

£1.4m of Opex enhancement in 2024/2025 in relation to completed WINEP schemes.

## Table 4N

**Developer services expenditure for the 12 months ended 31 March 2025 – water Network Plus (price control)**

			Water Network Plus			RAG 4 reference
			Treated water distribution			
Line description	Units	DPs	Capex	Opex	Totex	
New connections	£m	3	6.571	0.000	6.571	4N.1
Requisition mains	£m	3	9.053	0.000	9.053	4N.2
Infrastructure network reinforcement	£m	3	14.904	0.000	14.904	4N.3
s185 diversions	£m	3	0.897	0.000	0.897	4N.4
Other price controlled activities	£m	3	0.000	0.000	0.000	4N.5
Total developer services expenditure	£m	3	31.425	0.000	31.425	4N.6

## Operating expenditure

Yorkshire Water developer services costs are of a capital nature therefore, no related Opex.

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report



## Table 40

Developer services expenditure for the 12 months ended 31 March 2025 – wastewater Network Plus and bioresources

				Wastewater Network Plus						
Line description	Units	DPs	Foul	Surface water drainage	Highway drainage	Sewage treatment and disposal	Sludge liquor treatment	Total	RAG 4 reference	
Capex										
New connections	£m	3		0.027	0.000	0.000	0.000	0.027	40.1	
Requisition sewers	£m	3		1.920	0.333	-0.002	0.000	2.251	40.2	
Infrastructure network reinforcement	£m	3		0.688	0.242	0.037	0.000	0.966	40.3	
s185 diversions	£m	3		0.708	0.317	0.075	0.000	1.100	40.4	
Other price controlled activities	£m	3		0.000	0.000	0.000	0.056	0.056	40.5	
Total total developer services Capex	£m	3		3.343	0.891	0.111	0.056	4.401	40.6	
Opex										
New connections	£m	3		0.000	0.000	0.000	0.000	0.000	40.7	
Requisition sewers	£m	3		0.000	0.000	0.000	0.000	0.000	40.8	
Infrastructure network reinforcement	£m	3		0.000	0.000	0.000	0.000	0.000	40.9	
s185 diversions	£m	3		0.000	0.000	0.000	0.000	0.000	40.10	
Other price controlled activities	£m	3		0.000	0.000	0.000	0.000	0.000	40.11	
Total developer services Opex	£m	3		0.000	0.000	0.000	0.000	0.000	40.12	
Totex										
Total developer services expenditure	£m	3		3.343	0.891	0.111	0.056	4.401	40.13	

## Operating expenditure

The majority of developer services costs are of a capital nature and minimise the requirements for Opex costs. Yorkshire Water does not undertake the laying and construction of sewer connections, as it does not exercise powers under S107. Therefore, line 40.7 to 40.12 is a nil return.

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 4P

Expenditure on non-price control diversions for the 12 months ended 31 March 2025

Line description	Units	DPs	Water resources	Water Network Plus	Wastewater Network Plus	Total	RAG 4 reference
<b>Capex</b>							
Capex associated with NSWRA diversions	£m	3	0.000	3.792	0.529	4.321	4P.1
Capex associated with other non-price control diversions	£m	3	0.000	0.049	0.940	0.989	4P.2
Other developer services non-price control Capex	£m	3	0.000	0.000	0.000	0.000	4P.3
Developer services non-price control Capex	£m	3	0.000	3.841	1.469	5.310	4P.4
<b>Opex</b>							
Opex associated with NSWRA diversions	£m	3	0.000	0.000	0.000	0.000	4P.5
Opex associated with other non-price control diversions	£m	3	0.000	0.000	0.000	0.000	4P.6
Other developer services non-price control Opex	£m	3	0.000	0.000	0.000	0.000	4P.7
Developer services non-price control Opex	£m	3	0.000	0.000	0.000	0.000	4P.8
<b>Totex</b>							
Costs associated with NSWRA diversions	£m	3	0.000	3.792	0.529	4.321	4P.9
Costs associated with other non-price control diversions	£m	3	0.000	0.049	0.940	0.989	4P.10
Other developer services non-price control totex	£m	3	0.000	0.000	0.000	0.000	4P.11
Developer services non-price control totex	£m	3	0.000	3.841	1.469	5.310	4P.12

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 4Q

### Developer services – New connections, properties and mains

Line description	Units	DPs	Water	Wastewater	Total	RAG 4 reference
<b>Connections volume data</b>						
New connections (residential – excluding NAVs)	nr	0	7003	6183	13186	4Q.1
New connections (business – excluding NAVs)	nr	0	309	277	586	4Q.2
Total new connections served by incumbent	nr	0	7312	6460	13772	4Q.3
New connections – SLPs	nr	0	3711			4Q.4
<b>Properties volume data</b>						
New properties (residential – excluding NAVs)	nr	0	7827	7851	15678	4Q.5
New properties (business – excluding NAVs)	nr	0	520	492	1012	4Q.6
Total new properties served by incumbent	nr	0	8347	8343	16690	4Q.7
New residential properties served by NAVs	nr	0	4709	2114	6823	4Q.8
New business properties served by NAVs	nr	0	1	1	2	4Q.9
Total new properties served by NAVs	nr	0	4710	2115	6825	4Q.10
Total new properties	nr	0	13057	10458	23515	4Q.11
New properties – SLP connections	nr	0	3830			4Q.12
<b>New water mains data</b>						
Length of new mains (km) – requisitions	nr	0	19			4Q.13
Length of new mains (km) – SLPs	nr	0	40			4Q.14

#### Key

○ Input cell    ● Calculation cell    ● Copy cell

Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Water connections

Total Numbers Incumbent	Household New Connections	Business New Connection	Household connection per month on average	Business connection per month on average	Total New Connections	Total New Connections 2023/2024	% Difference between 2023/2024 & 2024/2025
Water	3317	284	276	24	3601	4675	-26%
SLP Data	3686	25	307	4	3711	4046	-9%
Total Water	7003	309	584	27	7312	8721	-18%

## Water properties

Total Numbers Incumbent	Household New Properties	Business New Properties	Household properties per month on average	Business properties per month on average	Total New Properties	Total New Properties 2023/2024	% Difference between 2023/2024 & 2024/2025
Water	4022	495	335	41	4517	6687	-39%
Self-Lay-Provider	3805	25	317	4	3830	4304	-12%
Total Water	7827	520	652	45	8347	10991	-27%
NAV Water	4661	1	389	0	4662	3535	27%
Total Water Inc Nav	12488	521	1041	45	13009	14526	-11%

Although the overall connections are lower when compared to the previous year, data shows this number does tend to fluctuate year on year, so the volumes are within an expected range. One theme 2024/2025 has shown, is a movement in the volumes of new connections, conducted by a New Appointment and Variation (NAV). A NAV refers to companies that are licensed by Ofwat to provide water and/or sewerage services to specific areas, typically for new developments.

As we move into a new five-year period (AMP8), in the short term we are investing in standalone video technology to support simpler customer journeys, while at the same time defining the requirements for a holistic digital deployment to move to a digital first solution, minimising customer effort and simplifying processes, delivering more efficiencies. We are also making Improvements to data recording devices, to enable a more robust process of logging properties and connections accurately.

## Table 4R

### Connected properties, customers and population

Line description	Units	DPs	Unmeasured	Measured	Total	Voids	RAG 4 reference
<b>Customer numbers – average during the year</b>							
Residential water only customers	000s	3	49.934	65.054	114.988	4.528	4R.1
Residential wastewater only customers	000s	3	55.568	76.719	132.287	3.976	4R.2
Residential water and wastewater customers	000s	3	783.057	1275.155	2058.212	81.929	4R.3
Total residential customers	000s	3	888.559	1416.928	2305.487	90.433	4R.4
Business water only customers	000s	3	0.867	22.704	23.571	3.079	4R.5
Business wastewater only customers	000s	3	1.917	3.950	5.867	1.433	4R.6
Business water & wastewater customers	000s	3	12.499	79.833	92.332	20.050	4R.7
Total business customers	000s	3	15.283	106.487	121.770	24.562	4R.8
Total customers	000s	3	903.842	1523.415	2427.257	114.995	4R.9

			Water			Wastewater			
Line description	Units	DPs	Un-measured	Measured	Total	Un-measured	Measured	Total	RAG 4 reference
Property numbers – average during the year									
Residential properties billed	000s	3	832.991	1340.209	2173.200	838.625	1351.874	2190.499	4R.10
Residential void properties	000s	3			86.457			85.905	4R.11
Total connected residential properties	000s	3			2259.657			2276.404	4R.12
Business properties billed	000s	3	13.366	102.537	115.903	14.416	83.783	98.199	4R.13
Business void properties	000s	3			23.129			21.483	4R.14
Total connected business properties	000s	3			139.032			119.682	4R.15
Total connected properties	000s	3			2398.689			2396.086	4R.16

#### Key

○ Input cell    ● Calculation cell    ● Copy cell

Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 4R – continued  
Connected properties, customers and population

			Water																	
			Unmeasured						Measured						Unbilled					
Line description	Units	DPs	No meter	Basic meter	AMR meter	AMI meter (capable)	AMI meter (active)	Total	No meter	Basic meter	AMR meter	AMI meter (capable)	AMI meter (active)	Total	Un-economic to bill	Other	Total	Total	RAG 4 reference	
Property and meter numbers – at end of year (31 March)																				
Total new residential properties connected in year	000s	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.378	2.680	5.769	10.827				10.827	4R.17	
Total number of new business properties connections	000s	3	0.138	0.000	0.001	0.000	0.000	0.139	0.000	0.058	0.187	0.000	0.461	0.706				0.845	4R.18	
Residential properties billed at year end	000s	3	820.143	0.802	3.390	0.000	0.000	824.335	0.000	143.492	1115.928	17.904	75.362	1352.686				2177.021	4R.19	
Residential properties unbilled at year end	000s	3													0.000	0.000	0.000	0.000	4R.20	
Residential void properties at year end	000s	3							40.560							46.176			86.736	4R.21
Total connected residential properties at year end	000s	3							864.895							1398.862			2263.757	4R.22
Business properties billed at year end	000s	3	13.678	0.108	0.089	0.000	0.000	13.875	0.022	34.654	64.639	0.000	3.793	103.108				116.983	4R.23	
Business properties unbilled at year end	000s	3													0.000	0.160	0.160	0.160	4R.24	
Business void properties at year end	000s	3							4.493							17.329			21.822	4R.25
Total connected business properties at year end	000s	3							18.368							120.437			138.965	4R.26
Total connected properties at year end	000s	3							883.263							1519.299			2402.722	4R.27



## Table 4R – continued

### Connected properties, customers and population

Line description	Units	DPs	Water	Wastewater	RAG 4 reference
<b>Population data</b>					
Resident population	000s	3	5529.644	5572.028	4R.28
Non-resident population (wastewater)	000s	3		135.256	4R.29

Water						
Line description	Units	DPs	Resident population	Non-resident population	Total	RAG 4 reference
<b>Household population data</b>						
Household population	000s	3	5442.353	0.000	5442.353	4R.30
Household measured population (water only)	000s	3	3176.701	0.000	3176.701	4R.31
Household unmeasured population (water only)	000s	3	2265.652	0.000	2265.652	4R.32

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

**4R.1–4R.16:** The volumes reported within this data block, are calculated as an average throughout the financial year (April 2024 to March 2025). A cut of the data was taken on the 1st working day of each month to facilitate this reporting requirement.

## Customers

The overall total customers have increased by just 0.63%, moving from 2,412,053 to 2,427,257 (4R.9), with void properties increasing at a slightly higher rate of 2.8%, moving from 111,911 to 114,995 (4R.9). Overall, all the numbers here are within the expected ranges.

## Properties

As expected, it's a similar story for our property count reporting. The total properties connected for water has seen a marginal increase of 0.49%, moving from 2,387,083 to 2,398,689 (4R.16), with properties connected to Wastewater 0.74% up from 2,378,428 to 2,396,086 (4R.16).

**4R.17–4R.27:** The volumes reported within this data block, show the property and meter numbers as of the 31st March 2025.

The overall total of connected properties at year end marginally increased by 0.39%, up from 2,393,280 to 2,402,722 (4R.27). Within this total, the unmeasured volumes decreased by 1.8%, dropping from 889,420 to 883,263, with measured increasing by 1.70%, moving from 1,493,765 to 1,519,299.

**4R.28–32:** Resident Population is calculated as the sum of Household Population (Table 4R line 30) plus Non-Household Residential Population. Non-Household Residential population includes communal populations living in non-household properties, such as prisons, hospitals and residential homes.

The total water resident population (4R.28) for 2024/2025 is estimated **at 5,529.644 people**. This is a decrease of 19,607 people, 0.4% since last year.

The total water residential population for 2024/2025 is in line with the mid-2023 ONS census estimate for Yorkshire and The Humber of 5,265,703 ([source ONS > Population Estimates](#)). Note, the geographic areas are not identical and so the ONS data can only be used as a guide.

All data between 4R.28–4R.32 have seen marginal changes compared to 2023/2024, but within an expected population range.

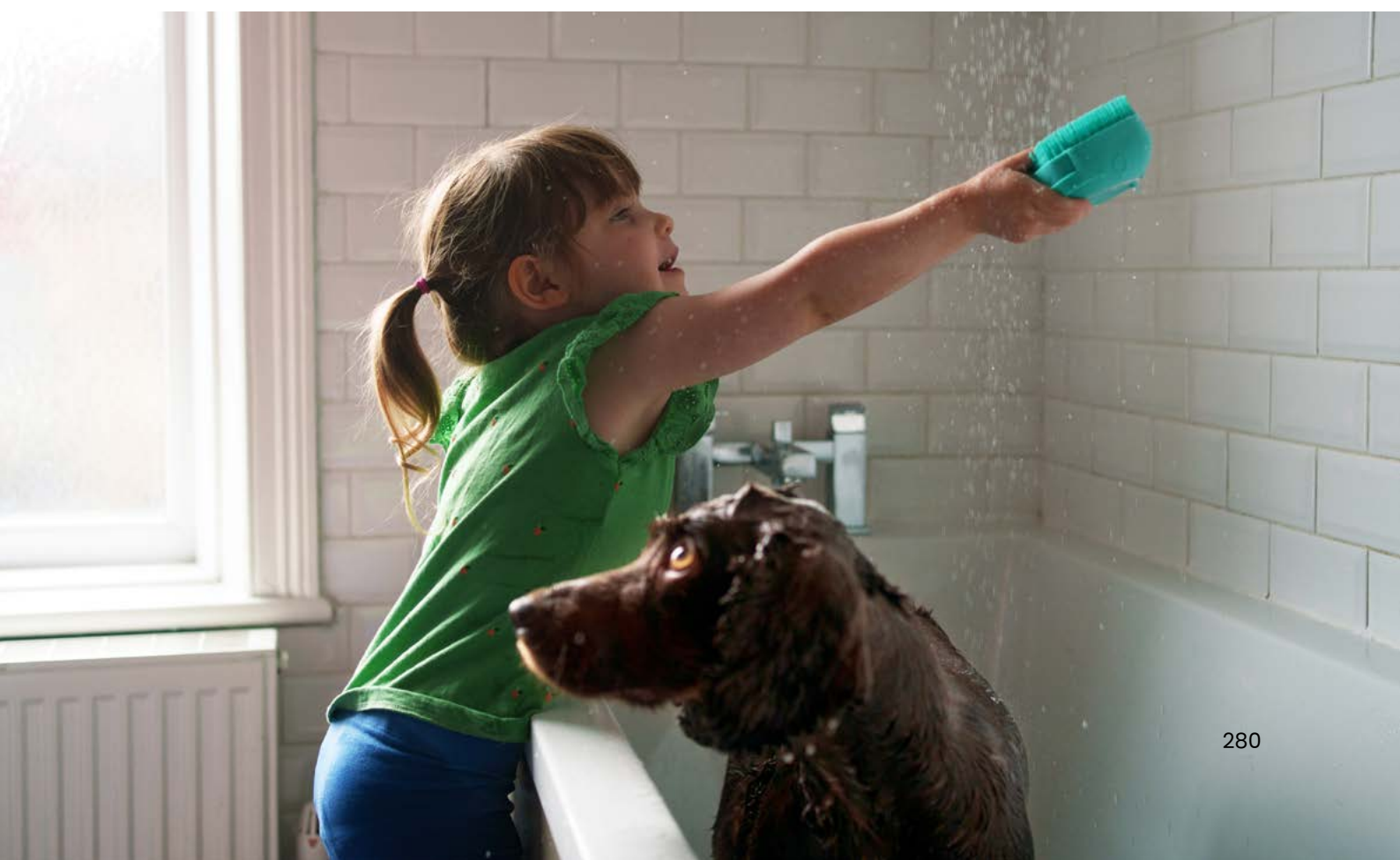


Table 4V

Mark-to-market of financial derivatives analysed based on payment dates

Line description	Units	DPs	Derivatives – Analysed by earliest payment date				Derivatives – Analysed by expected maturity date				RAG 4 reference
			Net settled	Gross Settled outflows	Gross Settled inflows	Total	Net settled	Gross Settled outflows	Gross Settled inflows	Total	
Due within one year	£m	3	-2.063	0.000	0.000	-2.063	-2.063	0.000	0.000	-2.063	4V.1
Between one and two years	£m	3	-0.291	0.000	0.000	-0.291	-0.291	0.000	0.000	-0.291	4V.2
Between two and three years	£m	3	136.702	0.000	0.000	136.702	136.702	0.000	0.000	136.702	4V.3
Between three and four years	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4V.4
Between four and five years	£m	3	9.208	57.536	-38.551	28.193	9.208	57.536	-38.551	28.193	4V.5
After five years	£m	3	1,306.664	42.031	-33.132	1,315.563	1,306.664	42.031	-33.132	1,315.563	4V.6
Total	£m	3	1,450.220	99.567	-71.683	1,478.104	1,450.220	99.567	-71.683	1,478.104	4V.7

Table 4V provides an analysis of the mark-to-market of Yorkshire Water’s portfolio of financial derivatives analysed by payment date.

Yorkshire Water has swaps with a total nominal value of £269.1m that include Mandatory Break clauses in their terms. It is prudently assumed in Table 4V, consistent with [Table 4I](#), that swaps will mature on their Mandatory Break date. In addition, Yorkshire Water is able to exercise open-ended American style early maturity options on a number of derivatives. It is assumed in both the analysis of derivatives by earliest repayment date and expected maturity date that these options will not be exercised. This results in the analysis of derivatives by earliest payment date and expected maturity date being identical.

Out-of-the-money positions are presented as positive, in-the-money positions are presented as negative.

Table 4V line notes

**4V.3:** Index Linked Swaps with mandatory breaks in 2028 (notional £110.2m) are included in [Table 4I](#) as being due within 2 to 5 years (ie. prudently assumes that matures on break dates). For consistency, it is assumed in Table 4V that the earliest payment date of these swaps is the same as the expected maturity date (ie. in both cases between 2 and 3 years being the mandatory break date).

Key

○ Input cell    ● Calculation cell    ● Copy cell

Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 4W

### Defined Benefit Pension Scheme – Additional Information

Defined benefit pension schemes						
Line description	Units	DPs	Pension scheme 1	Pension scheme 2	Pension s Scheme 3	RAG 4 reference
<b>Scheme details</b>						
Scheme name	Text	n/a	Kelda Group Pension Plan (KGPP)	n/a	n/a	4W.1
Scheme status	Text	n/a	Closed to new members – Yes Closed to the accrual of future defined benefits – Yes	n/a	n/a	4W.2
<b>Scheme valuation under IAS/IFRS/FRS</b>						
Scheme assets	£m	3	939.700	n/a	n/a	4W.3
Scheme liabilities	£m	3	841.100	n/a	n/a	4W.4
Scheme surplus/(deficit) Total	£m	3	98.600	n/a	n/a	4W.5
Scheme surplus/(deficit) Appointed business	£m	3	Nil – see notes	n/a	n/a	4W.6
Pension deficit recovery payments	£m	3	0.000	n/a	n/a	4W.7
<b>Scheme valuation under part 3 of Pensions Act 2004</b>						
Scheme funding valuation date	Date	n/a	31/03/2024	n/a	n/a	4W.8
Assets	£m	3	1,039.000	n/a	n/a	4W.9
Technical Provisions	£m	3	1,024.000	n/a	n/a	4W.10
Scheme surplus/(deficit)	£m	3	15.000	n/a	n/a	4W.11
Discount rate assumptions	Text	n/a	"Pre-retirement: Based on fixed interest forward rate gilt yield curve + 0.6% p.a. Post-retirement: Based on fixed interest forward rate gilt yield curve + 0.6% p.a."	n/a	n/a	4W.12
<b>Recovery plan (where applicable)</b>						
Recovery Plan Structure	Text	n/a	n/a for this valuation period	n/a	n/a	4W.13
Recovery plan end date	Date	n/a	n/a for this valuation period	n/a	n/a	4W.14
Asset Backed Funding (ABF) arrangements	Text	n/a	n/a for this valuation period	n/a	n/a	4W.15
Responsibility for ABF arrangements	Text	n/a	n/a for this valuation period	n/a	n/a	4W.16

## Technical notes

Figures shown in 4W.3–7 relate to the overall group defined benefit pension scheme which sits outside the regulated entity in Kelda Group Ltd. The regulated entity, Yorkshire Water Services Ltd (YWS), is a participating member of this scheme. Therefore 4W.5 and 4W.11 do not tie back to [Table 1C](#) figures as per the RAG instructions, as the 1C figures for YWS are £nil. Figures split into non-appointed and appointed businesses are not available, and figures shown are for the entire Kelda group.

The KGPP scheme (4W.2) closed to the future build-up of benefits at the end of 31 March 2024.

**4W.7:** figure excludes a cost of £0.02m for pension protection levy payments for the 2025 year.

**4W.8:** date relates to the latest triennial funding valuation, completed as at 31 March 2024 and agreed on 18 October 2024. The scheme funding report was dated November 2024. 4W.8–4W.12 relate to this valuation.

Per the scheme funding report as at 31 March 2024 (latest triennial valuation), the net surplus is £14m. Figures in 4W.11 show £15m due to rounding.

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 4Y

Accelerated infrastructure delivery project expenditure for the 12 months ended 31 March 2025 – wastewater Network Plus and bioresources

		Expenditure in report year											RAG 4 reference
		Wastewater Network Plus							Bioresources			Total	
		Units	DPs	Foul	Surface water drainage	Highway drainage	Sewage treatment and disposal	Sludge liquor treatment	Sludge Transport	Sludge Treatment	Sludge Disposal		
Accelerated infrastructure delivery project													
Accelerated scheme 1	Capex	£m	3	1.615	0.603	0.193	17.534	0.000	0.000	0.000	0.000	19.945	4Y.1
Accelerated scheme 1	Opex	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4Y.2
Accelerated scheme 1	Totex	£m	3	1.615	0.603	0.193	17.534	0.000	0.000	0.000	0.000	19.945	4Y.3
Accelerated scheme 2	Capex	£m	3									0.000	4Y.4
Accelerated scheme 2	Opex	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4Y.5
Accelerated scheme 2	Totex	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4Y.6
Accelerated scheme 3	Capex	£m	3									0.000	4Y.7
Accelerated scheme 3	Opex	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4Y.8
Accelerated scheme 3	Totex	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4Y.9
Accelerated scheme 4	Capex	£m	3									0.000	4Y.10
Accelerated scheme 4	Opex	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4Y.11
Accelerated scheme 4	Totex	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4Y.12
Accelerated scheme 5	Capex	£m	3									0.000	4Y.13
Accelerated scheme 5	Opex	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4Y.14
Accelerated scheme 5	Totex	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4Y.15
Total accelerated programme Capex	Capex	£m	3	1.615	0.603	0.193	17.534	0.000	0.000	0.000	0.000	19.945	4Y.16
Total accelerated programme Opex	Opex	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4Y.17
Total accelerated programme expenditure	Totex	£m	3	1.615	0.603	0.193	17.534	0.000	0.000	0.000	0.000	19.945	4Y.18

Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 4Y – continued

Accelerated infrastructure delivery project expenditure for the 12 months ended 31 March 2025 – wastewater Network Plus and bioresources

Cumulative expenditure on schemes completed in the report year													

We now have only one accelerated infrastructure schemes as agreed with Ofwat.  
We have expenditure of £19.9m on the Inland bathing water improvement scheme.  
The Coastal bathing water improvement scheme is no longer classed as acceleration  
and so any associated costs now sit in our free-form line **4M.83**.



## Table 4Z

### Household bill reduction schemes, debt and Guaranteed Standards Scheme (GSS) payments

Due to the size of the data table, we have published Table 4Z separately on our website here:  
[yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/)



# Table 5: Additional regulatory information – water resources

## Introduction

The information in this section details 'Additional regulatory information' as required by Ofwat, with a brief description of significant variances compared to previous years. The information in this section comprises the following tables.

[Pro forma 5A](#) Water resources asset and volumes data

[Pro forma 5B](#) Water resources operating cost analysis

## Table 5A

### Water resources asset and volumes data for the 12 months ended 31 March 2025

Line description	Units	DPs	Input	RAG 4 reference
<b>Water resources</b>				
Water from impounding reservoirs	MI/d	2	612.82	5A.1
Water from pumped storage reservoirs	MI/d	2	6.39	5A.2
Water from river abstractions	MI/d	2	464.75	5A.3
Water from groundwater works,excluding managed aquifer recharge (MAR) water supply schemes	MI/d	2	262.25	5A.4
Water from artificial recharge (AR) water supply schemes	MI/d	2	0.00	5A.5
Water from aquifer storage and recovery (ASR) water supply schemes	MI/d	2	0.00	5A.6
Water from saline abstractions	MI/d	2	0.00	5A.7
Water from water reuse schemes	MI/d	2	0.00	5A.8
Number of impounding reservoirs	nr	0	42	5A.9
Number of pumped storage reservoirs	nr	0	4	5A.10
Number of river abstractions	nr	0	16	5A.11
Number of groundwater works excluding managed aquifer recharge (MAR) water supply schemes	nr	0	41	5A.12
Number of artificial recharge (AR) water supply schemes	nr	0	0	5A.13
Number of aquifer storage and recovery (ASR) water supply schemes	nr	0	0	5A.14
Number of saline abstraction schemes	nr	0	0	5A.15
Number of reuse schemes	nr	0	0	5A.16
Total number of sources	nr	0	103	5A.17
Total number of water reservoirs	nr	0	116	5A.18
Total volumetric capacity of water reservoirs	MI	0	185169	5A.19
Total number of intake and source pumping stations	nr	0	80	5A.20
Total installed power capacity of intake and source pumping stations	kW	0	12602	5A.21
Total length of raw water abstraction mains and other conveyors	km	2	56.60	5A.22
Average pumping head – raw water abstraction	m.hd	2	10.96	5A.23
Energy consumption – water resources (MWh)	MWh	3	56,829.227	5A.24
Total number of raw water abstraction imports	nr	0	1	5A.25
Water imported from 3rd parties to raw water abstraction systems	MI/d	2	0.00	5A.26
Total number of raw water abstraction exports	nr	0	0	5A.27
Water exported to 3rd parties from raw water abstraction systems	MI/d	2	0.00	5A.28
Water resources capacity (measured using water resources yield)	MI/d	2	1648.49	5A.29
Total number of completed investigations (WINEP/NEP), cumulative for AMP	nr	0	87	5A.30

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

**5A.2:** In 2024/2025, we abstracted 6.39MI/d from the only pumped storage reservoir abstraction licence for Chelker Reservoir. The volume of water abstracted from Chelker Reservoir has decreased since last year.

**5A.30:** We have completed 87 of our Water Industry National Environment Programme (WINEP) clean water investigations from April 2020 to March 2025. Within 2024/2025, we completed 30 schemes in total.

*All other values reported within this Data Table have either remained consistent with the reported values of 2023/2024, or seen less than a 10% change (5A.1, 5A.3, 5A.4, 5A.23, 5A.24 and 5A.29), remaining within an expected range.*



## Table 5B

Water resources operating cost analysis for the 12 months ended 31 March 2025

Line description	Units	DPs	Impounding Reservoir	Pumped Storage	River Abstractions	Ground-water, excluding MAR water supply schemes	Artificial Recharge (AR) water supply schemes	Aquifer Storage and Recovery (ASR) water supply schemes	Other	Total	RAG 4 reference
Power	£m	3	0.096	0.033	1.394	3.058	0.000	0.000	0.000	4.581	5B.1
Income treated as negative expenditure	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5B.2
Abstraction charges/discharge consents	£m	3	4.672	0.000	3.979	1.794	0.000	0.000	0.000	10.445	5B.3
Bulk supply	£m	3	4.448	0.000	0.000	0.000	0.000	0.000	0.000	4.448	5B.4
<b>Other operating expenditure</b>											
Renewals expensed in year (Infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5B.5
Renewals expensed in year (Non-Infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5B.6
Other operating expenditure excluding renewals	£m	3	5.236	0.055	3.970	2.240	0.000	0.000	0.000	11.501	5B.7
Local authority and Cumulo rates	£m	3	6.207	0.000	0.009	0.266	0.000	0.000	0.000	6.482	5B.8
Total operating expenditure (excluding 3rd party)	£m	3	20.658	0.088	9.352	7.358	0.000	0.000	0.000	37.456	5B.9

This table is a further disaggregation of water resources data contained within [Table 4D](#) and reconciles to line 4.

To allocate these costs, all relevant assets were classified according to the tables in line with RAG 4.

For information on year on year variances refer to the commentary for [Tables 2B](#) and [4J](#).

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

# Table 6: Additional regulatory information – water Network Plus

## Introduction

The information in this section details 'Additional regulatory information – water Network Plus' as required by Ofwat, with a brief description of significant variances compared to previous years. The information in this section comprises the following tables:

[Pro forma 6A](#) Raw water transport, raw water storage and water treatment data

[Pro forma 6B](#) Treated water distribution – assets and operations

[Pro forma 6C](#) Water Network Plus – Mains, communication pipes and other data

[Pro forma 6D](#) Demand management – Metering and leakage activities

[Pro forma 6F](#) WRMP annual reporting on delivery – non-leakage activities



## Table 6A

**Raw water transport, raw water storage and water treatment data for the 12 months ended 31 March 2025**

Line description	Units	DPs	Input	RAG 4 reference
Raw water transport and storage				
Total number of balancing reservoirs	nr	0	11	6A.1
Total volumetric capacity of balancing reservoirs	MI	0	2153	6A.2
Total number of raw water transport stations	nr	0	38	6A.3
Total installed power capacity of raw water transport pumping stations	kW	0	25426	6A.4
Total length of raw water transport mains and other conveyors	km	2	1411.38	6A.5
Average pumping head ~ raw water transport	m.hd	2	18.24	6A.6
Energy consumption – raw water transport (MWh)	MWh	3	34611.666	6A.7
Total number of raw water transport imports	nr	0	1	6A.8
Water imported from 3rd parties to raw water transport systems	MI/d	2	52.48	6A.9
Total number of raw water transport exports	nr	0	1	6A.10
Water exported to 3rd parties from raw water transport systems	MI/d	2	3.33	6A.11
Total length of raw and pre-treated (non-potable) water transport mains for supplying customers	km	2	0.00	6A.12
Water treatment – treatment type analysis				
	Surface water		Ground water	
	Water treated	Number of works	Water treated	Number of works
Units DPs	MI/d 2	nr 0	MI/d 2	nr 0
				RAG 4 reference
All simple disinfection works	0.00	0	4.02	1
W1 works	0.00	0	0.00	0
W2 works	0.00	0	41.56	12
W3 works	438.44	12	0.41	1
W4 works	216.22	8	129.23	8
W5 works	381.67	7	69.77	1
W6 works	0.00	0	0.00	0
Water treatment – works size				
	% of total	Number of works		
Units DPs	DI 1	nr 0		RAG 4 reference
WTWs in size band 1	0.2	6		6A.20
WTWs in size band 2	0.3	2		6A.21
WTWs in size band 3	1.7	5		6A.22
WTWs in size band 4	5.0	9		6A.23
WTWs in size band 5	16.1	11		6A.24
WTWs in size band 6	31.8	11		6A.25
WTWs in size band 7	19.9	4		6A.26
WTWs in size band 8	24.3	2		6A.27

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 6A – continued

**Raw water transport, raw water storage and water treatment data for the 12 months ended 31 March 2025**

Line description	Units	DPs	Input	RAG 4 reference
<b>Water treatment – other information</b>				
Peak week production capacity (PWPC)	MI/d	2	1649.10	6A.28
Total peak week production capacity (PWPC) having enhancement expenditure for grey solution improvements to address raw water quality deterioration	MI/d	2	0.00	6A.29
Total peak week production capacity (PWPC) having enhancement expenditure for green solutions improvements to address raw water quality deterioration	MI/d	2	0.00	6A.30
Total water treated at more than one type of works	MI/d	2	0.00	6A.31
Number of treatment works requiring remedial action because of raw water deterioration	nr	0	2	6A.32
Zonal population receiving water treated with orthophosphate	000's	3	5442.353	6A.33
Average pumping head – water treatment	m.hd	2	14.09	6A.34
Energy consumption – water treatment (MWh)	MWh	3	77890.929	6A.35
Total number of water treatment imports	nr	0	0	6A.36
Water imported from 3rd parties to water treatment works	MI/d	2	0.00	6A.37
Total number of water treatment exports	nr	0	0	6A.38
Water exported to 3rd parties from water treatment works	MI/d	2	0.00	6A.39

All values reported within this Data Table have either remained consistent with the reported values of 2023/2024, or seen less than a 10% change (6A.4, 6A.6, 6A.7, 6A.9, 6A.11, 6A.13–6A.27, 6A.32, 6A.34 & 6A.35), remaining within an expected range.

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

**Table 6B****Treated water distribution – assets and operations for the 12 months ended 31 March 2025**

Line description	Units	DPs	Input	RAG 4 reference
<b>Assets and operations</b>				
Total installed power capacity of potable water pumping stations	kW	0	73269	6B.1
Total volumetric capacity of service reservoirs	MI	1	2864.7	6B.2
Total volumetric capacity of water towers	MI	1	28.9	6B.3
Water delivered (non-potable)	MI/d	2	0.00	6B.4
Water delivered (potable)	MI/d	2	1079.07	6B.5
Water delivered (billed measured residential properties)	MI/d	2	364.64	6B.6
Water delivered (billed measured businesses)	MI/d	2	277.38	6B.7
Proportion of distribution input derived from impounding reservoirs	Propn 0 to 1	3	0.402	6B.8
Proportion of distribution input derived from pumped storage reservoirs	Propn 0 to 1	3	0.384	6B.9
Proportion of distribution input derived from river abstractions	Propn 0 to 1	3	0.023	6B.10
Proportion of distribution input derived from groundwater works, excluding managed aquifer recharge (MAR) water supply schemes	Propn 0 to 1	3	0.191	6B.11
Proportion of distribution input derived from artificial recharge (AR) water supply schemes	Propn 0 to 1	3	0.000	6B.12
Proportion of distribution input derived from aquifer storage and recovery (ASR) water supply schemes	Propn 0 to 1	3	0.000	6B.13
Proportion of distribution input derived from saline abstractions	Propn 0 to 1	3	0.000	6B.14
Proportion of distribution input derived from water reuse schemes	Propn 0 to 1	3	0.000	6B.15
Total number of potable water pumping stations that pump into and within the treated water distribution system	nr	0	502	6B.16
Number of potable water pumping stations delivering treated groundwater into the treated water distribution system	nr	0	22	6B.17
Number of potable water pumping stations delivering surface water into the treated water distribution system	nr	0	58	6B.18
Number of potable water pumping stations that re-pump water already within the treated water distribution system	nr	0	422	6B.19
Number of potable water pumping stations that pump water imported from a 3rd party supply into the treated water distribution system	nr	0	0	6B.20
Total number of service reservoirs	nr	0	395	6B.21
Number of water towers	nr	0	27	6B.22
Energy consumption – treated water distribution (MWh)	MWh	3	119548.137	6B.23
Average pumping head – treated water distribution	m.hd	2	58.50	6B.24
Total number of treated water distribution imports	nr	0	0	6B.25
Water imported from 3rd parties to treated water distribution systems	MI/d	2	0.00	6B.26
Total number of treated water distribution exports	nr	0	6	6B.27
Water exported to 3rd parties from treated water distribution systems	MI/d	2	3.03	6B.28
Peak 7 day rolling average distribution input	MI/d	2	1442.55	6B.29
Peak 7 day rolling average distribution input/annual average distribution input	%	2	112.85%	6B.30

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 6B – continued

Treated water distribution – assets and operations for the 12 months ended 31 March 2025

Line description	Units	DPs	Input	RAG 4 reference
<b>Water balance – company level</b>				
Measured household consumption (excluding supply pipe leakage)	MI/d	2	336.68	6B.31
Unmeasured household consumption (excluding supply pipe leakage)	MI/d	2	358.65	6B.32
Measured non-household consumption (excluding supply pipe leakage)	MI/d	2	275.21	6B.33
Unmeasured non-household consumption (excluding supply pipe leakage)	MI/d	2	12.23	6B.34
Total annual leakage	MI/d	2	260.19	6B.35
Distribution system operational use	MI/d	2	2.87	6B.36
Water taken unbilled	MI/d	2	28.22	6B.37
Distribution input	MI/d	2	1274.06	6B.38
Distribution input (pre-MLE)	MI/d	2	1278.28	6B.39
<b>Water balance – region 1</b>				
Measured household consumption (excluding supply pipe leakage)	MI/day	2	0.00	6B.40
Unmeasured household consumption (excluding supply pipe leakage)	MI/day	2	0.00	6B.41
Measured non-household consumption (excluding supply pipe leakage)	MI/day	2	0.00	6B.42
Unmeasured non-household consumption (excluding supply pipe leakage)	MI/day	2	0.00	6B.43
Total annual leakage	MI/day	2	0.00	6B.44
Distribution system operational use	MI/day	2	0.00	6B.45
Water taken unbilled	MI/day	2	0.00	6B.46
Distribution input	MI/day	2	0.00	6B.47
Distribution input (pre-MLE)	MI/day	2	0.00	6B.48
<b>Water balance – region 2</b>				
Measured household consumption (excluding supply pipe leakage)	MI/day	2	0.00	6B.49
Unmeasured household consumption (excluding supply pipe leakage)	MI/day	2	0.00	6B.50
Measured non-household consumption (excluding supply pipe leakage)	MI/day	2	0.00	6B.51
Unmeasured non-household consumption (excluding supply pipe leakage)	MI/day	2	0.00	6B.52
Total annual leakage	MI/day	2	0.00	6B.53
Distribution system operational use	MI/day	2	0.00	6B.54
Water taken unbilled	MI/day	2	0.00	6B.55
Distribution input	MI/day	2	0.00	6B.56
Distribution input (pre-MLE)	MI/day	2	0.00	6B.57

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

**Table 6B – continued****Treated water distribution – assets and operations for the 12 months ended 31 March 2025**

Line description	Units	DPs	Input	RAG 4 reference
<b>Components of total leakage (post MLE) – company level</b>				
Leakage upstream of DMA	MI/d	2	32.52	6B.58
87 Distribution main losses	MI/d	2	159.60	6B.59
Customer supply pipe losses – measured households excluding void properties	MI/d	2	27.96	6B.60
Customer supply pipe losses – unmeasured households excluding void properties	MI/d	2	32.94	6B.61
Customer supply pipe losses – measured non-households excluding void properties	MI/d	2	2.16	6B.62
Customer supply pipe losses – unmeasured non-households excluding void properties	MI/d	2	0.60	6B.63
Customer supply pipe losses – void measured households	MI/d	2	1.83	6B.64
Customer supply pipe losses – void unmeasured households	MI/d	2	1.60	6B.65
Customer supply pipe losses – void measured non-households	MI/d	2	0.73	6B.66
Customer supply pipe losses – void unmeasured non-households			0.24	6B.67
<b>Components of total leakage (post MLE) – region 1</b>				
Leakage upstream of DMA	MI/day	2	0.00	6B.68
Distribution main losses	MI/day	2	0.00	6B.69
Customer supply pipe losses – measured households excluding void properties	MI/day	2	0.00	6B.70
Customer supply pipe losses – unmeasured households excluding void properties	MI/day	2	0.00	6B.71
Customer supply pipe losses – measured non-households excluding void properties	MI/day	2	0.00	6B.72
Customer supply pipe losses – unmeasured non-households excluding void properties	MI/day	2	0.00	6B.73
Customer supply pipe losses – void measured households	MI/day	2	0.00	6B.74
Customer supply pipe losses – void unmeasured households	MI/day	2	0.00	6B.75
Customer supply pipe losses – void measured non-households	MI/day	2	0.00	6B.76
Customer supply pipe losses – void unmeasured non-households	MI/day	2	0.00	6B.77
<b>Components of total leakage (post MLE) – region 2</b>				
Leakage upstream of DMA	MI/day	2	0.00	6B.78
Distribution main losses	MI/day	2	0.00	6B.79
Customer supply pipe losses – measured households excluding void properties	MI/day	2	0.00	6B.80
Customer supply pipe losses – unmeasured households excluding void properties	MI/day	2	0.00	6B.81
Customer supply pipe losses – measured non-households excluding void properties	MI/day	2	0.00	6B.82
Customer supply pipe losses – unmeasured non-households excluding void properties	MI/day	2	0.00	6B.83
Customer supply pipe losses – void measured households	MI/day	2	0.00	6B.84
Customer supply pipe losses – void unmeasured households	MI/day	2	0.00	6B.85
Customer supply pipe losses – void measured non-households	MI/day	2	0.00	6B.86
Customer supply pipe losses – void unmeasured non-households	MI/day	2	0.00	6B.87

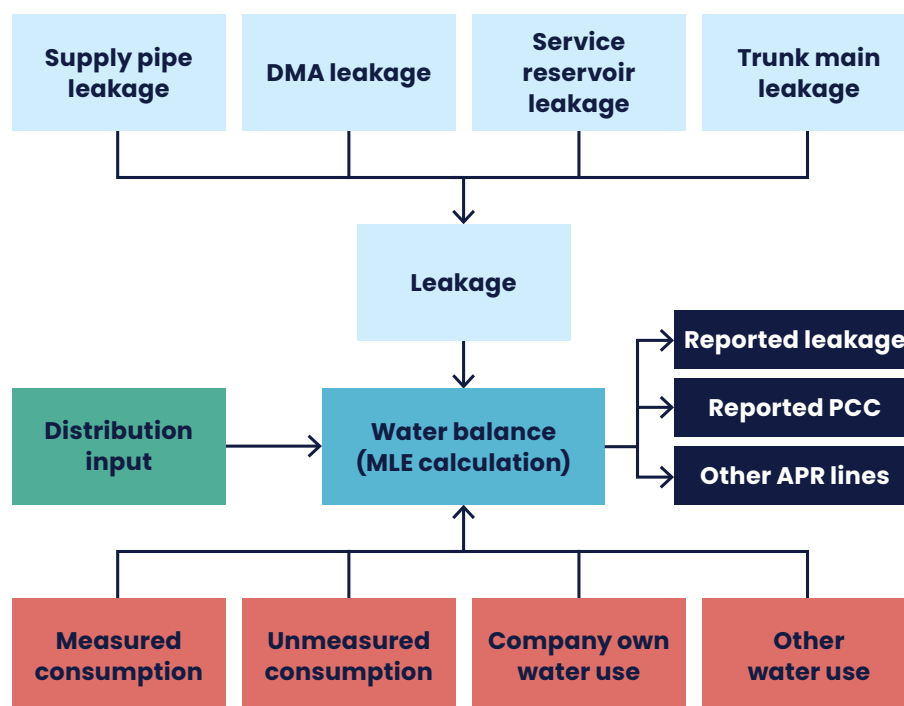
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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Water Balance

To calculate the key performance commitments Leakage and Per Capita Consumption (PCC) and for other APR reporting lines, a Company water balance must be produced, and the Maximum Likelihood Estimation (MLE) calculation applied. The below shows an overview of how this all comes together:



## Meter Under Registration (MUR)

We have continued to work with the on testing Household (HH), Non-Household (NHH), and District Metered Area (DMA) meters to receive updated error curves for 2024/2025. The values for Measured HH and NHH have reduced, but there's been a marginal increase in MUR applied to Unmeasured HH. The table shows the MUR performance over the last 4 years:

Meter under registration (MUR)	2021/ 2022	2022/ 2023	2023/ 2024	2024/ 2025
➤ Measured Households	2.85%	3.78%	6.65%	5.97%
➤ Unmeasured Households	2.48%	5.67%	6.48%	6.75%
➤ Non-households	6.07%	5.85%	8.39%	7.81%

## Distribution Input Meter Accuracy

Since 2021/2022, we have been validating the recorded flow through the distribution input meters using the external company, Flowlee Meter Verification Ltd. An ultrasonic meter is temporarily fitted to verify the flow and check the accuracy of the meter. The % difference, under or over registration, is applied to correct the flow of each verified meter. The exercise was completed by Flowlee in 2022, and again in 2024, with the results being updated between the report years. We have been applying these values since 2021/2022 through to 2024/2025. The table below shows the adjustment for APR25.

Raw Data (MI/d)	Verified Data (MI/d)	Difference (MI/d)	Difference %
<b>1312.91</b>	1281.31	-31.60	-2.4%

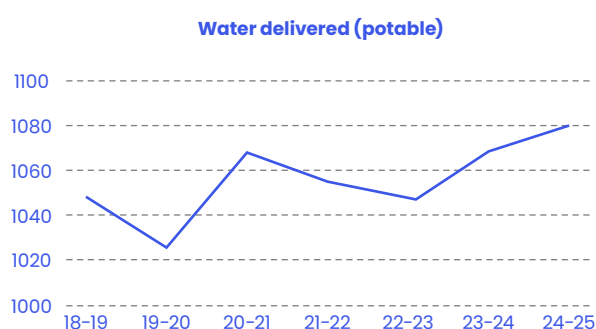
48 of the 79 distribution input meters have an edit applied, however we do not apply an adjustment to any of the meters that have not had their own verification test. The flow from the 48 meters accounts for 71% of total Distribution Input.



## Water delivered (potable)

This line reports all potable water supplied. This includes the estimated water delivered to billed measured households (6B.6), billed measured non-households (6B.7), unmeasured households unmeasured non-households and water taken unbilled (6B.37). It therefore includes estimates of water lost through supply pipe leakage and meter under-registration. This volume does not include estimates of distribution leakage or water used by company for operational activity.

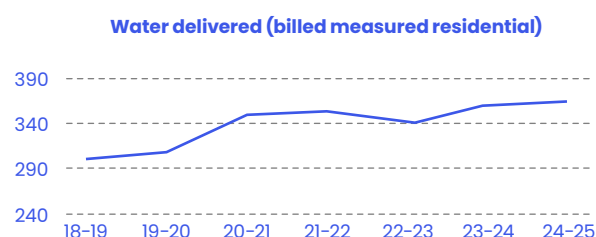
This is up c12.7MI/d from 2023/2024.



## Water delivered (billed measured residential properties)

This is the average volume of water delivered to measured residential properties and includes estimates of water lost to supply pipe leakage and meter under-registration.

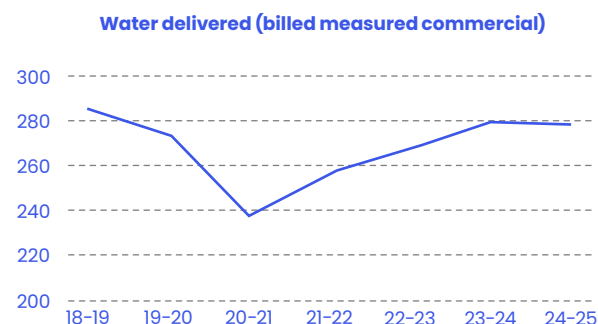
It is up 6.9MI/d from 2023/2024, which is in line with the increase in measured properties.



## Water delivered (billed NHH)

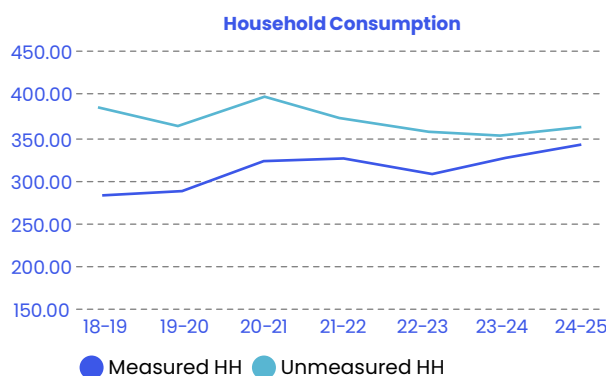
This is the average volume of water delivered to measured business properties and includes estimates of water lost to supply pipe leakage and meter under-registration. It does not include water taken unbilled (e.g., free supplies).

This has decreased by 0.6MI/d from 2023/2024



## Measured and Unmeasured Household Consumption

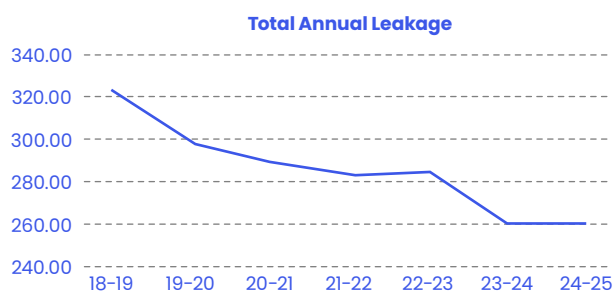
Measured Household Consumption has increased and Unmeasured Household Consumption continues to decrease, this is in line with our expectations as the unmeasured property count reduces and measured increases.



## Total Annual Leakage

This is the sum of distribution losses (including leakage from trunk mains and service reservoirs) plus supply pipe leakage. Total reported leakage was 260.2MI/d, increasing in the report year by 0.2MI/d.

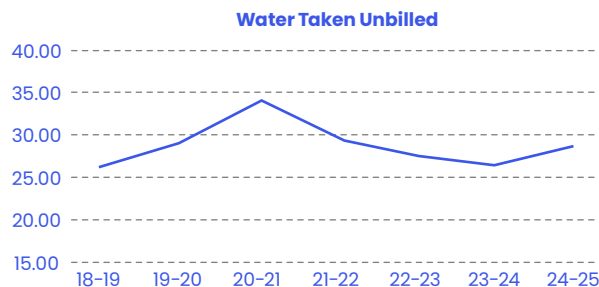
For more information on our Leakage performance, please click [here](#).



## Water taken unbilled

This is the volume of water taken either legally (e.g., free supplies, fire service usage) or illegally (e.g., void usage, hydrant theft).

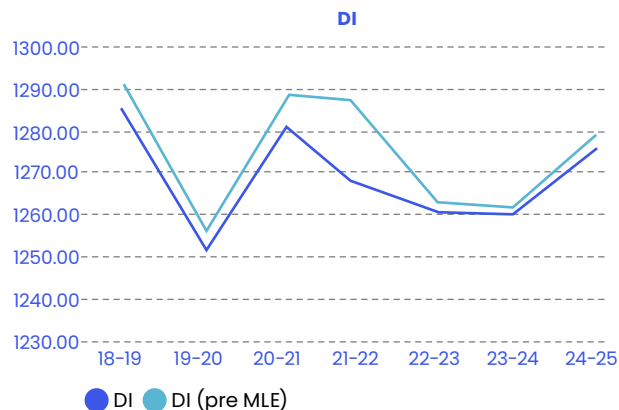
Total water taken unbilled (legally and illegally) was 28.22M/d, this is a slight increase from 2023/2024 but within the expected range.



## Distribution Input (DI)

Distribution input is the average volume of potable water entering the distribution system.

DI has increased by 15MI/d from last year; the bulk of this is attributed to the increase in HH consumption and PCC.



## Table 6C

**Water Network Plus – Mains, communication pipes and other data for the 12 months ended 31 March 2025**

Line description	Units	DPs	Input	RAG 4 reference
<b>Treated water distribution – mains analysis</b>				
Total length of potable mains as at 31 March	km	1	32465.7	6C.1
Total length of potable mains relined	km	1	2.9	6C.2
Total length of potable mains renewed	km	1	24.4	6C.3
Total length of new potable mains	km	1	72.5	6C.4
Total length of potable water mains ( $\leq 320\text{mm}$ )	km	1	30082.7	6C.5
Total length of potable water mains ( $> 320\text{mm}$ and $\leq 450\text{mm}$ )	km	1	1015.1	6C.6
Total length of potable water mains ( $> 450\text{mm}$ and $\leq 610\text{mm}$ )	km	1	850.7	6C.7
Total length of potable water mains ( $> 610\text{mm}$ )	km	1	517.2	6C.8
<b>Treated water distribution – mains age profile</b>				
Total length of potable mains laid or structurally refurbished pre-1880	km	1	342.8	6C.9
Total length of potable mains laid or structurally refurbished between 1881 and 1900	km	1	1869.1	6C.10
Total length of potable mains laid or structurally refurbished between 1901 and 1920	km	1	840.9	6C.11
Total length of potable mains laid or structurally refurbished between 1921 and 1940	km	1	4636.5	6C.12
Total length of potable mains laid or structurally refurbished between 1941 and 1960	km	1	8850.6	6C.13
Total length of potable mains laid or structurally refurbished between 1961 and 1980	km	1	5088.1	6C.14
Total length of potable mains laid or structurally refurbished between 1981 and 2000	km	1	6438.9	6C.15
Total length of potable mains laid or structurally refurbished between 2001 and 2020	km	1	3901.4	6C.16
Total length of potable mains laid or structurally refurbished post during and after 2021	km	1	497.4	6C.17
<b>Communication pipes</b>				
Number of lead communication pipes	nr	0	455056	6C.18
Number of galvanised iron communication pipes	nr	0	379472	6C.19
Number of other communication pipes	nr	0	1010040	6C.20
Number of lead communication pipes replaced or relined for water quality	nr	0	800	6C.21
<b>Other</b>				
Company area	km <sup>2</sup>	0	14294	6C.22
Compliance Risk Index	nr	2	3.61	6C.23
Event Risk Index	nr	0	137	6C.24
Properties below reference level at end of year	nr	0	9	6C.25

### Key

○ Input cell    ● Calculation cell    ● Copy cell

Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

**6C.2:** The total length of potable mains relined increased by 2.3km when compared to 2023/2024. The main contributor to this was a District Metered Area replacement project in Fulwood Sheffield during January 2025. The desire of this project was to eliminate the mains failures in this region, and reduce the interruptions to supply. Over the last 3 years the DMA has had 30 mains failures and 25 drinking water contacts from 2015–2021,

**6C.3:** A number of large jobs have been completed, which impact on this data item, including a 2,478m replacement in Thorne Doncaster, a 1,817m replacement in Crayke and a 980m replacement in Ravensthorpe Dewsbury.

**6C.4:** Completion of several large growth schemes, including 6,122m new mains being laid in Leeming Bar Industrial Estate and 4,087m being laid in Keldgate Growth New Development.

**6C.9–6C.17:** The vast majority (76.3%) of Yorkshire Water's live pipes carrying treated water were laid after 1940. The one age profile that has seen strong growth (28%) are mains laid or structurally refurbished during and after 2021.

**6C.21:** Additional investment to improve drinking water quality relating to lead failures took place during 2024/2025, resulting in 61% increase in number of pipes replaced or relined compared to the previous year.

**6C.23:** Please read our Water Quality Compliance (CRI) performance commitment update [here](#).

**6C.24:** In common with all water quality measures the reporting period for Event Risk Index (ERI) is the calendar year. The value at APR25 represents performance in 2024. In 2024 the total provisional ERI score is 136.520, of which 79.498 is linked to a single event related to the use of a mains material that had gone beyond the 'Regulation 31' approval time limit. However, a key element of the provisional data as provided by the DWI is that many events have not yet completed their assessment process and so there is a high degree of uncertainty. A key feature of 2024 was a significant increase in the number of Events, up to 72 events in 2024 against 50 in 2023. An area of difference was the number of Events related to presence of raised levels of lead, which increased from 10 in 2023 to 18 in 2024. The increase in this type of event was partially due to changes in approach to notification adopted in 2023. However, events due to lead are always related to single properties or a small number of connected properties on a joint supply pipe. The nature of the ERI measure is that the cumulative impact of these events is not a significant cause in the variation in annual ERI score.

**6C.25:** Please read our Low Pressure performance commitment update [here](#).

*All other values reported within this Data Table have either remained consistent with the reported values of 2023/2024, or seen less than a 10% change (6C.1, 6C.5–6C.14, 6C.16, 6C.18–6C.20), remaining within an expected range.*

Table 6D

Demand management – Metering and leakage activities for the 12 months ended 31 March 2025

Line description	Units	DPs	Basic meter	AMR meter	AMI meter	RAG 4 reference
<b>Metering activities – Totex expenditure</b>						
New optant meter installation for existing customers	£m	3	0.000	0.019	5.085	6D.1
New selective meter installation for existing customers	£m	3	0.000	0.000	0.000	6D.2
New business meter installation for existing customers	£m	3	0.024	0.013	0.043	6D.3
Residential meters renewed	£m	3	0.000	0.268	7.935	6D.4
Business meters renewed	£m	3	0.000	0.112	0.558	6D.5
<b>Metering activities – Explanatory variables</b>						
New optant meters installed for existing customers	000s	3	0.000	0.062	16.564	6D.6
New selective meters installed for existing customers	000s	3	0.000	0.000	0.000	6D.7
New business meters installed for existing customers	000s	3	0.016	0.009	0.029	6D.8
Residential meters renewed	000s	3	0.000	0.828	19.179	6D.9
Business meters renewed	000s	3	0.000	0.249	1.447	6D.10
Replacement of basic meters with smart meters for residential customers	000s	3	0.000	0.058	0.446	6D.11
Replacement of AMR meter with AMI meters for residential customers	000s	3			18.553	6D.12
Replacement of basic meters with smart meters for business customers	000s	3	0.000	0.076	0.295	6D.13
Replacement of AMR meter with AMI meters for business customers	000s	3			1.136	6D.14
New residential meters installed for existing customers – supply-demand balance benefit	MI/d	2	0.00	0.00	0.09	6D.15
New business meters installed for existing customers – supply-demand balance benefit	MI/d	2	0.00	0.00	0.00	6D.16
Replacement of basic meter with smart meters for residential customers – supply-demand balance benefit	MI/d	2		0.00	0.00	6D.17
Replacement of AMR meter with AMI meter for residential customers– supply-demand balance benefit	MI/d	2			0.00	6D.18
Replacement of basic meter with smart meters for business customers – supply-demand balance benefit	MI/d	2		0.00	0.01	6D.19
Replacement of AMR meter with AMI meter for business customers– supply-demand balance benefit	MI/d	2			0.00	6D.20
Residential properties – meter penetration	%	1	6.6	51.3	4.3	6D.21
<b>Leakage activities</b>						
	Units	DPs	Maintaining leakage	Reducing leakage	Total leakage	
Total leakage activity	£m	3	26.183	31.344	57.527	6D.22
Leakage improvements delivering benefits in 2020–2025	MI/d	2			–0.20	6D.23
<b>Per capita consumption (excluding supply pipe leakage)</b>						
Per capita consumption (measured)	l/h/d	2	106.21			6D.24
Per capita consumption (unmeasured)	l/h/d	2	157.84			6D.25

## Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report



The decrease for Lines 6D.12 and 6D.14 compared to 2023/2024 was expected, as last year we completed a smart meter upgrade project to retrofit c.27,000 new Advanced Meter Infrastructure (AMI) devices to replace the old Automated Meter Readers (AMR), replacing the old technology with the new technology. The long-term solution involves renewing whole meter unit including the meter body itself and replacing entire outdated AMR meters, rather than solely the add-on devices with AMI meters.

The anticipated increase for 6D Lines 9 and 10 is attributable to the Proactive Smart Metering Exchange Programme.

**Table 10G** shows what volume of these totals, are attributed to Transitional Expenditure.

## Check Meters

Check meters have not been included in the APR for 2024/25 as requested by Ofwat. Check meters are installed on our network to help with service and are not used for billing purposes.

**6D.22 & 6D.23:** For much more information on our Leakage performance, please click [here](#).

**6D.24 & 6D.25:** For much more information on our Per Capita Consumption performance, please click [here](#).





Table 6F  
WRMP annual reporting on delivery – non-leakage activities

			Capital expenditure						Opex costs						RAG 4 reference
Line description	Classification	Delivery year (in use)	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025	After 2024–2025	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025	After 2024–2025	
Units	Text	Year	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
DPs	0	0	3	3	3	3	3	3	3	3	3	3	3	3	
Catterick Borehole	Supply-side improvements delivering benefits in 2020–2025	n/a	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6F.1
Brayton Borehole	Supply-side improvements delivering benefits in 2020–2025	n/a	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6F.2
Acomb Landing moor monkton Licence increase	Supply-demand balance improvements delivering benefits starting from 2026	01/04/2027	0.000	0.000	0.000	0.000	0.004	0.027	0.000	0.000	0.000	0.000	0.000	0.000	6F.3
Increase Moor Monkton abstraction to full licence capacity.	Supply-demand balance improvements delivering benefits starting from 2026	01/04/2028	0.000	0.000	0.000	0.000	0.147	13.317	0.000	0.000	0.000	0.000	0.000	0.000	6F.4
Sherwood Sandstone support to grid	Supply-demand balance improvements delivering benefits starting from 2026	01/04/2035	0.000	0.000	0.000	0.000	0.034	85.605	0.000	0.000	0.000	0.000	0.000	0.000	6F.5
Brayton BH B	Supply-demand balance improvements delivering benefits starting from 2026	01/04/2028	0.000	0.000	0.000	0.000	0.379	8.969	0.000	0.000	0.000	0.000	0.000	0.000	6F.6
East Ness Full Site Throughput and Feed to Huby	Supply-demand balance improvements delivering benefits starting from 2026	01/04/2028	0.000	0.000	0.000	0.000	0.539	8.992	0.000	0.000	0.000	0.000	0.000	0.000	6F.7
Total			0.000	0.000	0.000	0.000	1.105	116.910	0.000	0.000	0.000	0.000	0.000	0.000	6F.51

Table 6F – continued  
WRMP annual reporting on delivery – non-leakage activities

			Benefits						Complete for internal interconnectors only					
Line description	Classification	Delivery year (in use)	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025	After 2024–2025	Length	Diameter	Pipe material	Pumping capacity installed	Storage capacity installed	RAG 4 reference
Units	Year		MI/d	MI/d	MI/d	MI/d	MI/d	MI/d	km	mm	Text	kW	m3	
DPs	0		2	2	2	2	2	2	1	1	0	0	3	
Catterick Borehole	Supply-side improvements delivering benefits in 2020–2025	n/a	0.00	0.00	0.00	0.00	0.00	0.00	n/a	n/a	n/a	n/a	n/a	6F.1
Brayton Borehole	Supply-side improvements delivering benefits in 2020–2025	n/a	0.00	0.00	0.00	0.00	0.00	0.00	n/a	n/a	n/a	n/a	n/a	6F.2
Acomb Landing moor monkton Licence increase	Supply-demand balance improvements delivering benefits starting from 2026	01/04/2027	0.00	0.00	0.00	0.00	0.00	0.30	n/a	n/a	n/a	n/a	n/a	6F.3
Increase Moor Monkton abstraction to full licence capacity.	Supply-demand balance improvements delivering benefits starting from 2026	01/04/2028	0.00	0.00	0.00	0.00	0.00	10.00	n/a	n/a	n/a	n/a	n/a	6F.4
Sherwood Sandstone support to grid	Supply-demand balance improvements delivering benefits starting from 2026	01/04/2035	0.00	0.00	0.00	0.00	0.00	15.00	n/a	n/a	n/a	n/a	n/a	6F.5
Brayton BH B	Supply-demand balance improvements delivering benefits starting from 2026	01/04/2028	0.00	0.00	0.00	0.00	0.00	6.00	n/a	n/a	n/a	n/a	n/a	6F.6
East Ness Full Site Throughput and Feed to Huby	Supply-demand balance improvements delivering benefits starting from 2026	01/04/2028	0.00	0.00	0.00	0.00	0.00	5.00	n/a	n/a	n/a	n/a	n/a	6F.7
Total			0.00	0.00	0.00	0.00	0.00	36.30	0.0			0	0.000	6F.51

Operating expenditure

As per last year operating expenditure is £nil. This reconciles back to [Table 4L](#).

# Table 7: Additional regulatory information – wastewater Network Plus

## Introduction

The information in this section details 'Additional regulatory information – wastewater Network Plus' as required by Ofwat, with a brief description of significant variances compared to previous years. The information in this section comprises the following tables:

<a href="#">Pro forma 7A</a>	Wastewater Network Plus Functional expenditure
<a href="#">Pro forma 7B</a>	Wastewater Network Plus Large sewage treatment works
<a href="#">Pro forma 7C</a>	Wastewater Network Plus Sewer and volume data
<a href="#">Pro forma 7D</a>	Wastewater Network Plus Sewage treatment works data
<a href="#">Pro forma 7E</a>	Wastewater Network Plus Energy consumption and other data
<a href="#">Pro forma 7F</a>	Wastewater Network Plus – WINEP phosphorus removal scheme costs and cost drivers

## Table 7A

### Wastewater Network Plus – Functional expenditure for the 12 months ended 31 March 2025

Line description	Units	DPs	£'000	RAG 4 reference
<b>Costs of STWs in size bands 1 to 5</b>				
Direct costs of STWs in size band 1	000s	3	2,338.402	7A.1
Direct costs of STWs in size band 2	000s	3	1,139.672	7A.2
Direct costs of STWs in size band 3	000s	3	3,654.986	7A.3
Direct costs of STWs in size band 4	000s	3	5,755.237	7A.4
Direct costs of STWs in size band 5	000s	3	10,545.124	7A.5
General & support costs of STWs in size bands 1 to 5	000s	3	4,837.806	7A.6
Functional expenditure of STWs in size bands 1 to 5 (excluding 3rd party services)	000s	3	28,271.227	7A.7
<b>Costs of large STWs (size band 6)</b>				
Service charges for STWs in size band 6	000s	3	4,596.877	7A.8
Estimated terminal pumping costs size band 6 works	000s	3	1,438.539	7A.9
Other direct costs of STWs in size band 6	000s	3	60,582.788	7A.10
Direct costs of STWs in size band 6	000s	3	66,618.204	7A.11
General & support costs of STWs in size band 6	000s	3	13,685.493	7A.12
Functional expenditure of STWs in size band 6 (excluding 3rd party services)	000s	3	80,303.697	7A.13
<b>Costs of STWs – all sizes</b>				
Total operating functional expenditure (excluding 3rd party services)	000s	3	108,574.924	7A.14

This table analyses the costs of different size sewage treatment works. All direct costs have been allocated to sites where possible, with nearly all large works separately costed. For minor works, which are grouped into areas for materiality reasons, the costs were sub-divided into the following categories for optimum allocation:

- Site specific
- Area site costs
- Employee direct costs
- Maintenance
- Facilities costs
- General and support.

The requirement for the table is to have all above costs directly/indirectly allocated in bands 1–6 which are defined in RAG 4. The information to split the sites into bands and STW loads has been reviewed again this year from the asset inventory system, and any changes in loads and band categories have been adjusted accordingly.

The allocation of the Principal Use continues to be included within General & Support costs.

#### Key

○ Input cell    ● Calculation cell    ● Copy cell

Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 7B

### Wastewater Network Plus – Large sewage treatment works for the 12 months ended 31 March 2025

Due to the size of the data table, we have published Table 7B separately on our website here: [yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/)

This table follows on from [Table 7A](#), lines 8-14. All the sites above are separately costed within Yorkshire Water's accounting systems.

Section B of the table looks at functional expenditure for the large sewage treatment works which fall within band 6 category as shown in [Table 7A](#).

This table (Lines 1-10) contains detailed information relating to the large Sewerage Treatment Works (STWs) with a population equivalent (PE) greater than 25,000. Note load from tanker trade is excluded from this population count.

Each of the 36 Yorkshire Water sites is listed together with its treatment type, population equivalent, consent information for common parameters, and load and volumes received in 2024/2025.

**7B.1:** Compared with 2023/2024, the sites being reported has increased by 1 to 36.

The works moving from Band 5 to Band 6 is Malton STW, with the main driver behind the change being a slight increase in Trade Effluent load which has increased PE by 374. This site historically sat on the boundary between Band 5 and Band 6 and is typically moved by Trade.

**7B.2:** There has been no changes in treatment type between the two reporting years.

**7B.3:** There has been some slight variations in the population equivalent of total load received, with the vast majority within a 10% variation. Load can vary due to changes in resident population and trade loads received to the works, both of which fluctuate year on year so these changes are within expected tolerances. The Band 6 works have increased by an average of - 0.32% across the two reporting years.

Salterhebble STW is the only site with a change of greater than 10%, with a -10.48% decrease.

In terms of PE the decrease between the two reporting years has been 19562PE.

Resident and Holiday PE has remained fairly static but there has been a big step change with Trade Effluent loads.

There are two large Traders that discharge into Salterhebble STW that have large decreases in Trade production compared to the previous reporting year that account for most the decrease.

**7B.9:** Load received by STW Kg BOD5/Day. The data in this line is calculated from the figure in 7B.3 (population). Converting population (1000s) to load of KG BOD5/Day is done using industry standard 60g BOD/head/day.

**7B.10:** The total average daily flow for the reporting period is summed for each of the large treatment works and then divided by 365 to provide an average daily treated flow.

Compared to 2023/2024, the overall volume of treated flow recorded at the Large STWs has decreased by an average of -11.78% which compares with the overall decrease in flow seen in the reporting period as shown in table 7C.13 (12.91% decrease). These variations are generally in response to rainfall.

The only site with an increase in flow compared to last year is Thorne STW; the increase in flow is likely due to the additional flow received from Hatfield Woodhouse Flow Transfer which occurred in December 2024.

## Table 7C

### Wastewater Network Plus – Sewer and volume data for the 12 months ended 31 March 2025

Line description	Units	DPs	Input	RAG 4 reference
<b>Wastewater network</b>				
Connectable properties served by s101A schemes completed in the report year	nr	0	0	7C.1
Number of s101A schemes delivered in the report year	nr	0	0	7C.2
Total pumping station capacity	kW	0	89,022	7C.3
Number of network pumping stations	nr	0	2,633	7C.4
Total number of sewer blockages	nr	0	26,174	7C.5
Total number of gravity sewer collapses	nr	0	291	7C.6
Total number of sewer rising main bursts	nr	0	76	7C.7
Number of combined sewer overflows	nr	0	2,007	7C.8
Number of emergency overflows – sewage pumping stations	nr	0	613	7C.9
Number of settled storm overflows	nr	0	177	7C.10
Sewer age profile (constructed post 2001)	km	0	2,688	7C.11
Volume of trade effluent	MI/yr	2	17,177.57	7C.12
Volume of wastewater receiving treatment at sewage treatment works	MI/yr	2	698,017.39	7C.13
Length of gravity sewers rehabilitated	km	0	53	7C.14
Length of rising mains replaced or structurally refurbished	km	0	2	7C.15
Length of foul (only) public sewers	km	0	5,492	7C.16
Length of surface water (only) public sewers	km	0	7,696	7C.17
Length of combined public sewers	km	0	16,278	7C.18
Length of rising mains	km	0	1,295	7C.19
Length of other wastewater network pipework	km	0	356	7C.20
Total length of "legacy" public sewers as at 31 March	km	0	31,118	7C.21
Length of formerly private sewers and lateral drains (s105A sewers)	km	0	21,560	7C.22
<b>Storm overflows – additional reporting (as at 1 January)</b>				
Number of combined sewer overflows (as at 1 January)	nr	0	2,018	7C.23
Number of settled storm overflows (as at 1 January)	nr	0	178	7C.24
Number of storm overflows – other (as at 1 January)	nr	0	0	7C.25
Number of storm overflows – pending investigation (as at 1 January)	nr	0	18	7C.26
Number of permitted storm overflows closed in the previous reporting year (as at 1 January)	nr	0	5	7C.27
Number of storm overflows – consistent with PR24 performance commitment definition	nr	0	2,219	7C.28
Number of storm overflows closed in the previous reporting year – (as at 1 January)	nr	0	1	7C.29
Number of storm overflows with event duration monitors installed (as at 1 January)	nr	0	2,185	7C.30
Proportion of the time that event duration monitors on storm overflows were operational (from 1 January to 31 December)	%	2	94.59%	7C.31
Number of spills from storm overflows (from 1 January to 31 December)	nr	0	68,164	7C.32

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report



## Table 7C – continued

### Wastewater Network Plus – Sewer and volume data for the 12 months ended 31 March 2025

Line description	Units	DPs	Input	RAG 4 reference
<b>Emergency overflows – additional reporting (as at 1 January)</b>				
Number of emergency overflows – sewage pumping stations (as at 1 January)	nr	0	618	7C.33
Number of emergency overflows – network (as at 1 January)	nr	0	0	7C.34
Number of emergency overflows – other (as at 1 January)	nr	0	0	7C.35
Number of emergency overflows – all (as at 1 January)	nr	0	618	7C.36
Number of emergency overflows with event duration monitors installed (as at 1 January)	nr	0	0	7C.37
Number of emergency overflows with an MCERTS certified event duration monitors installed (as at 1 January)	nr	0	0	7C.38
Proportion of the time that event duration monitors on emergency overflows were operational (from 1 January to 31 December)	%	2	N/A	7C.39
Number of spills from emergency overflows (from 1 January to 31 December)	nr	0	N/A	7C.40

**7C.5:** The below table shows the volume of blockage jobs for the last 10 year period:

#### Blockage Jobs

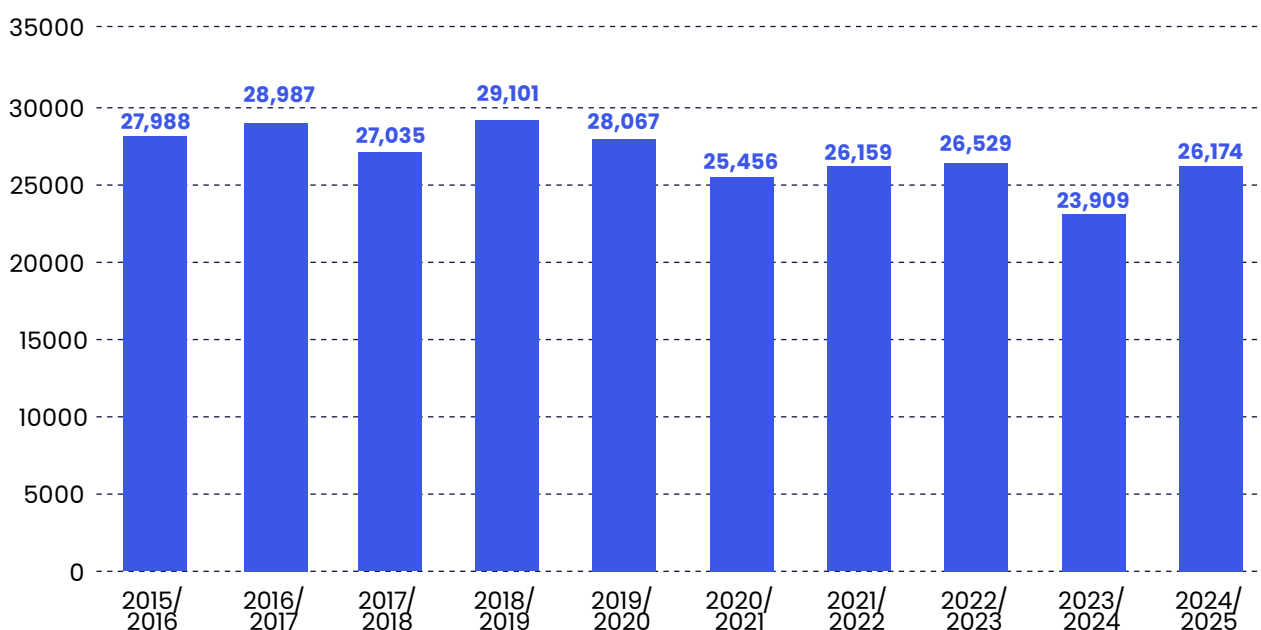


Table below shows breakdown of types of blockages and % split by type. This shows there is very little variation year on year on blockage type.

There has been a reduction in the 'Wipes/Paper' overall percentage, but it is within the historic range and is reflected in an increase in 'Not Determined'. These two categories account for the bulk of the blockages and the combined percentage shows overall no significant change.

#### Key

○ Input cell    ● Calculation cell    ● Copy cell

Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Fiscal Year	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022	2022/ 2023	2023/ 2024	2024/ 2025
Wipes/Paper	11234	12722	13242	13428	12186	11299	11913	12216	10209	10573
Not Determin.	6605	6081	4504	5421	5832	5063	5272	5665	6030	7687
Silt-Brick	3081	3052	2652	3056	2854	2966	3089	3243	3003	2924
FOG	2794	2755	2627	2689	2420	1918	1645	1077	902	1182
Object	1956	2034	1871	2240	2164	1893	1906	2017	1746	1948
Roots	1869	1877	1816	1889	2143	2020	2016	2022	1963	1818
Gully	274	294	213	261	346	220	282	252	n/a	n/a
Textiles	162	163	98	108	104	59	26	20	41	28
C/O Device	13	9	12	9	18	18	10	17	15	14
<b>Total</b>	<b>27988</b>	<b>28987</b>	<b>27035</b>	<b>29101</b>	<b>28067</b>	<b>25456</b>	<b>26159</b>	<b>26529</b>	<b>23909</b>	<b>26174</b>

Fiscal Year	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022	2022/ 2023	2023/ 2024	2024/ 2025
Wipes/Paper	40%	44%	49%	46%	43%	44%	46%	46%	43%	40%
Not Determin.	24%	21%	17%	19%	21%	20%	20%	21%	25%	29%
Silt-Brick	11%	11%	10%	11%	10%	12%	12%	12%	13%	11%
FOG	10%	10%	10%	9%	9%	8%	6%	4%	4%	5%
Object	7%	7%	7%	8%	8%	7%	7%	8%	7%	7%
Roots	7%	6%	7%	6%	8%	8%	8%	8%	8%	7%
Gully	1%	1%	1%	1%	1%	1%	1%	1%	n/a	n/a
Textiles	1%	1%	0%	0%	0%	0%	0%	0%	0%	0.1%
C/O Device	0%	0%	0%	0%	0%	0%	0%	0%	0%	0.1%

**7C.6:** This data item is linked to our Sewer Collapses Performance Commitment, which you can read much more about [here](#).

**7C.13:** When comparing 2024/2025 against 2023/2024, there is a 12.91% decrease in treated volumes across all of the treatment works. Much of the variance seen between reporting years is driven by weather; it was commented upon in the APR24 return that the reporting period was exceptionally wet compared to normal years, therefore it was expected the value this year would drop.

**7C.14:** This is an increase of 30.7km from the previous reported figure of 22.2km in 2023/2024.

**7C.15:** This is a reduction of 1.8km from the previous reported figure of 3.5km in 2023/2024.

**7C.26:** As part of continuous improvement in Event Duration Monitoring (EDM) performance, we are reviewing assets and their impact. We have a mis-consented process that has at its core an investigation to confirm the asset status, its performance and permit status. Through this process we have identified 18 to investigate and confirm before submitting an application for the permit for the discharge.

An outcome of the mis-consented investigation as well as the spill performance investigations can be that we identify that an asset is no longer operational or that it is not required on the network, and this will result in formal abandonment of the asset on the network and an application to revoke the permit for storm discharge conditions from the Environment Agency.

**7C.27:** Five have been reported this year, which is a decrease from the 18 reported for 2023/2024.

**7C.32:** the reported number of spills from all storm overflows in reporting period 01/01/2024 – 31/12/2024. This includes storm overflows commissioned during the reporting year that are not reported in line 30.

*All other values reported within this Data Table have either remained consistent with the reported values of 2023/2024, or seen less than a 10% change (7C.3-7C.5, 7C.7-7C.12, 7C.16-7C.21, 7C.23, 7C.24, 7C.28, 7C.30, 7C.31, 7C.33 & 7C.36), remaining within an expected range.*

**Table 7D****Wastewater Network Plus – Sewage treatment works data for the 12 months ended 31 March 2025**

Line description	Units	DPs	Primary	Treatment categories						Total	RAG 4 reference	
				Activated Sludge	Biological	Secondary						Tertiary
						A1	A2	B1	B2			
Load received at sewage treatment works												
Load received by STWs in size band 1	kg BOD <sub>5</sub> /day	0	69	407	1,148	29	18	65	0	1,736	7D.1	
Load received by STWs in size band 2	kg BOD <sub>5</sub> /day	0	25	243	968	24	17	173	80	1,530	7D.2	
Load received by STWs in size band 3	kg BOD <sub>5</sub> /day	0	154	900	2,136	65	481	737	1,084	5,557	7D.3	
Load received by STWs in size band 4	kg BOD <sub>5</sub> /day	0	0	3,784	8,663	1,039	2,386	1,333	4,760	21,965	7D.4	
Load received by STWs in size band 5	kg BOD <sub>5</sub> /day	0	0	10,851	12,135	3,427	5,311	2,826	7,436	41,986	7D.5	
Load received by STWs above size band 5	kg BOD <sub>5</sub> /day	0	0	201,727	14,526	5,945	60,913	2,692	1,536	287,339	7D.6	
Total load received	kg BOD <sub>5</sub> /day	0	248	217,912	39,576	10,529	69,126	7,826	14,896	360,113	7D.7	
Load received from trade effluent customers at treatment works	kg BOD <sub>5</sub> /day	0								44,848	7D.8	
Number of sewage treatment works												
STWs in size band 1	nr	0	29	69	200	3	1	8	0	310	7D.9	
STWs in size band 2	nr	0	1	11	40	1	1	7	4	65	7D.10	
STWs in size band 3	nr	0	3	13	32	1	5	13	12	79	7D.11	
STWs in size band 4	nr	0	0	12	27	3	7	6	18	73	7D.12	
STWs in size band 5	nr	0	0	9	13	3	5	3	7	40	7D.13	
STWs above size band 5	nr	0	0	20	4	3	7	1	1	36	7D.14	
Total number of works	nr	0	33	134	316	14	26	38	42	603	7D.15	

**Key**

○ Input cell    ● Calculation cell    ● Copy cell

Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 7D – continued

Wastewater Network Plus – Sewage treatment works data for the 12 months ended 31 March 2025

		Treatment works consents																			
		Phosphorus						BOD <sub>5</sub>						Ammonia							
Line description	Units	DPs	<=0.5 mg/l	>0.5 to ≤1mg/l	>1mg/l	No permit	Total	<=7 mg/l	>7 to ≤10mg/l	>10 to ≤20mg/l	>20 mg/l	No permit	Total	<=1 mg/l	>1 to ≤3mg/l	>3 to ≤10mg/l	>10 mg/l	No permit	Total	RAG 4 reference	
Load received at sewage treatment works																					
Load received by STWs in size band 1	kg BOD <sub>5</sub> /day	0	0	0	32	1,704	1,736	0	0	30	80	1,626	1,736	0	0	30	147	1,559	1,736	7D.1	
Load received by STWs in size band 2	kg BOD <sub>5</sub> /day	0	30	46	44	1,411	1,531	0	0	191	837	503	1,531	0	24	258	818	431	1,531	7D.2	
Load received by STWs in size band 3	kg BOD <sub>5</sub> /day	0	359	243	682	4,274	5,558	0	161	1,712	3,365	320	5,558	0	0	2,065	2,629	863	5,557	7D.3	
Load received by STWs in size band 4	kg BOD <sub>5</sub> /day	0	5,451	1,842	1,040	13,632	21,965	0	1,526	6,016	10,275	4,148	21,965	0	2,722	7,260	6,507	5,475	21,964	7D.4	
Load received by STWs in size band 5	kg BOD <sub>5</sub> /day	0	15,978	6,981	3,083	15,944	41,986	0	4,540	14,126	21,150	2,170	41,986	0	7,377	21,068	6,071	7,470	41,986	7D.5	
Load received by STWs above size band 5	kg BOD <sub>5</sub> /day	0	160,753	36,825	14,399	75,362	287,339	0	25,328	136,740	85,986	39,284	287,338	5,277	142,632	91,609	8,537	39,284	287,339	7D.6	
Total load received	kg BOD <sub>5</sub> /day	0	182,571	45,937	19,280	112,327	360,115	0	31,555	158,815	121,693	48,051	360,114	5,277	152,755	122,290	24,709	55,082	360,113	7D.7	
Load received from trade effluent customers at treatment works	kg BOD <sub>5</sub> /day	0																		7D.8	
Number of sewage treatment works																					
STWs in size band 1	nr	0	0	0	3	307	310	0	0	2	8	300	310	0	0	2	13	295	310	7D.9	
STWs in size band 2	nr	0	1	2	2	60	65	0	0	9	33	23	65	0	1	11	33	20	65	7D.10	
STWs in size band 3	nr	0	5	4	9	61	79	0	2	22	48	7	79	0	0	26	41	12	79	7D.11	
STWs in size band 4	nr	0	14	5	4	50	73	0	5	18	39	11	73	0	7	26	24	16	73	7D.12	
STWs in size band 5	nr	0	16	7	3	14	40	0	4	14	20	2	40	0	7	21	6	6	40	7D.13	
STWs above size band 5	nr	0	10	9	5	12	36	0	1	14	18	3	36	1	11	17	4	3	36	7D.14	
Total number of works	nr	0	46	27	26	504	603	0	12	79	166	346	603	1	26	103	121	352	603	7D.15	

Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 7D – continued

Wastewater Network Plus – Sewage treatment works data for the 12 months ended 31 March 2025

Line description	Units	DPs	Primary	RAG 4 reference
<b>Population equivalent</b>				
Current population equivalent served by STWs	000s	3	5,916.357	7D.16
Current population equivalent served by STWs with tightened/new P consents	000s	3	406.712	7D.17
Current population equivalent served by STWs with tightened/new N consents	000s	3	0.000	7D.18
Current population equivalent served by STWs with tightened/new sanitary parameter consents	000s	3	73.250	7D.19
Current population equivalent served by STWs with tightened/new microbiological treatment consents (for example UV, ozone etc)	000s	3	0.000	7D.20
Population equivalent treatment capacity enhancement	000s	3	0.000	7D.21
Current population equivalent served by STWs with tightened/new consents for chemicals or other hazardous substances.	000s	3	0.000	7D.22

**7D.1-7:** Overall there has been a decrease of 0.85% in the total load (kg BOD5/day) as reported in Line 7. The loads within Bands 1 and 4 have shown an increase, whilst Bands 2,3,5 and 6 have decreased; all the band changes were within a 4% tolerance.

There is a slight discrepancy noted between the summary values in the tables whereby the 'totals' for each section varied by a maximum of two. This was investigated and found to be a rounding error.

**7D.8:** This year we have shown an 8.64% decrease in trade load. The decrease follows the trend of Trade Effluent volume decrease; there is a separate assurance statement (7C.12) for this line which also discusses Trade Volumes.

**7D.9-15:** The overall number of STWs being reported during 2023/2024 is 603, which is a decrease of two from last reporting year:

- Hatfield Woodhouse/STW – Flow Transfer to THORNE STW.
- Lindley Lodge/STW – Deemed non operational after a survey by L&P.

Lindley Lodge STW sat within Band 1 and Hatfield Woodhouse was in Band 2 last year.

There have been three other Band changes from 2023/2024, all moving up to the next band up due to PE increases. The table below summarises the changes.

**Note:** The Band 6 changes are further expanded upon in Table 7B.1-10 Commentary.

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Common Name	2023/ 2024 Banding	2024/ 2025 Banding
Lindley Lodge/STW	1	N/A
Drax/STW	2	3
Helmsley/STW	3	4
Malton/STW	5	6
Hatfield woodhouse/STW	2	N/A

There have been three changes to the treatment types between 2023/2024 and 2024/2025.

Common Name	Year 1 Treatment Type	Year 2 Treatment Type
Borrowby/STW	TA2	TB2
Elvington/STW	SB	SAS
Shipton/No. 2 STW	SAS	TA2

**Borrowby** – Changed as a result of AI2 update to correct asset types.

**Elvington** – Changed as a result of AI2 update to correct asset types.

**Shipton** – New tertiary HSAF.

There have been several consent changes over the past 12 months.

#### Ammonia (mg/l)

- Bolsover has tightened 10 to 3.
- Hatfield Woodhouse has revoked final effluent permit.
- Oxenhope has tightened 15 to 11.
- Sherburn in Elmet has tightened 11 to 3.

#### BOD (mg/l)

- Draughton STW has tightened 25 to 12.
- Hatfield Woodhouse STW has revoked final effluent permit.
- Linton on Ouse STW has tightened 40 to 25.

#### Phosphorus (mg/l)

There are a vast number of new or tightened Phosphorus consents; the details of this are captured in a separate audit for [Table 7F](#) and [Table 7D.17](#)

Oxenhope (0.3 to 2) and Foulridge (0.5 to 2) are the only sites with increased permit values.

**7D.16:** There has been 0.85% decrease in population equivalent from 2023/2024 (5966.85thousands) to 2024/2025 (5916.36thousands).

**7D.17:** There have been 68 STW schemes completed which deliver a new or tightened Phosphorus consent.

This value has been cross checked against the [Table 4M](#) Capital Spend return for alignment.

**7D.18:** There have been zero output achieved against this measure in the reporting year so the Population Equivalent reported is as zero in the Data Table.



## Table 7E

### Wastewater Network Plus – Energy consumption and other data for the 12 months ended 31 March 2025

Line description	Units	DPs	Input	RAG 4 reference
<b>Other</b>				
Total sewerage catchment area	km <sup>2</sup>	0	1,755	7E.1
Designated bathing waters (inland and coastal)	nr	0	21	7E.2
Number of intermittent discharge event duration monitoring	nr	0	29	7E.3
Number of monitors for flow monitoring at STWs	nr	0	27	7E.4
Number of odour related complaints	nr	0	153	7E.5
<b>Energy consumption</b>				
Energy consumption – sewage collection	MWh	3	54,100.759	7E.6
Energy consumption – sewage treatment	MWh	3	269,198.880	7E.7
Energy consumption – wastewater Network Plus	MWh	3	323,299.639	7E.8
<b>Scheme delivery</b>				
Cumulative shortfall in FFT addressed by WINEP/NEP schemes to increase STW capacity	l/s	3	2.050	7E.9
Number of sites with an increase in sewage treatment works capacity delivered to address a shortfall in FFT	nr	0	1	7E.10
Additional storm tank capacity provided at sewage treatment works (grey infrastructure)	m <sup>3</sup>	3	14,339.400	7E.11
Additional effective storm storage capacity at sewage treatment works (green infrastructure)	m <sup>3</sup>	3	0.000	7E.12
Additional volume of network storage at CSOs etc to reduce spill frequency (grey infrastructure)	m <sup>3</sup>	3	0.000	7E.13
Additional effective storage in the network delivered through green infrastructure	m <sup>3</sup>	3	0.000	7E.14
Total number of sewage treatment works sites where additional storage has been delivered (grey infrastructure)	nr	0	19	7E.15
Number of sewage treatment works sites where additional storage has been delivered with pumping (grey infrastructure)	nr	0	1	7E.16
Number of sewage treatment works benefitting from green infrastructure replacing the need for storm tank storage	nr	0	0	7E.17
Number of sites delivering additional network storage (grey infrastructure)	nr	0	0	7E.18
Number of sites delivering additional network storage including pumping (grey infrastructure)	nr	0	0	7E.19
Number of sites delivering additional network storage through green infrastructure	nr	0	0	7E.20
Surface water separation drainage area removed	m <sup>2</sup>	0	73,778	7E.21
Number of schemes delivered to meet tightened or new sanitary consents	nr	0	10	7E.22
Number of installations requiring civils for flow monitoring at sewage treatment works	nr	0	12	7E.23
Number of installations requiring civils for event duration monitoring at intermittent discharges	nr	0	0	7E.24
Number of storm overflows where improvements have been made to reduce harm or reduce spill frequencies	nr	0	116	7E.25

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

**7E.2:** For more information on our bathing water performance, please [click here](#).

**7E.4:** We have seen a 25% decrease when compared to 2023/2024, moving from 36 to 27.

**7E.5:** We are pleased to see a reduction in the volume of odour related complaints during 2024/2025, dropping by 39%, moving from 250 to 153.

**7E.11:** 19 sites have been claimed the U\_IMP6 WINEP obligation for the reporting year. Grey infrastructure has accounted for a sum total of 14,339.4 m<sup>3</sup>/d additional storm storage.

**7E.15:** All 19 of the U\_IMP6 outputs this year were delivered by utilising grey infrastructure.

**7E.23:** From the 27 U\_MON4 and U\_MON5 installations, 12 of them required Civils work undertakings to fulfil the Monitoring emissions to air, land and water (MCERTS) certification obligations. Several sites had minor works (install sensors, replace pipework etc) but these are not considered to be “civils work” undertakings.

**7E.25:** We are committed to making improvements to reduce harm or reduce spill frequencies, seeing a huge increase in the reported number against this Data Item compared to 2023/2024, moving from 4 to 116 for 2024/2025.

*All other values reported within this Data Table have either remained consistent with the reported values of 2023/2024, or seen less than a 10% change (7E.1, 7E.3, 7E.7 & 7E.8), remaining within an expected range.*

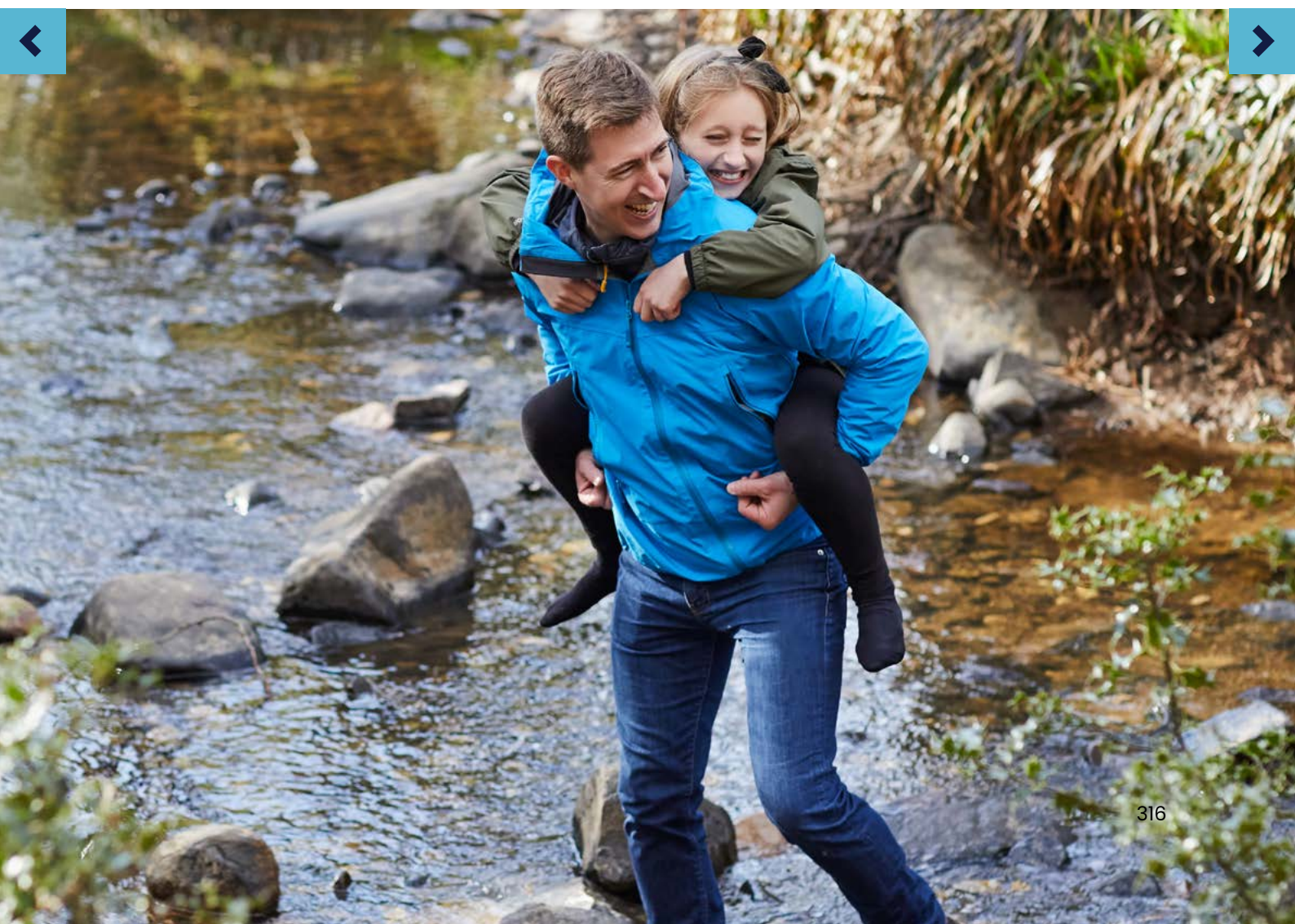


Table 7F

Wastewater Network Plus – WINEP phosphorus removal scheme costs and cost drivers

			Capital expenditure							Operating expenditure							
Scheme name and WINEPID reference	Units	DPs	2019–2020	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025	After 2024–2025	2019–2020	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025	After 2024–2025	RAG 4 reference
Leeming Bar	£m	3	0.000	0.311	0.000	0.040	0.000	0.000	0.000	0.000	0.028	0.057	0.057	0.057	0.015	0.057	7F.1
Ackworth WwTW	£m	3	0.003	0.044	0.212	0.259	2.089	1.244	0.324	0.000	0.000	0.000	0.000	0.000	0.009	0.088	7F.2
Adwick No 2 STW	£m	3	0.003	0.061	0.272	6.142	3.604	0.296	0.000	0.000	0.000	0.000	0.000	0.000	0.015	0.171	7F.3
Aldwarke WwTW	£m	3	0.001	0.098	0.529	0.729	2.088	0.679	0.107	0.000	0.000	0.000	0.000	0.000	0.027	0.347	7F.4
Balby STW	£m	3	0.000	0.215	0.120	0.025	0.222	0.042	0.000	0.000	0.000	0.000	0.000	0.000	0.002	0.032	7F.5
Bentley STW	£m	3	0.001	0.159	0.135	0.491	0.877	1.402	–0.024	0.000	0.000	0.000	0.000	0.000	0.009	0.119	7F.6
Bishop Wilton WwTW	£m	3	0.002	0.089	0.136	0.812	0.826	0.049	0.000	0.000	0.000	0.000	0.000	0.000	0.006	0.062	7F.7
Blackburn Meadows	£m	3	0.015	0.392	2.232	6.717	20.807	11.749	1.618	0.000	0.000	0.000	0.000	0.000	0.000	3.385	7F.8
Bolsover STW	£m	3	0.003	0.160	0.315	0.786	2.472	0.326	0.470	0.000	0.000	0.000	0.000	0.000	0.013	0.160	7F.9
Bolton On Dearne	£m	3	0.001	0.083	0.207	0.400	0.392	1.015	1.685	0.000	0.000	0.000	0.000	0.000	0.000	0.090	7F.10
Bradford Esholt WwTW	£m	3	0.006	0.267	3.248	1.765	8.021	3.699	0.004	0.000	0.000	0.000	0.000	0.000	0.125	1.658	7F.11
Caldervale	£m	3	0.001	0.244	2.354	1.454	0.421	0.682	0.017	0.000	0.000	0.000	0.000	0.000	0.022	0.295	7F.12
Carleton STW	£m	3	0.006	0.094	0.149	0.544	3.802	0.803	0.000	0.000	0.000	0.000	0.000	0.000	0.010	0.113	7F.13
Carthorpe WwTW	£m	3	0.002	0.003	0.119	0.217	0.770	1.666	0.234	0.000	0.000	0.000	0.000	0.000	0.005	0.061	7F.14
Castleford WwTW	£m	3	0.001	0.059	0.565	0.129	0.755	0.501	0.000	0.000	0.000	0.000	0.000	0.000	0.006	0.084	7F.15
Cheesebottom WwTW	£m	3	0.006	0.007	0.705	0.194	1.238	3.491	3.351	0.000	0.000	0.000	0.000	0.000	0.014	0.187	7F.16
Clayton West WwTW	£m	3	0.005	0.006	0.684	0.892	1.232	1.787	0.000	0.000	0.000	0.000	0.000	0.000	0.015	0.203	7F.17
Clifton STW	£m	3	0.001	0.253	1.398	0.067	0.002	0.002	0.000	0.000	0.000	0.000	0.000	0.000	0.001	0.007	7F.18
Crofton STW	£m	3	0.003	0.091	0.222	0.539	1.144	0.925	0.440	0.000	0.000	0.000	0.000	0.000	0.006	0.068	7F.19
Danesmoor STW	£m	3	0.006	0.169	0.375	0.609	2.843	1.303	0.012	0.000	0.000	0.000	0.000	0.000	0.005	0.068	7F.20
Darton WwTW	£m	3	0.000	0.173	0.308	0.645	0.072	0.056	0.040	0.000	0.000	0.000	0.000	0.000	0.000	0.103	7F.21
Denaby WwTW	£m	3	0.000	0.000	0.474	0.421	0.539	0.052	0.000	0.000	0.000	0.000	0.000	0.000	0.008	0.103	7F.22
Dewsbury WwTW	£m	3	0.020	0.107	1.002	1.369	11.345	6.768	0.000	0.000	0.000	0.000	0.000	0.000	0.097	0.997	7F.23

Table 7F – continued

Wastewater Network Plus – WINEP phosphorus removal scheme costs and cost drivers

			Capital expenditure							Operating expenditure							RAG 4 reference
Scheme name and WINEPID reference	Units	DPs	2019–2020	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025	After 2024–2025	2019–2020	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025	After 2024–2025	
Dishforth WwTW	£m	3	0.003	0.005	0.059	0.226	0.839	2.582	0.181	0.000	0.000	0.000	0.000	0.000	0.004	0.042	7F.24
Dowley Gap WwTW	£m	3	0.003	0.003	0.867	0.267	0.431	1.548	0.008	0.000	0.000	0.000	0.000	0.000	0.011	0.144	7F.25
Draughton WwTW	£m	3	0.002	0.002	0.111	0.248	0.914	1.052	0.183	0.000	0.000	0.000	0.000	0.000	0.005	0.047	7F.26
Dronfield WwTW	£m	3	0.003	0.078	0.741	1.731	4.577	3.059	0.711	0.000	0.000	0.000	0.000	0.000	0.029	0.350	7F.27
East Marton WwTW	£m	3	0.001	0.001	0.001	0.257	0.240	0.094	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	7F.28
Eastwood WwTW	£m	3	0.003	0.005	0.583	0.482	0.590	2.348	2.406	0.000	0.000	0.000	0.000	0.000	0.005	0.059	7F.29
Elmsall STW	£m	3	0.010	0.170	0.446	0.242	3.680	5.960	1.758	0.000	0.000	0.000	0.000	0.000	0.036	0.447	7F.30
Embsay STW	£m	3	0.000	0.196	0.013	0.046	0.143	0.053	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.002	7F.31
Ewden (stocksbridge) WwTW	£m	3	0.001	0.087	0.582	1.381	0.191	0.012	0.000	0.000	0.000	0.000	0.000	0.000	0.008	0.091	7F.32
Garforth STW	£m	3	0.009	0.018	0.206	0.554	3.154	4.666	0.506	0.000	0.000	0.000	0.000	0.000	0.027	0.310	7F.33
Grimethorpe STW	£m	3	0.001	0.164	0.368	1.782	0.370	0.501	0.000	0.000	0.000	0.000	0.000	0.000	0.010	0.114	7F.34
Halifax Copley WwTW	£m	3	0.001	0.175	0.652	0.619	0.055	0.050	0.000	0.000	0.000	0.000	0.000	0.000	0.009	0.124	7F.35
Harome WwTW	£m	3	0.003	0.003	0.891	0.203	0.802	1.141	0.000	0.000	0.000	0.000	0.000	0.000	0.003	0.032	7F.36
Harrogate South WwTW	£m	3	0.002	0.002	0.319	0.823	1.393	2.311	0.216	0.000	0.000	0.000	0.000	0.000	0.009	0.116	7F.37
Hatfield Woodhouse STW	£m	3	0.001	0.170	0.147	0.116	0.283	0.755	0.018	0.000	0.000	0.000	0.000	0.000	0.001	0.005	7F.38
High Royd STW	£m	3	0.002	0.386	1.845	1.047	0.223	0.106	0.000	0.000	0.000	0.000	0.000	0.000	0.004	0.042	7F.39
Horbury WwTW	£m	3	0.001	0.002	0.464	0.098	0.405	0.770	0.232	0.000	0.000	0.000	0.000	0.000	0.006	0.069	7F.40
Hoylandswaine WwTW	£m	3	0.001	0.001	0.133	0.300	0.869	0.934	2.580	0.000	0.000	0.000	0.000	0.000	0.007	0.081	7F.41
Huddersfield Complex	£m	3	0.013	0.539	2.209	2.767	18.845	9.754	1.153	0.000	0.000	0.000	0.000	0.000	0.000	2.483	7F.42
Ingbirchworth No2 WwTW	£m	3	0.002	0.002	0.121	0.368	0.376	1.089	0.320	0.000	0.000	0.000	0.000	0.000	0.004	0.040	7F.43

Key

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Table 7F – continued

Wastewater Network Plus – WINEP phosphorus removal scheme costs and cost drivers

			Capital expenditure							Operating expenditure							RAG 4 reference
Scheme name and WINEPID reference	Units	DPs	2019–2020	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025	After 2024–2025	2019–2020	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025	After 2024–2025	
Keighley Marley STW	£m	3	0.019	0.272	0.892	1.317	6.354	10.718	0.186	0.000	0.000	0.000	0.000	0.000	0.063	0.813	7F.44
Killinghall STW	£m	3	0.013	0.087	0.079	0.552	3.604	7.761	1.900	0.000	0.000	0.000	0.000	0.000	0.013	0.100	7F.45
Kirk Smeaton WwTW Transfer to Norton	£m	3	0.001	0.114	0.171	0.223	0.187	1.453	0.783	0.000	0.000	0.000	0.000	0.000	0.002	0.019	7F.46
Kirkby Malzeard WwTW	£m	3	0.001	0.001	0.057	0.163	0.696	0.986	0.447	0.000	0.000	0.000	0.000	0.000	0.001	0.012	7F.47
Knostrop WwTW	£m	3	0.020	0.327	6.995	25.349	21.700	4.593	0.208	0.000	0.000	0.000	0.000	0.000	0.316	4.079	7F.48
Lemonroyd WwTW	£m	3	0.001	0.001	0.536	0.335	0.997	0.600	0.111	0.000	0.000	0.000	0.000	0.000	0.010	0.120	7F.49
Long Lane WwTW	£m	3	0.005	0.005	0.449	0.253	0.664	2.885	1.148	0.000	0.000	0.000	0.000	0.000	0.008	0.095	7F.50
Lundwood WwTW	£m	3	0.001	0.062	0.501	0.234	1.576	0.516	0.023	0.000	0.000	0.000	0.000	0.000	0.000	0.630	7F.51
Meltham WwTW	£m	3	0.005	0.006	0.725	1.033	0.566	2.629	1.140	0.000	0.000	0.000	0.000	0.000	0.009	0.115	7F.52
Mexborough Swinton WwTW	£m	3	0.000	0.000	0.079	0.179	0.151	0.822	0.229	0.000	0.000	0.000	0.000	0.000	0.003	0.035	7F.53
Neiley	£m	3	0.000	0.001	0.058	0.159	0.225	0.073	0.000	0.000	0.000	0.000	0.000	0.000	0.008	0.071	7F.54
Normanton WwTW	£m	3	0.001	0.001	0.481	0.194	0.665	0.084	0.000	0.000	0.000	0.000	0.000	0.000	0.013	0.171	7F.55
Norton STW	£m	3	0.001	0.129	0.300	0.238	1.807	2.288	0.616	0.000	0.000	0.000	0.000	0.000	0.011	0.121	7F.56
Old Whittington WwTW	£m	3	0.005	0.210	1.203	2.192	6.292	2.937	0.256	0.000	0.000	0.000	0.000	0.000	0.115	1.519	7F.57
Oxenhope WwTW	£m	3	0.006	2.079	2.745	0.678	0.087	0.031	0.025	0.000	0.000	0.000	0.000	0.000	0.042	0.114	7F.58
Pocklington STW P	£m	3	0.005	0.201	0.459	0.271	0.985	3.743	0.437	0.000	0.000	0.000	0.000	0.000	0.000	0.000	7F.59
Rainton WwTW	£m	3	0.001	0.002	0.060	0.325	0.568	0.746	0.604	0.000	0.000	0.000	0.000	0.000	0.003	0.030	7F.60
Redacre STW	£m	3	0.006	0.139	0.592	1.059	1.112	2.455	0.417	0.000	0.000	0.000	0.000	0.000	0.017	0.198	7F.61
Ripponden Wood WwTW	£m	3	0.002	0.046	0.299	0.367	1.851	3.747	0.823	0.000	0.000	0.000	0.000	0.000	0.028	0.301	7F.62
Sandall WwTW	£m	3	0.003	0.085	0.525	2.622	3.935	1.276	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.374	7F.63

Key

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Table 7F – continued

Wastewater Network Plus – WINEP phosphorus removal scheme costs and cost drivers

			Capital expenditure							Operating expenditure							RAG 4 reference
Scheme name and WINEPID reference	Units	DPs	2019–2020	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025	After 2024–2025	2019–2020	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025	After 2024–2025	
Shaw Mills WwTW	£m	3	0.003	0.063	0.142	0.162	0.595	2.055	0.218	0.000	0.000	0.000	0.000	0.000	0.006	0.043	7F.64
Sherburn In Elmet	£m	3	0.001	0.180	0.233	0.540	0.130	0.247	0.220	0.000	0.000	0.000	0.000	0.000	0.017	0.204	7F.65
Sheriff Hutton STW	£m	3	0.009	1.914	0.240	0.005	0.001	0.002	0.000	0.000	0.000	0.000	0.000	0.000	0.012	0.024	7F.66
Skipton UWWTD	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	7F.67
Snaith WwTW	£m	3	0.000	0.000	0.340	0.180	0.772	0.022	0.016	0.000	0.000	0.000	0.000	0.000	0.000	0.032	7F.68
Stanley STW	£m	3	0.001	0.037	0.139	0.191	0.399	2.583	0.505	0.000	0.000	0.000	0.000	0.000	0.007	0.063	7F.69
Staveley WwTW	£m	3	0.002	0.002	0.018	0.496	0.811	1.003	1.259	0.000	0.000	0.000	0.000	0.000	0.019	0.172	7F.70
Stillington WwTW	£m	3	0.005	1.235	0.280	0.077	0.006	-0.004	0.000	0.000	0.000	0.000	0.000	0.000	0.011	0.025	7F.71
Stockley STW	£m	3	0.003	0.079	0.317	0.196	0.341	2.371	1.527	0.000	0.000	0.000	0.000	0.000	0.009	0.084	7F.72
Sutton on the Forest	£m	3	0.010	1.918	0.709	0.084	0.002	0.002	0.000	0.000	0.000	0.000	0.000	0.000	0.036	0.104	7F.73
Sutton STW	£m	3	0.001	0.135	0.266	0.446	0.894	0.118	0.000	0.000	0.000	0.000	0.000	0.000	0.012	0.149	7F.74
Thorne STW	£m	3	0.001	0.148	0.298	0.346	1.187	0.198	0.010	0.000	0.000	0.000	0.000	0.000	0.000	0.116	7F.75
Thornton le Beans WwTW	£m	3	0.003	0.168	0.447	0.154	0.271	2.925	0.814	0.000	0.000	0.000	0.000	0.000	0.005	0.044	7F.76
Tupton WwTW			0.006	0.007	0.625	0.635	1.964	2.885	0.727	0.000	0.000	0.000	0.000	0.000	0.000	0.111	7F.77
Upton Wrangbrook WFD			0.007	0.136	0.191	0.245	1.432	4.328	0.290	0.000	0.000	0.000	0.000	0.000	0.008	0.080	7F.78
Wath on Dearne STW			0.002	0.089	0.117	0.357	0.900	3.361	0.041	0.000	0.000	0.000	0.000	0.000	0.000	0.066	7F.79
Wombwell STW			0.001	0.167	0.247	0.650	0.512	0.243	0.007	0.000	0.000	0.000	0.000	0.000	0.000	0.157	7F.80
Woodhouse Mill WwTW			0.003	0.255	1.111	0.878	1.438	0.401	0.040	0.000	0.000	0.000	0.000	0.000	0.032	0.435	7F.81
Worsbrough			0.001	0.067	0.299	0.676	1.517	1.653	0.291	0.000	0.000	0.000	0.000	0.000	0.000	0.225	7F.82
Total	£m	3	0.310	15.461	49.742	82.864	171.135	160.296	181.334	0.000	0.028	0.057	0.057	0.057	1.421	24.105	7F.201

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Table 7F – continued

Wastewater Network Plus – WINEP phosphorus removal scheme costs and cost drivers

			Population equivalent served							RAG 4 reference
Scheme name and WINEPID reference	Units	DPs	2019–2020	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025	After 2024–2025	
Leeming Bar	£m	3	15,718.256	12,122.365	11,445.887	10,267.189	6,991.993	4,885.000		7F.1
Ackworth WwTW	£m	3	8,872.775	8,658.101	9,525.578	9,420.690	9,588.573	9,637.604		7F.2
Adwick No 2 STW	£m	3	21,445.718	20,921.357	20,903.541	20,570.793	20,027.532	20,030.036		7F.3
Aldwarke WwTW	£m	3	114,051.469	111,040.803	115,076.634	113,618.012	111,076.645	111,298.073		7F.4
Balby STW	£m	3	19,200.196	18,749.700	19,968.310	19,732.928	18,867.999	18,832.860		7F.5
Bentley STW	£m	3	24,816.776	22,417.201	22,467.591	22,132.330	21,955.558	21,961.068		7F.6
Bishop Wilton WwTW	£m	3	216.222	211.222	464.000	463.000	447.000	447.000		7F.7
Blackburn Meadows	£m	3	545,317.501	529,154.536	553,898.820	556,360.142	514,399.640	537,190.583		7F.8
Bolsover STW	£m	3	10,698.335	10,430.777	10,466.101	10,284.968	10,199.272	10,239.357		7F.9
Bolton On Dearne	£m	3	24,484.810	23,761.361	24,672.471	24,809.300	25,618.919	25,595.832		7F.10
Bradford Esholt WwTW	£m	3	427,210.614	400,703.531	428,523.755	424,264.008	446,836.274	421,916.997		7F.11
Caldervale	£m	3	124,757.804	120,691.638	136,568.628	131,346.873	130,583.947	131,689.966		7F.12
Carleton STW	£m	3	6,264.889	6,112.889	6,332.000	6,258.000	6,484.000	6,527.000		7F.13
Carthorpe WwTW	£m	3	577.889	563.889	1,033.000	1,017.000	496.000	494.000		7F.14
Castleford WwTW	£m	3	33,132.061	32,062.659	35,881.990	35,455.721	36,446.828	36,563.939		7F.15
Cheesebottom WwTW	£m	3	13,992.674	13,380.655	14,698.115	14,601.322	14,415.096	13,987.764		7F.16
Clayton West WwTW	£m	3	21,048.428	22,153.659	20,256.119	20,153.842	21,123.222	19,423.754		7F.17
Clifton STW	£m	3	168.000	164.000	170.000	167.000	145.000	145.000		7F.18
Crofton STW	£m	3	9,320.889	9,095.889	9,654.000	9,535.000	9,698.000	9,747.000		7F.19
Danesmoor STW	£m	3	6,693.969	6,510.601	6,557.646	6,445.915	6,819.239	6,821.092		7F.20
Darton WwTW	£m	3	24,046.469	23,476.065	24,092.027	23,777.353	23,743.031	23,853.425		7F.21
Denaby WwTW	£m	3	33,001.210	32,072.354	32,735.162	32,281.032	32,245.039	32,234.525		7F.22
Dewsbury WwTW	£m	3	370,173.723	368,523.773	373,454.715	372,511.364	357,062.977	343,157.533		7F.23

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Table 7F – continued

Wastewater Network Plus – WINEP phosphorus removal scheme costs and cost drivers

			Population equivalent served							RAG 4 reference
Scheme name and WINEPID reference	Units	DPs	2019–2020	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025	After 2024–2025	
Dishforth WwTW	£m	3	705.000	688.000	606.000	610.000	642.000	642.000		7F.24
Dowley Gap WwTW	£m	3	40,536.619	39,672.694	40,396.646	39,848.206	39,767.233	39,684.013		7F.25
Draughton WwTW	£m	3	344.000	336.000	345.000	353.000	336.000	337.000		7F.26
Dronfield WwTW	£m	3	23,337.810	23,029.937	22,603.714	22,502.853	23,438.953	23,048.262		7F.27
East Marton WwTW	£m	3	182.000	178.000	169.000	177.000	196.000	196.000		7F.28
Eastwood WwTW	£m	3	15,425.466	15,047.038	15,518.165	15,370.494	15,068.833	15,106.811		7F.29
Elmsall STW	£m	3	35,137.559	34,106.377	37,017.372	37,307.759	36,059.718	36,059.720		7F.30
Embsay STW	£m	3	1,908.444	1,862.444	2,063.000	2,126.000	2,002.000	2,006.000		7F.31
Ewden (stocksbridge) WwTW	£m	3	13,815.701	13,467.050	13,595.717	13,532.071	13,335.759	13,407.681		7F.32
Garforth STW	£m	3	42,495.505	41,665.686	41,779.636	39,543.787	41,200.757	39,369.729		7F.33
Grimethorpe STW	£m	3	13,256.896	12,937.488	13,323.042	13,138.093	12,942.850	12,995.475		7F.34
Halifax Copley WwTW	£m	3	173,401.995	160,764.198	158,953.088	153,655.370	186,602.933	166,882.709		7F.35
Harome WwTW	£m	3	1,585.667	1,549.667	1,640.000	1,772.051	1,802.000	1,809.000		7F.36
Harrogate South WwTW	£m	3	39,848.374	39,053.740	40,150.486	40,891.839	41,535.926	41,530.916		7F.37
Hatfield Woodhouse STW	£m	3	452.000	441.000	501.000	494.000	439.000	439.000		7F.38
High Royd STW	£m	3	11,595.138	11,426.821	14,361.110	12,701.127	11,293.110	11,971.748		7F.39
Horbury WwTW	£m	3	16,630.656	16,215.200	15,899.238	15,697.253	15,264.865	15,337.875		7F.40
Hoylandswaine WwTW	£m	3	1,024.000	999.000	976.000	962.000	965.000	971.000		7F.41
Huddersfield Complex	£m	3	275,399.615	262,132.600	268,877.157	267,939.670	260,025.000	258,964.990		7F.42
Ingbirchworth No2 WwTW	£m	3	453.444	442.444	633.000	627.000	663.000	666.000		7F.43

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Table 7F – continued

Wastewater Network Plus – WINEP phosphorus removal scheme costs and cost drivers

			Population equivalent served							RAG 4 reference
Scheme name and WINEPID reference	Units	DPS	2019–2020	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025	After 2024–2025	
Keighley Marley STW	£m	3	92,340.309	89,192.395	91,211.127	91,244.872	90,382.365	90,954.572		7F.44
Killinghall STW	£m	3	3,389.000	3,307.000	3,735.000	3,806.000	4,132.000	4,138.000		7F.45
Kirk Smeaton WwTW	£m	3	697.000	680.000	693.000	690.000	687.000	692.000		7F.46
Kirkby Malzeard WwTW	£m	3	1,815.214	1,773.904	1,825.050	1,765.848	1,780.468	1,746.800		7F.47
Knostrop WwTW	£m	3	737,670.865	724,675.721	745,564.857	758,667.292	765,011.766	764,424.247		7F.48
Lemonroyd WwTW	£m	3	32,927.933	32,128.851	31,911.898	31,699.733	32,146.551	32,331.750		7F.49
Long Lane WwTW	£m	3	24,095.987	23,508.683	23,985.306	23,668.413	23,756.139	23,812.808		7F.50
Lundwood WwTW	£m	3	87,039.065	85,358.888	91,412.350	90,091.219	87,802.486	87,931.653		7F.51
Meltham WwTW	£m	3	8,642.444	8,433.444	8,802.233	8,687.104	8,675.497	8,722.904		7F.52
Mexborough Swinton WwTW	£m	3	18,045.605	18,270.416	18,549.010	17,886.682	18,010.729	18,230.179		7F.53
Neiley	£m	3	29,680.769	31,638.001	35,789.278	31,905.690	34,387.026	36,087.683		7F.54
Normanton WwTW	£m	3	46,164.232	43,725.768	47,598.021	48,327.556	49,207.115	48,103.607		7F.55
Norton STW	£m	3	10,501.891	10,244.709	10,045.273	9,913.903	10,027.020	10,033.979		7F.56
Old Whittington WwTW	£m	3	119,365.745	111,995.983	114,430.160	117,207.696	121,159.694	120,412.434		7F.57
Oxenhope WwTW	£m	3	2,276.855	2,221.855	2,145.077	2,118.077	2,106.077	2,116.080		7F.58
Pocklington STW P	£m	3	11,090.714	10,812.803	11,591.334	10,949.884	11,967.034	11,921.889		7F.59
Rainton WwTW	£m	3	367.000	358.000	377.000	389.000	390.000	390.000		7F.60
Redacre STW	£m	3	8,560.821	8,352.067	8,050.248	8,002.395	7,691.012	7,708.000		7F.61
Ripponden Wood WwTW	£m	3	5,407.111	5,276.111	5,383.000	5,322.000	5,126.000	5,135.000		7F.62
Sandall WwTW	£m	3	99,650.385	97,753.209	105,051.701	102,486.921	98,217.329	97,544.821		7F.63

Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 7F – continued

Wastewater Network Plus – WINEP phosphorus removal scheme costs and cost drivers

			Population equivalent served							RAG 4 reference
Scheme name and WINEPID reference	Units	DPs	2019–2020	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025	After 2024–2025	
Shaw Mills WwTW	£m	3	664.000	648.000	687.000	709.000	710.000	711.000		7F.64
Sherburn In Elmet	£m	3	12,015.965	13,884.137	14,919.366	14,639.015	16,452.630	16,174.817		7F.65
Sheriff Hutton STW	£m	3	976.000	954.000	966.000	999.000	965.000	969.000		7F.66
Skipton UWWTD	£m	3	19,290.561	19,007.950	19,611.084	20,564.817	20,518.310	20,432.098		7F.67
Snaith WwTW	£m	3	9,282.805	8,652.164	8,859.093	8,952.300	8,939.153	8,974.435		7F.68
Stanley STW	£m	3	19,700.973	19,217.952	20,547.739	20,287.753	20,865.823	20,879.687		7F.69
Staveley WwTW	£m	3	31,493.783	30,194.941	30,390.988	30,140.685	30,461.965	29,897.149		7F.70
Stillington WwTW	£m	3	758.333	740.333	776.000	791.000	717.000	719.000		7F.71
Stockley STW	£m	3	2,580.101	2,518.161	3,020.360	2,946.783	2,932.769	2,943.746		7F.72
Sutton on the Forest	£m	3	1,653.438	1,613.889	1,737.609	1,759.659	1,693.517	1,693.607		7F.73
Sutton STW	£m	3	64,979.572	60,558.960	64,074.386	60,196.673	61,957.544	63,232.710		7F.74
Thorne STW	£m	3	40,159.674	39,051.404	40,281.100	39,870.835	39,809.411	39,901.666		7F.75
Thornton le Beans WwTW	£m	3	184.000	180.000	183.000	187.000	191.000	192.000		7F.76
Tupton WwTW	£m	3	10,986.111	10,720.111	10,914.000	10,728.000	10,403.000	10,412.000		7F.77
Upton Wrangbrook WFD	£m	3	6,340.000	6,186.000	6,777.000	6,682.000	6,595.000	6,617.000		7F.78
Wath on Dearne STW	£m	3	19,498.662	19,287.921	22,302.135	22,791.615	22,856.517	21,879.000		7F.79
Wombwell STW	£m	3	59,340.132	55,077.449	57,782.510	49,444.048	50,104.204	50,787.348		7F.80
Woodhouse Mill WwTW	£m	3	143,024.488	132,218.277	133,760.445	132,164.599	131,587.205	134,344.685		7F.81
Worsbrough	£m	3	20,991.227	20,479.158	20,674.105	20,403.989	20,220.013	20,330.097		7F.82
Total	£m	3	4,366,395.336	4,219,893.024	4,384,669.304	4,353,812.411	4,349,496.090	4,682,133.745	0.000	7F.201

Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 7F – continued  
Wastewater Network Plus – WINEP phosphorus removal scheme costs and cost drivers

			Cost driver 1	Cost driver 2	Cost driver 3	Cost driver 4	Cost driver 5	Cost driver 6	Cost driver 7	Cost driver 8	Cost driver 9	
Scheme name and WINEPID reference	Units	DPS	Scheme design population equivalent	Historical permit level for phosphorus (mg/L)	Enhanced permit level for phosphorus (mg/L)	Permit change only (Y/N)	Catchment-based solution (Y/N)	Length of transfer pipeline (km)	Annual Average Daily Transferred flow (cu.m/d)	Company specific	Company specific	RAG 4 reference
Leeming Bar	£m	3	11,146.000	n/a	0.500	N	N	0.000	0.000	n/a	n/a	7F.1
Ackworth WwTW	£m	3	9,856.000	n/a	0.500	N	N	0.000	0.000	n/a	n/a	7F.2
Adwick No 2 STW	£m	3	25,003.000	n/a	0.300	N	N	0.000	0.000	n/a	n/a	7F.3
Aldwarke WwTW	£m	3	129,683.000	n/a	0.700	N	N	0.000	0.000	n/a	n/a	7F.4
Balby STW	£m	3	22,844.000	2.000	0.250	N	N	0.000	0.000	n/a	n/a	7F.5
Bentley STW	£m	3	26,325.420	n/a	1.500	N	N	0.000	0.000	n/a	n/a	7F.6
Bishop Wilton WwTW	£m	3	484.000	n/a	1.000	N	N	0.000	0.000	n/a	n/a	7F.7
Blackburn Meadows	£m	3	697,777.000	n/a	0.300	N	N	0.000	0.000	n/a	n/a	7F.8
Bolsover STW	£m	3	11,812.000	n/a	1.000	N	Y	0.000	0.000	n/a	n/a	7F.9
Bolton On Dearne	£m	3	32,774.000	n/a	2.000	N	N	0.000	0.000	n/a	n/a	7F.10
Bradford Esholt WwTW	£m	3	464,878.000	n/a	0.500	N	N	0.000	0.000	n/a	n/a	7F.11
Caldervale	£m	3	131,330.000	n/a	0.600	N	N	0.000	0.000	n/a	n/a	7F.12
Carleton STW	£m	3	7,443.000	n/a	0.250	N	N	0.000	0.000	n/a	n/a	7F.13
Carthorpe WwTW	£m	3	1,109.000	n/a	0.500	N	N	0.000	0.000	n/a	n/a	7F.14
Castleford WwTW	£m	3	42,668.000	n/a	2.000	N	N	0.000	0.000	n/a	n/a	7F.15
Cheesebottom WwTW	£m	3	18,938.000	n/a	0.500	N	N	0.000	0.000	n/a	n/a	7F.16
Clayton West WwTW	£m	3	23,872.000	n/a	0.250	N	N	0.000	0.000	n/a	n/a	7F.17
Clifton STW	£m	3	176.000	n/a	4.000	N	N	0.000	0.000	n/a	n/a	7F.18
Crofton STW	£m	3	10,664.000	n/a	0.700	N	N	0.000	0.000	n/a	n/a	7F.19
Danesmoor STW	£m	3	8,063.000	n/a	0.400	N	N	0.000	0.000	n/a	n/a	7F.20
Darton WwTW	£m	3	30,478.000	n/a	2.000	N	N	0.000	0.000	n/a	n/a	7F.21
Denaby WwTW	£m	3	35,311.000	n/a	0.600	N	N	0.000	0.000	n/a	n/a	7F.22
Dewsbury WwTW	£m	3	376,104.000	n/a	0.480	N	N	0.000	0.000	n/a	n/a	7F.23

Table 7F – continued

Wastewater Network Plus – WINEP phosphorus removal scheme costs and cost drivers

			Cost driver 1	Cost driver 2	Cost driver 3	Cost driver 4	Cost driver 5	Cost driver 6	Cost driver 7	Cost driver 8	Cost driver 9	
Scheme name and WINEPID reference	Units	DPs	Scheme design population equivalent	Historical permit level for phosphorus (mg/L)	Enhanced permit level for phosphorus (mg/L)	Permit change only (Y/N)	Catchment-based solution (Y/N)	Length of transfer pipeline (km)	Annual Average Daily Transferred flow (cu.m/d)	Company specific	Company specific	RAG 4 reference
Dishforth WwTW	£m	3	1,016.000	n/a	2.500	N	N	0.000	0.000	n/a	n/a	7F.24
Dowley Gap WwTW	£m	3	46,076.000	n/a	0.600	N	Y	0.000	0.000	n/a	n/a	7F.25
Draughton WwTW	£m	3	402.000	n/a	2.000	N	N	0.000	0.000	n/a	n/a	7F.26
Dronfield WwTW	£m	3	27,843.000	n/a	0.300	N	N	0.000	0.000	n/a	n/a	7F.27
East Marton WwTW	£m	3	207.000	n/a	4.000	Y	Y	0.000	0.000	n/a	n/a	7F.28
Eastwood WwTW	£m	3	17,415.000	n/a	0.500	N	N	0.000	0.000	n/a	n/a	7F.29
Elmsall STW	£m	3	41,241.000	n/a	0.300	N	N	0.000	0.000	n/a	n/a	7F.30
Embsay STW	£m	3	2,123.000	2.000	0.250	N	Y	0.000	0.000	n/a	n/a	7F.31
Ewden (stocksbridge) WwTW	£m	3	16,056.000	n/a	0.900	N	N	0.000	0.000	n/a	n/a	7F.32
Garforth STW	£m	3	42,145.000	n/a	0.250	N	N	0.000	0.000	n/a	n/a	7F.33
Grimethorpe STW	£m	3	17,097.000	n/a	0.250	N	N	0.000	0.000	n/a	n/a	7F.34
Halifax Copley WwTW	£m	3	176,195.000	n/a	0.300	Y	N	0.000	0.000	n/a	n/a	7F.35
Harome WwTW	£m	3	1,627.000	n/a	0.250	N	N	0.000	0.000	n/a	n/a	7F.36
Harrogate South WwTW	£m	3	43,698.000	n/a	0.400	N	N	0.000	0.000	n/a	n/a	7F.37
Hatfield Woodhouse STW	£m	3	0 (transfer)	n/a	n/a	N	N	1.900	204.000	n/a	n/a	7F.38
High Royd STW	£m	3	13,062.000	n/a	0.500	N	N	0.000	0.000	n/a	n/a	7F.39
Horbury WwTW	£m	3	19,102.000	n/a	0.700	N	N	0.000	0.000	n/a	n/a	7F.40
Hoylandswaine WwTW	£m	3	1,159.000	n/a	0.400	N	N	0.000	0.000	n/a	n/a	7F.41
Huddersfield Complex	£m	3	312,683.000	n/a	0.500	N	N	0.000	0.000	n/a	n/a	7F.42
Ingbirchworth No2 WwTW	£m	3	671.000	n/a	1.000	N	N	0.000	0.000	n/a	n/a	7F.43

Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report



Table 7F – continued

Wastewater Network Plus – WINEP phosphorus removal scheme costs and cost drivers

			Cost driver 1	Cost driver 2	Cost driver 3	Cost driver 4	Cost driver 5	Cost driver 6	Cost driver 7	Cost driver 8	Cost driver 9	
Scheme name and WINEPID reference	Units	DPs	Scheme design population equivalent	Historical permit level for phosphorus (mg/L)	Enhanced permit level for phosphorus (mg/L)	Permit change only (Y/N)	Catchment-based solution (Y/N)	Length of transfer pipeline (km)	Annual Average Daily Transferred flow (cu.m/d)	Company specific	Company specific	RAG 4 reference
Keighley Marley STW	£m	3	103,889.000	n/a	1.600	N	Y	0.000	0.000	n/a	n/a	7F.44
Killinghall STW	£m	3	3,741.000	n/a	0.500	N	N	0.000	0.000	n/a	n/a	7F.45
Kirk Smeaton WwTW	£m	3	0 (transfer)	n/a	n/a	N	N	2.400	392.000	n/a	n/a	7F.46
Kirkby Malzeard WwTW	£m	3	1,756.000	n/a	1.500	N	N	0.000	0.000	n/a	n/a	7F.47
Knostrop WwTW	£m	3	870,076.000	n/a	0.400	N	N	0.000	0.000	n/a	n/a	7F.48
Lemonroyd WwTW	£m	3	39,823.000	n/a	2.000	N	N	0.000	0.000	n/a	n/a	7F.49
Long Lane WwTW	£m	3	26,809.000	n/a	0.500	N	N	0.000	0.000	n/a	n/a	7F.50
Lundwood WwTW	£m	3	100,994.560	n/a	2.000	N	N	0.000	0.000	n/a	n/a	7F.51
Meltham WwTW	£m	3	9,707.000	n/a	0.400	N	N	0.000	0.000	n/a	n/a	7F.52
Mexborough Swinton WwTW	£m	3	19,027.000	n/a	1.000	N	N	0.000	0.000	n/a	n/a	7F.53
Neiley	£m	3	32,985.000	n/a	0.400	N	N	0.000	0.000	n/a	n/a	7F.54
Normanton WwTW	£m	3	53,425.000	n/a	0.800	N	N	0.000	0.000	n/a	n/a	7F.55
Norton STW	£m	3	12,059.000	n/a	0.250	N	N	0.000	0.000	n/a	n/a	7F.56
Old Whittington WwTW	£m	3	132,236.000	n/a	0.300	N	N	0.000	0.000	n/a	n/a	7F.57
Oxenhope WwTW	£m	3	2,604.000	n/a	0.300	N	Y	0.000	0.000	n/a	n/a	7F.58
Pocklington STW P	£m	3	11,132.000	1.000	0.250	N	N	0.000	0.000	n/a	n/a	7F.59
Rainton WwTW	£m	3	436.000	n/a	3.000	N	N	0.000	0.000	n/a	n/a	7F.60
Redacre STW	£m	3	9,579.000	n/a	0.500	N	N	0.000	0.000	n/a	n/a	7F.61
Ripponden Wood WwTW	£m	3	6,095.000	n/a	0.500	N	N	0.000	0.000	n/a	n/a	7F.62
Sandall WwTW	£m	3	107,604.000	n/a	2.000	N	N	0.000	0.000	n/a	n/a	7F.63

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 7F – continued

Wastewater Network Plus – WINEP phosphorus removal scheme costs and cost drivers

			Cost driver 1	Cost driver 2	Cost driver 3	Cost driver 4	Cost driver 5	Cost driver 6	Cost driver 7	Cost driver 8	Cost driver 9	
Scheme name and WINEPID reference	Units	DPs	Scheme design population equivalent	Historical permit level for phosphorus (mg/L)	Enhanced permit level for phosphorus (mg/L)	Permit change only (Y/N)	Catchment-based solution (Y/N)	Length of transfer pipeline (km)	Annual Average Daily Transferred flow (cu.m/d)	Company specific	Company specific	RAG 4 reference
Shaw Mills WwTW	£m	3	716.000	n/a	1.000	N	N	0.000	0.000	n/a	n/a	7F.64
Sherburn In Elmet	£m	3	17,308.000	5.000	0.500	N	N	0.000	0.000	n/a	n/a	7F.65
Sheriff Hutton STW	£m	3	1,433.000	n/a	1.000	N	N	0.000	0.000	n/a	n/a	7F.66
Skipton UWWTD	£m	3	19,750.000	0.500	0.300	Y	Y	0.000	0.000	n/a	n/a	7F.67
Snaith WwTW	£m	3	10,708.000	n/a	2.000	N	N	0.000	0.000	n/a	n/a	7F.68
Stanley STW	£m	3	24,110.000	n/a	1.000	N	N	0.000	0.000	n/a	n/a	7F.69
Staveley WwTW	£m	3	39,714.000	n/a	1.000	N	Y	0.000	0.000	n/a	n/a	7F.70
Stillington WwTW	£m	3	877.000	n/a	1.500	N	N	0.000	0.000	n/a	n/a	7F.71
Stockley STW	£m	3	2,980.000	n/a	1.000	N	Y	0.000	0.000	n/a	n/a	7F.72
Sutton on the Forest	£m	3	1,778.000	n/a	0.700	N	N	0.000	0.000	n/a	n/a	7F.73
Sutton STW	£m	3	72,467.000	n/a	1.000	N	N	0.000	0.000	n/a	n/a	7F.74
Thorne STW	£m	3	50,795.000	n/a	2.000	N	N	0.000	0.000	n/a	n/a	7F.75
Thornton le Beans WwTW	£m	3	206.000	n/a	1.500	N	N	0.000	0.000	n/a	n/a	7F.76
Tupton WwTW	£m	3	12,093.000	n/a	0.250	N	N	0.000	0.000	n/a	n/a	7F.77
Upton Wrangbrook WFD	£m	3	7,344.000	n/a	0.500	N	N	0.000	0.000	n/a	n/a	7F.78
Wath on Dearne STW	£m	3	24,547.000	n/a	2.000	N	N	0.000	0.000	n/a	n/a	7F.79
Wombwell STW	£m	3	71,921.000	n/a	2.000	N	N	0.000	0.000	n/a	n/a	7F.80
Woodhouse Mill WwTW	£m	3	157,589.000	n/a	0.900	N	N	0.000	0.000	n/a	n/a	7F.81
Worsbrough	£m	3	27,026.000	n/a	2.000	N	N	0.000	0.000	n/a	n/a	7F.82
Total	£m	3										7F.201

Key

 Input cell    Calculation cell    Copy cell

Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Operating expenditure

Operating expenditure for the current year is £1.421m. This reconciles back to [Table 4M](#).

The operating expenditure for future years is the best estimate at this point in time.

## Cost Drivers

*Cost Drivers associated with the WINEP Phosphorus Removal schemes.*

Prior to the start of AMP7 regulatory outputs are agreed between the Environment Agency and Yorkshire Water. Dates for the outputs are agreed with the Environment Agency and recorded in the shared live WINEP document.

This line relates to the Driver Code WFD\_IMP (Phosphorus) and U\_IMP2

WFD\_IMP – measures to reduce ammonia, phosphorus, BOD or nitrogen at STWs in order to meet WFD standards in rivers, transitional or coastal waters that are to be introduced within the AMP period. (Specifically, this reporting line is looking at the Phosphorus element.)

U\_IMP2 – Schemes to reduce phosphorus levels in qualifying discharges (from agglomerations >10,000pe) associated with the 2016 review of freshwater Sensitive Areas (Eutrophic).

The WINEP Master Spreadsheet has been used to confirm driver sign off for each reporting year. The WINEP scheme ID and Delivery date are included in the Data Table.

**\*Note Leeming Bar STW is an AMP6 scheme that was carried over to AMP7 and is subsequently included.**

**\*\*Note Lines 90–108 (Aberford to Wentworth inclusive) are AMP8 transitional schemes for early completion in AMP8.**

For each of the sites referenced within the Data Table, Ofwat requests the following Cost Driver and Population measures are reported.

### Population equivalent served

This is reported as the PE updated in each reporting year and is directly linked to the datasets produced for Table 7D (PE & Loads). The table has been updated with the 2024/2025 datasets.

This section reports the Cost Drivers associated with the WINEP Phosphorus Removal schemes.

Prior to the start of AMP7 regulatory outputs are agreed between the Environment Agency and Yorkshire Water. Dates for the outputs are agreed with the Environment Agency and recorded in the shared live WINEP document.

This section relates to the Driver Code WFD\_IMP (Phosphorus) and U\_IMP2.

WFD\_IMP – measures to reduce ammonia, phosphorus, BOD or nitrogen at STWs in order to meet WFD standards in rivers, transitional or coastal waters that are to be introduced within the AMP period. (Specifically, this reporting line is looking at the Phosphorus element.)

U\_IMP2 – Schemes to reduce phosphorus levels in qualifying discharges (from agglomerations >10,000pe) associated with the 2016 review of freshwater Sensitive Areas (Eutrophic).

The WINEP Master Spreadsheet has been used to confirm driver sign off for each reporting year. The WINEP scheme ID and Delivery date are included in the Data Table.

**\*Note Leeming Bar STW is an AMP6 scheme that was carried over to AMP7 and is subsequently included.**

**\*\*Note Lines 90–108 (Aberford to Wentworth inclusive) are AMP8 transitional schemes for early completion in AMP8.**

For each of the sites referenced within the Data Table, Ofwat requests the following Cost Driver and Population measures are reported.

### Population equivalent served

This is reported as the PE updated in each reporting year and is directly linked to the datasets produced for Table 7D (PE & Loads). The table has been updated with the 2024/2025 datasets.

### Scheme Design Population Equivalent

This is presented as a fixed value in the table for each STW, based off the Design PE calculated by delivery partners at the start of the scheme.

There has been some movement on this from earlier tables as the scheme design developed and the approach taken towards the trade effluent loads consented versus current received flows and loads. The solution needs to have enough capacity to accept a significant upturn in trade effluent should the trader's business see an upturn due to favourable trading conditions. Traders were questioned on their likely future flows and loads and an assessment made. With a 10 year design horizon these projections are somewhat speculative based on known current position and a likely conservative future provision.

Note where the output solution is to Transfer the STW flow to another existing asset the Design PE is shown as '0 (Transfer)' within the Data Table.

### Historic consent for Phosphorus (mg/l)

These are the limits contained within the permit at the start of the AMP; where there was no existing Phosphorus limit then these are presented as 'n/a' in the table rather than zero.

### Enhanced consent for Phosphorus (mg/l)

This is the agreed limit that will be implemented into the permit upon scheme completion. These values are present in the Environment Agency/ Yorkshire Water WINEP spreadsheet for reference.

There are a number of changes to this cost driver that are associated with Operating Techniques Agreements with The Environment Agency e.g Keighley Marley, Bolsover, Stockley. These were only confirmed and signed off in December 2024.

There is also a change to the enhanced consent for P associated with Bentley, this is a relaxation based on moving the final effluent discharge to a much larger water body.



# Table 8: Additional regulatory information – bioresources

## Introduction

The information in this section details 'Additional regulatory information – bioresources' as required by Ofwat, with a brief description of significant variances compared to previous years. The information in this section comprises the following tables:

[Pro forma 8A](#) Bioresources sludge data

[Pro forma 8B](#) Bioresources operating expenditure analysis

[Pro forma 8C](#) Bioresources energy and liquors analysis

[Pro forma 8D](#) Bioresources sludge treatment and disposal data



## Table 8A

### Bioresources sludge data for the 12 months ended 31 March 2025

Line description	Units	DPs	Total	RAG 4 reference
Total sewage sludge produced, treated by incumbents	ttds/ year	1	153.1	8A.1
Total sewage sludge produced, treated by 3rd party sludge service provider	ttds/ year	1	0.9	8A.2
Total sewage sludge produced	ttds/ year	1	154.0	8A.3
Total sewage sludge produced from non-appointed liquid waste treatment	ttds/ year	1	6.2	8A.4
Percentage of sludge produced and treated at a site of STW and STC co-location	%	2	67.82	8A.5
Total sewage sludge disposed by incumbents	ttds/ year	1	84.3	8A.6
Total sewage sludge disposed by 3rd party sludge service provider	ttds/ year	1	0.9	8A.7
Total sewage sludge disposed	ttds/ year	1	85.2	8A.8
Total measure of intersiting 'work' done by pipeline	ttds*km/year	0	2	8A.9
Total measure of intersiting 'work' done by tanker	ttds*km/year	0	1,011	8A.10
Total measure of intersiting 'work' done by truck	ttds*km/year	0	1,685	8A.11
Total measure of intersiting 'work' done (all forms of transportation)	ttds*km/year	0	2,698	8A.12
Total measure of intersiting 'work' done by tanker (by volume transported)	m <sup>3</sup> *km/yr	0	35,582,215	8A.13
Total measure of 'work' done in sludge disposal operations by pipeline	ttds*km/year	0	0	8A.14
Total measure of 'work' done in sludge disposal operations by tanker	ttds*km/year	0	0	8A.15
Total measure of 'work' done in sludge disposal operations by truck	ttds*km/year	0	5,266	8A.16
Total measure of 'work' done in sludge disposal operations (all forms of transportation)	ttds*km/year	0	5,266	8A.17
Total measure of 'work' done by tanker in sludge disposal operations (by volume transported)	m <sup>3</sup> *km/yr	0	0	8A.18
Chemical P sludge as % of sludge produced at STWs	%	2	39.81	8A.19

Over the last 5 years the sludge production has shown a fluctuating picture as shown in the below table:

RAG 4	Line description	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
8A.1	Total sewage sludge produced, treated by incumbents.	147.3	143.06	144.53	139.64	152.38
8A.2	Total sewage sludge produced, treated by 3rd party.	0.2	0.0	0.0	0.1	0.94
8A.3	Total Sludge Produced.	147.5	143.06	144.53	139.75	153.99

The reasons behind such fluctuations are complex but include:

- Weather conditions.
- Reduced spills
- Site operational parameters
- WINEP implementation
- Measurement.

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report



The low sludge return in 2023/2024 was put down to a large extent to the heavy rainfall, this year has seen reduced rainfall with total volume treated reduced by 12% over the January to December 2024 calendar year period from the previous.

**8A.4:** The data shows an increase on last year's submission, the second highest in the last 8 years despite the drop in Nufarm and Syngenta figures. This is for the following reasons:

- The Volumes of Tankered imported waste have increased, especially for domestic imports.
- This results in an overall increase in sludge production which is proportionate to previous years.

**8A.6:** A significant increase from the previous year (84.3ttds vs 73.6ttds). This is reflective of the overall increase in production in the reporting year, potentially due to commissioning of WINEP schemes producing extra sludge. It is also in part due to the fact that the 2023/2024 year was unusually low, due to wet weather preventing exports to land. These stocks were carried over into 2024/2025, and recycled in the 2024/2025, making them higher than otherwise.

**8A.11:** Total work done in intersiting sludge operations carried out by truck during the report year measured as the product of sludge mass (in ttds) multiplied by distance travelled (km) in transporting the sludge.

Truck work done has seen an increase of 482tTDS\*Km/year (40%) over the previous year. The amount of cake moved in this area significantly increased over the previous year. More cake has been moved, increasing to 26,217TDS (previous year 22,571TDS), 16.15% more TDS moved. The volume of cake increased from 95,584m<sup>3</sup> to 112,112 m<sup>3</sup>, 17.3% increase. As result of the increase in cake production more journeys have been undertaken whilst more efficient routing and improved cake import availability has been maintained to minimise the impact of this on the work done figure.

**8A.13:** Total work done in intersiting sludge operations carried out by road tanker during the report year measured as the product of sludge volume (in m<sup>3</sup>) multiplied by distance travelled (in km) in transporting the sludge.

The work done by this metric has increased from 33,477,248m<sup>3</sup>/km/year to 35,582,215m<sup>3</sup>/km/year an increase of 2,104,967/km/year (6.28%).

	2022	2023	2024	2025
<b>Number of journeys</b>	45,119	45,314	45,481	50,175
<b>Average volume per journey (m3)</b>	22.1	22.3	22.5	22.3
<b>Total volume moved (m3)</b>	998,836	1,009,440	1,025,346	1,117,780
<b>Average %DS</b>	2.70%	2.82%	2.72%	2.70%
<b>Sum TDS</b>	27,593	28,807	28,534	31,067
<b>Average distance (km)</b>	28.62	30.88	31.52	30.70

Factors impacting upon tanker work done are:

- The average distance per journey has decreased from 31.52km to 30.70km which is a 2.6% decrease.
- The average volume carried per journey is approximately the same.
- The average % DS of the liquid sludge moved has reduced slightly from 2.72% to 2.70%.
- The main impact is the total volume moved.

**8A.16:** An increase in 2024/2025, from 4,094ttds/km/year to 5,266ttds\*km/year. This is reflective of the increased tonnage that has been disposed/recycled, and also the fact that for all routes, the distance from source site has increased.

**8A.19:** 39.81% of our total sludge produced came from wastewater treatment works which use chemical dosing for phosphate removal. These sites are all chemically dosed to remove phosphorus. This is an increase from the previous year's 5.07%.

Currently 98 sites are being chemically dosed with 37 having a full year effect this year with 61 sites have had commission dates in this reporting year.

*All other values reported within this Data Table have either remained consistent with the reported values of 2023/2024, or seen less than a 10% change (8A.1, 8A.5, 8A.9, 8A.10 & 8A.13), remaining within an expected range.*

## Table 8B

### Bioresources operating expenditure analysis for the 12 months ended 31 March 2025

Line description	Units	DPs	Pipeline	Tanker	Truck	Total	RAG 4 reference
<b>Sludge transport method</b>							
Power	£m	3	0.000	0.006	0.000	0.006	8B.1
Income treated as negative expenditure	£m	3	0.000	0.000	0.000	0.000	8B.2
Discharge consents	£m	3	0.000	0.000	0.000	0.000	8B.3
Bulk discharge	£m	3	0.000	0.000	0.000	0.000	8B.4
<b>Other operating expenditure</b>							
Renewals expensed in year (Infrastructure)	£m	3	0.000	0.000	0.000	0.000	8B.5
Renewals expensed in year (Non-Infrastructure)	£m	3	0.000	0.000	0.000	0.000	8B.6
Other operating expenditure excluding renewals	£m	3	0.000	10.509	0.000	10.509	8B.7
Total functional expenditure	£m	3	0.000	10.515	0.000	10.515	8B.8
Local authority and Cumulo rates	£m	3	0.000	0.005	0.000	0.005	8B.9
Total operating expenditure (excluding 3rd party)	£m	3	0.000	10.520	0.000	10.520	8B.10

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 8B – continued

Bioresources operating expenditure analysis for the 12 months ended 31 March 2025

Line description	Units	DPs	Untreated Sludge	Raw Sludge liming	Conventional AD	Incineration of raw sludge	Photo- conditioning/ composting	Advanced Anaerobic Digestion	Other	Total	RAG 4 reference
<b>Sludge treatment type</b>											
Power	£m	3	0.000	0.000	-11.622	0.000	0.000	-2.220	0.000	-13.842	8B.11
Income treated as negative expenditure	£m	3	0.000	0.000	-2.086	0.000	0.000	-0.739	0.000	-2.825	8B.12
Discharge consents	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	8B.13
Bulk discharge	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	8B.14
<b>Other operating expenditure</b>											
Renewals expensed in year (Infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	8B.15
Renewals expensed in year (Non-Infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	8B.16
Other operating expenditure excluding renewals	£m	3	0.000	0.000	21.587	0.000	0.000	3.463	0.000	25.050	8B.17
Total functional expenditure	£m	3	0.000	0.000	7.879	0.000	0.000	0.504	0.000	8.383	8B.18
Local authority and Cumulo rates	£m	3	0.012	0.000	1.975	0.000	0.000	0.393	0.000	2.380	8B.19
Total operating expenditure (excluding 3rd party)	£m	3	0.012	0.000	9.854	0.000	0.000	0.897	0.000	10.763	8B.20

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 8B – continued

Bioresources operating expenditure analysis for the 12 months ended 31 March 2025

Line description	Units	DPs	Landfill, raw	Landfill, partly treated	Land restoration/ reclamation	Sludge recycled to farmland	Incineration of digested Sludge	Other	Total	RAG 4 reference
<b>Sludge treatment type</b>										
Power	£m	3	0.000	0.000	0.000	0.004	0.000	0.000	0.004	8B.21
Income treated as negative expenditure	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	8B.22
Discharge consents	£m	3	0.008	0.000	0.000	0.000	0.000	0.000	0.008	8B.23
Bulk discharge	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	8B.24
<b>Other operating expenditure</b>										
Renewals expensed in year (Infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	8B.25
Renewals expensed in year (Non-Infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	8B.26
Other operating expenditure excluding renewals	£m	3	0.584	0.045	0.154	9.129	0.000	0.000	9.912	8B.27
Total functional expenditure	£m	3	0.592	0.045	0.154	9.133	0.000	0.000	9.925	8B.28
Local authority and Cumulo rates	£m	3	0.000	0.000	0.000	0.003	0.000	0.000	0.003	8B.29
Total operating expenditure (excluding 3rd party)	£m	3	0.592	0.045	0.155	9.136	0.000	0.000	9.928	8B.30

This table is a disaggregation of [Table 4E](#) bioresources costs into sludge treatment, transport, and disposal, and reconciles to line 11.

To allocate the sludge treatment costs, all relevant assets were classified according to the tables in line with RAG 4, with sludge treatment costs directly allocated by site where possible into the relevant treatment categories (Untreated Sludge, Conventional & Advanced).

For more information on year on year variances refer to the commentary for [Tables 2B](#) and [4J](#).

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

**Table 8C****Bioresources energy and liquors analysis for the 12 months ended 31 March 2025**

			Electricity	Heat	Biomethane	Total	Electricity	Heat	Biomethane	Total		
Line description	Units	DPs	MWh (0 DPs)	MWh (0 DPs)	MWh (0 DPs)	MWh (0 DPs)	£m (3 DPs)	£m (3 DPs)	£m (3 DPs)	£m (3 DPs)	RAG 4 reference	
Energy												
Energy consumption – bioresources	SE Column Headings	SE Column Headings	20,333	162,961	0	240,984	5.096	12.651	0.000	17.747	8C.1	
Energy generated by and used in bioresources control	SE Column Headings	SE Column Headings	13,827	131,095	0	144,922	3.303	9.701	0.000	13.004	8C.2	
Energy generated by bioresources and used in Network Plus control	SE Column Headings	SE Column Headings	72,116	0	0	72,116	17.229	0.000	0.000	17.229	8C.3	
Energy generated by bioresources and exported to the grid or third party	SE Column Headings	SE Column Headings	5,007	0	0	5,007	0.463	0.000	0.000	0.463	8C.4	
Energy generated by bioresources that is unused	SE Column Headings	SE Column Headings	0	151,764	0	151,764					8C.5	
Energy bought from grid or third party and used in bioresources control	SE Column Headings	SE Column Headings	6,506	31,866	0	38,372	1.554	1.651	0.000	3.205	8C.6	
Income from renewable energy subsidies	Unit	DPs	Value									
Income claimed from Renewable Energy Certificates (ROCs)	£m	3	2.825									8C.7
Income claimed from Renewable Heat Incentives (RHIs)	£m	3	0.000									8C.8
Income claimed from (other renewable energy subsidy (1))	£m	3	0.000									8C.9
Income claimed from (other renewable energy subsidy (2))	£m	3	0.000									8C.10
Income claimed from (other renewable energy subsidy (3))	£m	3	0.000									8C.11
Total income claimed from renewable energy subsidies	£m	3	2.825									8C.12
% of total number of renewable energy subsidies due to expire in the next 2 financial years	%	0	0%									8C.13
This year’s value of renewable energy subsidies due to expire in the next 2 financial years	£m	3	0.000									8C.14

Note: Companies to input specific subsidy which is being referenced in lines 8C.8 – 8C.10.

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 8C – continued

Bioresources energy and liquors analysis for the 12 months ended 31 March 2025

Bioresources liquors treated by Network Plus (shadow reported)			Unit	DPs	Value							
BOD load of liquor or partially treated liquor returned from bioresources to Network Plus			kg/d	0	20,095	8C.15						
Ammonia load of liquor or partially treated liquor returned from bioresources to Network Plus			kg Amm-N/d	0	4,680	8C.16						
Recharge to Bioresources by Network Plus for costs of handling and treating bioresources liquors			£m	3	9.642	8C.17						
				Electricity	Heat	Biomethane	Total	Electricity	Heat	Biomethane	Total	
Line description	Units	DPs		MWh (0 DPs)	MWh (0 DPs)	MWh (0 DPs)	MWh (0 DPs)	£m (3 DPs)	£m (3 DPs)	£m (3 DPs)	£m (3 DPs)	RAG 4 reference
Energy (AMP7 shadow reported values)												
Energy consumption – bioresources	SE Column Headings	SE Column Headings		20,333	162,961	0	240,984	5.096	12.651	0.000	17.747	8C.18
Energy generated by and used in bioresources control	SE Column Headings	SE Column Headings		13,827	131,095	0	144,922	3.303	9.701	0.000	13.004	8C.19
Energy generated by bioresources and used in Network Plus control	SE Column Headings	SE Column Headings		72,116	0	0	72,116	17.229	0.000	0.000	17.229	8C.20
Energy generated by bioresources and exported to the grid or third party	SE Column Headings	SE Column Headings		5,007	0	0	5,007	0.463	0.000	0.000	0.463	8C.21
Energy generated by bioresources that is unused	SE Column Headings	SE Column Headings		0	151,764	0	151,764					8C.22
Energy bought from grid or third party and used in bioresources control	SE Column Headings	SE Column Headings		6,506	31,866	0	38,372	1.554	1.651	0.000	3.205	8C.23
%												
Percentage of bioresources energy consumption that is metered				0.000%								8C.24

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This table helps the industry ensure there is consistency for energy and liquor treatment in bioresources.

**8C.1:** Total costs for energy consumption within bioresources has been used, and an allowance has been added for overheads and fleet costs.

**8C.2-6:** The volumetric data within this table has been used and applied a market unit price for calculating the electricity and heat financials.

A different unit rate has been used for electricity generated by bioresources and exported to the grid or third party (line 8C.4).

It is assumed any heat generated in bioresources was from biogas. As a result, the purchase price of natural gas has been applied, where it is required in the business.

**8C.7:** This line is the same as 4K.2 for income treated a negative expenditure for bioresources only.

**8C.17:** Yorkshire Water have worked closely with Jacobs in order to quantify the cost of sludge liquor treatment.

Following consultation with the operational business we have used Biochemical Oxygen Demand (BOD) and ammonia as our determinants.

$$C = W \frac{(BOD_i + 4.75A_i)V}{(BOD_h + 4.75A_h)I}$$

Operating costs associated with 2024/2025 and capital expenditure has been annualised from the Modern Equivalent Asset Value (MEAV) only for assets which are impacting liquors within the wastewater Network Plus price control.

**8C.18-23:** The AMP7 shadow reported values are consistent to 8C.1-8C.6. This is because we currently do not have energy metering covering bioresources and unfortunate are unable to provide what is being requested within these Data Items. This is something we are looking to improve on, and have an ongoing project, looking at the installation of bioresources electricity sub-meters, to achieve the 80% target level Ofwat are looking for.



**Table 8D****Bioresources sludge treatment and disposal data for the 12 months ended 31 March 2025**

Line description	Units	DPs	By incumbent	By 3rd party sludge service providers	RAG 4 reference
<b>Sludge treatment process</b>					
% Sludge – untreated	%	1	0.5%	0.4%	8D.1
% Sludge treatment process – raw sludge liming	%	1	0.0%	0.4%	8D.2
% Sludge treatment process – conventional AD	%	1	82.0%	0.2%	8D.3
% Sludge treatment process – advanced AD	%	1	16.5%	0.0%	8D.4
% Sludge treatment process – incineration of raw sludge	%	1	0.0%	0.0%	8D.5
% Sludge treatment process – other (specify)	%	1	0.0%	0.1%	8D.6
% Sludge treatment process – Total	%	1	99.0%	1.1%	8D.7
<b>(Un-incinerated) sludge disposal and recycling route</b>					
% Sludge disposal route – landfill, raw	%	1	0.0%	0.0%	8D.8
% Sludge disposal route – landfill, partly treated	%	1	0.5%	0.0%	8D.9
% Sludge disposal route – land restoration/reclamation	%	1	1.7%	0.0%	8D.10
% Sludge disposal route – sludge recycled to farmland	%	1	96.8%	1.1%	8D.11
% Sludge disposal route – other (specify)	%	1	0.0%	0.0%	8D.12
% Sludge disposal route – Total	%	1	99.0%	1.1%	8D.13

These lines explain what treatment processes Yorkshire Water undertakes to treat the sludge produced from the STWs.

Please note any sludge that is brought in from outside Yorkshire Water (i.e. from other water and sewerage companies) and treated via Yorkshire Water assets (digesters) is excluded from these figures, in line with the regulatory accounting guidelines.

Over the previous AMP Yorkshire Water's strategic direction was to decommission the incinerators to promote renewable biogas production from anaerobic digestion, reducing the cost of treatment and improving environmental performance. Yorkshire Water no longer incinerate or raw lime sludge in house but may send to third parties.

98.7% of Yorkshire Water's sludges was treated via digestion (both advanced and conventional). This is down 1.2% from the previous year. Untreated sludge is up from 0.2% to 1.0%. 0.5% was treated by other means.

**8D.9:** This item has seen an increase this year, as some digested sludge, that was not suitable for agriculture, was sent to landfill. This was a combination of material that had been found to be contaminated with Giant Hogweed, an Invasive and Non Native Species (INNS), and some material that had been contaminated by a large amount of vegetation after prolonged storage. This prevented it from being retreated internally.

**8D.10:** An overall increase in tonnage but a decrease in percentage terms compared to the previous year. The decreased percentage is due to the increased use of other routes, land restoration and landfill.

All other values reported within this Data Table have either remained consistent with the reported values of 2023/2024, or seen less than a 10% change, remaining within an expected range.

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# Table 9: Additional regulatory information – innovation competition

## Introduction

The information in this section details 'Additional regulatory information – innovation competition' as required by Ofwat, with a brief description of significant variances compared to previous years. The information in this section comprises the following tables:

[Pro forma 9A](#) Innovation competition

**Table 9A**  
**Innovation competition**

Line description	Units	DPs	Current year	RAG 4 reference
<b>Allowed</b>				
Allocated innovation competition fund price control revenue	£m	3	4.526	9A.1
<b>Revenue collected for the purposes of the innovation competition</b>				
Innovation fund income from customers	£m	3	4.526	9A.2
Income from customers to fund innovation projects the company is leading on	£m	3	0.205	9A.3
Income from customers as part of the inflation top-up mechanism	£m	3	0.000	9A.4
Income from other water companies to fund innovation projects the company is leading on	£m	3	2.124	9A.5
Income from customers that is transferred to other companies as part of the innovation fund	£m	3	3.325	9A.6
Non-price control revenue (e.g. royalties)	£m	3	0.000	9A.7
<b>Administration</b>				
Administration charge for innovation partner	£m	3	0.194	9A.8

**Key**

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

Table 9A – continued

Innovation competition

Line description	Total amount of funding awarded to the lead company through the innovation fund	Total amount of inflation top-up funding received	Forecast expenditure on innovation fund projects in year (excl 10% partnership contribution)	Actual expenditure on innovation fund projects in year (excl 10% partnership contribution)	Difference between actual and forecast expenditure	Forecast project lifecycle expenditure on innovation fund projects (excl 10% partnership contribution)	Cumulative actual expenditure on innovation fund projects (excl 10% partnership contribution)	Difference between actual and forecast expenditure	Allowed future expenditure on innovation fund projects (excl 10% partnership contribution)	In year expenditure on innovation projects funded by shareholders of the lead water company	In year expenditure on innovation projects funded by project partner contributions	Cumulative expenditure on innovation projects funded by shareholders of the lead water company	Cumulative expenditure on innovation projects funded by project partner contributions	Total remaining funds (unspent) for completed projects	
Units DPs	£m 3	£m 3	£m 3	£m 3	£m 3	£m 3	£m 3	£m 3	£m 3	£m 3	£m 3	£m 3	£m 3		RAG 4 reference
Designer Liner Phase 1	0.174	0.000	0.000	0.000	0.000	0.174	0.174	0.000	0.000	0.000	0.000	0.004	0.015	0.000	9A.9
Designer Liner Phase 2	3.251	0.000	0.425	0.425	0.000	3.251	0.442	-2.809	2.809	0.425	0.000	0.442	0.000	2.809	9A.10
ATC Gasification	2.329	0.000	0.734	0.734	0.000	2.329	0.734	-1.595	1.595	0.734	0.000	0.734	0.000	1.595	9A.11
Innovation project 4	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9A.12
Innovation project 5	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9A.13
Innovation project 6	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9A.14
Innovation project 7	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9A.15
Innovation project 8	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9A.16
Innovation project 9	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9A.17
Innovation project 10	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9A.18
Innovation project 11	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9A.19
Innovation project 12	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9A.20
Innovation project 13	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9A.21
Innovation project 14	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9A.22
Innovation project 15	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9A.23
Total	5.754	0.000	1.159	1.159	0.000	5.754	1.350	-4.404	4.404	1.159	0.000	1.180	0.015	4.404	9A.24

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# Statement on innovation competition

**Ofwat established the £200m Innovation Fund to stimulate more rapid adoption of transformational innovation within the water sector and encourage greater collaboration between companies.**

The Fund was launched as a pilot in November 2020 and utilises money collected directly from customers by water companies who hold and distribute to winning bids in competitions held by Ofwat and their partners Challenge Works (formerly known as Nesta Challenges) and supported by Arup and Isle Utilities. The first three competitions were held during 2021/2022: Innovation in Water Challenge, Water Breakthrough Challenge and the Water Breakthrough Challenge 2 (WBC2). For WBC2 the funding was split into two Streams – a Catalyst Stream for entries up to £1m and a Transform Stream for entries between £1m and £10m. This model was adopted following the end of the pilot period with WBC3 running in 2022/2023, WBC4 in 2023/34 and WBC5 opened in September 2024 with winning entries to be announced in April 2025.

An additional Stream, the Water Discovery Challenge, was piloted during WBC3 as an open access fund targeted at non water companies. In January 2025 Ofwat confirmed that the competition will double in AMP8 to £400m. Details of the fund continuation are under development, but it will involve annual Water Breakthrough Challenges and at least two more Water Discovery Challenges.

Yorkshire Water has so far won three bids as lead applicant – Designer Liner, Designer Liner Phase 2 and Sewage Sludge Gasification (Sustainably addressing sludge-to-land, net-zero and emerging contaminant risks) and supported a further twenty. Designer Liner was awarded £173,880 from Ofwat and has now completed and Designer Liner Phase 2 secured £3,251,283 to continue the work and is currently in the delivery phase. The gasification project was awarded £2,329,332 from WBC4 and is in the early stages of mobilisation. The total value of all projects supported as formal partners is in excess of £80m. For the current round (WBC5) we have submitted three bids as lead applicant and supported a further 23. All bids require an additional minimum 10% match funding contribution which cannot be funded from customer bills. Contributions are collected from partners, added to the project budget and used solely for that purpose as mandated in the terms of the fund.



# Table 10: Additional regulatory information – green economic recovery and accelerated programme additional impacts reporting, performance reporting and scheme delivery

## Introduction

The information in this section details 'Additional regulatory information – green economic recovery and accelerated programme additional impacts reporting, performance reporting and scheme delivery' as required by Ofwat, with a brief description of significant variances compared to previous years. The information in this section comprises the following tables:

[Pro forma 10F](#) Additional reporting to account for impacts of the accelerated infrastructure delivery projects

[Pro forma 10G](#) Additional reporting to account for impacts of transition expenditure

[Pro forma 10H](#) Accelerated schemes data capture reconciliation model input

## Table 10F

**Additional reporting to account for impacts of the accelerated infrastructure delivery projects for the 12 months ended 31 March 2025**

Line description	Units	DPs	Input	RAG 4 reference
<b>Other</b>				
Total length of new potable mains	km	1	0.0	10F.1
Number of lead communication pipes replaced for water quality	nr	0	0	10F.2

Line description	Units	DPs	Basic meter	AMR meter	AMI meter	RAG 4 reference
<b>Metering activities – Totex expenditure</b>						
New selective meter installation for existing customers	£m	3			0.000	10F.3
New business meter installation for existing customers	£m	3			0.000	10F.4
Residential meters renewed	£m	3			0.000	10F.5
Business meters renewed	£m	3			0.000	10F.6
<b>Metering activities – Explanatory variables</b>						
New selective meters installed for existing customers	000s	3			0.000	10F.7
New business meters installed for existing customers	000s	3			0.000	10F.8
Residential meters renewed	000s	3			0.000	10F.9
Business meters renewed	000s	3			0.000	10F.10
Replacement of basic meters with smart meters for residential customers	000s	3		0.000	0.000	10F.11
Replacement of AMR meter with AMI meters for residential customers	000s	3			0.000	10F.12
Replacement of basic meters with smart meters for business customers	000s	3		0.000	0.000	10F.13
Replacement of AMR meter with AMI meters for business customers	000s	3			0.000	10F.14
New residential meters installed for existing customers – supply-demand balance benefit	MI/d	2			0.00	10F.15
New business meters installed for existing customers – supply-demand balance benefit	MI/d	2			0.00	10F.16
Replacement of basic meter with smart meters for residential customers – supply-demand balance benefit	MI/d	2		0.00	0.00	10F.17
Replacement of AMR meter with AMI meter for residential customers– supply-demand balance benefit	MI/d	2			0.00	10F.18
Replacement of basic meter with smart meters for business customers – supply-demand balance benefit	MI/d	2		0.00	0.00	10F.19
Replacement of AMR meter with AMI meter for business customers– supply-demand balance benefit	MI/d	2			0.00	10F.20

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 10F – continued

Additional reporting to account for impacts of the accelerated infrastructure delivery projects for the 12 months ended 31 March 2025

Line description	Units	DPs	Input	RAG 4 reference
<b>Metering activities – Impact on PCC and leakage performance</b>				
Per capita consumption reduction	l/h/d	3	0.000	10F.21
Leakage reduction	MI/d	3	0.000	10F.22
<b>Leakage activities</b>				
Leakage improvements delivering benefits in 2020-2025	MI/d	2	0.00	10F.23
<b>Sewage treatment works – Explanatory variables</b>				
Works name	text	0	0	10F.24
Classification of treatment works	text	0	0	10F.25
Population equivalent of total load received	000s	0	0	10F.26
Phosphorus consent	mg/l	0	0	10F.27
Load received by STW	kgBOD <sub>5</sub> /d	2	0.00	10F.28
Flow passed to full treatment	m <sup>3</sup> /d	0	0	10F.29
<b>Population equivalent</b>				
Current population equivalent served by STWs	000s	3	0.000	10F.30
Current population equivalent served by STWs with tightened/new P consents	000s	3	0.000	10F.31
Current population equivalent served by STWs with tightened/new N consents	000s	3	0.000	10F.32
Number of monitors for flow monitoring at STWs	nr	0	0.000	10F.33
Additional storm tank capacity provided at STWs (grey infrastructure)	m <sup>3</sup>	3	0.000	10F.34
Additional effective storm storage capacity at sewage treatment work (delivered through green infrastructure)	m <sup>3</sup>	3	0.000	10F.35
Additional volume of network storage at CSOs etc to reduce spill frequency (grey infrastructure)	m <sup>3</sup>	3	0.000	10F.36
Additional effective storage in the network delivered through green infrastructure	m <sup>3</sup>	3	0.000	10F.37

### Key

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Please refer to RAG 4.11 – Guideline in the table definitions in the annual performance report

## Table 10F – continued

**Additional reporting to account for impacts of the accelerated infrastructure delivery projects for the 12 months ended 31 March 2025**

Line description	Units	DPs	Input	RAG 4 reference
<b>Other</b>				
Total length of new potable mains	km	1		10G.1
Number of lead communication pipes replaced or relined for water quality	nr	0		10G.2

Line description	Units	DPs	Basic meter	AMR meter	AMI meter	RAG 4 reference
<b>Metering activities – Totex expenditure</b>						
New selective meter installation for existing customers	£m	3			0.000	10G.3
New business meter installation for existing customers	£m	3			0.000	10G.4
Residential meters renewed	£m	3			0.000	10G.5
Business meters renewed	£m	3			0.000	10G.6
<b>Metering activities – Explanatory variables</b>						
New selective meters installed for existing customers	000s	3			0.000	10G.7
New business meters installed for existing customers	000s	3			0.000	10G.8
Residential meters renewed	000s	3			0.000	10G.9
Business meters renewed	000s	3			0.000	10G.10
Replacement of basic meters with smart meters for residential customers	000s	3		0.000	0.000	10G.11
Replacement of AMR meter with AMI meters for residential customers	000s	3			0.000	10G.12
Replacement of basic meters with smart meters for business customers	000s	3		0.000	0.000	10G.13
Replacement of AMR meter with AMI meters for business customers	000s	3			0.000	10G.14
New residential meters installed for existing customers – supply-demand balance benefit	MI/d	2			0.00	10G.15
New business meters installed for existing customers – supply-demand balance benefit	MI/d	2			0.00	10G.16
Replacement of basic meter with smart meters for residential customers – supply-demand balance benefit	MI/d	2		0.000	0.00	10G.17
Replacement of AMR meter with AMI meter for residential customers– supply-demand balance benefit	MI/d	2			0.00	10G.18
Replacement of basic meter with smart meters for business customers – supply-demand balance benefit	MI/d	2		0.000	0.00	10G.19
Replacement of AMR meter with AMI meter for business customers– supply-demand balance benefit	MI/d	2			0.000	10G.20

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 10G

**Additional reporting to account for impacts of transition expenditure for the 12 months ended 31 March 2025**

Line description	Units	DPs	Input	RAG 4 reference		
Treated water distribution – mains analysis						
Total length of new potable mains	km	1	0.0	10G.1		
Number of lead communication pipes replaced or relined for water quality	nr	0	0	10G.2		
Line description	Units	DPs	Basic meter	AMR meter	AMI meter	RAG 4 reference
Metering activities – Totex expenditure						
New selective meter installation for existing customers	£m	3			0.000	10G.3
New business meter installation for existing customers	£m	3			0.000	10G.4
Residential meters renewed	£m	3			6.985	10G.5
Business meters renewed	£m	3			0.189	10G.6
Metering activities – Explanatory variables						
New selective meters installed for existing customers	000s	3			0.000	10G.7
New business meters installed for existing customers	000s	3			0.000	10G.8
Residential meters renewed	000s	3			15.551	10G.9
Business meters renewed	000s	3			0.430	10G.10
Replacement of basic meters with smart meters for residential customers	000s	3		0.000	0.093	10G.11
Replacement of AMR meter with AMI meters for residential customers	000s	3			15.155	10G.12
Replacement of basic meters with smart meters for business customers	000s	3		0.000	0.004	10G.13
Replacement of AMR meter with AMI meters for business customers	000s	3			0.401	10G.14
New residential meters installed for existing customers – supply-demand balance benefit	MI/d	2			0.00	10G.15
New business meters installed for existing customers – supply-demand balance benefit	MI/d	2			0.00	10G.16
Replacement of basic meter with smart meters for residential customers – supply-demand balance benefit	MI/d	2		0.00	0.00	10G.17
Replacement of AMR meter with AMI meter for residential customers– supply-demand balance benefit	MI/d	2			0.00	10G.18
Replacement of basic meter with smart meters for business customers – supply-demand balance benefit	MI/d	2		0.00	0.00	10G.19
Replacement of AMR meter with AMI meter for business customers– supply-demand balance benefit	MI/d	2			0.00	10G.20

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 10G – continued

Additional reporting to account for impacts of transition expenditure for the 12 months ended 31 March 2025

Line description	Units	DPs	Input	RAG 4 reference
<b>Metering activities – Impact on PCC and leakage performance</b>				
Per capita consumption reduction	l/h/d	3	0.000	10G.21
Leakage reduction	MI/d	3	0.000	10G.22
<b>Leakage activities</b>				
Leakage improvements delivering benefits in 2020-2025	MI/d	2	-0.20	10G.23
<b>Sewage treatment works – Explanatory variables</b>				
Works name	text	0	0	10G.24
Classification of treatment works	text	0	0	10G.25
Population equivalent of total load received	000s	0	0	10G.26
Phosphorus consent	mg/l	0	0	10G.27
Load received by STW	kgBOD <sub>5</sub> /d	2	0.00	10G.28
Flow passed to full treatment	m <sup>3</sup> /d	0	0	10G.29
<b>Population equivalent</b>				
Current population equivalent served by STWs	000s	3	0.000	10G.30
Current population equivalent served by STWs with tightened/new P consents	000s	3	0.000	10G.31
Current population equivalent served by STWs with tightened/new N consents	000s	3	0.000	10G.32
Number of monitors for flow monitoring at STWs	nr	0	0	10G.33
Additional storm tank capacity provided at STWs (grey infrastructure)	m <sup>3</sup>	3	0.000	10G.34
Additional effective storm storage capacity at sewage treatment work (delivered through green infrastructure)	m <sup>3</sup>	3	0.000	10G.35
Additional volume of network storage at CSOs etc to reduce spill frequency (grey infrastructure)	m <sup>3</sup>	3	0.000	10G.36
Additional effective storage in the network delivered through green infrastructure	m <sup>3</sup>	3	0.000	10G.37

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report



Table 10H

Accelerated schemes data capture reconciliation model input for the 12 months ended 31 March 2025

Scheme 6, Inland bathing water improvement scheme – Wharfe Ilkley, cost 2022–2025, £53.24m

						2023/2024		2024/2025		RAG 4 reference
Name	Unit	Decimal places	Component level at completion	AMI meter		Component level to date	Percentage complete	Component level to date	Percentage complete	
Component 1	No. of improvement schemes at sewage treatment works	Nr	0	4	0	0	0.0%	0	0.0%	10G.84
Component 2	Total storm overflows improved	Nr	0	8	0	0	0.0%	0	0.0%	10G.85
Component 3	Total spill reduction per annum	Nr	0	279	0	0	0.0%	0	0.0%	10G.86

Scheme 9, Coastal bathing water improvement, cost 2022–2025, £3.78m

						2023/2024		2024/2025		RAG 4 reference
Name	Unit	Decimal places	Component level at completion	AMI meter		Component level to date	Percentage complete	Component level to date	Percentage complete	
Component 1	Total storm overflows improved	Nr	Nr	0	1	0	0.0%	0	0.0%	10G.87
Component 2	Total spill reduction per annum	Nr	Nr	0	44	0	0.0%	0	0.0%	10G.88

# Table 11: Additional regulatory information – Greenhouse gas emissions

## Introduction

The information in this section details 'Additional regulatory information – Greenhouse gas emissions' as required by Ofwat. The information in this section comprises the following tables:

[Pro forma 11A](#) Operational greenhouse gas emissions reporting

## Table 11A

### Operational greenhouse gas emissions reporting for the 12 months ended 31 March 2025

Line description	2024/2025 Operational Emissions			RAG 4 reference	
		Water	Wastewater		Total
	Unit	tCO <sub>2</sub> e	tCO <sub>2</sub> e		tCO <sub>2</sub> e
	DPs	3	3	3	
Scope one emissions					
Burning of fossil fuels (location-based)		762.018	8,369.221	9,131.239	11A.1
Process and fugitive emissions		51.039	71,830.464	71,881.503	11A.2
Vehicle transport		2,270.113	2,270.113	4,540.226	11A.3
Emissions from land		-	-	-	11A.4
Total scope one emissions (location-based)		3,083.170	82,469.798	85,552.968	11A.5
Scope one emissions; GHG type CO <sub>2</sub>		2,996.836	10,480.322	13,477.158	11A.6
Scope one emissions; GHG type CH <sub>4</sub>		1.166	43,072.789	43,073.955	11A.7
Scope one emissions; GHG type N <sub>2</sub> O		85.168	28,916.687	29,001.855	11A.8
Scope one emissions: GHG other types				-	11A.9
Scope two emissions					
Purchased electricity (location-based)		53,202.599	47,672.108	100,874.707	11A.10
Purchased electricity (market-based)		99,801.447	89,426.934	189,228.381	11A.11
Purchased heat		-	-	-	11A.12
Electric vehicles		23.841	23.841	47.681	11A.13
Removal of electricity to charge electric vehicles at site		-	-	-	11A.14
Total scope two emissions (location-based)		53,226.440	47,695.949	100,922.388	11A.15
Total scope two emissions (market-based)		99,825.288	89,450.775	189,276.062	11A.16
Scope two emissions; GHG type CO <sub>2</sub>		53,258.664	114,047.880	167,306.544	11A.17
Scope two emissions; GHG type CH <sub>4</sub>		233.910	572.518	806.428	11A.18
Scope two emissions; GHG type N <sub>2</sub> O		317.075	590.922	907.997	11A.19
Scope two emissions: GHG other types		-	-	-	11A.20

#### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 11A – continued

Operational greenhouse gas emissions reporting for the 12 months ended 31 March 2025

Line description	2024/2025 Operational Emissions				RAG 4 reference
		Water	Wastewater	Total	
	Unit	tCO <sub>2</sub> e	tCO <sub>2</sub> e	tCO <sub>2</sub> e	
	DPs	3	3	3	
Scope three emissions					
Business travel		78.761	78.761	157.522	11A.21
Outsourced activities		2,828.581	3,898.162	6,726.744	11A.22
Purchased electricity; extraction, production, transmission and distribution (location-based)		17,543.941	15,723.059	33,267.000	11A.23
Purchased heat; extraction, production, transmission and distribution		-	-	-	11A.24
Purchased fuels; extraction, production, transmission and distribution		696.515	2,212.972	2,909.486	11A.25
Chemicals		21,489.524	7,895.048	29,384.572	11A.26
Disposal of waste		285.886	19,045.194	19,331.080	11A.27
Total scope three emissions (location-based)		42,923.208	48,853.196	91,776.404	11A.28
Scope three emissions; GHG type CO <sub>2</sub>		7,522.535	8,032.694	15,555.229	11A.29
Scope three emissions; GHG type CH <sub>4</sub>		307.965	4,857.270	5,165.235	11A.30
Scope three emissions; GHG type N <sub>2</sub> O		65.010	14,345.627	14,410.637	11A.31
Scope three emissions: GHG other types		-	-	-	11A.32
Gross operational emissions (Scopes 1,2 and 3)					
Gross operational emissions (location-based)		99,232.817	179,018.943	278,251.759	11A.33
Gross operational emissions (market-based)		145,831.665	220,773.769	366,605.433	11A.34
Emissions reductions					
Exported renewables		118.317	1,036.890	1,155.206	11A.35
Exported biomethane		-	-	-	11A.36
Insets		-	-	-	11A.37
Other emissions reductions		-	-	-	11A.38
Total emissions reductions		118.317	1,036.890	1,155.206	11A.39
Emissions reductions					
Green tariff electricity		-	-	-	11A.40
Net annual emissions					
Net annual emissions (location-based)		99,114.500	177,982.053	277,096.553	11A.41

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

## Table 11A – continued

Operational greenhouse gas emissions reporting for the 12 months ended 31 March 2025

Line description	Unit	Water	Wastewater	RAG 4 reference
		kgCO <sub>2</sub> e/MI	kgCO <sub>2</sub> e/MI	
Line description	DPs	3	3	
<b>GHG intensity ratios</b>				
Emissions per MI of treated water		212.431		11A.42
Emissions per MI of sewage treated			254.982	11A.43
<b>Embedded emissions</b>				
Line description	Unit	Water	Wastewater	Total
		tCO <sub>2</sub> e	tCO <sub>2</sub> e	tCO <sub>2</sub> e
Line description	DPs	3	3	3
<b>Capital projects</b>				
Capital projects (cradle-to-gate)		17,098.000	50,556.000	67,654.000
Capital projects (cradle-to-build)		37,116.000	88,041.000	125,157.000
<b>Purchased goods and services</b>				
Purchased goods and services		34,941.000	80,953.000	115,894.000

For more information on our Greenhouse gas emissions, please [click here](#).

### Key

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Please refer to RAG 4.11 – Guideline for the table definitions in the annual performance report

# 5. Meeting our licence conditions

Statement on sufficiency of financial resources and facilities	357
Customer-focused licence condition	365





# Statement on sufficiency of financial resources and facilities

## Regulatory ring-fencing certificate

**In line with the requirements in Condition P of the Yorkshire Water Services Instrument of Appointment, the Board of Directors (the Board) confirm that:**

1. Yorkshire Water Services Limited (Yorkshire Water) shall at all times act in the manner best calculated to ensure that it has adequate: financial resources and facilities; management resources; and systems of planning and internal control, to enable it to secure the carrying out of the Regulated Activities including the investment programme necessary to fulfil its obligations under the Appointment(s) and that in accordance with Condition P:
2. in the opinion of the Board, Yorkshire Water has available to it sufficient financial resources and facilities to enable it to carry out, for at least the next 12 months, the Regulated Activities (including the investment programme necessary to fulfil Yorkshire Water's obligations under the Appointment(s)); and
3. in the opinion of the Board, Yorkshire Water will, for at least the next 12 months, have available to it:
  - a. financial resources and facilities (Condition P section 12.1);
  - b. management resources (P12.2);
  - c. systems of planning and internal control (P12.3);
  - d. and rights and resources other than financial resources (P14)

which are sufficient to enable it to carry out those functions as required by paragraph 1 above. In coming to this conclusion, the Board have taken account of the investigation carried out by Ofwat, and the ongoing investigations being carried out by the Environment Agency, and specifically have received clarity and confirmation as to how compliance for those matters under investigation is achieved, monitored, and assured. You can read more about the investigation concluded by Ofwat within the Yorkshire Water Annual Report and Financial Statements (ARFS), where full consideration is being given in any event to this issue and compliance with condition P 12. The Board has considered the plans to ensure compliance with this Condition not only from a financial perspective but appropriate skills within the company to ensure the appropriate resource is in place (both in terms of numbers and skills) and risk management (with a new Compliance Team now in place to provide additional assurance on systems and controls). The Board is clear that there are factors relating to current company performance in general and have been integral to understanding how the performance will be improved and ensuring there will be regular reviews as to how plans are performing. There is continued and appropriate challenge from the Board as necessary on these matters.

**In making this declaration, the Directors have taken into account the following key areas:**

## Financial resources and facilities

This area is supported by a detailed going concern review, which has considered:

- The company's business activities, together with the factors likely to affect its future development and performance, as described in the Strategic Report within the Yorkshire Water Annual Report and Financial Statements (ARFS);
- The company's cash position including available cash and committed undrawn bank facilities, headroom, and details of refinancing activity;
- The company's available funds to cover operating and capital investment activities of the company for the twelve months from the date of signing the Financial Statements;
- Compliance with covenants associated with the company's securitised financing arrangements. Yorkshire Water's securitised financing arrangements include covenants with 'trigger' and 'default' thresholds, which are reported bi-annually and are explained further below. A baseline model, established from the company's business plan, shows sufficient liquidity and headroom for debt covenants, when considering 'trigger' as well as 'default' thresholds;
- The company's business plan for the first year of AMP8, along with high-level forecasts for year two;
- The impact of wider factors on operations and business performance, for example climate change and macroeconomic challenges such as the increased pressure on household income and any potential financial implications arising from the investigations carried out by Ofwat and the Environment Agency; and
- Any known material refinancing events up to the end of March 2027 which could have an impact on going concern.

Yorkshire Water's available combination of cash and committed undrawn facilities totalled £1,569.0m at 31 March 2025 (2024: £981.7m), comprising £1,078.5m (2024: £932.0m) undrawn committed facilities and £490.5m (2024: £49.7m) of cash and cash equivalents.

The directors have considered the budget and the cash position of the company, specifically the sufficiency of the funds available to fund the operating and capital investment activities of the company for at least the 12 months from the date of signing the Financial Statements. In addition, we have considered any known material refinancing events up to the end of March 2027 which could have an impact on going concern. We have also considered that Yorkshire Water, the largest subsidiary of the Kelda group, has an indefinite licence to operate as a water and sewerage operator terminable with a 25-year notice period.

In assessing going concern, the directors have considered the company's business activities, including the company's financial and operational performance which has demonstrated resilience against additional operational pressures as a result of severe weather, including five named storms in the period from September 2024 to January 2025, and the driest Spring in Yorkshire in 132 years.

The going concern review has primarily been centred around financial modelling which depicts the best estimate forecast profit and loss, balance sheet and cash flow, as well as reviewing the impact on available liquidity and key interest cover ratios for 2026 and 2027.

The base case Board-approved budget cash flows show available headroom in the key metrics reviewed. A sensitivity scenario linked closely to our principal risks was then overlayed to the base case to consider a number of possible adverse scenarios. Mitigating actions such as insurance claims, engagement with regulators to reduce fines, and non-essential cost reduction were also considered to ensure headroom remained on facilities available, key interest cover ratios and to ensure the company can manage its business risks appropriately throughout the going concern period.

In addition, the directors have considered the company's business activities, including the company's financial and operational performance, accuracy of historical forecasting and strength of the year end net asset position.

Yorkshire Water's securitised financing arrangements include covenants with 'trigger' and 'default' thresholds, which are reported bi-annually. Covenant calculations are undertaken at each reporting period based on the Financial Statements adjusted, where appropriate, for costs deemed to be atypical or exceptional in nature which has previously included items such as significant weather related events or business re-organisations.

As a result of this analysis, the directors believe that the company is well placed to manage its business risks successfully and have a reasonable expectation that the company has adequate resources to continue in operational existence over a period of at least 12 months from the date of approval of the Financial Statements. For this reason, they continue to consider it appropriate to adopt the going concern basis of accounting in preparing the Financial Statements.

To support this conclusion, we have taken into consideration a number of key judgements up to the end of March 2027, with the most significant noted below:

#### **Yorkshire Water Financing Group debt maturities**

External debt raised by subsidiary financing companies within the Yorkshire Water Financing Group (YWFG) funds YWS activities under 'back to back' loan arrangements on materially similar terms. Accordingly, we have considered all debt maturities within the YWFG up to March 2027. There are no significant debt maturities due during the next 12 months, with the next bond maturity being £300m in November 2026. Repayment of this amount is to be funded from new debt that is planned to be raised in Summer 2025. The timing of the planned debt issuance is to comply with our Treasury policy which requires us to target sufficient liquidity to cover non-discretionary cash flow requirements for a rolling period of 15 months or more to provide contingency in the event that capital market access is temporarily restricted. The directors are confident that the required debt can be raised to fund this repayment, based on the YWFG investment grade credit rating and its ability to access the market successfully, with £800m raised in the past financial year, during a period of significant uncertainty over the Water sector.

#### **Kelda Eurobond Co Limited (Eurobond) repayment of intercompany loan**

In line with the undertaking to Ofwat to repay the intercompany loan from Yorkshire Water, Kelda Eurobond Co Limited is due to make a final payment of £437m, plus any unpaid accrued interest at the time of repayment (forecast at up to £178m), by 31 March 2027. Whilst this is beyond the going concern horizon, we have considered this as part of our review. Kelda Eurobond Co Limited has already repaid £500m of the intercompany loan that was subject to the undertaking and has done so earlier than required. Repayment of the final tranche of the loan is included in the business plan for AMP8 and Ofwat's final determination, and has been agreed by the Board and the shareholders. The directors are confident that the final tranche will be repaid on or before 31 March 2027.

The going concern review is shown within note 1 of the Yorkshire Water ARFS for the year ended 31 March 2025. In addition, the company has completed a comprehensive long-term viability assessment for the seven years to 31 March 2032, details of which are shown in the ARFS for the year ended 31 March 2025. The long-term viability statement has been prepared in line with Ofwat's Information Notice (IN) 19/07 - Expectations for companies in issuing long-term viability statements. We have also taken into account Ofwat's feedback in relation to our 2024 long-term viability statement which noted that the prior year statement met expectations.

Further information detailing our credit ratings and financing arrangements is shown in the ARFS within the section in the Chief Financial Officer's Report. At 31 March 2025, Yorkshire Water had two ratings monitored by Ofwat, the Moody's and S&P Class A ratings. As at 31 March 2025, the Moody's Class A Issue Rating (Baa2) was the lowest of those monitored. On 4 February 2025, Moody's affirmed this rating with a stable outlook having changed to a negative outlook ahead of the publication of Ofwat's Final Determination in December 2024.

The banking arrangements of the company operate on a pooled basis with other members of the Yorkshire Water Financing Group, and the bank balances of each subsidiary can be offset against each other. The company had guaranteed bonds with Yorkshire Water Services Finance Limited and Yorkshire Water Finance plc at 31 March 2025 as detailed in note 24 to the ARFS.

Amounts owed to group and subsidiary companies are detailed in notes 14, 15 and 16 of the ARFS.

## Management resources

We have applied good governance principles in the way in which the Board and its supporting committees operate. We have reported on how we have complied with the Ofwat Board Leadership, Transparency and Governance Principles, the parts of the UK Corporate Governance Code that are relevant to private companies, and the Wates Corporate Governance Principles for Large Private Companies. This information can be found in Section 6 of the APR and in the Governance Report of the ARFS.

**The ARFS also includes reports from board committees reporting to the Board on management activities and resources in the following areas:**

- Nomination Committee;
- Public Value Committee;
- Safety, Health and Environment Committee;
- Audit and Risk Committee;
- Remuneration Committee; and
- Remuneration Committee.

**The 'People' section of the ARFS discusses our processes for:**

- Health, safety and well-being of our colleagues;
- Attracting great people and maintaining the skills we need; and
- Equality, diversity and inclusion.

Attracting and maintaining the talent and culture required to achieve our objectives is considered a principal risk. Processes to mitigate this risk and assurance in this area are discussed within the section titled 'Managing risks and uncertainties' in the ARFS.

The company's employment policies and strategy are described in the Directors' report – other disclosures section of the ARFS. The engagement of the Board with colleagues is described in our Governance Report within the ARFS, which sets out examples from the programme of engagement which runs throughout the year. Through this, Board members meet with different groups of colleagues through informal lunches, one-on-one meetings, site visits, and office visits. This is overseen by one of our independent non-executive directors, Julia Unwin. Regular colleague engagement surveys are undertaken, with the resulting score forming part of the measures of the Executive Bonus Plan for Executive Directors and senior management.

The balance of management skills and recruitment processes at Board level are considered by our Nomination Committee and are discussed in the Directors' Report and in the Nomination Committee Report, both contained within the ARFS. Succession planning for Yorkshire Water directors and other senior executives is within the remit of the Nomination Committee and is highlighted in the Nomination Committee.

The independence of the independent non-executive directors is reviewed annually by the Board as noted in the Governance section of the ARFS. The Board believe that all the directors described as independent remain wholly independent as defined in the Corporate Governance Code at the date of approval of the ARFS.

## Systems of planning and internal control

The Audit and Risk Committee monitors the design and operation of Yorkshire Water's system of internal control on behalf of the Board. Our controls are designed to manage the risk of failing to achieve the business objectives we have agreed with our customers and our regulators and to achieve compliance with our obligations. The operational policies and procedures which set out these controls are contained within the Integrated Management System, or similar repositories, and achieve international quality standards for Environmental Management, Quality Management, Occupational Health and Safety and Asset Management. The key financial policies, procedures and controls to ensure we meet all our statutory and regulatory obligations and remain resilient are set out in the ARFS.

Three lines of assurance work together to ensure that there is adequate and proportionate coverage across the whole control environment, including principal risks and business processes, and provide confidence to senior leaders and other stakeholders over the adequacy of the design and operation of the controls. The outcome from this integrated assurance is reported to stakeholders to inform decision making and improve controls where needed. The achievement of actions to address identified control weaknesses is monitored by the Yorkshire Water Executive Team and the Audit and Risk Committee.

The company's risk management process reviews, monitors and reports on the company's risks and mitigating controls. The Executive and the Board agree the level of risk the company is willing to take to achieve its objectives, balancing risk, the cost of control and the long-term viability of the company. The Board oversee the risk management and system of internal control through a programme of risk reviews and deep dives, examining the risks, key controls, risk appetite and risk response plans.

The long-term viability statement at 31 March 2025, set out in the ARFS, covers a seven-year period to 31 March 2032. Yorkshire Water's risks and mitigating controls are detailed within the section 'Managing risks and uncertainties' in the ARFS.

### **Other policies relating to this area are discussed in the ARFS as follows:**

- Ethical behaviour, anti-corruption, and anti-bribery (see the section 'Putting people first' in the ARFS).
- 'Speak Up', including our whistleblowing policy is reviewed by the Audit and Risk Committee and approved by the Board annually (see the Audit and Risk Committee report within the ARFS).

Detail on how the Board sets ambitions, how we monitor performance and make decisions, how we involve our customers and stakeholders, and how we change and update our commitments is provided in the [Board Statement on Company Direction and Performance](#).



## Rights and resources other than financial resources

Our corporate strategy was launched in 2023 and was reviewed again this year to ensure it remains fit for purpose. The Board contributed significantly to the strategy development process and gave approval to the final version prior to its launch. The strategy aligns directly to the needs of those we serve through the vision of 'a thriving Yorkshire, right for customers and right for the environment'. The strategy includes four behaviours that were revised during the year, and set out what we expect from all our colleagues:



We have a Yorkshire Water Code of Ethics, approved by the Board, which provides support to colleagues and partners on embedding the values and ensuring that they are always doing the right thing, including where to go for help and advice if they are faced with an ethical decision as part of their work. There is mandatory online learning for all of our colleagues to ensure that they understand the Code of Ethics and how it applies to them. We also operate a Speaking Up Policy which encourages colleagues and partners to speak up confidentially if they see behaviour that is outside of our expected values and culture. All speak ups are carefully investigated and are reported back to the Board through the Audit and Risk Committee.

The Governance section of the ARFS further describes the company's purpose, vision, values, and desired behaviours.

The Asset Strategy and Planning team assures that the design and build of assets meets our future needs and quality standards. Our Right for the environment section in the ARFS details how we will adapt our assets and services to the climate change we can reasonably expect in the future based on latest expert analysis to ensure our service remains resilient.

Our investment and operating strategies fully embrace totex decision making approaches through the use of our Six Capitals approach. This helps us recognise and protect the many sources of value on which we depend as a business. By improving how we use the six capitals within our business, we aim to ensure decisions taken to improve the efficiency of our services are not made at the expense of our long-term resilience or affordability for future generations. Our latest assessment of our impact as assessed by the Six Capitals is published in a report called "[Our Contribution to Yorkshire](#)", the latest report reviews the 2024 reporting year. The report shows the strong net positive contribution Yorkshire Water delivers for society, and it highlights further areas where we have risk and opportunity needing further attention.

Our insurance team also works to ensure that we manage and mitigate our exposure to costs from public liabilities and physical damage to our assets.



## Contracting

Our Business Investment Committee (BIC), governs the effective and efficient delivery of our investment programmes to deliver best value for customers and the business. The committee oversees all totex expenditure in line with the Board approved five-year plan. Our Executive Contract Approval Committee ensures that our supply chain engagements are commercially effective, in line with our vision and deliver on our sustainability goals.

Our sustainable procurement code sets out our objective to ensure the resilience of our supply chain and enables us to provide our services to customers in the long-term. The expectations of our supply chain in this regard are made clear.

Transactions with associated companies and checks that these contracts comply with licence requirements are detailed within Section 7 of this APR. Compliance with the licence provision on cross-subsidies between Yorkshire Water and associated companies is detailed within the Accounting Separation Methodology Statement, which is published on the Yorkshire Water reports webpage, and within the transfer pricing disclosures in the APR. [yorkshirewater.com/about-us/reports/](https://www.yorkshirewater.com/about-us/reports/)

All contracts entered into between the Appointee and any Associated Company include the necessary provisions and requirements in respect of the standard of service to be supplied to the Appointee, to ensure that it is able to carry out the Regulated Activities.

Ensuring best value is achieved through the supply chain is a key focus at Yorkshire Water. The Commercial Team undertook a transformation programme of its procurement, contract management, commercial assurance and procure to pay functions. This work was delivered with an expert partner and focussed on delivering significant savings, performance improvement and advancing our sustainability goals. High volume, lower value spend has seen a particular focus which has improved cost efficiency and support to internal colleagues to ensure an agile route to key goods and services.

Optimisation of key commercial systems is focused on improving the user experience for both internal colleagues and our supply chain. System controls are significantly improved and we are now considered Best in Class for SAP Ariba deployment. Cost assurance auditing has delivered an ever improving return on investment, ensuring that we pay in line with contracts and recover erroneous costs.

Procurement of the major construction frameworks for AMP8 is now complete. This includes an Alliance partnership for the delivery of the Storm Overflows programme. We also continue to assess the potential use of markets and Direct Procurement for Customers (DPC) against the established delivery routes. Significant efficiencies are being realised through strategic planning. We seek to remove the need to build solutions, through alternative approaches including operational changes.

## Material issues or circumstances

In addition to the risk management framework outlined in the 'Managing risks and uncertainties' of the ARFS, an extensive risk assessment was undertaken with a range of principal and emerging risks faced by the company as part of our going concern and long-term viability assessment processes.

The Audit and Risk Committee reviewed the principal risks facing the business in May 2025. A detailed paper on going concern was considered at the Audit and Risk Committee meeting on 18th June 2025, and updated information presented on 8th July prior to final Board approval of the ARFS. Details of the going concern review is shown within note 1 of the ARFS.

Cyber security remains our top recorded risk, and this year we incorporated Physical Security into the Principal risk as documented in the ARFS. We continue to invest in strengthening our company-side controls for both our Information Technology and Operational Technology assets to reduce both the likelihood and impact of a cyber-attack. The 'Managing risks and uncertainties' section in the ARFS sets out the mitigation and key updates in more detail.

The commencement of AMP8 involves substantial programme investments and changes, and price increases for customers. We are aware of these factors as we manage our risks, and we continue to monitor the macroeconomic conditions, the impact of living costs on customers' ability to pay, the supply chain, and the availability of essential skills and capabilities. We have updated existing risks and introduced a new Principal Risk concerning the Supply Chain in the ARFS report. However, taking into account the strength of the mitigations available, the directors consider that the company is well placed to successfully manage its business risks and meet the requirements of the regulatory ring-fencing certificate.

## Statement approval

This statement, and supporting evidence, has been reviewed by the external financial auditors, Deloitte, as part of the annual audits of Yorkshire Water's statutory accounts and regulatory accounts. The audit opinion from Deloitte is published within the APR and a report from Deloitte has been provided to Ofwat on this matter.

In approving this statement, the Board has considered a wide range of factors to take a holistic view of the risks the business faces. The Board has considered feedback from the Audit and Risk Committee on the controls and processes in place for the development of this Ring-Fencing Certificate and the supporting evidence. At the Board meeting on 9 July 2025, the Board approved this Ring-Fencing Certificate.



**Kathy Smith**  
**Company Secretary**

Signed for and on behalf of the Board of Directors  
of Yorkshire Water Services Ltd



# Customer-focused licence condition

## Condition G requires Appointees to adopt high standards of customer service and appropriate support for the full diversity of its customers and came into effect in February 2024.

It requires the Appointee to deliver the principles for customer care set out below:

G.2.1 develop or have in place policies and approaches to meet the principles for customer care set out in paragraph G3, consulting with the Consumer Council for Water where appropriate;

G.2.2 implement or continue to follow those policies and approaches in a way that meets the principles for customer care set out in paragraph G3; and

G.2.3 explain in a manner that is effective, accessible and clear how it is meeting the principles set out in paragraph G3.

Yorkshire Water adheres to these principles and has assured its processes and internal reporting through an independent assessment by our external auditor AtkinsRéalis

This statement provides information to demonstrate our adherence with the six principles in the condition.

### G3.1 The Appointee is proactive in its communications so that its customers receive the right information at the right time, including during incidents.

Proactive communications are provided to customers for any changes which may impact them, whether that be with their bill or during operational incidents such as supply interruptions. For instance, customers receive text messages during an unplanned event to notify them of the interruption and an estimated timeline until resolution.

For planned events, customers receive letters to notify them of the interruption to their supply and the information they need, such as the date and the duration of time their water will be off. We proactively text customers who may be inconvenienced by road closures, parking restrictions and out-of-hours works that could cause noise disruption.

In accordance with CCW's requirements, our dedicated webpage helps customers understand how we manage incidents. This page explains how we keep customers informed and resolve issues, and what they can expect from us throughout their journey. Customers on the Priority Services Register (PSR) receive bottled water deliveries and communications regarding their delivery.



### **G3.2 The Appointee makes it easy for its customers to contact it and provides easy to access contact information.**

We offer and publicise a variety of accessible contact channels to suit customer preferences and needs. Our telephone, written and secure online contact channel details can be accessed on our website and are communicated on customer bills and letters. For customers who need support with communicating with us, we offer language interpreters, including British Sign Language.

Customers can contact us on our website via our [get in touch](#) page.

### **G3.3 The Appointee provides appropriate support for its customers when things go wrong and helps to put things right.**

When customers encounter an issue, we are committed to providing prompt and effective support.

During incidents, we provide regular, transparent updates to keep customers informed and provide customer support hubs to offer a safe space to customers who are impacted by large incidents.

We maintain robust assurance frameworks to help monitor and improve the quality of service provided to customers when things go wrong. We continuously review and improve our sewer flooding management processes to ensure an effective resolution of the issue for our customers, reduce future risks and prevent repeat incidents. By adopting best practices and new systems, and focusing on day-to-day incident management

through regular reviews, we continuously monitor performance and enhance protection of our customers and their properties. Our independent Escape Hubs support our zero-tolerance policy for repeat incidents and help mitigate risks. We engage across all levels of the business to review performance and implement necessary interventions and help mitigate risks.

We demonstrate our commitment to customer support by having an established, clear and accessible [complaints process](#), detailing how we handle and record complaints in line with CCW's complaint reporting guidance. This ensures customers can easily raise concerns and can expect to receive timely, transparent responses. We adhere to the Government's Guaranteed Standards Scheme (GSS) and go further by providing extra support and committing to enhanced standards that matter to our customers. These commitments can be found in our [customer charter](#).

### **G3.4 The Appointee learns from its own past experiences, and shares these with relevant stakeholders. The Appointee also learns from relevant stakeholders' experiences and demonstrates continual improvement to prevent foreseeable harm to its customers.**

We place a strong emphasis on learning from our own, and others, past experiences to drive continuous improvement. We regularly review industry incidents, customer feedback and performance data to identify lessons learned and areas for development.



Following an incident involving a large population for a sustained period, we identified the need for a new process for 'transient PSR customers' who aren't registered but require bottled water doorstep delivery. A new process has been developed with stakeholders to address this need.

We engage stakeholders by providing regular updates on key findings and the actions taken through post incident reviews, ensuring they are informed and have confidence in the reduced likelihood of recurrence. This helps to build trust with our internal and external stakeholders, including CCW. When required, we also request support and share information relevant to specific operational incidents through the Local Resilience Forums.

We seek to understand and share experiences and learnings with other companies, particularly following significant incidents. We do this through direct liaison with our peers and through industry forums, such as the Customer Service Network and Water UK's Customers & Communities Committee.

The Yorkshire Forum for Water Customers, an independent group of customer and stakeholder representatives, are regularly updated on performance updates and improvement plans. Each year, the Forum publishes a statement summarising this engagement on our Yorkshire Water website at [yorkshirewater.com/reports](https://yorkshirewater.com/reports).

In 2024, we published [our service commitment plan](#) and an update on [how we're performing](#). These updates outline progress against our regulatory Performance Commitments, including PSR targets and our improvement plans.

We've increased the value of affordability support offered and raised customer awareness of this support, through communication, colleague upskilling and community engagement.

As part of our PR24 plan, we are investing £19m in alternative water sources to meet our Security & Emergency Measures Direction (SEMD) obligations and service 1.5% of the population. The plan is underway, and we are procuring new tankers, tanks, and equipment.

We continuously strive to identify opportunities to increase customer satisfaction across all the services we provide. Insight from the Customer Measure of Experience (C-MeX) and our internal surveys inform our improvement focus on the effective, timely resolution of issues and providing accurate, regular, proactive communication. We must also drive positive engagement and build trust with our customers.

We maintain detailed improvement plans that are grounded in this insight and assured through our governance frameworks. This includes recent work to recognise the C-MeX changes introduced for AMP8 which have reaffirmed our improvement focus areas.

Customer insight, survey results and improvement plans are regularly reviewed at all levels of the organisation, from weekly performance hubs to monthly and quarterly updates to our Executive Team and Board.

Many initiatives have contributed to customer service improvement this year. Some highlights include:

- Launching our new Microsoft Dynamics CRM system for wastewater service and embedding our 'Operations 2.0' model, a geographically localised approach where colleagues from across the full end-to-end journey work together as one team, improving response times and customer outcomes.
- Growing our PSR reach to over 10%, with 230,000 households now being supporting.
- Extending financial support to 165,000 customers receiving help with their bills.

### **G3.5 The Appointee understands the needs of its customers and provides appropriate support, including appropriate support for customers in vulnerable circumstances, and including during and following incidents.**

We are committed to making our services inclusive and accessible for all customers. In 2024, we published our [By Your Side strategy](#), outlining the support we provide to customers who need extra help, and our plans to monitor and improve our service provision.

Through effective data sharing and the use of customer insight, we identify emerging needs and improve customer experience, which continually evolves in response to on feedback. We partner with a diverse range of organisations to engage with community experts and enhance our support in areas that need it most, ensuring impactful and meaningful assistance.

Yorkshire Water's employees receive regular training to ensure they are equipped with the knowledge and skills required to provide an informed, empathetic and consistent experience, suited to each customer's individual needs.

### **G3.6 As part of meeting principle G3.5 above, the Appointee provides support for its customers who are struggling to pay, and for customers in debt.**

We aim to keep bills fair and affordable for everyone. We offer a range of payment arrangements, which we promote through communications such as bills, letters, and on our website.

Following the bill rises in AMP8, which is estimated to increase the number of customers in water poverty, we have responded with the largest value of bill support. This totals over £375m in bill reductions and debt support payments across the Price Review period, compared to c£115m in AMP7. This includes a transformed social tariff aimed at supporting low-income households – funded via both the company and customer 'Willingness to Pay' – as well as over £35m company funded debt support.

For customers struggling to pay, we offer a range of financial help dependent on their circumstances and eligibility. Customers can find [guidance on our website](#) and we've partnered with external organisations such as charities and local authorities who can provide customers bill help on our behalf.

Beyond our bill reduction schemes we have a breadth of other water affordability support available. This includes water meters, tailored payment arrangements, water efficiency support, income maximisation and signposting additional external support.

We follow, and aim to continuously improve in line with, regulatory standards and guidelines. In 2024, Ofwat deemed Yorkshire Water 100% compliant with Paying Fair guidelines. We strive to recognise and implement best practices to continue to make progress in this area. These guidelines ensure fair and equitable treatment for all customers, regardless of their circumstances.

To ensure we consistently meet our customers' needs and comply with Ofwat's requirements, we set clear targets, implement effective measures to stay on track and maintain robust mechanisms for monitoring compliance.



# 6. Board, leadership, transparency and governance

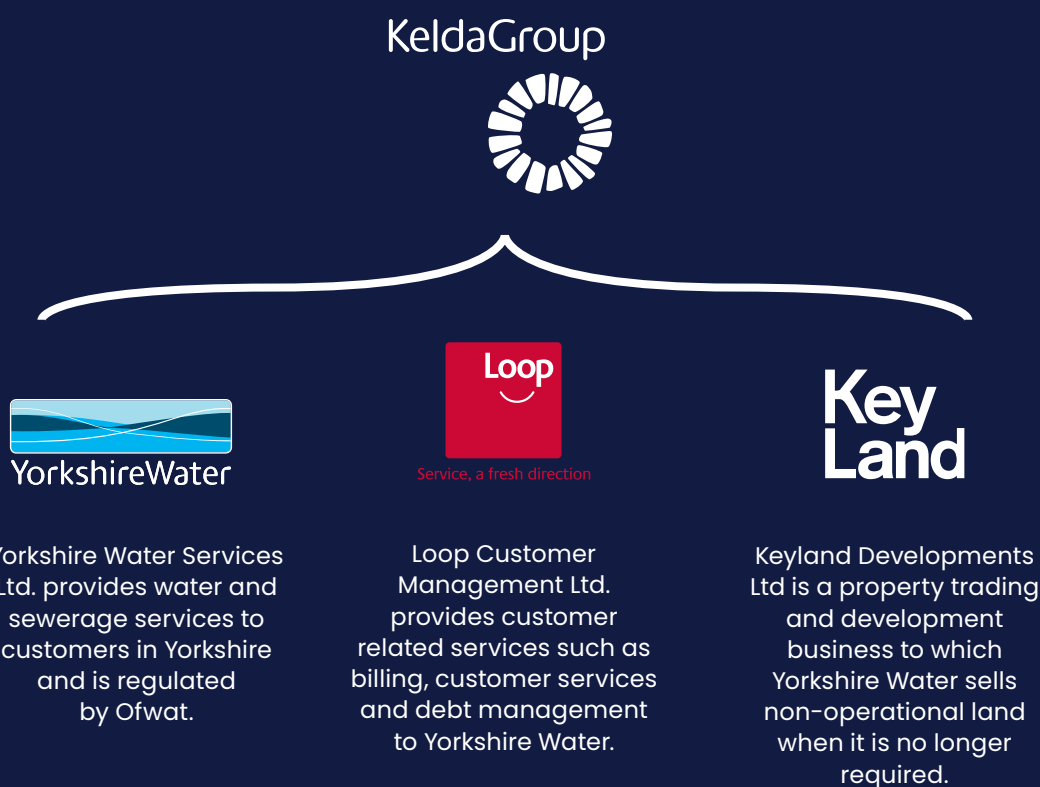
<b>Our Group structure</b>	<b>370</b>
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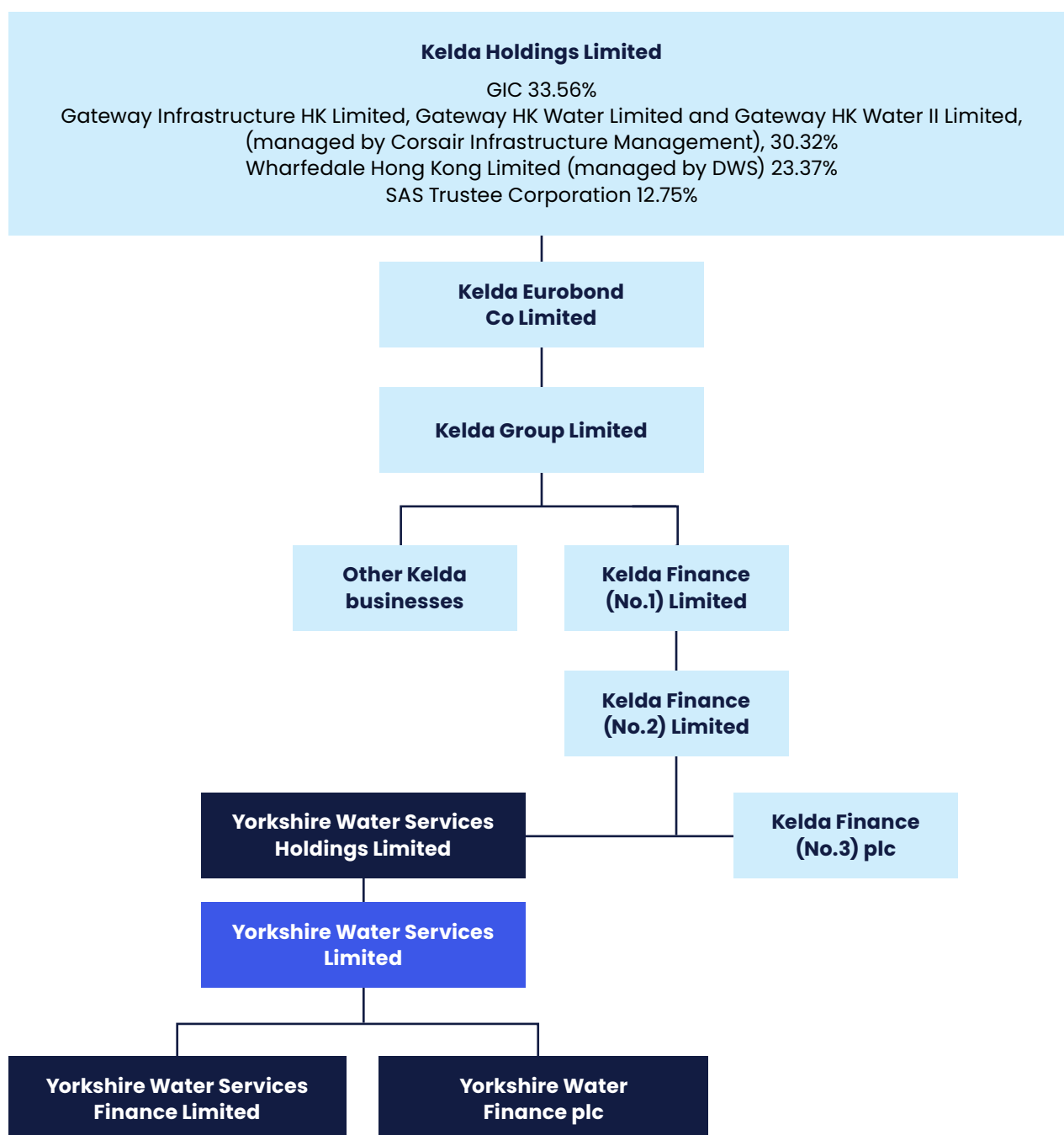
# Our Group structure

Yorkshire Water sits within the Kelda group, which is privately owned. The Kelda group is made up of several businesses and Kelda Holdings Limited (the top holding company) is owned by a group of investment companies.

The diagram below shows a high-level structure of the group and the companies.



## The diagram below shows the Kelda group corporate structure:



Yorkshire Water is the only company in this group that is regulated by Ofwat. It holds the licence to provide water and sewerage services to our customers and the governance for Yorkshire Water is described within this report.

**Details of the group's shareholders and capital structure, along with further information on the companies shown here are published on the group's website, found at: [keldagroup.com](http://keldagroup.com)**

# Our Board of Directors

**The primary focus for the Board is to lead the development and delivery of the company's purpose, strategy and values needed to meet the service and performance expectations of our customers and stakeholders.**

An executive director is a member of the Board who also has management responsibilities within the company.

A non-executive director is a member of the Board who contributes their wider skills and experience to Board decision-making.

The non-executive directors do not engage in the day-to-day management of the organisation, but are involved in policy making, setting the company's strategy, values and standards, making sure that the necessary financial and people resources are in place, and reviewing management performance. We are required to have a number of independent non-executive directors on our Board, which means that they are free of any links with us or our shareholders. Our investor non-executive directors represent our larger shareholders.





## Vanda Murray OBE DBA Independent Non-Executive Chair

**Appointed:** Vanda joined the Board as an independent non-executive director in July 2021, stepping up to become the Chair of the Board in September 2021.

**Skills and experience:** Vanda is a Fellow of the Chartered Institute of Marketing and has extensive experience of corporate leadership in both executive and non-executive roles. From 2001 to 2004 she was Chief Executive of Blick plc, a FTSE quoted company, where she doubled the value of the business. She was also Managing Director of Ultraframe plc between 2004 and 2006. She was more recently a non-executive director at Manchester Airports Group and the Senior Independent Director at Bunzl plc. Vanda was appointed OBE for Services to Industry and to Export in 2002.

**Other roles:** Vanda is Non-Executive Chair of Yorkshire-based Marshalls plc and a non-executive director of Howden's plc. Vanda is also the Chair of Kelda Holdings Limited.

### Committee Membership:



## Furqan Alamgir, Independent Non- Executive Director

**Appointed:** Furqan joined the Board as an independent non-executive director in October 2024.

### Skills and experience:

Furqan is the founder and CEO of Connexin, a leading technology company based in Hull, specialising in smart city solutions and Internet of Things connectivity. Connexin was recently named as one of the Top 100 Fastest Growing Tech Companies at the Northern Tech Awards. Connexin was founded in 2006, whilst Furqan studied medicine at Imperial College.

**Other roles:** Beyond his role at Connexin, Furqan actively contributes to the tech and business communities, sharing his expertise and insights as a thought leader and public speaker.

### Committee Membership:



## Simon Beer, Non-Executive Director

**Appointed:** Simon joined the Board as a non-executive director in November 2024, having previously been an observer of the Board.

**Skills and experience:** Simon is currently a partner at StepStone Infrastructure and Real Assets, where he leads the Asset Management function. Prior to joining StepStone, Simon worked at Ontario Teachers' Pension Plan in their Infrastructure and Natural Resources team, where he focused on asset management and value creation across their global portfolio.

Simon has also been a partner at KPMG, focused on operational movement in the Infrastructure and Natural Resources sectors, and before that worked for BP in their upstream major projects division.

**Other roles:** Simon is a non-executive director of Kelda Holdings Limited. He is also a director of Northern Gas Networks Limited.

### Committee Membership:



**A** Audit and Risk Committee

**PV** Public Value Committee

**N** Nomination Committee

**SHE** Safety, Health and Environment Committee

**R** Remuneration Committee

**○** Chair



**Wendy Barnes**  
Independent  
Non-Executive Director

**Appointed:** Wendy joined the Board as an Independent Non-Executive Director in November 2022.

**Skills and experience:** Wendy has a significant breadth of knowledge from the utilities sector, as well as in regulation, cyber security, customer service and change management. She is a non-executive director of Scottish Power and has previously held non-executive roles at OCS Group, Ofwat and in several government departments, including the Met Office. Wendy was formerly the Interim Director General at the Department of Energy and Climate Change, and she has held executive roles within the water sector with United Utilities.

**Other roles:** Wendy is a non-executive director of Scottish Power Limited and undertakes a variety of consultancy roles.

**Committee Membership:**



**Isabelle Caumette**  
Non-Executive Director

**Appointed:** Isabelle joined the Board as a non-executive director in November 2023. During the year, Scott Auty stood in for Isabelle as her alternate for the meetings from December 2024 to March 2025.

**Skills and experience:** Isabelle is a London-based Senior Principal in the European Infrastructure Private Equity division of DWS, and is responsible for leading asset management for a number of funds and leading the transaction team on key infrastructure investment transactions. She is a voting member of the Investment Committee for the four European infrastructure funds managed by DWS. Prior to joining DWS's infrastructure business in 2011, Isabelle worked as a consultant at the Boston Consulting Group.

**Other roles:** Isabelle is also a non-executive director of Kelda Holdings Limited, and a non-executive director of Stroom, a rail cars and tank containers leasing company.

**Committee Membership:**



**Andrew Dench**  
Non-Executive Director

**Appointed:** Andrew joined the Board as a non-executive director in September 2017.

**Skills and experience:** Andrew is a Senior Vice President in GIC's Infrastructure team, based in London. He is responsible for the ongoing management of GIC's global infrastructure portfolio. Prior to joining GIC, Andrew was Deputy CEO and CFO of Veolia Water, UK, Ireland & Northern Europe, CFO of Electricity Northwest, and Head of Corporate Finance & Change at London Stock Exchange Group. Whilst at Veolia, he was a non-executive director of Affinity Water (formerly Veolia Water). Andrew started his career in the investment banking division of Morgan Stanley where he was focused on project finance, mergers & acquisitions, utilities, and the natural resources sector.

**Other roles:** Andrew is a non-executive director of Kelda Holdings Limited and several other boards, including Heathrow Airport Holdings Limited, Railpool GmbH, Raffles Infra Holdings Limited and AGECC Global Pte. Ltd.

**Committee Membership:**







## Russ Houlden

### Non-Executive Director

**Appointed:** Russ joined the Board as a non-executive director in January 2022. Russ resigned from the Board on 27 June 2025.

**Skills and experience:** Russ is an Operating Partner at Corsair Infrastructure, a business unit of Corsair Capital. Russ brings a wealth of financial expertise and water industry experience to the Board, having been the CFO of United Utilities Group PLC for ten years until July 2020. During his time at United Utilities, he was also Chair of the Financial Reporting Committee of the 100 Group from 2013 to 2020. Prior to his role at United Utilities, he was the CFO of Telecom New Zealand from 2008 to 2010, and Finance Director of Lovells from 2002 to 2008. Until 2002 he held a variety of divisional finance director positions in ICI and BT. Until July 2022 Russ was a non-executive director of Babcock International Group plc.

**Other roles:** Russ was a non-executive director of Kelda Holdings Limited. He is also an independent non-executive director and Chair of the Audit Committee at Orange Polska SA.

#### Committee Membership:



## Paul Inman

### CFO

**Appointed:** Paul joined the Board as the CFO in March 2023. Since the year-end, Paul has retired from his role at Yorkshire Water, leaving the business on 31 May 2025.

**Skills and experience:** Paul joined Yorkshire Water from BAE Systems where he was the Finance Director for the air sector, having previously held multiple roles with Rolls-Royce. Paul has extensive financial experience and also brings strong operational experience to the Board, having led a number of transformation programmes and undertaken general management roles in asset health monitoring and maintenance, repair and overhaul. Paul is a Member of the Institute of Chartered Accountants in England and Wales.

**Other roles:** Paul was the CFO for Kelda Holdings Limited until 31 May 2025.

**Committee Membership:** None



## Andrew Merrick

### Independent Non-Executive Director

**Appointed:** Andrew joined the Board as an independent non-executive director in June 2019.

**Skills and experience:** Andrew brings considerable financial experience and expertise to the Board, as well as strong connections with the Yorkshire region. Prior to joining the Board, Andrew was the CFO of Irwin Mitchell solicitors, having previously worked as Group Finance Director for Dart Group plc and as Director of Finance for Bradford & Bingley plc. Andrew has also been a board member of 'Incommunities', a Bradford-based social housing provider, where he chaired the Audit Committee.

**Other roles:** Andrew is a Non-Executive Director and Vice Chair of Market Harborough Building Society, and a Director of The Beckfoot Estate Company Limited.

#### Committee Membership:





## Nicola Shaw CBE

### Chief Executive Officer

**Appointed:** Nicola joined the Board as CEO in May 2022.

**Skills and experience:** Nicola brings extensive experience in regulated infrastructure businesses to the Board, and has an excellent track record in driving efficient delivery whilst also improving customer service and colleague engagement. Most recently Nicola was the UK Executive Director for National Grid and was previously the Chief Executive of High Speed 1 and a director of First Group. Nicola was the author of the Shaw Report published in 2016 which made several recommendations for the future of British Transport. Nicola received a Commander of the British Empire (CBE) for services to transport in the Queen's New Year Honours in 2016.

**Other roles:** Nicola is the CEO for Kelda Holdings Limited and a non-executive director of International Airlines Group.

#### Committee Membership:



## Dame Julia Unwin

### Independent Non-Executive Director

**Appointed:** Julia joined the Board as an independent non-executive director in January 2017.

**Skills and experience:** Julia brings to the Board a wealth of experience from the voluntary, commercial, and public sectors as well as from regulatory environments. She was the Chief Executive of the Joseph Rowntree Foundation for a decade until 2016. She also served on the Boards of the Housing Corporation, the Charity Commission and was Deputy Chair of the Food Standards Agency. Julia brings a deep understanding of customers and communities to the Board as well as a specific knowledge of the demographics of the Yorkshire region and of poverty, vulnerability, and disadvantage. She has worked extensively on issues to do with developing social value. In May 2019, Julia received a Lifetime Achievement Award from the Chartered Management Institute and was appointed a Dame in 2020 for her contribution to civil society.

**Other roles:** Julia is the Chair of the Board of Governors of York St John University. She is the inaugural Chair of the Smart Data Foundry, Edinburgh University. Julia is also our designated Independent Non-Executive Director with oversight of colleague engagement with the Board.

#### Committee Membership:



## Andrew Wyllie CBE

### Senior Independent Director

**Appointed:** Andrew joined the Board as an independent non-executive director in September 2017 and became the Senior Independent Director in November 2022.

**Skills and experience:** Andrew was Chief Executive of Costain Group PLC for 14 years up until May 2019. He was also a non-executive director of Scottish Water from April 2009 to April 2017. Andrew has an MBA from the London Business School, he is a Chartered Engineer, a fellow of the Royal Academy of Engineering and was President of the Institution of Civil Engineers in 2019. Prior to joining Costain Group PLC, Andrew worked for Taylor Woodrow where he was the Managing Director of the construction business and a member of the Group Executive Committee. Andrew was awarded a CBE for services to engineering and construction in the 2015 New Year Honours list.

**Other roles:** Andrew is a Non-Executive Director of Persimmon PLC and Arup Group Limited, a Board member of the US-UK Advisory Board of the British American Project and the Chair of the Remuneration Committee of the Institution of Civil Engineers.

#### Committee Membership:



# Board length of service

Director	Appointment	Tenure as at 31 March 2025	
<b>Independent Non-Executive Chair</b>			
<b>Vanda Murray</b>	July 2021	3 years 9 months	
<b>Executive Directors</b>			
<b>Nicola Shaw</b>	May 2022	2 years 11 months	
<b>Paul Inman</b>	March 2023	2 years 1 month	
<b>Independent Non-Executive Directors</b>			
<b>Furqan Alamgir</b>	October 2024	6 months	
<b>Wendy Barnes</b>	November 2022	2 years 5 months	
<b>Andrew Merrick</b>	June 2019	5 years 9 months	
<b>Julia Unwin</b>	January 2017	8 years 2 months	
<b>Andrew Wyllie</b>	September 2017	7 years 6 months	
<b>Investor Non-Executive Directors</b>			
<b>Simon Beer</b>	November 2024	5 months	
<b>Isabelle Caumette</b>	November 2023	1 year 5 months	
<b>Andrew Dench</b>	September 2017	7 years 6 months	
<b>Russ Houlden</b>	January 2022	3 years 3 months	

# Meeting the Board leadership and transparency objectives

## The Ofwat Board Leadership, Governance and Transparency Principles

In 2019, Ofwat published their Board Leadership, Governance and Transparency Principles which set the standard for Boards across the water sector. We have complied with these Principles since their publication and compliance is now a requirement of our Instrument of Appointment. We have set out how we have complied with each of the four key objectives contained within the Principles during the year and on an ongoing basis.





## Principle 1:

**The regulated company Board establishes the company's purpose, strategy, and values, and is satisfied that these and its culture reflect the needs of all those it serves.**

### Setting our purpose, strategy and values

Our strategy was launched in 2023 and this has been reviewed again during the year to ensure it continues to be the right strategy for the business. The Board contributed significantly to the original strategy development process and gave approval to the final version prior to its launch, as well as reviewing and approving some minor revisions as part of the review process in 2025. The strategy aligns directly to the needs of those we serve through the vision of 'a thriving Yorkshire, right for customers and right for the environment'. The strategy includes four behaviours that we expect of all our colleagues, and which represent our values:



More information on our strategy can be found in our ARFS.

### Embedding our purpose, strategy and values

We have a Yorkshire Water Code of Ethics, approved by the Board, which provides support to colleagues and partners on embedding the values and ensuring that they are always doing the right thing, including where to go for help and advice if they are faced with an ethical decision as part of their work. There is mandatory online learning for all of our colleagues to ensure that they understand the Code of Ethics and how it applies to them.

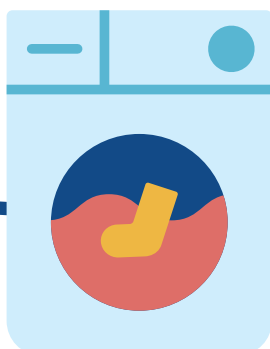
We also operate a Speaking Up Policy which encourages colleagues and partners to speak up confidentially if they see behaviour that is outside of our expected values and culture. The policy enables people to do this entirely anonymously should they wish. All speak ups are thoroughly investigated and are reported back to the Board through the Audit and Risk Committee.



**The Board also receives updates on the culture of the business, and the extent to which the purpose, strategy and values are embedded in the business through a variety of ways:**

- The Board agreed the target culture of the organisation in 2024, following extensive work across the organisation to describe both the current and target cultures and to identify the behaviours required to move from one to the other.
- The Internal Audit team consider culture in all of their audits and report back on any findings or observations in this area to the Audit and Risk Committee.
- A colleague engagement survey, Yorkshire Voice, is sent out twice a year and the results from this are fed back to the Board, including examples of the comments and themes arising from the survey. During the year, on average 76% of our colleagues responded to the survey, which is our highest ever participation rate, and there were over 50,000 comments received across the two surveys. This gives the Board a very clear picture of the extent to which the purpose, strategy and values of the business have been embedded and of the culture of the organisation.
- The Board engages with colleagues regularly throughout each year. Julia Unwin is our designated independent non-executive director who oversees the annual programme of Board engagement with colleagues. From 1 April 2025 the programme has included a direct route to the Board through the launch of a quarterly engagement session, for colleagues to raise any concerns directly with a Board member, or for the Board to seek views on specific topics that are due to be discussed by the Board. The Board also achieves a general awareness of culture and colleague experience through meetings with various colleagues as part of site visits, office visits or informal lunches. These have included Trade Union representatives, operational colleagues, and senior leaders during the year. These interactions enable the Board to keep well informed of the culture in the business and the extent to which the purpose, strategy and values are embedded in the business.
- The Board also engages with regulators, third party assurers and suppliers through various Committee meetings throughout the year and always encourages any feedback on the culture of Yorkshire Water to be shared openly.

**More information on Board engagement can be found in our ARFS, found here [yorkshirewater.com/about-us/reports/](https://yorkshirewater.com/about-us/reports/)**

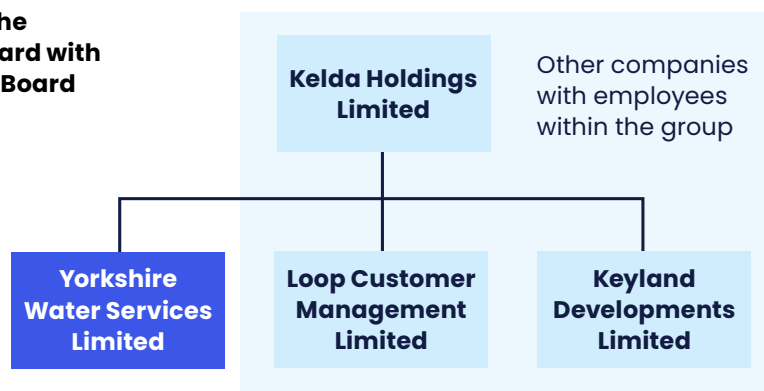




## Principle 2:

**The regulated company has an effective Board with full responsibility for all aspects of the regulated company's business for the long-term.**

**The interaction of the Yorkshire Water Board with the Kelda Holdings Board**



Yorkshire Water is part of a group of a companies and has an ultimate parent company, Kelda Holdings Limited which is owned by our shareholders. Whilst it is part of a larger group, Yorkshire Water is by far the largest entity within the group and operates very much independently from the rest of the group.

**The Yorkshire Water Board members are very aware of their duties to Yorkshire Water and all discussions in Yorkshire Water Board meetings focus on Yorkshire Water and what is for the good of Yorkshire Water alone. The focus on Yorkshire Water is achieved in a number of ways:**

- Each of our four shareholders is represented on the Yorkshire Water Board, which vastly reduces the need for decisions to be referred to the ultimate parent company. All of the Yorkshire Water directors have legal and fiduciary duties to promote the success of the company for both current and future members, which is something our non-executive investor directors are acutely aware of so decisions are always made from the perspective of Yorkshire Water rather than the wider group. In addition, we have five independent non-executive directors on the Yorkshire Water Board who have no connection with the ultimate parent company and therefore can ensure that decisions are made solely in the best interests of Yorkshire Water.
- From a practical perspective, the Yorkshire Water Board has full responsibility for all aspects of the business. The matters reserved for the Board of Kelda Holdings Limited only require limited decisions to be referred to Kelda Holdings and in practice this is simply done for verification. Kelda Holdings Limited has never over-turned a decision made by the Yorkshire Water Board and it is highly unlikely that this would ever happen given the presence of the non-executive investor directors on the Yorkshire Water Board.
- The Kelda Holdings Board met only briefly on three occasions during the year. The meetings are typically only very short and rarely focus on Yorkshire Water-related matters as these have already been discussed at the Yorkshire Water Board.

Most of the decisions made by the Kelda Holdings Board relate to matters specific to Kelda Holdings Limited itself or other companies within the group, outside of Yorkshire Water. These are particularly those with employees, as shown in the simplified group structure above.

During the year there were 12 decisions made by the Kelda Holdings Board, only five of which were directly related to Yorkshire Water. These are highlighted in **bold** below:

- Approval of the tax strategy for the group companies outside of Yorkshire Water;
- Approval of a revised treasury policy for the group companies outside of Yorkshire Water;
- **Approval of the revised Articles of Association for Yorkshire Water;**
- **The reappointments of Vanda Murray as Chair and Julia Unwin as independent non-executive director of Yorkshire Water;**
- Approval of the Annual Report and Financial Statements for Kelda Holdings Limited;
- The reappointment of Deloitte as the external auditor for the group companies outside of Yorkshire Water;
- **Approval of the appointment of Martin Gee as Chief Financial Officer of Kelda Holdings Limited and Yorkshire Water, with effect from 1 June 2025, following acceptance of the resignation of Paul Inman;**
- Approval of the 2026 budget for the group companies outside of Yorkshire Water;
- **Approval of the creation of a new Performance Review Committee at Yorkshire Water from June 2025;**
- Approval of the remuneration to be paid to Nicola Shaw and Paul Inman for their work as Chief Executive and Chief Financial Officer of Kelda Holdings; and
- Approval for the interest due on the Convertible Loan Notes issued by Kelda Holdings Limited to be paid in additional notes.

## Why does the Board of Kelda Holdings verify some decisions that impact on Yorkshire Water?

We refer some matters to the Board of Kelda Holdings for verification as we believe this reflects best practice in relation to certain decisions. These are things such as the appointment of independent non-executive directors and changes to executive remuneration. These decisions are always recommended by the Board of Yorkshire Water first, so nothing is referred to Kelda Holdings Limited that is not already approved by Yorkshire Water; this helps to ensure that referral to Kelda Holdings Limited does not give our shareholders undue influence. The verification by Kelda Holdings Limited provides a further layer of scrutiny from the four directors who are on the Kelda Holdings Board but not on the Board of Yorkshire Water, which helps to ensure that Yorkshire Water is not able to appoint unsuitable directors, for example. In a listed company this control comes from such decisions having to be put to shareholders in an Annual General Meeting.

## Decisions in relation to dividends

As a privately owned company providing a public service, it is essential that we have clear and transparent controls in place in relation to any dividends that we pay. All dividends paid by Yorkshire Water are solely decided by the Board of Yorkshire Water. The Board of Kelda Holdings Limited is only able to approve dividends being paid by Kelda Holdings Limited and makes no decisions in relation to dividends being paid by Yorkshire Water. The dividend policy for Yorkshire Water is set every five years as part of our Price Review and approved by Ofwat. Further information on our dividends for 2025 has been included under Principle 3 and in the Directors' report – Other disclosures section of the ARFS.



## Our Board Committees

We have a number of Board Committees, each of which has provided its own report on the role of the Committee and how it has operated during the year. Each Committee Chair reports back to the Board after each meeting to ensure that the whole Board is aware of the matters considered by the Committees and, where appropriate, Committee papers and minutes are made available to all Board members for information.

We have gone beyond the governance requirements of having an Audit, Remuneration and Nomination Committee to also have Public Value, and Safety, Health and Environment Committees to enable Board members to spend additional time in these areas, focusing on specific matters in detail and providing assurance in these areas to the Board. We also operated a PR24 Committee for the same reason in the period up until our Draft Determination Response submission.

From 1 June 2025 an additional Performance Review Committee has been set-up to provide detailed oversight by the Board of performance against regulatory commitments in the first period of the new AMP. The Committees do not make decisions, other than in relation to executive remuneration where it would not be appropriate for the executive directors to be involved in the decision, but instead the Committees make recommendations to the Board for decision. We continue to keep the Terms of Reference of each Committee under review to seek to optimise its effectiveness.

## Handling conflicts of interest

Each of our directors is subject to the obligations in relation to conflicts of interest that are set out in company law. Our Board members are all experienced directors and receive regular reminders of their statutory obligations. Our Board has non-executive investor directors, as well as executive and independent non-executive directors, and we place great importance on ensuring we maintain the right balance in the boardroom, so that the effectiveness of the Board is not undermined by conflicted interests. We have a standing agenda item at each meeting for conflicts of interest. If any of our directors believe that they are conflicted in any way, then this is declared and appropriate action taken, such as excluding them from decisions where they may be conflicted. No conflict situations have arisen during the year under review.

## Ensuring long-term focus

Our long-term strategy looks 25 years ahead and takes into consideration the long-term forecasts for Yorkshire in many areas such as population growth, water consumption and climate change. The Board has spent much time considering the longer-term this year through the consideration of our Draft Determination Response and then the Final Determination from Ofwat, which has included water resources over the longer-term, our Long-Term Delivery Strategy and our Drainage and Wastewater Management Plan for the future. The Board also continues to monitor financial resilience over the longer-term through a 30-year business model for the group as a whole.

Each year the Board also receives horizon scans which set out external matters to be aware of over the longer-term. The Board also considers the long-term viability of the business each year and makes a statement on this, considering various scenarios across the current and next AMP. There has also been further work during the year on the long-term risks arising from climate change. Further information on long-term viability and the risks arising from climate change can be found in the Strategic report section of the ARFS.

## Principle 3:

**The Board's leadership and approach to transparency and governance engenders trust in the regulated company and ensures accountability for their actions.**

### Our approach to transparency and governance

We recognise our position as a regional monopoly and we know that this makes it essential that our customers can trust us, as our household customers do not have the option to move to another supplier if we do not meet their expectations. We seek to be transparent and ethical in all that we do and have a Code of Ethics, which sets out the ethical standards we expect from all those that work with us. The Code provides a framework to help when someone faces a difficult ethical decision, and was developed with the help of our Board prior to launch in 2021. We have seen examples of the effectiveness of this Code since it was launched through our 'speaking up' process where colleagues have come forward to raise concerns as a result of reading the Code of Ethics.

We take governance very seriously and seek to demonstrate best practice wherever possible, constantly reviewing where we might improve and making changes as required to our structures, policies and processes.

### Statement on Dividend Policy

We have a dividend policy, in compliance with Condition P30 of the Yorkshire Water Instrument of Appointment, which requires that distributions will only be made after an appropriate financial resilience analysis has been undertaken, that dividends will be adjusted to reflect and recognise company performance and benefit sharing from service and efficiency performance. The policy ensures that delivery for customers and the environment is not just considered but factored into any amounts that are to be paid as dividends. Whenever a dividend is considered by the Board, a paper is prepared for the Board's consideration, which sets out the purpose of the dividend and how it complies with the dividend policy and Condition P30 accordingly.

When approving dividends to be paid in a financial year, the Board assesses both company performance to date, the financial year in question and that which is expected for the whole of the AMP. As such, dividend payments are considered within the longer-term context of the business and not just on the basis of the previous 12 months. There is explicit consideration of the ability of the business to be able to deliver into the future.

During the financial year, Yorkshire Water paid dividends totalling £52.5m (2024 £84.1m). All dividends paid during the year were compliant with the current Board approved dividend policy and Condition P30.

## The company's approach to recommending the dividend included the following steps:

- Determining an appropriate base dividend level reflecting the company's actual capital structure;
- Applying an 'in-the-round' adjustment to reflect the wider considerations required by our dividend policy and Condition P30; and
- Ensuring that the company remains financially resilient and that there are sufficient profits available for distribution in the foreseeable future.

A base dividend yield of 4.0% was considered appropriate for the year to March 2025, being consistent with Ofwat's guidance that a base dividend yield of 4.0% is reasonable for a company whose in-the-round performance aligns with their determination and has little real RCV growth. This would imply a base dividend for the year of £112.5m.

In determining an appropriate 'in the round' adjustment, the wider considerations of the Board included, but were not limited to:

- The ability of Yorkshire Water to finance its current and future activities;
- The financial resilience of Yorkshire Water;
- Yorkshire Water's performance against the PR19 Final Determination, including in relation to specific performance commitments;
- Customer service delivery;
- The level of real RCV growth;
- The wider environmental performance of Yorkshire Water; and
- The risk of regulatory fines and penalties.

On balance, the Board determined that a yield reduction of 2.1% was appropriate (a dividend reduction of £60m), resulting in an overall dividend yield for the year of 1.9% (2024: 2.9%). This compares to a Return on Regulated Equity (on an actual equity basis) of 2.76% for the year (5.59% excluding additional storm overflow investment) and cumulatively over the AMP to date of 3.18% (3.94% excluding additional storm overflow investment).

The key determining factors behind the reduction in dividend were:

- **Environmental performance.**

Significant steps have been taken in the year, including the ongoing investment of £180m in improving storm overflows. However, the Board recognises that the business did not achieve the level of performance required, including the retention of a two-star Environmental Performance Assessment rating and a number of serious pollution events. The Board recognises that wider environmental performance is not yet at the levels required and a reduction in dividend payment was appropriate to support the company's planned improvements.

- **The risk of regulatory fines and penalties.**

Along with all other water and wastewater companies, Yorkshire Water has been investigated by Ofwat in relation to sewage treatment works. Ofwat reached a final decision in relation to this investigation in March 2025 with Yorkshire water agreeing to invest an additional £40m over the 2025-30 period to improve the quality of rivers in its region. This £40m investment will be entirely funded by the company and its shareholders across AMP8; therefore no specific adjustment to the dividend this year was considered necessary in relation to this additional £40m investment. The outcome of a similar investigation by the Environment Agency, which is still ongoing is not yet known.



- **Performance against the PR19 determination.**

Yorkshire Water delivered a reasonable level of return for the year, representing 5.6% on an actual equity basis (excluding the impact of additional storm overflow investment separately funded); however this return was partly supported by the high levels of inflation experienced in the period, whilst ODI (customer) performance has been below expectations. Consistent with Ofwat guidance, the Board considered that it was appropriate not to fully reflect the inflation benefit within the dividend paid and to retain some of this year's return in the company to support its planned improvements to customer performance.

The return for the year on an actual equity basis (excluding all financing performance) is 2.0%, so no in year inflation related financing performance is being used to finance the dividend paid of 1.9%.

On a cumulative basis for the 2020-25 period, the total return for the AMP on an actual equity basis (excluding all financing performance) is 1.8% versus a cumulative dividend yield for the AMP of 2.5%. As such, only 0.7% RoRE of cumulative financing performance (about one third of the total) is being used to finance the total dividends paid across the AMP.

On this basis, the total proposed deduction to the dividend yield of 2.1% in year and 1.5% for the AMP as a whole, is considered to reflect a large level of prudence in relation to the impact of inflation, particularly as inflation has also caused an element of the cost under performance.

- **Financial resilience.** The financial resilience position of Yorkshire Water improved over the course of the year, supported by the £100m intercompany loan repayment from Kelda Eurobond Limited; however Yorkshire Water remains an "Elevated Concern" within Ofwat's latest 'Monitoring Financial Resilience' report. The company is targeting further improvement and the retention of part of this year's return to support this was considered appropriate.

The dividends paid in year bring the cumulative dividend yield for the current AMP to 2.5%, remaining below the cumulative return on an actual equity basis of 3.9% (excluding additional storm overflow investment separately funded).

None of the dividends in the current year were paid to the shareholders of Kelda Holdings Limited (2024: £Nil), Yorkshire Water's ultimate parent company, as they continue to support the company's financial resilience and improvement plan.

The dividends for the year included distributions of £15.7m (2024: £27.9m) that did not impact the company's liquidity position or its distributable reserves as they were returned to the company in the form of interest receipts on intercompany loans.

## Variable pay

The measures used in calculating variable pay for executive and senior colleagues are set out in the Directors' remuneration report. The measures are split into two key areas:

- Delivering for customers, the environment and colleagues; and
- Delivering financial efficiency.

These measures have been chosen to ensure that the objectives of our senior team align to those of our key stakeholders. We have set this out in more detail in our Directors' remuneration report and try to do so in as clear and transparent a way as possible to help stakeholders understand our calculations of variable pay.

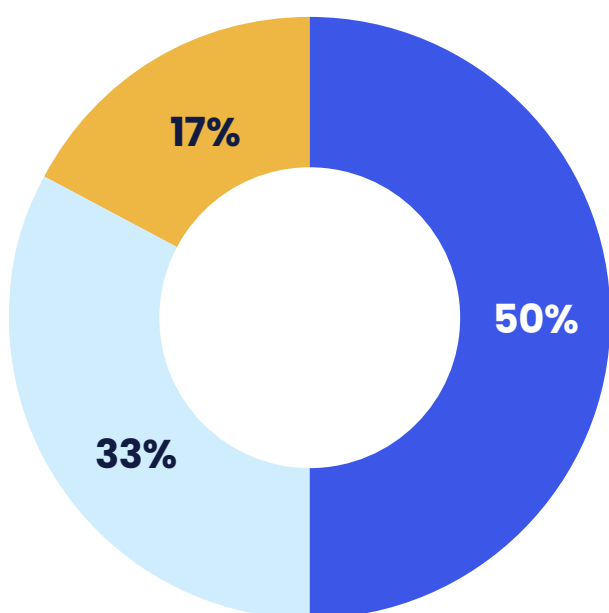
## Assurance of information

We seek to assure information through independent means wherever we can, and we detail in this report where information has been independently verified and the three-line assurance process that we have in place to ensure the information we provide is trustworthy.



## Principle 4:

**Boards and their committees are competent, well run, and have sufficient independent membership, ensuring they can make high quality decisions that address diverse customer and stakeholder needs.**



## Our Board composition

**As at 31 March 2025, the Board composition was as follows:**

- Independent Non-Executive Directors
- Non-Executive Investor Directors
- Executive Directors

## How the Board operates

The Board had six scheduled meetings in the year, with five additional ad-hoc meetings; three to consider the Draft Determination Response to Ofwat and the Final Determination from Ofwat, plus two meetings to discuss the wastewater network investigation by Ofwat.

Attendance at the meetings is shown in the table later in this report. Our scheduled meetings are preceded the evening before by an informal meeting over dinner, allowing more time to debate issues in depth. The Board has invited a number of key stakeholders to dinner throughout the year to enable information to be shared and discussed in more depth.

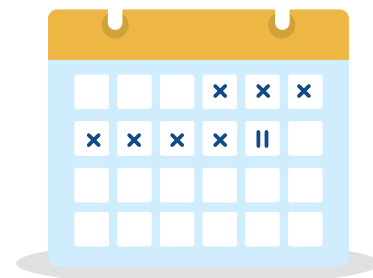
The Board agenda is set for each meeting by the Chair, with input from the executive directors and the Company Secretary. In addition, any of the other directors can request a matter to be added to the agenda at any time. Monthly reports on operational matters, health, safety and environmental matters and financial performance are circulated to the Board members regardless of whether a Board meeting is scheduled.

The Board seeks to regularly meet both formally and informally with senior management from across the business to gain further insight into the day-to-day operations and the key risks and opportunities facing each part of the business. Members of the Executive team and other key senior managers are regularly invited to attend Board meetings to provide updates and give the non-executive Board members regular direct access to the senior management team.

There is a schedule of Matters Reserved for the Board which sets out the specific matters that must be referred to the Board for approval. These include matters relating to company structure, dividend policy, material regulatory submissions and external press releases, along with significant operational and strategic matters. The Board considers the role of the Company Secretary to be key in ensuring that the Board has the right governance in place and that Board processes follow best practice. The Company Secretary meets with each of the directors individually as necessary to discuss governance-related matters. The directors are also able to obtain independent professional advice at the expense of the company whenever necessary.

# Board activities during the year

The following gives some examples of the activities of the Board in the year under review.



## May 2024

In May the Board had a specific training session on process safety, from an external training provider with extensive experience of process safety in the utility sector. The Board meeting focused on the most recent results of the Yorkshire Voice colleague engagement survey and the actions being taken as a result of the feedback received. The Board received deep dives on customer experience, our technology strategy, and the latest developments in our modernisation programme, considering the benefits for customers and the lessons learned from the programme to-date. The PR24 Committee also met in the month to receive an update on the ongoing PR24 process.

## July 2024

In July the Board met with our senior leaders informally over dinner, to hear first-hand from representatives from across the business, and to listen to any concerns or feedback that they wished to share with the Board. In the Board meeting, the Board heard the detailed plans to move our wastewater operations to a new structure based on geographical locations. This was discussed in detail, considering the potential benefits for customers and how this would help support a more efficient service and better customer experience. The Board also received a deep dive on asset delivery and in particular lessons learnt from recent post project reviews. The Board also heard an update on equity, diversity and inclusion across Yorkshire Water and the plans to further develop the strategy in this area. The Audit and Risk Committee heard directly from both Deloitte and AtkinsRéalis on their assurance work in relation to the Annual Report and Financial Statements and the Annual Performance Report, which were both published in the month. The PR24 Committee also met in the month to consider the Draft Determination Response.

## September 2024

In September 2024 the Board met again to discuss the Ofwat wastewater network investigation in detail. Over dinner the Board met with Sir John Armitt, Chair of the National Infrastructure Commission, to hear directly from him on his view of the sector, and future water and infrastructure systems. The Board also held a focused session on the strategy of the business, considering how this would be delivered and the milestones required to measure this. The Board received a deep dive into clean water, to better understand performance and the plans for improvement in the future.

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COMMISSION**  
Better infrastructure for all

## August 2024

The Board met three times in August 2024, once to discuss the Ofwat wastewater networks investigation in detail, and twice to consider the Draft Determination Response to Ofwat in relation to PR24. These meetings looked in detail at the information received from Ofwat and the potential impact on customers, the environment and other stakeholders, whilst considering the appropriate response. The Board also approved the new Storm Overflow Alliance, as a new model for Yorkshire Water through which significant reductions in storm overflow discharges will be driven throughout the next AMP.

## October 2024

The Safety, Health and Environment Committee met with our Area Director from the Environment Agency to hear directly from him on the day-to-day relationship with Yorkshire Water and his views on our performance.



The Committee also heard directly from a number of the Rangers employed by Yorkshire Water, to understand from them first-hand the challenges of working in that role and how the company could ensure they felt safe and supported out on site. Representatives from Cranfield University also attended the Committee to provide their views on the Yorkshire Water Pollution Incident Reduction Plan, to assure the Committee regarding its completeness and deliverability.



## November 2024

The Board and Committees met in Hull in November, and the Public Value Committee visited a number of sites to see first-hand the work of the Living with Water partnership in Hull, delivering flood alleviation schemes across the city. The Safety, Health and Environment Committee welcomed one of our capital partners to the meeting, to hear first-hand the experience of working with Yorkshire Water from a health and safety perspective. The Audit and Risk Committee also welcomed a representative from the Institute of Internal Auditors, who provided feedback on the internal audit function at Yorkshire Water, following an independent external quality assessment. The Board also spent time considering the forthcoming Independent Water Commission, led by Sir Jon Cunliffe, and the changes to regulation that Yorkshire Water believed would benefit customers and other stakeholders. The Board also received a customer deep dive, to better understand how improvements were being made to enable a better customer experience. The latest results from the recent Yorkshire Voice colleague engagement survey were also shared with the Board, along with the proposed actions as a result.



## February 2025

The Board met in February specifically to consider the Final Determination from Ofwat, concluding that it was not in the best interests of customers and other stakeholders to seek a redetermination from the Competition and Markets Authority.



## January 2025

In January, our Board met with representatives from our three Trade Unions to hear their views on all matters impacting our colleagues. The Board also met informally with the Executive team to provide an opportunity for Board and Executive members to share thoughts and ideas, and to discuss any matters of concern. The Board received a deep dive into wastewater performance, covering both the lessons learnt during the year and the plans for improvement in the next AMP. The Board also received the six-monthly update on asset delivery post-project reviews, as well as a detailed discussion around lessons learnt from the modernisation programme throughout AMP7.

## March 2025

In March, the Board welcomed David Black, Chief Executive of Ofwat, to hear his views on Yorkshire Water performance, the challenges facing the water sector, and the expectations from Ofwat. The Board received a detailed presentation on the delivery plan for the next AMP, hearing directly from members of our senior leadership team, on some of the specific plans including in relation to internal and external sewer flooding, leakage and storm overflows. Our Public Value Committee also met with Rosa Foster, Chief Executive of the Yorkshire and Humber Climate Change Commission, to hear about the work of the Commission and how Yorkshire Water could best support this.



## The Board performance review

We undertake an annual Board performance review to consider the effectiveness of our Board. In 2025 this has been an externally facilitated review, undertaken by BoardClic.

The internally facilitated Board performance review last year highlighted some areas for additional focus. The table below sets out these areas and the progress made during the year:

Area for additional focus	Progress in 2025
Some operational deep dives into specific performance commitments will be held to enable Board members to fully understand the challenges faced and the work underway.	These have been conducted across the year, with the Board receiving deep dives in Water, Wastewater, Asset Delivery and Customer Experience throughout the year.
A strategy session will be held for the Board to consider some strategic matters such as the use of Artificial Intelligence in the organisation.	A strategy session was held in September 2024 and has now become an annual event. This was facilitated by the Executive team and covered various aspects of the strategy in detail, enabling a full discussion by the Board.
More information will be provided to the Board on talented individuals within the organisation and how each is being developed and supported in their career within Yorkshire Water.	This was provided to the Board in March 2025 and will continue to be brought to the Board on a regular basis.

The performance review in 2025 has consisted of an online questionnaire being completed by all Board members, and the results being analysed and compared to benchmark data, and then shared in a report, which was presented and discussed at the Board meeting in May 2025.

The review concluded that the Board and its committees were operating effectively with a number of areas of significant strength noted, including confidence in the company strategy, the response of the Board to external challenges, and the engagement and alignment between the Board and the Executive team.

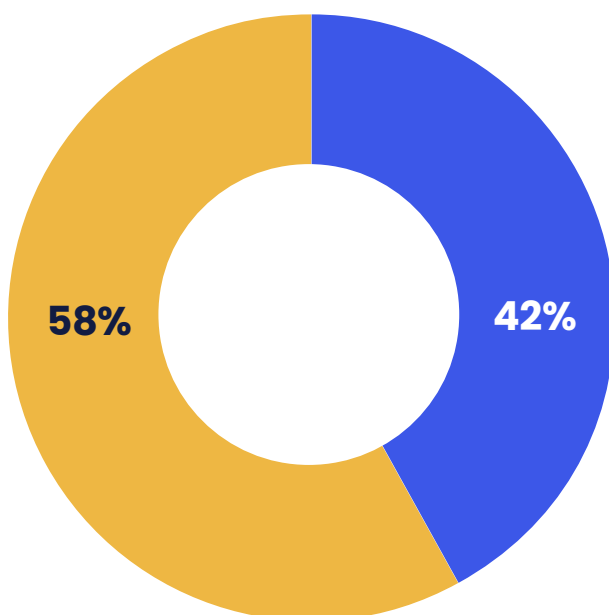
### The review highlighted some specific areas for focus in 2026:

- Deeper dives into operational capacity and capability, which will come from the new Performance Review Committee in place from June 2025;
- Greater visibility of succession planning for the Executive team; and The succinctness of Board materials.

An action plan has been developed and agreed by the Board and the progress made will be reported in our Annual Report next year.

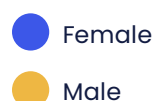
In addition to the annual Board performance review, the Chair meets with each Board member individually on at least an annual basis to discuss their own performance and to identify any areas for development or potential training needs. The Senior Independent Director also gathers feedback separately on the performance of the Chair and discusses this with her at least annually.

Further information on how the Board engages with stakeholders, including colleagues, customers and communities, can be found in the Section 172(1) statement of the ARFS.



## Board composition

As at 31 March 2025, the Board composition was as follows:



We maintain a Board Skills Matrix, which is updated annually. We compare this to our current and potential future skills needs, to ensure we maintain the right balance of skills and experience. The results of this are shown in the Nomination Committee report.

We continue to strive for a Board that reflects the diversity of the community that we serve. We have a Board Appointments Policy which ensures a consistent and fair approach to recruitment is always undertaken. The fundamental objective of recruitment remains to ensure that the best candidate for the role is appointed, but we actively work with recruitment consultants to ensure we review a diverse range of candidates and that all are given an equal opportunity for the role.

## Training and development

The Board receives regular updates on governance-related matters and more formal training where appropriate. Potential training needs are discussed as part of individual performance evaluations, plus each director is given the opportunity to flag any additional training requirements as part of the annual Board performance review. New directors joining the company are given a broad and comprehensive induction to the business consisting of site visits, meetings with key personnel and detailed information relating to the business, as well as any training specifically required in relation to the duties of directors and their role on the Board.

## Non-executive director meetings

The independent non-executive directors and non-executive investor directors meet with the Chair at regular intervals to discuss Board-related matters without the executive directors present.

## The UK Corporate Governance Code

Yorkshire Water is a private limited company but has chosen to report its compliance with the UK Corporate Governance Code on an annual basis, to provide greater transparency.

The Board considers that it has complied with all the principles of the UK Corporate Governance Code 2024 which are applicable to private companies throughout the year ended 31 March 2025, except for the following provisions:

- **Provision 11** – this principle requires that at least half the Board, excluding the Chair, should be independent non-executive directors. Whilst our independent non-executive directors make up the largest group on the Board, they do not represent half the Board when the Chair is excluded.
- **Provision 18** – this provision relates to the annual re-election of directors. As a private limited company, we do not hold an Annual General Meeting and instead our independent non-executive directors are re-elected every two or three years when their appointment term ends.
- **Provision 24** – this provision requires the Audit Committee to consist entirely of independent non-executive directors. Our Audit and Risk Committee has a majority of independent non-executive directors but also has a non-executive investor director, who we believe provides useful challenge and insight to the Committee.
- **Provision 29** – this provision only applies for financial years beginning on or after 1 January 2026, and therefore we have complied with Provision 29 of the 2018 UK Corporate Governance Code instead in the year under review.
- **Provision 32** – this provision requires the Remuneration Committee to consist entirely of independent non-executive directors. Our Remuneration Committee has a majority of independent non-executive directors but also has three non-executive investor directors, which means we receive useful insight from investors when making remuneration decisions.

The UK Corporate Governance Code is available on the website of the Financial Reporting Council at: [frc.org.uk](https://www.frc.org.uk)

## Attendance at Board and committee meetings

Director	Board No./max	Audit and Risk Committee No./max	Safety, Health and Environment Committee No./max	Nomination Committee No./Max	Remuneration Committee No./Max	Public Value Committee No./Max	PR24 Committee No./max
Vanda Murray	10/10	-	4/4	4/4	5/5	4/4	2/2
Furqan Alamgir	4/4	1/1	-	2/2	-	2/2	-
Scott Auty*	3/3	-	1/1	1/1	2/2	-	-
Wendy Barnes	10/10	5/5	-	4/4	4/5	4/4	2/2
Simon Beer	4/4	-	-	1/2	-	-	-
Isabelle Caumette	7/7	-	3/3	3/3	3/3	-	-
Andrew Dench	9/10	5/5	-	4/4	5/5	-	2/2
Russ Houlden	10/10	-	-	3/4	5/5	4/4	2/2
Paul Inman	10/10	-	-	-	-	-	-
Andrew Merrick	9/10	5/5	4/4	4/4	-	4/4	2/2
Nicola Shaw	10/10	-	3/4	-	-	4/4	-
Julia Unwin	10/10	-	3/4	4/4	5/5	4/4	2/2
Andrew Wyllie	10/10	5/5	4/4	4/4	5/5	-	-

\*Scott Auty attended a number of meetings in the year as the alternate for Isabelle Caumette, who was unable to attend for personal reasons.



## PR24 Committee

The PR24 Committee met between March 2023 and July 2024, specifically to consider the detail of the PR24 Business Plan submission to Ofwat, the Draft Determination from Ofwat and the response to that Draft Determination. From July onwards, the considerations in relation to PR24 were picked up by the whole Board and the Committee stood down. More information on the remit of the Committee can be found in the Annual Report and Financial Statements for 2024.

## Reappointment of the external auditor

Deloitte LLP has advised of their willingness to continue in office and have confirmed their continued independence. Deloitte LLP was appointed as our external auditor in 2018, following a robust, competitive tender process which resulted in a change of auditor. Following consideration of the relationship with the external auditor, the Audit and Risk Committee has recommended to the Board that Deloitte LLP is re-appointed, and a resolution for their reappointment will be considered by the Board later this month. They have provided an independent audit opinion on the 2024/2025 accounts which can be found in the ARFS. Our audit partner, Chris Robertson, is in his third year as the partner on our audit and continues to be entirely independent from Yorkshire Water.

## Powers of the directors

The business of the company is managed by the directors, who may exercise all the powers of the company, subject to the provisions of the Articles of Association and relevant statutes.

All directors have a statutory duty to avoid conflicts of interest. Our Articles of Association permit those directors who are not conflicted to authorise conflict situations, as is standard practice. Conflicts of interest are a standing agenda item at each Board meeting and any potential conflicts must be disclosed and may then, if appropriate, be authorised by the non-conflicted directors. Any such authorisations may be subject to appropriate conditions. The directors do not consider that any actual conflicts of interest have arisen during the year between the roles of the directors as directors of the company and any other roles which they may hold.

Our Chair, executive directors and non-executive investor directors remain mindful that they are also directors of Kelda Holdings Limited and that this operates as a separate legal entity.

## Directors' statement

The directors confirm that they consider the Annual Report and Financial Statements (ARFS), taken as a whole, to be fair, balanced, and understandable and provides the information necessary for shareholders and other stakeholders to assess the company's performance, business model and strategy. When arriving at this position, the Board was assisted by a number of processes including the following:

- The ARFS is drafted by senior management with overall co-ordination by senior members of the Finance team and Company Secretariat to ensure consistency across the relevant sections;
- An internal verification process is undertaken to ensure factual accuracy;
- Comprehensive reviews of drafts of the ARFS are undertaken by the executive directors and senior management;
- An advanced draft is reviewed by the Board;
- The final draft is reviewed by the Audit and Risk Committee prior to consideration by the Board. The Committee advised the Board that the ARFS, taken as a whole, is fair, balanced, and understandable for shareholders and other stakeholders to assess the company's performance, business model and strategy. Each director in office at the date of this report confirms that, to the best of their knowledge the Financial Statements give a true and fair view of the assets, liabilities, financial position, and loss of the company; and
- The Strategic report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties that it faces.

The directors have voluntarily complied with the Disclosure and Transparency Rules, to the extent that these can be reasonably applied to the company.

## Disclosure of information to auditors

Each director in office at the date of this report confirms that:

- So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- Each director has taken all the steps they ought to have taken as a director in order to make themselves aware of any relevant audit information, and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

## Statement of directors' responsibilities

The directors are responsible for preparing the ARFS in accordance with applicable law and regulations.

Company law requires the directors to prepare Financial Statements for each financial year. Under that law, the directors have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law, the directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

### In preparing these Financial Statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the Financial Statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Relations with shareholders

As a private limited company, we have four shareholder representatives appointed as non-executive directors to our Board. This means that we have regular interaction with representatives from each of our shareholders and can present detailed information to them to enhance their understanding of our business and the communities which we serve. This also means that we can understand in detail the views of our shareholders which has been extremely useful in building a strong relationship and understanding since the appointment of our first non-executive investor directors in September 2017.

## Amendments to the company's Articles of Association

Any amendments to the company's Articles of Association may be made by passing a special resolution of the shareholders.

## Our risk management framework

Our risk management framework, which sets out our approach to identifying and managing our risks, is detailed in our Managing risks and uncertainties section of the Strategic report in the ARFS.

# Risk management responsibilities

## The Board

The Board has overall responsibility for setting the risk appetite for the business and for ensuring that the overall risk profile is aligned with this. It is also responsible for ensuring that the business maintains sound internal control and risk management systems, as well as reviewing the effectiveness of those systems.

To do this, the Board has regular meetings with senior management and, via the Audit and Risk Committee, receives regular reports from the internal auditors and the external auditors on the effectiveness of internal controls and risk management. Acknowledging the improvements recommended by these reports in relation to general IT controls, the lack of formal documentation and retention of some audit evidence, the Board is satisfied that the systems are embedded within the day-to-day activities of the business and cover financial, operational and compliance controls, and that the business continues to be compliant with the provisions of the 2018 UK Corporate Governance Code relating to internal controls. The Board recognises the requirements of the 2024 UK Corporate Governance Code in relation to making a statement on material controls and intends to comply with this from 2027 as set out in the Code.

## The Executive

The Executive is responsible for reviewing the risks that have been recorded, to ensure completeness and accuracy, as well as assessing the suitability of the mitigations in place and any proposed timescales for further controls to be implemented.

## Audit and Risk Committee

The responsibilities of the Audit and Risk Committee in relation to risk management are set out in the Audit and Risk Committee report in the ARFS.

## Financial risk management

We produce an annual budget which is reviewed by senior management and ultimately approved by the Board. We also have our five-yearly Business Plan which aligns to the Final Determination issued by Ofwat as part of each Price Review, and we have a longer-term 30-year financial model for the group which we regularly monitor performance against.

We also prepare monthly performance reports against budget, which are monitored by each business area and reported at Executive and Board meetings. Further information about the financial risk management policies in place and, in particular, the way in which credit risk, liquidity risk, interest rate risk and foreign currency risk are managed, is in the ARFS.

## Greenhouse gas emissions

Information on our greenhouse gas emissions for the year to 31 March 2025 is contained in our Strategic report in the Right for the environment section of our ARFS.

# Nomination Committee report

**The role of the Nomination Committee is to keep the structure, size and composition of the Board under review and to ensure that the balance of skills, knowledge and experience of the Board meets the requirements of the business, both now and in the future.**

**The Committee is also responsible for overseeing the recruitment process for new directors and for making recommendations regarding Board appointments.**

## Board structure

Our Board structure is different from that of a listed company in that we have four non-executive investor directors who sit on our Board, alongside our independent non-executive directors and our executive directors. We have had investor directors on the Board since September 2017 and we find this immensely beneficial as it enables us to understand the views of shareholders in detail, as well as ensuring they hear first-hand all of the information that is presented to the Board in order to provide support and challenge as appropriate.

Whilst they are not deemed independent in accordance with the definition in the UK Corporate Governance Code, the non-executive investor directors still carry the same legal and fiduciary duties as our other directors and fully understand the importance of the services that we provide to Yorkshire and the impact that our actions have on local communities and the environment. They therefore have to make decisions as directors for the good of the business, and are not able to make decisions solely from the perspective of the shareholder. They also individually bring skills and experience to the Board which help create a greater diversity of skills and experience, which is beneficial to the Board in its decision making.

## Board recruitment

During the year we welcomed two new directors to our Board. Simon Beer was previously an observer of the Board, representing one of our four shareholders. Under the terms of the Shareholder Agreement that we have in place, Simon was formally appointed to the Board in November 2024.

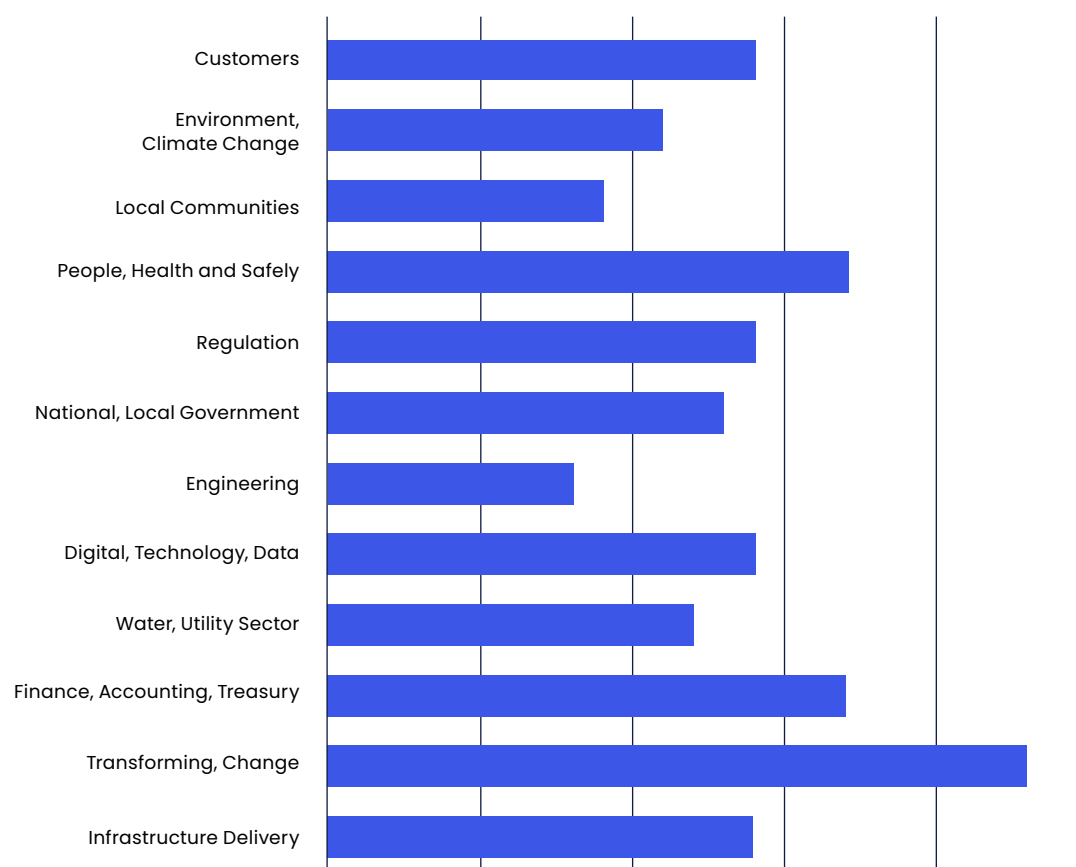
As reported last year, in January 2024 the Committee agreed that recruitment of a further independent non-executive director would begin, to further enhance the balance of skills and experience on the Board. The skills and experience matrix shown below was used as the basis for drawing up the required skill-set, and Green Park were appointed as independent recruitment consultants to assist with the appointment. We were delighted to welcome Furqan Alamgir to our Board in October 2024 as a result. Furqan brings with him digital and technology expertise, an entrepreneurial mindset, and experience of operating in Yorkshire, through his business based in Hull.

## Our skills and experience matrix

We maintain a Board skills matrix, which the Nomination Committee uses to monitor the balance of skills and experience on the Board and to identify any areas where new skills or experience may be required.

In the matrix, directors evaluate themselves, noting where they have specific skills or experience, where they have some skills or experience but these have not been core to a previous role, as well as those areas where they have no or only limited skills or experience.

The current matrix is shown below:



The matrix shows that there are no key areas without relevant skills or experience on the Board, but that our lowest areas are engineering and experience of local communities. The Committee is continuing to keep this under review, as well as considering how the requirements might change over time, and a recruitment process for a further independent non-executive director is currently in progress to seek to appoint a new director who can bring further engineering experience to the Board.

## Developing talent

In addition to reviewing the composition of the Board, the Nomination Committee plays a key role in developing talent in the organisation, to identify and promote those who are potential future Board members, either of Yorkshire Water or elsewhere. This includes ensuring that there are equal opportunities for development for people of all genders and ethnicities.

The Committee has a Board Appointments Policy which sets out the key principle for appointments to be made on merit, with consideration always being given to the need for diversity of all types. Yorkshire Water is committed to only using external executive search firms who have signed up to the voluntary Code of Conduct addressing gender diversity and best practice.

## Attendance at Committee meetings

The Nomination Committee is a sub-committee of the Board and meets as often as required each year. During the year ended 31 March 2025, the Committee met four times. The membership and attendance of the Committee is set out on [page 392](#). Meetings are also attended by the Chief Executive, where relevant, and the Company Secretary.

## Committee responsibilities

- To review the structure, size and composition of the Board on a regular basis and to make recommendations to the Board regarding any changes;
- To ensure plans are in place for orderly succession to Board and senior management positions, and oversee the development of a diverse pipeline for succession;
- To keep under review the leadership needs of the organisation, both executive and non-executive, to ensure the continued ability of the organisation to meet its obligations in relation to investors, the public service it provides and the community in which it operates;
- To oversee the process for the recruitment or reappointment of any Board roles; and
- To review annually the time required from each of the directors to perform their roles effectively.

The Terms of Reference of the Committee are in line with the recommendations in the UK Corporate Governance Code and from the Chartered Governance Institute.

Copies of the Terms of Reference for all our committees are available from the Company Secretary or on our website at [yorkshirewater.com](https://yorkshirewater.com)

## Committee performance review

During the year, an externally facilitated performance review was undertaken of the Board and all of its Committees. The feedback on the Nomination Committee showed it to be operating effectively.

## Thanks to our non-executive directors

Our non-executive directors contribute significant time and effort in their roles and have done so again this year with significant time spent on the PR24 Draft Determination Response, and consideration of the Final Determination, as well as the wastewater network investigation by Ofwat. I would like to thank them for their ongoing commitment to Yorkshire Water.



**Vanda Murray OBE DBA**  
**Chair, Nomination Committee**  
10 July 2025



# Statement on executive pay and performance

## Directors' Remuneration Report

### Our information on directors' remuneration is structured as follows:

- Annual Statement from the Chair of the Remuneration Committee, providing an overview of the key developments and remuneration decisions made during the financial year.
- Remuneration policy report, setting out the remuneration policy for 2026 that has been recommended by the Remuneration Committee and approved by our shareholders.
- Annual report on remuneration, showing how the remuneration policy for 2025 has been applied, how we intend to apply the policy for 2026, along with a summary of the work of the Remuneration Committee in the year.

Yorkshire Water is a private limited company and our shareholders do not require us to hold an Annual General Meeting (AGM). This report is therefore not subject to approval at an AGM but is presented for information to our stakeholders, to ensure we are transparent in what we pay our directors, and in compliance with the relevant legislation.

## Annual Statement from the Chair of the Remuneration Committee

On behalf of the Remuneration Committee, I am pleased to present the Directors' remuneration report for the year ended 31 March 2025.

The Remuneration Committee is acutely aware of the intense scrutiny under which executive remuneration decisions are made, and we are clear that our role is to ensure that our executive directors are paid fairly, with a remuneration policy that drives the right behaviours and results for the benefit of our business, our customers and the environment.

## How the Committee operates

Our Remuneration Committee is entirely independent from our executive directors, and has always operated in accordance with best practice, and in compliance with regulatory requirements and the UK Corporate Governance Code. The Committee consists of seven non-executive directors, who all bring considerable experience from other sectors and other Remuneration Committees, and have a clear understanding of how to apply remuneration policy to drive the right outcomes for businesses.

As well as overseeing the fixed pay of our executive directors, the Remuneration Committee measures the performance of the executive directors each year against the measures in our performance-related pay schemes; the annual Executive Bonus Plan (EBP) and the Long-Term Incentive Plan (LTIP). In our final review each year, before any performance-related payments are made, we consider an independent report on performance against those measures and then apply discretion to take account of any wider factors and the performance of the business in the round.

This year has seen the introduction of the Performance-related executive pay Prohibition Rule published by Ofwat in June 2025, which is to be applied retrospectively to the year ended 31 March 2025. This Rule is the result of the Water (Special Measures) Act, which became law on 24 February 2025, and applies to our executive directors. The Ofwat rules require a binary adjustment to the performance-related pay outcomes in the year, which can remove all performance-related pay because of one area of poor performance. The Committee has decided not to adjust its own remuneration policy to accommodate the Prohibition Rule, but will continue with the policy that it believes is right for Yorkshire Water and then apply the Prohibition Rule as a final step each year to reach the final remuneration outcome.

## Responding to feedback from Ofwat

In November 2024, Ofwat published its annual assessment on 'protecting customer interests on performance-related executive pay'. This assessment concluded that the performance-related pay awarded by the Remuneration Committee in 2024 should not have been funded by customers, and therefore this will be recovered from the business through the Ofwat recovery mechanism, which means it will instead be funded by shareholders. This was due to the Environmental Performance Assessment rating in the year being at a two-star level, and was despite the Remuneration Committee having already used its discretion to reduce the performance-related pay by 19% to reflect environmental performance.

The Committee had made the decision to award performance-related pay in 2024 to reflect the strong performance seen in that year in relation to C-MeX, drinking water quality contacts, leakage, colleague engagement, health and safety, and in all financial measures.

## Policy changes

We reported last year on the change in our remuneration policy to have two separate performance-related schemes; the EBP and LTIP, as well as reducing the maximum award for executive directors under both schemes, from 150% to 110%. These changes came into effect on 1 April 2024. This year, the Remuneration Committee believes the new schemes remain fit for purpose and therefore only one minor change is proposed to the remuneration policy for 2026. This is an increase in the maximum company pension contribution, or equivalent cash allowance, from 10% of base salary to 12%. This is to align with the same increase being offered to colleagues across the business from 1 April 2025.

The Committee will continue to keep the remuneration policy under review to ensure it reflects best practice in remuneration.

## Our performance for customers and the environment

As set out in the ARFS in Strategic report, consistent with the rest of the sector, the performance of the business still needs to improve. The significant investment approved through the AMP8 Final Determination will help deliver the necessary changes, but as a business we have seen some disappointing results this year in relation to serious pollution incidents and C-MeX. We take poor performance very seriously and there are multiple steps being taken to ensure we improve our performance in these areas, as set out in the Right for customers and Right for the environment sections of our Strategic report in the ARFS.

During the year we have also seen some areas of strong performance, delivering our leakage reduction target of 15% since 2020 and improving colleague engagement for the second year in a row. The executive directors and senior leadership team has had significant turnover in recent years, with 38% of the senior leaders having joined the business in the last three years, including both of our executive directors. The Board and Remuneration Committee believe that the right colleagues are in place to drive the business forward, and whilst performance-related pay must reflect the need for improvement, it is also important to reward the strong performance that is being achieved and to ensure the right incentives are in place to retain the right talent within the business.

All of these factors have been considered by the Committee in our remuneration decisions as we strive to appropriately reward and motivate our executives, whilst never rewarding under-performance.

## Key decisions by the Committee in the year

The Committee met five times during the financial year and there have been a number of key decisions taken, which are outlined below:

### Change of Chief Financial Officer

As reported within the ARFS, during the year Paul Inman indicated his intention to retire from the business on 31 May 2025 and the Committee reviewed the pay arrangements for his departure. It was agreed that Paul should be treated as a good leaver in accordance with the rules of the previous Executive Incentive Plan (EIP), and the current EBP and LTIP. This means that he will still receive the awards that remain outstanding at the date of his departure, pro-rated to the date of his retirement. These will be paid, if and when these vest, in July 2025, July 2026 and July 2027.

Martin Gee has been appointed as the successor to Paul Inman, and joined the business on 6 May 2025. The Committee reviewed the remuneration to be offered to Martin, and agreed a base salary of £500,000, with the rest of his benefits and remuneration in line with those paid to Paul. This aligns with the remuneration policy and reflects what the Committee believes to be the market rate for the role. Further details of the amounts to be paid to Martin are shown later in this report.

### Salary review for executive directors

The annual pay negotiations across the business resulted in an average pay rise of 4.5% being awarded across the business with effect from 1 April 2025. The Committee reviewed the pay of the executive directors in March 2025 and agreed to apply the same increase of 4.5% to the base pay of both Nicola and Paul, with effect from 1 April 2025.

### The award and measures for the EBP and LTIP

As noted earlier, the new EBP and LTIP were launched on 1 April 2024 and the awards for these were approved by the Committee, in line with the remuneration policy. The measures to be applied to the EBP for 2026 were reviewed and approved by the Committee in March 2025. The measures for the LTIP to be awarded on 1 April 2025, with a three-year performance period through to 31 March 2028, were approved by the Committee in May 2025. More information on this can be found later in this report.

### Performance-related pay vesting in 2025

The executive directors participated in two performance-related pay schemes that had performance periods ending in 2025; the annual EBP awarded on 1 April 2024, and the previous EIP scheme, for which one-third of the long-term element awarded in the year ended 31 March 2023 was due to vest.

The Committee reviewed the outcome of the performance metrics for both schemes, as well as the overall performance of the business in its decision-making process in relation to the vesting of the schemes. More information on this can be found later in this report.

The performance metrics for the EBP indicated vesting of 44.6%, which the Committee agreed accurately reflected performance in the year, with reward for financial efficiency but no rewards for customer service or environmental performance, both of which require improvement.

The performance metrics for the long-term element of the EIP indicated vesting equivalent to 38.8% of the maximum, which reflected that most measures had improved or been maintained since the first year of the scheme concluded in 2023.

These outcomes align with the design of the schemes, which reward areas where performance has been strong, but do not give performance-related pay for areas where performance has not met expectations.

During the year, however, Nicola and Paul informed the Committee that they did not wish to accept any payment from the EBP for the year ended 31 March 2025; due in part to the undertakings that were agreed with Ofwat in March 2025 in relation to their wastewater network investigation. These undertakings related to breaches that were ongoing when both Nicola and Paul joined the business and considerable work is underway to ensure these breaches are fully addressed, however Nicola and Paul are aware that pollution performance in the year has not been where it needs to be. In addition, a specific Category 1 pollution event unfortunately occurred in December 2024 at one of our Water Treatment Works. For these reasons, Nicola and Paul informed the Committee that they would not accept any payment this year from the EBP. The Committee subsequently noted that this outcome aligned with the Prohibition Rule published by Ofwat in June 2025.

Nicola has also chosen to waive the payment of the long-term element of the EIP, awarded in the year ended 31 March 2023, having already waived the short-term element of the same scheme in 2023.

### Feedback

As a private limited company, our Directors' remuneration report is not subject to a vote at an AGM. We are keen, however, to receive any feedback from stakeholders on our remuneration policy, which may be directed to me via our Company Secretary, who can be contacted at [compsec@yorkshirewater.co.uk](mailto:compsec@yorkshirewater.co.uk).

### Wendy Barnes

#### Chair of the Remuneration Committee

10 July 2025

# Remuneration Policy Report

**This part of our Directors' remuneration report sets out a summary of how the Directors' remuneration policy for Yorkshire Water will apply from 1 April 2025. There has been only one minor policy change from last year, which is an increase in the maximum company pension contribution, or equivalent cash allowance, from 10% of base salary to 12%. This is to align with the same change being offered to all colleagues with effect from 1 April 2025.**

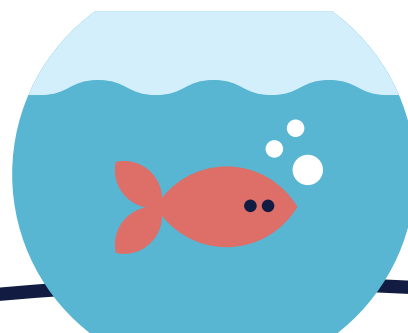
## Policy overview

The current remuneration policy for directors comprises the elements set out in the table overleaf.

In setting the policy, the Committee considers a number of factors, including:

- Alignment of the remuneration policy with the strategic objectives of the business and our desire for 'a thriving Yorkshire, right for customers and right for the environment', to ensure reward reflects performance;
- An appropriate balance between fixed and performance-related pay to incentivise strong long-term performance, sustained shareholder value creation and behaviour aligned with the Yorkshire Water values, whilst not driving unnecessary risk-taking or irresponsible behaviour;
- Provision of a remuneration structure that is sufficiently competitive to attract, retain and motivate high calibre executive directors;
- The principles set out in the Ofwat Board Leadership, Transparency and Governance Principles, as well as those in the UK Corporate Governance Code; and
- Periodic external comparisons of market trends and practices elsewhere in the water industry and in companies of a similar size, complexity and geographic scope.

We want our remuneration structure to be simple and transparent and to clearly link pay to performance. Our policy ensures that performance-related components form a significant proportion of the overall remuneration package, with maximum total potential rewards earned only through the achievement of stretching performance targets, based on measures selected to promote the long-term success of the company and to meet our vision of a thriving Yorkshire.



## Consideration of pay and employment conditions across the business

The Committee also considers the pay and employment conditions of colleagues across the business when setting the remuneration policy for the executive directors, to ensure that these are aligned where appropriate. We regularly monitor pay trends across all levels of the business and salary increases for the directors will normally be in line with, or lower than, those of the wider workforce in percentage terms.

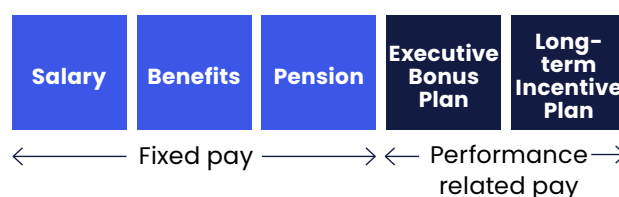
The Committee also seeks views on remuneration from colleagues across the business through the Yorkshire Voice survey, which has been conducted twice during the year. This information is fed back to the Board after each survey.

## How the Committee may exercise discretion

The Committee may exercise discretion in order to ensure fairness and align executive remuneration with underlying individual and company performance. In exercising its discretion, the Committee may adjust, upwards or downwards, the outcome of any performance-related pay within the limits of the relevant plan rules. This includes, for example, taking into account significant health, safety or pollution incidents, serious criminal breaches, compliance issues, significant events that impact on customers, operational performance not covered elsewhere in the metrics, and financial resilience in the year under review.

Any use of discretion by the Committee during the financial year will be detailed in the ARFS each year.

**The remuneration of our executive directors is made up of five elements:**



## Executive directors' policy table

Component of remuneration and how it supports the Yorkshire Water strategy	How does this operate and what is the maximum that may be paid?	What performance measures are used and why?	Are there any provisions to recover sums paid?
<b>Fixed pay</b>			
<b>Base salary</b>			
Setting the base salary at the right level enables us to attract and retain the high calibre executives required to deliver the performance we want at Yorkshire Water.	Salaries are reviewed annually with changes typically effective from 1 April.  The review considers the general annual salary increases for the workforce as well as any other key internal and external reference points, including the calibre and performance of the individual.  There is no prescribed maximum annual base salary or salary increase.  Details of the base salaries for each of the executive directors are shown in the ARFS.	No specific performance measures are used to determine base salary, but individual and business performance are considered as part of the discussion when setting the base salary levels.	There are no provisions to recover any sums paid.



Component of remuneration and how it supports the Yorkshire Water strategy	How does this operate and what is the maximum that may be paid?	What performance measures are used and why?	Are there any provisions to recover sums paid?
<b>Fixed pay</b>			
<b>Benefits</b>			
Paying the right level of benefits helps us to attract and retain the right individual for the role.	<p>The provision of benefits is set based upon general market practice, considering the benefits available to other colleagues across the business.</p> <p>The benefits available to executive directors may include a combination of:</p> <ul style="list-style-type: none"> <li>• Private medical insurance for the executive, their spouse and dependent children;</li> <li>• Life assurance;</li> <li>• A choice of company car lease or a car allowance of up to £12,000 per annum for the CEO and £7,500 for the CFO;</li> <li>• Medical screening; and</li> <li>• Optional private fuel provision.</li> </ul> <p>Executive directors will be eligible for any other benefits which are introduced for the wider workforce on broadly similar terms.</p> <p>We also reimburse normal business-related expenses for our executive directors. The cost of benefits may vary from year to year and there is no maximum level set.</p>	Benefits are not performance related.	There are no provisions to recover any sums paid.
<b>Retirement benefits</b>			
Retirement benefits are paid as part of a market competitive package which, in turn, helps us to attract and retain high calibre individuals to deliver the strategic objectives of the business.	<p>The maximum for executive directors is aligned to the contribution level for colleagues across the business:</p> <ul style="list-style-type: none"> <li>• a company contribution to the defined contribution stakeholder scheme of up to 12% of base salary;</li> <li>• a cash allowance of up to 12% of base salary; or</li> <li>• a combination of a company contribution to the defined contribution stakeholder scheme and a cash allowance up to 12% of base salary in total.</li> </ul> <p>This has been increased from 1 April 2025 from 10% to 12% of base salary to align with the same increase being offered to colleagues across the business.</p>	Retirement benefits are not performance related.	There are no provisions to recover any sums paid.

Component of remuneration and how it supports the Yorkshire Water strategy	How does this operate and what is the maximum that may be paid?	What performance measures are used and why?	Are there any provisions to recover sums paid?
<b>Performance-related pay</b>			
<b>Executive Bonus Plan (EBP)</b>			
<p>The EBP is designed to ensure focus on short-term priorities for the benefit of our customers, the environment, our investors and other stakeholders.</p> <p>The EBP incentivises performance against stretching targets.</p>	<p>Performance targets are set at the beginning of the year by the Committee with up to 110% of base salary vesting each year depending on the performance in that year against the targets set, as determined by the Committee.</p> <p>All payments are at the ultimate discretion of the Committee.</p>	<p>A balance of financial and non-financial measures is selected by the Committee at the start of each year.</p> <p>All targets are clear, stretching and measurable and relate to the main KPIs for the company.</p> <p>The measures agreed for 2025 and 2026 are set out in more detail later in this report.</p> <p>In addition to the performance measures set by the Committee, there is an underpin that the Committee must be satisfied that the financial and non-financial performance of the business over the performance period warrants the level of vesting.</p>	<p>Payments are subject to clawback for a two-year period after payment, in the event of material misstatement of performance, errors, inaccuracies or misleading information or assumptions being found to be the basis of the assessment of performance conditions, serious misconduct or any other reason at the discretion of the Remuneration Committee.</p>

Component of remuneration and how it supports the Yorkshire Water strategy	How does this operate and what is the maximum that may be paid?	What performance measures are used and why?	Are there any provisions to recover sums paid?
<b>Performance-related pay</b>			
<b>Long-Term Incentive Plan (LTIP)</b>			
<p>The LTIP is designed to ensure focus on long-term business goals and sustainability for the benefit of our customers, the environment, our investors and other stakeholders.</p> <p>The LTIP incentivises performance against stretching targets.</p>	<p>Performance targets are set at the beginning of the three-year performance period by the Committee with up to 110% of base salary vesting following the end of the third year, depending on the performance over the period against the targets set, as determined by the Committee.</p> <p>All payments are at the ultimate discretion of the Committee.</p>	<p>A balance of financial and non-financial measures is selected by the Committee at the start of each performance period.</p> <p>All targets are clear, stretching and measurable and relate to the main KPIs for the company.</p> <p>The measures agreed for the performance period starting on 1 April 2025 are set out in more detail later in this report.</p> <p>In addition to the performance measures set by the Committee, there is an underpin that the Committee must be satisfied that the financial and non-financial performance of the business over the performance period warrants the level of vesting.</p>	<p>Payments are subject to clawback for a two-year period in the event of material misstatement of performance, errors, inaccuracies or misleading information or assumptions being found to be the basis of the assessment of performance conditions, serious misconduct or any other reason at the discretion of the Remuneration Committee.</p>

## Non-executive directors' policy table

Component of remuneration and how it supports the Yorkshire Water strategy	How does this operate and what is the maximum that may be paid?	What performance measures are used and why?	Are there any provisions to recover sums paid?
<b>Fees</b>			
Fees are set to provide competitive pay to enable us to attract and retain the right calibre of individual and the right balance of skills on the Board. Only our independent non-executive directors receive any fees from the company.	<p>Fees are reviewed annually. Any increase will be guided by changes in market rates, time commitments and responsibility levels as well as by increases for the broader colleague population.</p> <p>The Chair is paid an all-encompassing fee to take account of all Board responsibilities. The other independent non-executive directors receive a base fee with additional fees paid for additional responsibility, such as the chairing of a committee or performing the role of the Senior Independent Director.</p> <p>In exceptional circumstances, if there is a temporary yet material increase in the time commitments for independent non-executive directors, the company may pay extra fees to recognise the additional workload.</p> <p>We reimburse our independent non-executive directors for any normal business-related expenses.</p>	Performance is addressed through regular one-to-one meetings between the Chair and each independent non-executive director. The performance of the Chair is reviewed at one-to-one meetings between the Chair and the Senior Independent Director.	There are no provisions to recover any sums paid.

## How does the remuneration policy for executive directors differ from that of other colleagues?

Overall, the remuneration policy set for the executive directors is more heavily weighted towards performance-related pay than for most other colleagues. As such, a greater proportion of their remuneration is dependent upon the performance of the business.

The key differences are noted in the table below:

Remuneration component	Difference
<b>Base salary</b>	<p>Base salaries are reviewed in the same way for executive directors as for other senior colleagues, considering market rate information, internal reference points, individual performance, the scope of the role, the financial performance of the business and the average increases across the rest of the business.</p> <p>Most colleagues are covered by collective agreements which are negotiated based on our principles of affordability, fairness and transparency. The outcome of these negotiations is also taken into account when considering pay increases for more senior colleagues.</p> <p>We pay all colleagues, contract partners and service providers salaries at least equivalent to the voluntary Real Living Wage.</p>
<b>Benefits</b>	<p>An increasing level of benefits is offered to colleagues as their job level increases. Those offered to the executive directors are consistent with those offered to other senior colleagues, with a slightly higher car allowance offered to the CEO.</p>
<b>Retirement benefits</b>	<p>All colleagues are entitled to pension contributions from Yorkshire Water. The amount contributed increases as the colleague contribution increases. The policy for executive directors is consistent with that for new colleagues across the business with a maximum company contribution of 12% of base salary.</p>
<b>Short-Term and Long-Term Incentive Plans</b>	<p>Performance-related pay awards are made only to those individuals who are most able to directly influence delivery of the corporate strategy. Along with the executive directors, senior leaders are also invited to participate in the performance-related pay schemes. The performance measures and performance periods are the same for all participants in the scheme. The level of award increases with seniority.</p> <p>Colleagues just below senior leader level participate in an annual bonus scheme with payments of up to ten or 15 per cent of salary, dependent on role. All other colleagues participate in a bonus scheme which pays up to £1,000 per annum depending on company performance.</p>

## Service contracts

Our policy is to set notice periods for executive directors at six months' notice from either party. The current service agreement dates are set out in the table below:

Director	Date of appointment	Date of current service agreement
Nicola Shaw	9 May 2022	6 April 2022
Martin Gee	6 May 2025	31 March 2025

## Letters of appointment

Independent Non-Executive Directors are appointed by letters of appointment for a period of two years. Appointments may be renewed by mutual agreement for further periods of up to two years subject to a total period of nine years' service with the company. The letters of appointment allow for termination by either party without a requirement for notice.

The appointment of the Chair is for a period of three years and may be renewed by mutual agreement for further periods of up to three years, subject to a total period of nine years' service with the company. The notice period is set at three months for either party.

The dates of the current letters of appointment are noted in the table below:

Director	Date of appointment	Date of current letter of appointment
Vanda Murray	1 July 2021	1 July 2024
Furqan Alamgir	1 October 2024	–
Wendy Barnes	1 November 2022	1 November 2024
Andrew Merrick	1 June 2019	1 June 2025
Julia Unwin	1 January 2017	1 January 2025
Andrew Wyllie	1 September 2017	1 September 2023

The following Non-Executive Director appointments were made in accordance with Clause 4 of the Shareholders Agreement dated 20 June 2023. This permits investors to appoint representatives to the company in accordance with their holdings.

Non-executive director	Appointed
Simon Beer	26 November 2024
Isabelle Caumette	20 November 2023
Andrew Dench	13 September 2017
Russ Houlden	19 January 2022
Scott Auty (as an alternate for Isabelle Caumette)	20 January 2025



# Annual report on remuneration

**This part of the Directors' remuneration report sets out the amounts we have paid to directors for the year ended 31 March 2025 and describes how the policy will be implemented in 2026.**

The financial information contained in this part of the report has been audited where indicated.

	Nicola Shaw		Paul Inman		Total	
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
<b>Base salary</b>	615	585	407	388	1,022	973
<b>Taxable benefits</b>	13	13	9	9	22	22
<b>Retirement benefits</b>	61	59	41	39	102	98
<b>Total fixed remuneration</b>	<b>689</b>	<b>657</b>	<b>457</b>	<b>436</b>	<b>1,146</b>	<b>1,093</b>
<b>EIP – short term element</b>	–	371	–	245	–	616
<b>EIP – long-term element</b>	–	–	6	–	6	–
<b>Total variable remuneration</b>	<b>–</b>	<b>371</b>	<b>6</b>	<b>245</b>	<b>6</b>	<b>616</b>
<b>Buy-out payments</b>	–	–	199	–	199	–
<b>Sub-total</b>	<b>–</b>	<b>–</b>	<b>199</b>	<b>–</b>	<b>199</b>	<b>–</b>
<b>Total</b>	<b>689</b>	<b>1,028</b>	<b>662</b>	<b>681</b>	<b>1,351</b>	<b>1,709</b>

## Notes to the table

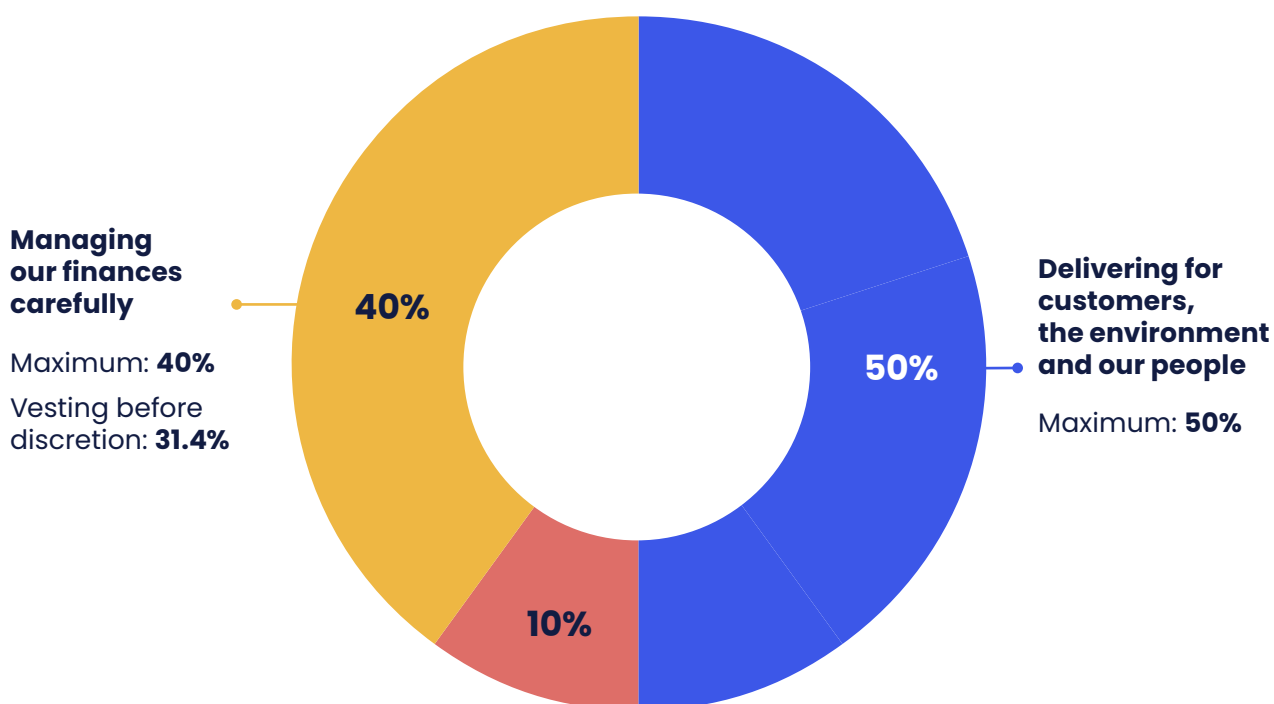
- Nicola and Paul received their retirement benefits in cash during the year instead of opting for a contribution to the Kelda Stakeholder+ Plan.
- Buy-out payments represent a payment of £199,000 paid to Paul in September 2024 to compensate him for remuneration he forfeited upon his resignation from his previous role in order to join Yorkshire Water.
- Both Nicola and Paul also received remuneration for services to other group companies in the year, which was paid by Kelda Holdings Limited and is therefore disclosed in the Financial Statements of that company.

## EBP

The EBP is an annual bonus scheme with awards made with effect from 1 April each year. The EBP has metrics which are agreed by the Remuneration Committee each year to measure performance in key areas during the year.

EBP awards will not vest unless the Committee is satisfied that the underlying financial and non-financial performance has been satisfactory over the performance period, considering any relevant factors.

The Committee has authority to exercise its discretion to adjust the level of vesting to any extent considered appropriate. Any amounts that vest are paid in cash to participants in July of each year.



## Outstanding long-term awards as at 31 March 2025

The table below relates to the long-term elements of the EIP and LTIP schemes:

	Nicola Shaw			Paul Inman		
Effective date of award	09.05.2022	01.04.2023	01.04.2024	01.03.2023	01.04.2023	01.04.2024
Awards outstanding at 1 April 2024 £'000	367	555	-	23	371	-
Awards made in the year £'000	-	-	676	-	-	448
Vested during the year £'000	-	-	-	6	-	-
Lapsed during the year £'000	22	-	225	2	-	149
Waived during the year £'000	100	-	-	-	-	-
Awards outstanding at 31 March 2025 £'000	245	555	451	15	371	299
Face value of maximum total award £'000	245	555	451	15	371	299
Total % that would vest at threshold performance %	20%	20%	20%	20%	20%	20%

The LTIP awards made in the year to 31 March 2025 have been reduced by one third to reflect the impact of the Ofwat Prohibition Rule as a result of the undertakings signed with Ofwat in March 2025, and the Category 1 pollution incident in December 2024.

## Payments for loss of office (audited)

No payments have been made for loss of office during the year under review.

## The retirement of Paul Inman

Paul Inman retired from the Board after the year-end, on 31 May 2025, having worked his six months' notice. The Committee reviewed the pay arrangements for his departure and agreed that Paul should be treated as a good leaver in accordance with the rules of the EIP, EBP and LTIP. This means that he will still receive the awards that remain outstanding at the date of his departure, but that these will be pro-rated to the date of his leaving. Paul has outstanding awards that fall due in July 2025, July 2026 and July 2027. The amounts to be paid will be calculated each year in line with the vesting of the schemes and these will be disclosed in the relevant remuneration report.

## Payments to past directors (audited)

No payments were made to past directors during the year.

## Independent non-executive directors

### Single total figure table (audited)

The total annual fees paid to each independent non-executive director are shown in the table below.

Non-executive director	2025 £000	2024 £000
Vanda Murray	303	289
Furqan Alamgir <sup>1</sup>	31	-
Wendy Barnes	82	85
Andrew Merrick	75	71
Ray O'Toole <sup>2</sup>	-	15
Julia Unwin	75	71
Andrew Wyllie	85	81

<sup>1</sup> Furqan Alamgir joined the Board on 1 October 2024 and therefore his fee was pro-rated from that date.

<sup>2</sup> Ray O'Toole stepped down from the Board on 6 July 2023 and therefore his fee was pro-rated to that date.

The investor directors do not receive any remuneration from Yorkshire Water.

## Remuneration of the CEO

The table below sets out the remuneration for our CEO in each of the last ten years.

If there was a change of CEO part way through the year, we have added together the total remuneration to show the total paid for the role of CEO in that year.

	2025 £000	2024 £000	2023 £000	2022 £000	2021 £000	2020 £000	2019 £000	2018 £000	2017 £000	2016 £000
Total remuneration	689	1,028	767	1,419	1,316	1,469	1,328	932	1,328	1,231
Annual bonus paid against maximum opportunity <sup>1</sup>	-	42.2%	-	43.0%	84.0%	74.8%	64.6%	67.7%	73.5%	60.0%
Long-term incentive vesting against maximum opportunity <sup>2</sup>	-	-	-	39.5%	45.3%	74.8%	50.0%	-	50%	50%

<sup>1</sup> Our CEO, Nicola Shaw, waived her annual bonus for the year ended 31 March 2023. The amount that vested was 47.9% of the maximum, equivalent to £369,000, but this was not paid.

<sup>2</sup> Nicola Shaw joined the business in May 2022 and therefore did not participate in a long-term incentive scheme vesting in 2023 or 2024. She waived her entitlement to receive any long-term vesting in 2025, equivalent to £100,000.

## Implementation of policy for 2026

The table below sets out how we will implement the remuneration policy for the 2026 financial year:

Implementation in 2026	
<b>Base salary</b>	<p>The Committee reviewed base salaries in March 2025 and agreed an increase of 4.5% for Nicola and Paul to align with the increase given to other colleagues with effect from 1 April 2025.</p> <p>The base salaries for 2026 are therefore as follows:</p> <ul style="list-style-type: none"> <li>• Nicola Shaw: £642,418</li> <li>• Paul Inman: £425,294, up until his retirement on 31 May 2025</li> <li>• Martin Gee: £500,000, from his appointment on 6 May 2025</li> </ul>
<b>Benefits</b>	Benefits remain unchanged from 2025.
<b>Retirement benefits</b>	Retirement benefits have increased from 1 April 2025 to 12% of base salary, to align with the increase offered to all colleagues across the business from the same date.
<b>EBP and LTIP</b>	Performance-related pay awards made with effect from 1 April 2025 for Nicola Shaw and 6 May 2025 for Martin Gee are equivalent to a maximum of 110% of base salary for both executive directors for EBP and 110% of base salary for the LTIP, with the LTIP subject to a three-year performance period. No performance-related pay award will be made to Paul Inman in the year ended 31 March 2026.

## The appointment of Martin Gee

Martin has joined the Board as our new CFO after the year-end, on 6 May 2025. The Board believes Martin brings the skills and experience required to continue the work begun by Paul Inman in his time with the business. The role of CFO was benchmarked against similar roles in the top-half of the FTSE 250, as well as similar utilities, to obtain a view of the appropriate market rate for the role. This also took into account the current challenge of working in the water sector and the significant demands of the role.

The Committee concluded that the base salary to be offered to Martin should be £500,000, with the rest of the benefits and remuneration in line with that offered to Paul.

In leaving his previous role to join Yorkshire Water, Martin had to forfeit his participation in the annual incentive scheme offered by his previous employer. The Committee agreed to exercise its discretion to compensate Martin for the losses he incurred upon his resignation from his previous role. This amount will be confirmed and paid in August 2025 and disclosed in our report next year. This payment is subject to Martin remaining in the employment of Yorkshire Water for 12 months from the date of payment.

## Independent Non-Executive Directors

The Board undertook its annual review of fees for the Independent Non-Executive Directors in March 2025, taking into account the average increase for the wider workforce of 4.5%. It decided that the same increase of 4.5% should be applied to the base fees for Independent Non-Executive Directors and for the Chair, with additional fees increased to £15,000 for the role of Committee Chair and £12,000 for the role of Senior Independent Director, to align more closely with the median rate for the market. These changes are effective from 1 April 2025.

The fees to be paid in 2026 are set out below:

	£000
Chair fee	317
Base Independent Non-Executive Director fee	65
Additional fee for Committee Chair <sup>1</sup>	15
Additional fee for Senior Independent Director	12

<sup>1</sup>The additional fee for the role of Committee Chair is not paid to the Chair for her role as Nomination Committee Chair. The fee paid to Vanda as Chair already encompasses her additional role as Committee Chair.





## Remuneration Committee

The membership and attendance at Committee meetings during the year is shown in the table on [page 392](#). Meetings are also attended by the CEO, the Director of People, the Head of Reward and the Company Secretary. No colleagues are present when their own reward is discussed. The Remuneration Committee is a sub-committee of the Board and has five scheduled meetings a year. The specific matters considered by the Committee at each of the meetings are shown in the table below:

Meeting	Matters considered
<b>May 2024</b>	<ul style="list-style-type: none"> <li>• A detailed discussion around performance-related pay outcomes in 2024, including consideration of guidance from Ofwat and potential areas for Committee discretion.</li> <li>• Approval of the remuneration package for the appointment of a member of the Executive team.</li> <li>• A review of the draft Directors' remuneration report for 2024.</li> </ul>
<b>June 2024</b>	<ul style="list-style-type: none"> <li>• A detailed discussion and approval of performance-related pay outcomes for schemes vesting in July 2024.</li> <li>• Approval of the Directors' remuneration report for 2024.</li> </ul>
<b>July 2024</b>	<ul style="list-style-type: none"> <li>• Approval of the EBP and LTIP targets for the awards made on 1 April 2024 and the long-term targets for the EIP awarded on 1 April 2023.</li> <li>• Approval of the new scheme rules for the EBP and LTIP.</li> </ul>
<b>January 2025</b>	<ul style="list-style-type: none"> <li>• A detailed discussion around executive remuneration and the impact of the Water (Special Measures) Bill, as well as an update on variable pay performance for the year-to-date.</li> <li>• Approval of the over-arching measures to be used in the EBP and LTIP to be awarded on 1 April 2025.</li> <li>• Approval of the updated Terms of Reference for the Committee.</li> <li>• Discussion around the psychology of incentivisation, presented by PricewaterhouseCoopers.</li> </ul>
<b>March 2025</b>	<ul style="list-style-type: none"> <li>• An update on performance-related pay performance.</li> <li>• Approval of the detailed metrics to be used in the EBP and LTIP to be awarded on 1 April 2025.</li> <li>• Approval of the annual pay award for the Executive team.</li> <li>• A review of the first draft of the Directors' remuneration report for 2025.</li> </ul>

During the year under review, the Committee received remuneration advice from Willis Towers Watson. Willis Towers Watson received fees of £25,000 for their updates on the remuneration market, and benchmarking data in relation to executive director and senior management roles. Willis Towers Watson did not provide any other services to the business during the year. They are signatories to the Remuneration Consultants Group Code of Conduct and the Committee has reviewed the way in which they operate and their relationships with the business and is satisfied that the advice it receives is independent and objective.

During the year, an externally facilitated performance review was undertaken of the Board and all of its committees. The feedback on the Remuneration Committee showed it to be continuing to operate effectively.

#### The Committee is responsible for:

- Setting the remuneration policy for all executive directors and senior executives, considering relevant legal and statutory requirements, the Ofwat Board Leadership, Transparency and Governance Principles, and the UK Corporate Governance Code, having regard to pay and employment conditions across the business;
- Ensuring the remuneration policy attracts, retains and motivates executive management of the quality required to run the company successfully, without paying more than necessary and while having regard to the views of investors and other stakeholders and driving delivery for customers and the environment;
- Considering the clarity, simplicity, risk mitigation, predictability, proportionality and alignment to purpose, values, strategy and culture of the remuneration policy and practices;
- Designing remuneration policies and practices that support the business strategy and promote long-term sustainable success, aligned to performance, behaviours and the achievement of the company purpose, values and strategy;
- Using discretion where appropriate to over-ride formulaic outcomes;
- Overseeing any remuneration paid to leavers from amongst the executive directors and senior executives; and
- Appointing remuneration consultants to provide reports, surveys or information deemed necessary to assist with the setting of an appropriate remuneration policy.

Copies of the Terms of Reference are available from the Company Secretary or are on our website at [yorkshirewater.com](https://yorkshirewater.com)

## Consideration of shareholders' views

The presence of four directors representing investors on the Board of Yorkshire Water enables a direct flow of communication and sharing of views by investors to the Board. Three of the four investor directors also sit on the Remuneration Committee.

#### Approved by and signed by the order of the Board



**Kathy Smith**  
Company Secretary  
10 July 2025

# Long-term viability statement

We publish our long-term viability statement in our Annual Reports and Financial Statements (ARFS) on page 215 and this is published simultaneously with this Annual Performance Report. Information on how we identify and manage our risks is also included in our ARFS on page 108. Click here to view our ARFS on our reports webpage: [yorkshirewater.com/reports](https://yorkshirewater.com/reports)



# 7. Transactions with associates and the non-appointed business



<b>Loans by or to the appointee</b>	<b>421</b>
<b>Loans between Yorkshire Water and its parent companies</b>	<b>422</b>
<b>Dividends paid to any associated company</b>	<b>423</b>
<b>Guarantees or other forms of security by the appointee</b>	<b>425</b>
<b>Transfer of any corporation tax group losses by or to the appointee</b>	<b>427</b>
<b>Supply of any service by or to the appointee</b>	<b>428</b>
<b>Omission by the appointee or any associated company to exercise a right as a result of which the value of the net assets of the appointee is decreased</b>	<b>430</b>
<b>Waiver of any consideration, remuneration or other payment by the appointee</b>	<b>430</b>
<b>Transfer of any asset or liability by or to the appointee</b>	<b>430</b>

# Loans by or to the appointee

**The following points detail Yorkshire Water's transactions with associated companies and its non-appointed business.**

## **Loans between Yorkshire Water and its subsidiaries**

The following wholly owned subsidiary companies have on-lent to Yorkshire Water sums raised from the issue of corporate debt. They are both registered in England and Wales and have their registered office at Western House, Halifax Road, Bradford BD6 2SZ:

### **1. Yorkshire Water Finance plc (YWF)**

YWF is a public limited company (registered number 11444372).

As part of a re-organisation that took place in the 2018/2019 financial year, YWF was substituted as the issuer on approximately £3 billion of listed bonds and private notes that had been originally issued by Cayman Island incorporated companies (being Yorkshire Water Services Odsal Finance Limited and Yorkshire Water Services Bradford Finance Limited respectively - both of which have now been liquidated).

It is intended that YWF will conduct all future public bond financings that will be on-lent to (and guaranteed by) Yorkshire Water. Finance raised will fund, amongst other things, Yorkshire Water's extensive regulated capital programme and ongoing operating expenditure.

### **2. Yorkshire Water Services Finance Limited (YWSF)**

YWSF is a private company incorporated with limited liability (registered number 04636719).

YWSF is the issuer of legacy bonds that have been on-lent to (and guaranteed by) Yorkshire Water. However, YWSF has not issued any bonds since 2007/2008 and will not issue any bonds in the future, as all new bonds will be issued by YWF.

# Loans between Yorkshire Water and its parent companies

## Loans between Yorkshire Water and its parent companies are as follows:

1. Loan 1 from Yorkshire Water to Kelda Eurobond Co Limited. A long-term loan was made by Yorkshire Water during 2008/2009 to reflect the market value of certain inflation linked swaps that were novated to Yorkshire Water at that point in time. During the year ended 31 March 2015 a legal entity reduction exercise removed a number of surplus companies within the Kelda Group that included the removal of Kelda Holdco Limited. As a result, the counterparty for this loan was moved from Kelda Holdco Limited to Kelda Eurobond Co Limited on the same terms as the original loan.  
  
As at 31 March 2025 the balance outstanding on this loan was £195.1m (2024: £195.1m). Interest on this loan is payable at market rates.
2. Loan 2 from Yorkshire Water to Kelda Eurobond Co Limited. A long-term loan was made by Yorkshire Water to Kelda Holdco Limited during 2009/2010 to enable the refinancing of acquisition debt held by Kelda Holdco Limited at that time. During the year ended 31 March 2015 a legal entity reduction exercise removed a number of surplus companies within the Kelda Group that included the removal of Kelda Holdco Limited. As a result, the counterparty for this loan was moved from Kelda Holdco Limited to Kelda Eurobond Co Limited on the same terms as the original loan.  
  
As at 31 March 2025 the balance outstanding on this loan was £242.1m (2024: £342.1m).

A repayment profile is in place for the repayment of the loans to Kelda Eurobond Co Limited. In October 2022 it was agreed with Ofwat that these loans would be repaid by April 2027 defined on the following basis: at least £300.0m by the end of June 2023; at least £200.0m by the end of March 2025; the balance of the loans by the end of March 2027. In June 2023 £400.0m was received reducing the outstanding total loan balances to £537.2m. In May 2024, a further £100.0m was received reducing the outstanding total loan balances to £437.2m.



# Dividends paid to any associated company

## Our dividend policy:

We have a dividend policy, in compliance with Condition P30 of the Yorkshire Water Instrument of Appointment, which requires that distributions will only be made after an appropriate financial resilience analysis has been undertaken, that dividends will be adjusted to reflect and recognise company performance and benefit sharing from service and efficiency performance. The policy ensures that delivery for customers and the environment is not just considered but factored into any amounts that are to be paid as dividends. Whenever a dividend is considered by the Board, a paper is prepared for the Board's consideration, which sets out the purpose of the dividend and how it complies with the dividend policy and Condition P30 accordingly.

When approving dividends to be paid in a financial year, the Board assesses both company performance to date, the financial year in question and that which is expected for the whole of the AMP. As such, dividend payments are considered within the longer-term context of the business and not just on the basis of the previous 12 months. There is explicit consideration of the ability of the business to be able to deliver into the future.

During the financial year, Yorkshire Water paid dividends totalling £52.5m (2024 £84.1m). All dividends paid during the year were compliant with the current Board approved dividend policy and Condition P30.

## The company's approach to recommending the dividend included the following steps:

- Determining an appropriate base dividend level reflecting the company's actual capital structure;
- Applying an 'in-the-round' adjustment to reflect the wider considerations required by our dividend policy and Condition P30; and
- Ensuring that the company remains financially resilient and that there are sufficient profits available for distribution in the foreseeable future.

A base dividend yield of 4.0% was considered appropriate for the year to March 2025, being consistent with Ofwat's guidance that a base dividend yield of 4.0% is reasonable for a company whose in-the-round performance aligns with their determination and has little real RCV growth. This would imply a base dividend for the year of £112.5m.

In determining an appropriate 'in the round' adjustment, the wider considerations of the Board included, but were not limited to:

- The ability of Yorkshire Water to finance its current and future activities;
- The financial resilience of Yorkshire Water;
- Yorkshire Water's performance against the PRI9 Final Determination, including in relation to specific performance commitments;
- Customer service delivery;
- The level of real RCV growth;
- The wider environmental performance of Yorkshire Water; and
- The risk of regulatory fines and penalties.

On balance, the Board determined that a yield reduction of 2.1% was appropriate (a dividend reduction of £60m), resulting in an overall dividend yield for the year of 1.9% (2024: 2.9%). This compares to a Return on Regulated Equity (on an actual equity basis) of 2.76% for the year (5.59% excluding additional storm overflow investment) and cumulatively over the AMP of 3.18% (3.94% excluding additional storm overflow investment).

#### **The key determining factors behind the reduction in dividend were:**

- **Environmental performance.** Significant steps have been taken in the year, including the ongoing investment of £180m in improving storm overflows. However, the Board recognises that the business did not achieve the level of performance required, including the retention of a two-star Environmental Performance Assessment rating and a number of serious pollution events. The Board recognises that wider environmental performance is not yet at the levels required and a reduction in dividend payment was appropriate to support the company's planned improvements.
- **The risk of regulatory fines and penalties.** Along with all other water and wastewater companies, Yorkshire Water has been investigated by Ofwat in relation to sewage treatment works. Ofwat reached a final decision in relation to this investigation in March 2025 with Yorkshire Water agreeing to invest an additional £40m over the 2025–30 period to improve the quality of rivers in its region. This £40m investment will be entirely funded by the company and its shareholders across AMP8; therefore no specific adjustment to the dividend this year was considered necessary in relation to this additional £40m investment. The outcome of a similar investigation by the Environment Agency, which is still ongoing is not yet known.
- **Performance against the PR19 determination.** Yorkshire Water delivered a reasonable level of return for the year, representing 5.6% on an actual equity basis (excluding the impact of additional storm overflow investment separately funded); however this return was partly supported by the high levels of inflation experienced in the period, whilst ODI (customer) performance has been below expectations. Consistent with Ofwat guidance, the Board considered that it was appropriate not to fully reflect the inflation benefit within the dividend paid and to retain some of this year's return in the company to support its planned improvements to customer performance.

The return for the year on an actual equity basis (excluding all financing performance) is 2.0%, so no in year inflation related financing performance is being used to finance the dividend paid of 1.9%.

On a cumulative basis for the 2020–25 period, the total return for the AMP on an actual equity basis (excluding all financing performance) is 1.8% versus a cumulative dividend yield for the AMP of 2.5%. As such, only 0.7% RoRE of cumulative financing performance (about one third of the total) is being used to finance the total dividends paid across the AMP.

On this basis, the total proposed deduction to the dividend yield of 2.1% in year and 1.5% for the AMP as a whole, is considered to reflect a large level of prudence in relation to the impact of inflation, particularly as inflation has also caused an element of the cost under performance.

- **Financial resilience.** The financial resilience position of Yorkshire Water improved over the course of the year, supported by the £100m intercompany loan repayment from Kelda Eurobond Limited; however Yorkshire Water remains an "Elevated Concern" within Ofwat's latest 'Monitoring Financial Resilience' report. The company is targeting further improvement and the retention of part of this year's return to support this was considered appropriate.

The dividends paid in year bring the cumulative dividend yield for the current AMP to 2.5%, remaining below the cumulative return on an actual equity basis of 3.9% (excluding additional storm overflow investment separately funded).

None of the dividends in the current year were paid to the shareholders of Kelda Holdings Limited (2024: £nil), Yorkshire Water's ultimate parent company, as they continue to support the company's financial resilience and improvement plan.

The dividends for the year included distributions of £15.7m (2024: £27.9m) that did not impact the company's liquidity position or its distributable reserves as they were returned to the company in the form of interest receipts on intercompany loans.

# Guarantees or other forms of security by the appointee

Certain bank accounts held by Yorkshire Water and its subsidiaries, YWF and YWSF, form a pooling arrangement, whereby the balances on accounts are offset with each other. This facility is subject to provision of cross guarantees between Yorkshire Water, YWF and YWSF whereby each company guarantees the current account liabilities of applicable bank accounts held by the other.

This pooling arrangement has a net overdraft limit of £5.0m.

As disclosed above, Yorkshire Water has also guaranteed bonds and private notes issued by its subsidiaries.

	Nominal £m	Coupon %	Maturity Date Year	Book liability at 31 March 2025 £m
<b>Fixed Rate</b>				
Yorkshire Water Services Finance Limited	7.400	5.500	2027	7.168
Yorkshire Water Services Finance Limited	200.000	5.500	2037	196.559
Yorkshire Water Finance Plc	300.000	1.750	2026	299.567
Yorkshire Water Finance Plc	135.500	6.454	2027	135.434
Yorkshire Water Finance Plc	60.000	2.030	2028	59.898
Yorkshire Water Finance Plc	250.000	3.625	2029	228.636
Yorkshire Water Finance Plc	90.000	3.540	2029	85.259
Yorkshire Water Finance Plc	300.000	5.250	2030	295.685
Yorkshire Water Finance Plc	255.000	6.601	2031	254.834
Yorkshire Water Finance Plc	50.000	2.140	2031	49.874
Yorkshire Water Finance Plc	350.000	1.750	2032	346.057
Yorkshire Water Finance Plc	90.000	4.965	2033	82.515
Yorkshire Water Finance Plc	50.000	2.210	2033	49.855
Yorkshire Water Finance Plc	500.000	6.375	2034	494.926
Yorkshire Water Finance Plc	375.000	5.500	2035	363.034
Yorkshire Water Finance Plc	40.000	2.300	2036	39.868
Yorkshire Water Finance Plc	50.000	2.300	2036	49.835
Yorkshire Water Finance Plc	300.000	6.375	2039	301.670
Yorkshire Water Finance Plc	725.000	2.750	2041	627.861
<b>Total fixed rate</b>				<b>3,968.535</b>

	Nominal £m	Coupon %	Maturity Date Year	Book liability at 31 March 2025 £m
<b>Fixed Rate</b>				
Yorkshire Water Services Finance Limited	65.000	1.823	2050	124.057
Yorkshire Water Services Finance Limited	125.000	1.462	2051	245.083
Yorkshire Water Services Finance Limited	85.000	1.758	2054	162.459
Yorkshire Water Services Finance Limited	125.000	1.460	2056	245.036
Yorkshire Water Services Finance Limited	100.000	1.709	2058	190.814
Yorkshire Water Finance Plc	127.800	3.307	2033	229.211
Yorkshire Water Finance Plc	260.000	2.718	2039	486.723
Yorkshire Water Finance Plc	100.000	4.276	2039	100.702
Yorkshire Water Finance Plc	50.000	2.160	2041	82.116
Yorkshire Water Finance Plc	50.000	1.803	2042	81.305
<b>Total inflation linked</b>				<b>1,947.506</b>



# Transfer of any corporation tax group losses by or to the appointee

Corporation tax group relief received by regulated business £m	Associate surrendering the group relief	Turnover of the associate £m	A statement of the means by which the payment for the group relief has been established	Value of group relief £m
65.199	Kelda Eurobond Co Limited	nil	Prevailing corporation tax rate	16.300
21.799	Kelda Finance (No 2) Limited	nil	Prevailing corporation tax rate	5.450
4.301	Kelda Group Limited	9.966	Prevailing corporation tax rate	1.075
0.381	Loop Customer Management Limited	28.981	Prevailing corporation tax rate	0.095
1.245	Keyland Developments Limited	0.472	Prevailing corporation tax rate	0.311
0.003	Three Sixty Water Services Limited	nil	Prevailing corporation tax rate	0.001
0.003	Kelda Transport Management Limited	2.316	Prevailing corporation tax rate	0.001
<b>92.931</b>				<b>23.233</b>

# Supply of any service by or to the appointee

**A significant proportion of the activities identified within retail (household) are performed by Loop, a UK based company. All the costs associated with these contracts are charged to Yorkshire Water via an annual contract fee. Yorkshire Water & Loop are wholly owned subsidiaries of Kelda Group Limited.**

Yorkshire Water receives supply of services from associates within the Kelda Group. These charges are for corporate functions including teams such as Finance, Internal Audit and transport management.

The below table shows the services received by the regulated company in accordance with the threshold of 0.5% appointed turnover or greater than £100k.

Services received by regulated business	Associate Company (providing service)	Turnover of the associate £m	Terms of supply	Value of service received by regulated business £m
Corporate charges	Kelda Group Limited	9.966	Cost allocation	9.152
Customer services (HH)	Loop Customer Management Limited	28.981	Cost allocation	28.882
Property services	Keyland	4.716	Cost allocation	0.000
Transport Management	KTML	2.316	Management charge	2.316



Yorkshire Water also charges Kelda Group associates for any support service function activity, this includes functions such as IT, facilities, and other various common services within the Group. The cost and revenues associated with this is allocated to non-appointed and follows RAG 5 guidelines.

The table below shows these recharges.

Services provided by regulated business	Associate Company	Turnover of the associate £m	Terms of supply	Value of service provided by regulated business £m
	Kelda Group Limited	9.966	Cost allocation	0.547
	Loop Customer Management Limited	28.981	Cost allocation	1.064



# Omission by the appointee or any associated company to exercise a right as a result of which the value of the net assets of the appointee is decreased

We have nothing to report against this for 2024/2025.

## Waiver of any consideration, remuneration or other payment by the appointee

We have nothing to report against this for 2024/2025.

## Transfer of any asset or liability by or to the appointee

We have nothing to report against this for 2024/2025.

# Thank you for reading



Yorkshire Water Services Limited,  
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Registered in England and Wales No.02366682

**yorkshirewater.com**



**YorkshireWater**