

February 2015

YorkshireWater

The world is changing – and so are we. We've got a plan, which we're calling our Blueprint for Yorkshire.

Over the past three years we've undertaken our biggest ever, industry-leading customer and stakeholder consultation to find out what you really need from us. We listened and reflected on what you told us, and as a result, we're using your views to shape the direction of our business. This is a plan built around your priorities.

We have ongoing responsibilities to provide you with safe and reliable drinking water and to return waste water safely back into the environment. While doing this, we need to deliver the level of service you expect at a price you can afford. We need to ensure our colleagues and partner organisations are safeguarded by complying with legislation and providing the highest levels of health, safety and wellbeing. In planning the next five years we've also been guided by our company vision of 'Taking responsibility for the water environment for good'. This aligns with our customers' priorities and reflects our aim to invest for a sustainable future while keeping bills affordable.

Investing for the future

In 2013 we published 'Our Blueprint for Yorkshire – the next 25 years' which explains the journey we will need to take to deliver these priorities, meet our vision and ensure that we are playing our part in the continued success of the Yorkshire region.

This part of our Blueprint, focuses on the next five years of our 25 year plan

It is written specifically for you as a household or business customer, explaining what our proposals mean for you and how they form part of our future plans.

Between 2015-2020 we plan to spend £3.8 billion to deliver the resilient services customers and stakeholders told us that they need and 95% of this expenditure relates to our customers' highest priorities. There are many improvements we need to make to protect and improve the environment, but we're going to make them while reducing your bills.

Our plan includes a real price reduction of £9 per annum off the average household bill for every year between 2015-2020, a reduction of around 2.5%. This is on top of a £6 reduction we made in 2014/15. We have tested all of our proposals with customers to gain their support and since then we've worked to achieve these reduced prices.

Thank you for taking the time to read about our Blueprint. We hope that you are as excited about the future as we are. We believe that this is the right outcome for Yorkshire. Right for customers, right for the environment, and right for the long-term sustainability of our business.



Richard Flint, Chief Executive
and members of the Yorkshire Water Board

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This part of our Blueprint summarises our plans for the next five years including...

**What it
will cost**

**How we
will deliver
our plan**

**The benefits
for you and
Yorkshire**

We will protect and improve the environment and continue to address future challenges of population growth and climate change while reducing your bills in real terms.



1. The right outcome for Yorkshire

Over the next five years, from 2015 to 2020, we'll be laying down foundations that will help us face some big challenges ahead. To help us get this right, we've revised our vision for the future and involved you, our customers, in shaping our plans. You've helped us to identify the outcome for Yorkshire that we'll be working towards.

We continually review our priorities against a background of climate change, a growing population and increasing demands for improvements to the environment and it's clear we need to play a bigger role in managing the environment and thinking about the longer term needs of Yorkshire.

To help us meet these new challenges, we have a new vision: 'Taking responsibility for the water environment for good'. It's about acting responsibly, delivering high standards and meeting our stakeholders' needs today and tomorrow.

We've developed a plan to help us achieve this new vision. Working in an open, transparent and fair way with stakeholders, we have worked to understand what our customers, the environment and our investors need from us.

We looked at our assets to understand the costs involved and we've talked to customers and asked them to help us shape our plan. We think it balances the needs of everyone.

What you told us has helped us identify seven things that you want us to achieve. We called them 'Outcomes for Yorkshire'.

The seven outcomes



We provide you with water that is clean and safe to drink



We make sure that you always have enough water



We take care of your waste water and protect you and the environment from sewer flooding



We protect and improve the water environment



We understand our impact on the wider environment and act responsibly



We provide the level of customer service you expect and value



We keep your bills as low as possible

Keeping our promises over the next five years from 2015-2020

Our plan to deliver the outcomes over the next five years is focused on maintaining core services and ensuring we can meet our statutory obligations to deliver clean, safe drinking water and protect the environment. We plan to invest a total of £3.8 billion to:

- Reduce leakage by 10 million litres a day.
- Maintain drinking water quality by improving five of our treatment works serving the people of Scarborough, Selby and Sheffield. We'll also continue to tackle lead pipework where this presents a risk to you.
- Invest in sewage treatment works to reduce pollutants into the environment – we'll also remove a number of obstructions to fish movement in rivers by installing fish passes.
- Nearly 80% of our investment will be targeted towards maintaining and enhancing your current service levels.

Helping vulnerable customers and managing debt

We've built a plan to keep your bills low. However, we recognise that some customers find themselves in circumstances where they face difficulties in paying. We have a range of ways to help including:

- Water efficiency advice
- Changing to a metered tariff
- Flexible payment arrangements
- Help with costs when a little extra support is needed.

We're here to help when you need us.

We believe this is a fair plan that has been based on your feedback and your needs, challenged by customer and stakeholder representatives through the Customer Forum and which takes account of all the costs we'll incur between 2015 and 2020. As a result, our prices will rise by no more than inflation right through until 2020.

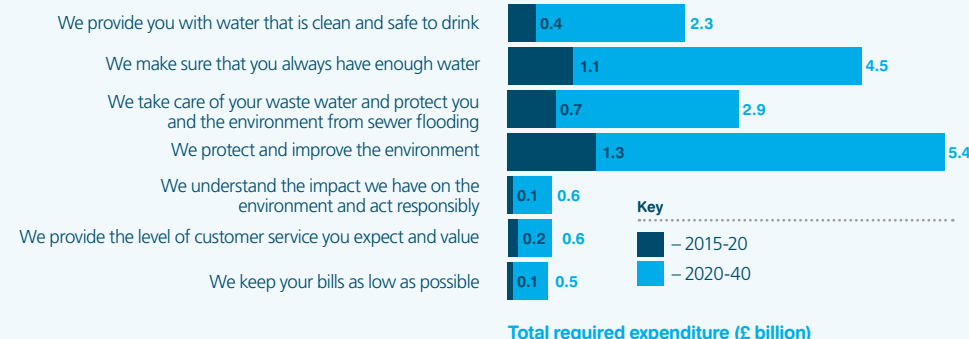


Planning for the challenges of the next 25 years from 2015-2040

In September 2013, we also published our long-term strategic direction. It showed how, over the 25 years from 2015, we'll need to invest around £20.8 billion to achieve the outcomes you want, with £18.7 billion (90%) spent on your highest priority outcomes; maintaining and enhancing our services to ensure we can bring you sufficient safe,

clean drinking water and take away your waste water, while protecting the environment. The plan takes account of the extra 855,000 people who are expected to be living in Yorkshire by 2040. The graph below shows where our investment will be focused.

25 year investment need



2. What will our plans cost you?

During 2015 to 2020 the average bill will not increase by any more than the rate of inflation.

In developing our five year plan, we consulted with our customers every step of the way and asked you to choose the level of investment that's right for you. Overall, you told us you want us to keep your bills fair and affordable and that asking you to pay more just isn't acceptable in the current economic climate. We've worked really hard to keep bills low while still delivering the service you expect. So, for the five year period from 2015-2020 your bill will reduce by 2.5% in real terms by the end of 2015-20 which will mean that it will increase by less than the rate of inflation. The average combined bill will be £373 in 2015 and by including the rate of inflation and the proposed reduction in bills, this will increase to £426 by 2020.

Over the five years, we're proposing to spend £3.8 billion to maintain and improve our services and the environment. We will need to borrow a further £1.4 billion to deliver your essential services and we will need to pay the interest on these borrowings to our investors and dividends to our shareholders (it's a bit like having a mortgage). To attract this long-term investment we also have to provide fair returns to our investors that are comparable with the returns they could make in other long-term investment opportunities. On average, we expect to pay a return of 4.2% to our investors.

Our bills are some of the lowest in the industry. We plan to keep your bills low.

Why we have to factor in the effects of inflation:

Like many others, we are affected by changes in inflation. We know that between 2015-2020 our costs to deliver our services will go up. Examples of this are increasing energy prices and the cost of resources like fuel and chemicals. This means that our annual charges will change each year as we need to include the cost of inflation in your bill.

We never forget that your money pays for everything we do so we want to be really clear about our charges and any changes to the cost of your bills that you can expect. That's why we have decided to show you what this part of our Blueprint will cost you between 2015-2020, including the likely cost of inflation.

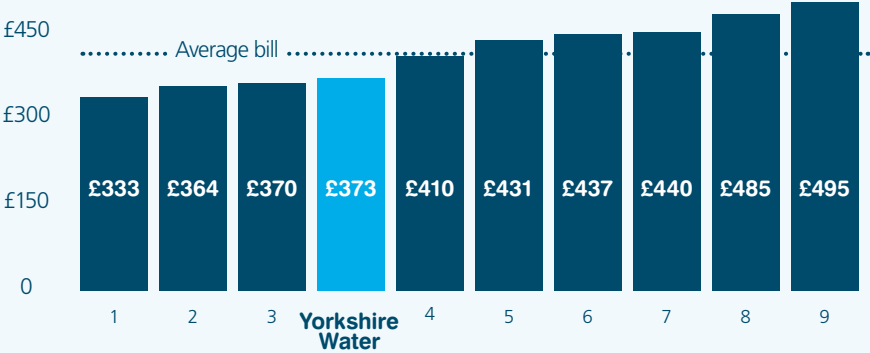
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Key

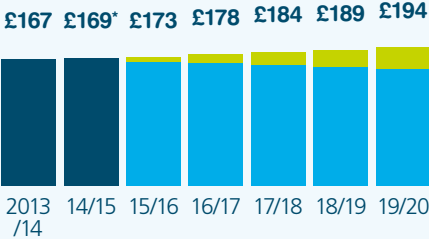
- The cost of delivering our services
- The cost of inflation

* Using average inflation from Ofwat Final Determination

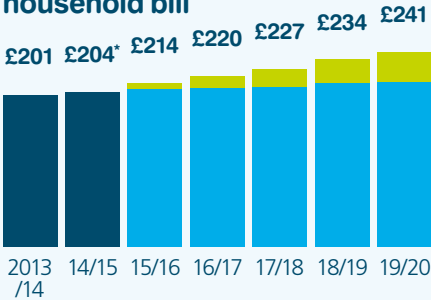
Average annual combined water and waste water household bill
Water and sewerage companies 2014-15



Water service
Average annual household bill



Waste water service
Average annual household bill



To give you an idea of what your bill could be by 2020 we have shown bills in 2014/15 prices and assumed inflation will rise by 3.3% on average over the five years, however bills will reflect actual inflation.

3.

A difficult balancing act

Keeping your bills as low as possible and improving the environment

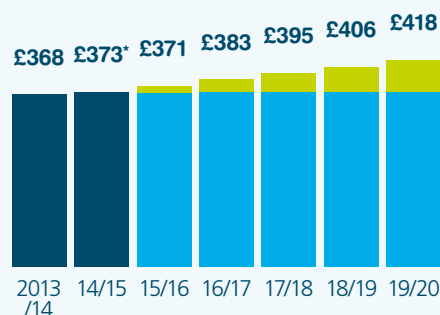
We need to ensure we deliver the services you value the most, protect the environment and meet our legal requirements – and we need to do all of this while keeping bills as low as possible.

It's a difficult balancing act. Before the start of the next plan, we reduced the average household bill by £6 in 2014 by not taking our allowed price increase of 1.6%. This reduction in the average bill continues through to 2020 saving on average £36 over six years.

There are pressures that give rise to increases in customer bills. We need to manage a growing and ageing set of assets, meet the challenge on water resources resulting from climate change, and meet our legal requirements to improve drinking water and the environment.

We have worked hard to manage those pressures. We'll be driving more savings in the future and passing them on to you and we'll be reducing our returns to investors.

**Water and waste water combined service
Average annual household bill**



Key

- The cost of delivering our services
- The cost of inflation

* Using average inflation from Ofwat Final Determination

Forecast water & sewerage bill

**Forecast
£418** by end
of 2015 – 2020

This diagram explains what we do with your money.



11% provides you with water that is clean and safe to drink

28% makes sure you always have enough water

18% takes care of your waste water and protects you and the environment from sewer flooding

34% protects and improves the water environment

2% to understand our impact on the wider environment and act responsibly

4% provides the level of customer service you expect and value

3% keeps your bills as low as possible

4. Every day in Yorkshire, we serve over 135,000 businesses

The UK government also recognises that the world is changing and is introducing plans to reform the water industry and the way we are regulated.

The Water Bill Act 2014, brings more flexibility to the way we can provide water and waste water services to you. The aim is to deliver efficient services that keep your bills down, ensure that resources are managed effectively, and deliver the services you want and need. In 2017 our business customers will still receive water from us and discharge their waste water to us, but they will be able to choose who sells and bills them for their water supply and waste water disposal (the Retailer).

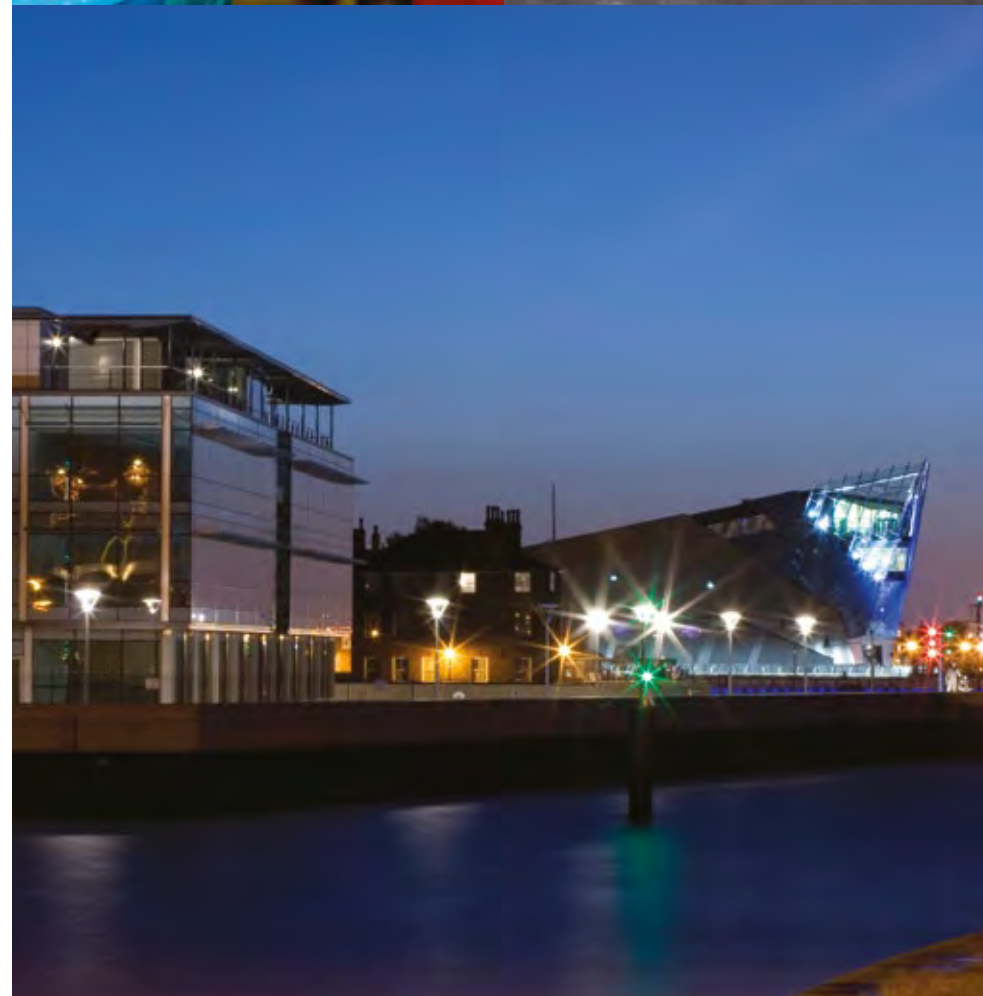
We've listened to the needs of our business customers

We know that all our business customers are different, with specific needs and values. For some of our largest business customers, water expenses can make up a large proportion of their overheads. For others, usage is lower than a domestic household. However, regardless of size or sector, we always aim to deliver excellent services. Our Blueprint for Yorkshire has been developed in consultation with business customers and we believe our proposals for 2015-2020 will benefit businesses as well as households.

A plan that's built around the needs of your business

Our Blueprint is a plan that will benefit different businesses in different ways. Yorkshire businesses come in all shapes and sizes, with different water and waste water needs that can vary widely depending upon the nature of their business. However, one thing we know is that all business customers need to be able to plan for the future with confidence. That's why, in shaping our plan, we have set ourselves the objective of ensuring we deliver a reliable and consistent quality of service at the lowest possible price to all businesses across Yorkshire.

You need a consistent quality of water from a reliable source, that's backed by excellent service. To help you plan ahead, you also need to know what your bills will cost now and in the future so there's no surprises. Thanks to the help of the 1,700 businesses we consulted with, all of these requirements have been carefully considered and built into our plan.



5. A legacy of improvements

Since privatisation we have invested more than £20 billion in maintaining and improving your water and waste water services and the environment.

We have a proud history of maintaining and improving services for Yorkshire

We've come a long way since the water industry was privatised in 1989. Back then, we inherited an enormous legacy of reservoirs, structures and pipes across our region. Some of these are many decades old.

Since then, we have invested more than £20 billion in maintaining and improving your water and waste water services and we're immensely proud of what we've achieved. Our innovation and investment has resulted in significant environmental improvements, the avoidance of water restrictions since 1996 and better customer services, while bringing jobs, work and wealth creation to our region. We have only been able to pay for these improvements through increases in our charges, and we have been able to keep these to a minimum by finding new and better ways to deliver our service and by re-investing these cost savings where it really matters.

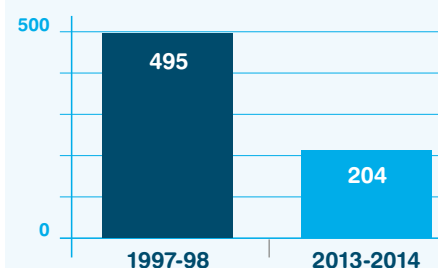
By doing this we are helping to protect you from burst pipes that interrupt your supply, low water pressure, water discolouration, sewer flooding or odour problems, and we are also helping to keep our rivers and beaches clean.

In fact, we are the only water company which has invested with the intention of achieving the 'excellent' standard in bathing waters. This means more potential for Blue Flag Awards and tourism for Yorkshire.

Despite the pressures of increasing energy and supplier costs, our average domestic bill for water and waste water services in 2013 is still only £368 per household – that's 5% lower than the average bill across England and Wales and around a third of the cost of the average annual energy bill.

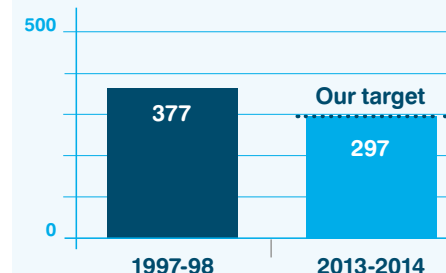


Sewer Flooding
Properties on the sewer flooding register



In 1998, 495 properties were identified as being at risk from sewer flooding. Following an extensive programme of investment we have more than halved this number to 204 and we plan to reduce this further by March 2015. Our plan for the future is to continue to protect properties and the environment from the impact of sewer flooding.

Leakage
Total leakage (million litres/day)



In 1994, our networks suffered losses of 514 million litres per day. By 1998 we had reduced this to 377 million litres per day. In 2014-2015 our target leakage is 297 million litres per day. By 2020 we plan to reduce leakage by a further 10 million litres per day and by 2040 we plan to reduce leakage to 265 million litres per day to maintain your supplies.

6. Our changing environment

**A changing climate.
A growing population.
Rising costs and
decreasing availability
of resources. Some big
challenges lie ahead.
But we're getting ready
for these changes and
are already planning
for them.**

A changing climate

Yorkshire's average surface temperature is projected to rise by up to 3.6°C by the 2050's and the droughts, flooding and unpredictable rainfall patterns that we are already experiencing are expected to become more common. One of our biggest long-term challenges is to affordably maintain and enhance our water and waste water services through the changing climate. We also need to cost-effectively reduce our carbon footprint to play our part in minimising future climate change. To help us prepare and adapt, we've developed a Climate Change Strategy which is a key element of our Blueprint for Yorkshire and available on our website yorkshirewater.com

A rapidly growing population

There will be 855,000 more people living in Yorkshire over the next 25 years. Between now and 2020 we expect the population of the region to grow with around 100,000 more properties needing water and waste water treatment. Serving them will need new infrastructure to ensure our treatment works, pipes and sewers have enough capacity.

Affordability

We take the impact of poverty in our region very seriously. We have to keep the right balance between our investment in maintaining service and the environment, and keeping our charges affordable. We will ensure that your bills do not rise in line with our increased investment by sharing the costs fairly between existing and new customers.

Water industry changes and competition

The Government's 2014 Water Act is the next step on a journey towards a water industry that has resilience, efficiency and customer focus at its heart. In 2017 all of our business customers will be able to choose their water and sewerage retail service provider. To meet new regulation, we have planned for the need to structure our business differently so we can succeed in a competitive market and provide the best service for our household and business customers.

Responding to these challenges

Since 2011 we've been working with experts in the field of sustainability to develop evidence based projections to predict the changes we are likely to face over the next 25 years. This forms the basis for our long-term plan. You can read more about these in 'Our Blueprint for Yorkshire – the next 25 years' on our website at yorkshirewater.com

We developed our five-year plan with these future challenges in mind and in response to this changing environment we have developed our Climate Change Strategy and have begun to work on our new Energy Strategy, adopting new, more sustainable ways of working such as energy generation at our Waste Water Treatment Works.



7. Putting customers and stakeholders at the heart of everything we do

Our Blueprint is about keeping our promises and listening to all our customers. That's why we've worked closely with you to develop our plan.

Much has changed in the five years since our last big customer consultation and we wanted to understand how these changes had affected you. So we've carried out extensive research to identify the services you value most, and the things you need from us now and in the future.



Our biggest ever customer research programme

We submitted our business plan to Ofwat in December 2013. In creating our plan, we consulted directly with 6,700 household customers, 1,700 business customers and reached nearly 2 million customers with our Blueprint for Yorkshire campaign.

- We spoke face-to-face and online to customers from different backgrounds across our region to understand what aspects of our water and waste water service are important to them.
- We also asked you to tell us how you think our investment over the next five years and beyond should be prioritised. Finally, after we'd built your views into our business plan, we asked whether or not you supported our proposals.
- As well as focus groups, face-to-face interviews, and online customer panels, we've been on the road to understand your views. Over the summer of 2013 we took our Blueprint for Yorkshire to events and town centres right across the region to ask you what you thought of it. In addition, nearly 30,000 of you also helped shape our plans through roadshows and the online survey on our website.



Overall, 77% of customers surveyed told us that they support our Blueprint.

Customer support for our plan

Further research with customers was undertaken in 2014 to understand preferences for alternative bill scenarios. From this activity we concluded that:

- Customers confirmed the need for stability and predictability of bills
- A significant proportion of hard to reach customers would benefit from a lower bill through to 2020

On the basis of customer views we reduced the average household bill to £344 per annum for the period 2015-20.

We asked you...

- **What do you value most about the water and waste water services we currently offer?**
- **What long term priorities do you really want us to deliver?**
- **How should we measure these priorities and what penalties or rewards should we receive for under/over-delivering them?**
- **How much are you willing to pay?**
- **Do you agree with our Blueprint for Yorkshire?**
- **Do you want us to do any more than we are proposing?**

8. Consulting, listening and planning

How you have helped shape our five year plan

Before work on our five-year plan began, we carried out an extensive study, 'Valuing Water', which concluded that our customers would struggle to cope with price increases above inflation. Built on the foundations of this knowledge, we began a lengthy consultation process with customers and partners to further inform and shape our five year plan. The chart opposite shows you the key milestones in our planning. Each milestone was guided by, and received input from, the independent Customer Forum.



Key

Customer and stakeholder engagement

Developing our plans

- 6 focus groups with domestic customers
- 200 online surveys with domestic customers
- 100 telephone interviews with business customers

You fed back on alternative scenarios, confirming the need for lower bills

Ofwat looked at our plan and asked us to test a number of scenarios with you

You fed back on our plan
77% of customers surveyed endorsed our proposals

We refined our plans based on your feedback

- 8 focus groups with domestic customers including future customers
- 10 face to face in-depth interviews with vulnerable customers
- 16 face-to-face in-depth interviews with business customers
- 3,600 online surveys with domestic customers
- 150 face to face surveys with vulnerable customers
- 600 face to face and telephone interviews with business customers

Ofwat approved our service levels and charges in December 2014

2014

We will deliver our plan for you April 2015 – March 2020

2015

Valuing our services
Understanding your perceptions of our services, identifying those of greatest value to you

2012

Understanding our costs of delivering your services

- 12 focus groups with domestic customers
- 25 face-to-face in-depth interviews with business customers
- 2,250 face-to-face surveys with domestic customers
- 1,050 telephone surveys with business customers

Understanding the priorities of Government and regulators

Understanding your priorities
Determining your long-term aspirations for us and creating 7 outcomes we must strive to achieve

2013

We published 'Our Blueprint for Yorkshire – The next 25 years'
We shaped our long-term plan based on your priorities

We carried out region-wide customer & stakeholder engagement on our plans

- 12 focus groups with domestic customers including future customers and vulnerable customers
- 2 focus groups with Small-Medium Enterprises
- 10 face-to-face in-depth interviews with large business customers

We built our initial five year plan and investment options based on your feedback

You fed back your views on our initial plans

How you have helped us shape our plan...

9. Yorkshire's independent Customer Forum

Alongside our research programme, the Customer Forum helped ensure that our customers have an ongoing say in our proposals.

The Forum's role is to challenge us if its members did not think we were giving you a fair say in which areas we planned to invest in from 2015. The Forum challenged us to be fully transparent in our engagement with customers. It challenged us to strike a balance between customer needs and environmental leadership. It challenged us to do everything we could to help keep bills affordable for you, and put in place ways to help those who find it difficult to pay.

Who is on the Forum?

The Customer Forum is an independent group of invited experts, who represent the needs of customers and of the environment in our region. You can find out more about some of the organisations who are on the Forum below by visiting our website www.yorkshirewater.com

- Andrea Cook, Independent Chair
- Local Government Yorkshire and Humber
- Confederation of British Industry
- Natural England
- Citizens Advice Bureau
- Drinking Water Inspectorate
- Consumer Council for Water
- Environment Agency
- Federation of Small Businesses
- Age UK
- Yorkshire Water Environment Advisory Panel
- Independent Academic.

“Yorkshire Water's engagement with customers has been the cornerstone for ensuring that its proposals meet customer priorities.”

Andrea Cook,
Chair of the Customer Forum,
January 2015



With the Customers Forum's agreement, we have placed a copy of their report about our plan on our website www.yorkshirewater.com



Working in partnership with our stakeholders

We have a long history of collaborating with our quality regulators and stakeholders to develop balanced plans that meet the needs of the customer and the environment. Working in partnership with our stakeholders plays an important role in our day-to-day activities, so we thought it was only right that our stakeholders also played a pivotal role in the development of our Blueprint for Yorkshire.

Working in partnership with the Drinking Water Inspectorate, Environment Agency, Natural England, DEFRA and the Consumer Council for Water has been key to the development of our business plan. They have helped ensure that our plan not only meets our customer and environmental needs but also meets existing and new legal requirements such as those of the EU Water Framework Directive and the timescales by which we need to do this.

To ensure our plans are reflective of our region, we also consulted Members of Parliament, Local Authority Leaders, regional representatives such as Visit Yorkshire and groups which represent our most vulnerable customers. In July 2013 we shared our vision for the future at our Blueprint for Yorkshire stakeholder conference. This was a fantastic opportunity to share our vision for the future with our key partners and to get their feedback on our plans for the next five years.

Working with stakeholders to ensure the highest standards



Environment Agency

The National Environmental Programme for Yorkshire has been developed in liaison with the Yorkshire and North East Regional Environment Agency office.

To find out more about the National Environment Programme visit environment-agency.gov.uk



Drinking Water Inspectorate

Working with the Drinking Water Inspectorate, we have followed the established Drinking Water Safety Planning process, for the identification of risks to drinking water quality compliance. We submitted our Water Quality submission to the Drinking Water Inspectorate in July 2013.

To find out more visit dwi.defra.gov.uk



Natural England

We have worked with Natural England's technical specialists to identify relevant legislative drivers, sources of guidance, advice and data. Areas requiring action in the next five years were developed in conjunction with the Environment Agency and incorporated within the National Environment Programme.

To find out more visit naturalengland.org.uk



The Consumer Council for Water

We have worked with the Consumer Council for Water to ensure that our plans are fair and meet the needs of our customers.

To find out more visit ccwater.org.uk

10. We used your feedback to define seven outcomes for Yorkshire

Based on what you told us, we identified seven long-term outcomes, which will form the core of our five year plan and our future direction. These are...



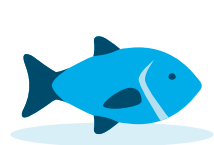
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We make sure that you always have enough water



We take care of your waste water and protect you and the environment from sewer flooding



We protect and improve the water environment



We understand our impact on the wider environment and act responsibly



We provide the level of customer service you expect and value



We keep your bills as low as possible

Case study

Exploring customer choices

Testing customer views on investment

In our customer research we offered an additional five investment choices including the costs (and inflationary costs) of delivering these over the five-year period from 2015-2020.

We presented customers with the option not only to maintain but improve performance for: flood resilience, sewer flooding, river water quality, renewable energy and energy generation from waste over the five-year period 2015-2020.

While support for some of the choices was high, the customers we surveyed did not currently support increasing bills to improve these areas. This is reflected in our final proposal not to increase bills by any more than the rate of inflation.



Although certain aspects of our service were important to our customers, many did not feel able to accept a bill increase to cover the cost of improvements.

Measuring progress towards the outcomes

We think it's vital for us to be able to measure and understand whether we're achieving these outcomes in the near and long-term. So we've worked with you to identify the right measures of success for each outcome. We've tried to identify measures that meet your needs and the needs of regulators and wider stakeholders. So, for each outcome there are several measures.

There are two types of incentive for us to deliver for you.

The incentives and penalties linked to the outcomes



– Reputational incentives/penalties based on how we perform against a target that reflects customers' perceptions of the company.



– Financial incentives/penalties determined by our performance against a target.

To ensure we deliver the outcomes, we are proposing penalties when we fail to deliver for you, and rewards if we are able to deliver more. We believe it's important that we focus on delivering your outcomes and so the penalties for underachieving are always greater than the rewards we could earn.

You told us you need a continuous supply of clean, safe water for drinking and business use

You told us your priorities for the provision of water services

Your feedback was that this is very important to you. You value water that's safe, and looks and tastes good to drink. You value a reliable and resilient service to collect, treat and deliver water to homes and businesses. You also told us that it's important for us to help you to reduce your water use but that we must also look at our own use and the leaks from our pipes.

We provide you with water that is clean and safe to drink

The cost and impact on your bill

£427m

2015/
20

11%



The measures of our success*

**Measure value is year 5 commitment*

Drinking water quality compliance: 100%

The overall compliance with the Drinking Water Inspectorate's drinking water quality standards



Drinking water quality contacts: 6108

Number of times customers contact us about discolouration, taste and odour



Corrective actions: 6

Number of significant drinking water events where the Drinking Water Inspectorate requires further corrective action



Long-term stability and reliability factor: Stable

Water quality





How we're listening to you

We supply 1.26 billion litres of quality drinking water every day and we're always working hard to ensure you have safe drinking water that tastes and looks good. We have ambitions to be leaders in drinking water quality, while being aware of the need to balance the carbon and environmental cost of any improvements we make.

“
Everybody is more aware of the environment now but I don't think it's as important as the clean water and getting the dirty water away.
”

Household Customer

Some examples of what we are going to do

- **Carry out essential maintenance** at our water treatment works and on our clean water networks.
- **Enhance the drinking water quality** at five water treatment works serving Scarborough, Selby and Sheffield to tackle the problem of deteriorating raw water quality, ensuring your drinking water remains safe to drink.
- **Review how our catchments are managed**, how water is taken and the effect this has on flow, fish, plants and animals. We will also continue to develop catchment management approaches to mitigate the risk of pesticides and nitrates from agriculture in our drinking water.
- **Continue our programme of lead pipe replacement** at 'hotspot areas' and by working with Rotherham council to reline 1,000 lead service pipes.
- **Work in partnership** with the Environment Agency, Natural England, the Drinking Water Inspectorate, conservation organisations such as Rivers and Wildlife Trusts, local authorities, landowners, farmers, fishermen, businesses and those who enjoy Yorkshire's countryside and rivers.

Case study

Improving water quality through catchment management



You've told us that water quality is very high on your list of priorities. So, as part of our ongoing work to improve it, we are collaborating with partners in the Yorkshire region to manage catchments in ways that reduce our reliance on processes that are energy and chemically intensive. Not only will this mean better water quality it will also benefit the environment.

Our catchment programme will help us enhance water quality in a number of ways including removal of colour, pesticides, nitrates and saline intrusion on reservoir, river and borehole sources. We've introduced upland land management schemes to reduce colour in our water at source and this will deliver a wide range of additional benefits including carbon mitigation and increasing biodiversity.

Case study

Targeting lead pipes in partnership with Rotherham Metropolitan Borough Council



We estimate there are over 1,200 vulnerable customers across our region with a high probability of a lead pipe delivering their supply. These properties will be investigated, and where it is determined that the property does have a lead communication pipe, we will replace it.

We will also work with Rotherham Council on a trial basis to understand the benefits of rehabilitating the entire service pipe (communication and supply pipe). This trial will be carried out on approximately 1,000 properties owned by Rotherham Council, and provide vital information about the benefits of rehabilitating the entire lead service pipe to inform our long-term strategy.

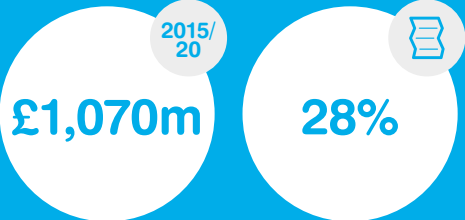
You told us you need a continuous supply of clean, safe water for drinking and business use

You told us your priorities for the provision of water services

Your feedback was that this is very important to you. You value water that's safe, and looks and tastes good to drink. You value a reliable and resilient service to collect, treat and deliver water to homes and businesses. You also told us that it's important for us to help you to reduce your water use but that we must also look at our own use and the leaks from our pipes.

We make sure that you always have enough water

The cost and impact on your bill



The measures of our success*

**Measure value is year 5 commitment*

Leakage: 287.1 MI/d	£
Water use: 138.3 l/h/d How much, on average, each person in our region uses each day	👍
Water supply interruptions: 12 minutes per property Number of minutes lost due to water supply interruptions for three hours or longer, per property served	£
Long-term stability and reliability factor: Stable Water networks	£





How we're listening to you

We provide nearly five million customers with a secure water supply that will meet their demands both now and in the future. However, water is a precious resource, and the population of Yorkshire is forecast to increase by 855,000 people over the next 25 years. Climate change has the potential to create further shortages and stresses, and could also increase household and business demand for water. So we've taken account of climate change in our plans and forecasts right up to 2040.

In recent years we've done a great deal to reduce losses from our system, but we recognise that there is still much more to do. We know we need to set an example in using water efficiently and that we can do much more to explain to you about water use and water saving. We're here to give you the support you need to conserve water in your own homes and businesses, and to manage your bills and water use.

“
Continuity of supply and reducing waste is of the highest importance.
”

Household Customer

Some examples of what we are going to do

- **Carry out essential maintenance** on our network of upland catchments, tunnels, aqueducts, reservoirs, river intakes, boreholes, water treatment works, and in our distribution system to maintain resilience.
- **Drive down leakage by 10 million litres per day** to ensure we maintain the balance between supply and demand. This forms part of our Water Resources Management Plan.
- **Target investment** at addressing the risk of loss of supply to key pipelines through construction of cross connections, network reconfiguration and duplication of critical mains.
- **Continue to develop asset records and hydraulic network models** to identify and plan work and support long-term business planning. We intend to increase model coverage to 100% of the company's area.
- **Invest in replacing old water meters** to ensure we are able to continue to deliver an accurate and timely billing service to our customers.

Case study

Are you using more than you need?

Each day in Yorkshire we supply 1.26 billion litres of fresh tap water – that's around 550 Olympic sized swimming pools.

What's more, around 26% of all household water goes straight down the plughole unused. Sometimes it's easy to forget that water is a precious resource and that we need to conserve it. That's why we will provide the advice and information you need to reduce the amount of water you use, and help you save money at the same time.



Case study

Using innovative ways to save water

Using groundbreaking new technologies we are cutting down on the amount of water lost through leaks in our network. We are working with i2O, a company providing innovative solutions to the water industry to reduce leakage.

The i2O solution is an integrated system that minimises leakage and burst frequency by remotely, automatically and intelligently optimising pressures in our water distribution network.

The system works by continuously adjusting the pressure in the network, so that at all times of the day or night it is at the optimum level.

Pressure management enables us to provide great customer service, while minimising leakage and pipe bursts. This technology also allows us to reduce leakage without the cost and disruption to our communities of digging up roads.

You want us to remove your waste water and maintain the sewer network

You told us your priorities for the provision of waste water services

It's important to you that we prevent homes from being flooded with sewage by investing in and maintaining a sewer network that can deal with heavy rainfall and safely take all your waste water away.

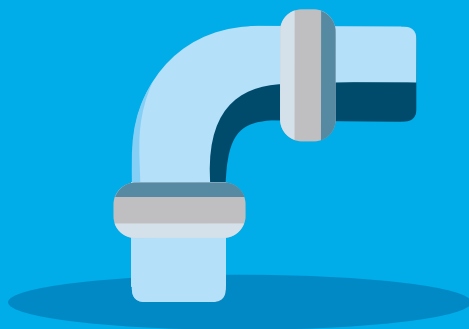
We take care of your waste water and protect you and the environment from sewer flooding

The cost and impact on your bill

£657m

2015/20

17%



The measures of our success*

**Measure value is year 5 commitment*

Internal flooding:
1919 Incidents

Number of incidents per year



External flooding:
10487 Incidents

Number of incidents per year



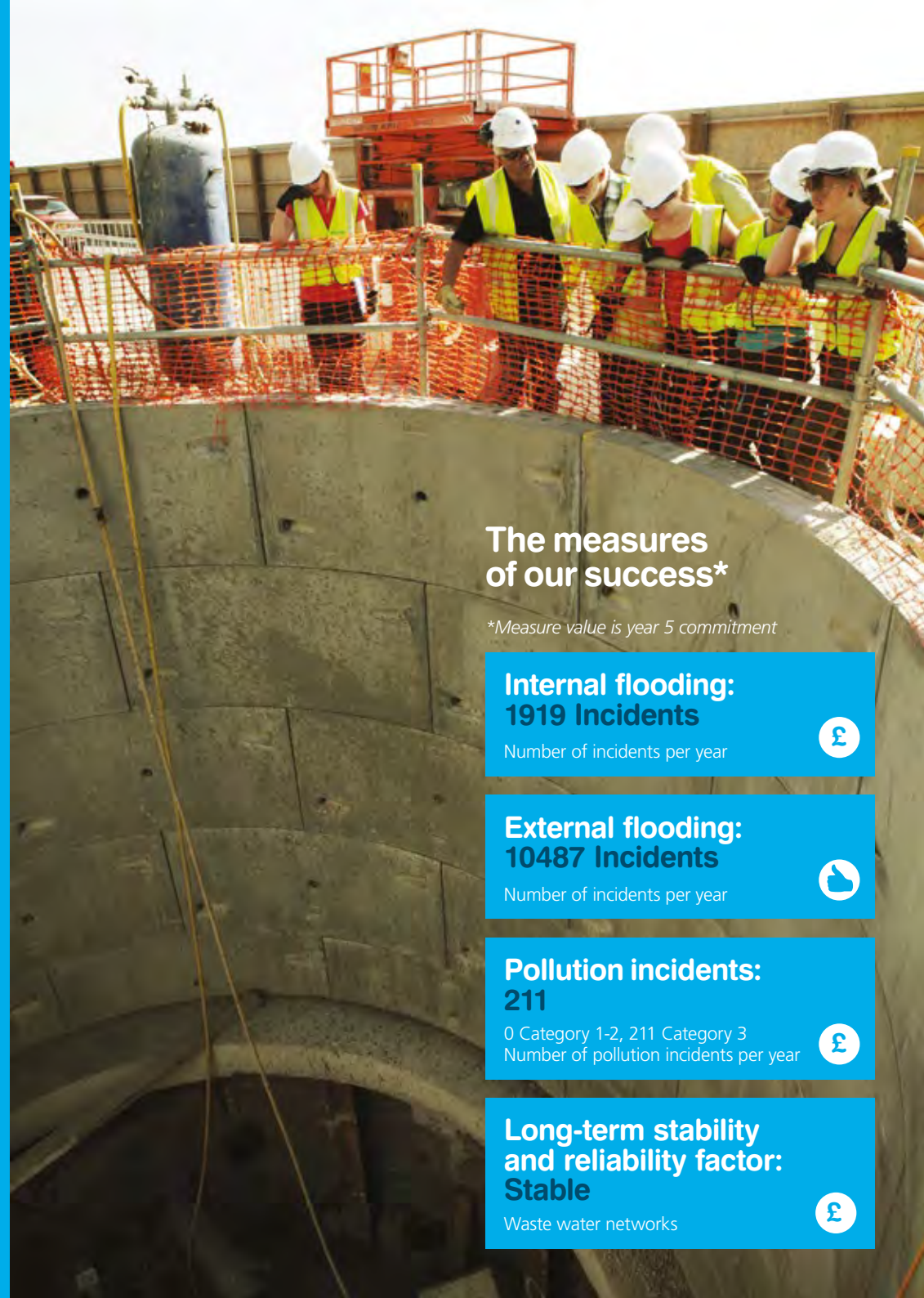
Pollution incidents:
211

0 Category 1-2, 211 Category 3
Number of pollution incidents per year



Long-term stability and reliability factor:
Stable

Waste water networks





How we're listening to you

We maintain a network of 52,000 km of sewers, and collect and treat one billion litres of waste water every day from homes and businesses across Yorkshire – a figure that will inevitably rise as the population of Yorkshire increases.

We'll ensure we provide a reliable sewerage service, which adapts to growing environmental pressures from climate change and the anticipated growth of the region's population, as well as tighter environmental legislation.

You have a part to play too. We want to help you understand what should and shouldn't be flushed or drained away from your homes and businesses, as blockages in sewers increase the risk of flooding and pollution.

“
Our health and well-being
pretty much depend on this
all important service.
”

Household Customer

Some examples of what we are going to do

- **Carry out essential and targeted maintenance** on our ageing sewer network and sewage pumping stations to maintain resilience and upgrade our sewer network to meet the needs of a growing population.
- **We will continue our programme of proactive sewer cleansing** and survey work to identify blockages before they result in a service failure.
- **We will continue to increase the length of our network** which we inspect using closed circuit television (CCTV), and the results will enable us to build more robust predictive models to inform our future activities.
- **We will continue to tackle the problem of sewer flooding** by protecting around 400 properties by 2020.
- **In 2016 around 720 privately owned pumping stations will be transferred into our ownership**, meaning we can provide the essential maintenance they need.

Case study SewerBatt

We know that sewer flooding is a distressing issue for our customers and we are working hard to prevent it.

Historically, we have used cameras in high-risk areas to proactively look at the condition of sewers. While these surveys provide comprehensive data, they can be both time consuming and resource intensive. Following a 10-year programme of research led by Bradford University, we have developed and invested in a new technology called SewerBatt.

SewerBatt is an acoustic sensor which allows us to quickly assess the condition of a sewer, find blockages, identify structural issues and prioritise further camera work. Working with our service partner DrainsAid, six SewerBatt units have

recently been deployed in the field to identify issues and drive interventions, providing greater resilience in our sewerage network.



Case study Low Cost Controllers

Keeping our sewerage network working efficiently is critical to maintaining service and preventing sewer flooding and pollution.

If our pumps fail, our sewage pumping stations generate alarms to inform our operational staff to intervene.

Our investment in the development of a new, low cost technology allows us to remotely re-set our pumps. The new system lets us solve problems quicker ensuring our sewage pumping stations remain operational.

We've now installed and tested 100 of these devices at critical pumping stations across the region. It means we can manage things from our central control room in Bradford, preventing pollution incidents and their impact on the environment, and reducing the number of reactive operational visits and their associated costs.



You want us to take very good care of the environment

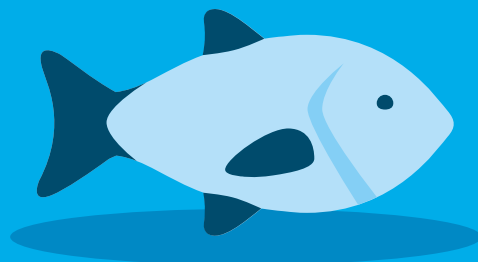
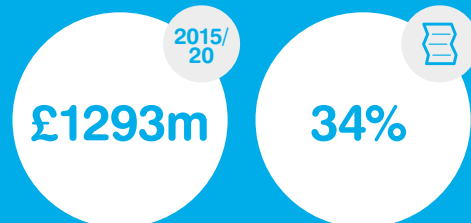
You told us your priorities for the environment

You made it clear that it's critical that we take steps to minimise the effect of our operations on the environment. Pollution of water, air and land from any source is unacceptable to you.

You also strongly believe that as well as treating and returning waste water safely to our rivers and coasts, we should carefully manage the amount of water we take from the environment to supply our customers.

We protect and improve the water environment

The cost and impact on your bill



The measures of our success*

**Measure value is year 5 commitment*

Length of river improved: 440km

The length of river improved against Water Framework Directive component measures



Visitor satisfaction: Qual survey

A measure of recreational visitor satisfaction with access to Yorkshire Water recreational land and visitor facilities



Working with others: 16

The number of solutions delivered by working with others



Bathing water quality: 15

The number of Yorkshire's bathing waters that exceed the requirements of the EU bathing water standard



Conservation and enhancement: 11,736 Hectares

The amount of land we conserve and enhance



Long-term stability and reliability factor: Stable

Waste water treatment





How we're listening to you

Recently voted third best region in the world to visit by the Lonely Planet Guide, Yorkshire is a beautiful place and we're determined to play our part in making sure it stays that way – so we're making it our responsibility to ensure our catchments, rivers and coasts are of high quality. We want to protect all the natural water resources in our region so that future generations can enjoy the quality of water they need. To do this requires us to show environmental leadership and to work in partnership alongside farmers, stakeholders and other landholders to protect water bodies and manage the upland water catchments that serve our reservoirs. In doing so, we protect rivers, surface water and ground water, improve biodiversity, create attractive river environments and set a great example for others to follow.

We are also working with the Environment Agency to produce an environmental plan which will be delivered over the next 15 years. The Water Framework Directive looks at the ecological health of our rivers, lakes and estuaries. Our plan is that by 2027, these are as near as possible to their natural condition and achieving 'Good Ecological Status'. Understanding how to achieve 'Good Ecological Status' means that we need to understand how we impact on the environment. We also need to find affordable, cost effective solutions which will meet the tightest standards.

Some examples of what we are going to do

- **Carry out essential and targeted maintenance** on our Waste Water Treatment Works and sludge treatment facilities. We will also upgrade our treatment works to meet the needs of a growing population.
- **Deliver the National Environment Programme** including compliance with elements of the Urban Waste Water Treatment Directive and the Water Framework Directive. We will improve approximately 44km of our river environment.
- **Continue to work with our stakeholders** to improve the condition of our Sites of Special Scientific Interest.
- **Continue to operate our Water Resources Allocation and Planning (WRAP)** tool to maximise sustainable and efficient abstraction of water from the environment.

“
Yorkshire's rivers are cleaner now than they have been – the wildlife and fish in them prove this – but this does, of course, need to be maintained!
”

Household Customer

Case study

Improving water quality in the River Aire

Thanks to the investments we've made in our Waste Water Treatment Works and sewerage networks over the last 20 years, our region's rivers now support healthy fish populations and other wildlife.

But we still need to do more. The Water Framework Directive, asks for further improvements to safeguard and improve river quality. On top of this, we need to improve nutrient levels in our region's rivers, particularly phosphates.

As part of our plans between 2015 and 2020, we intend to make improvements to our Waste Water Treatment Works that discharge along a 54 km stretch of the river Aire, from Gargrave near Skipton to the outskirts of Bradford.



Downstream, the river receives treated effluent from Bradford and Leeds and we cannot currently achieve sufficient improvements with existing technology. Over the next few years we'll be carrying out trials to help us understand whether we can achieve more stringent standards, and how much this will cost. The results will inform our discussions with the Environment Agency about future investment, and will help us to ensure there are discernible environmental improvements, and that we can afford to do it.

Case study

Enhancing biodiversity in our rivers

Many of the structures we've inherited in Yorkshire's rivers and streams can prevent the free movement of fish and other freshwater species up and down stream.

They can prevent species like salmon returning from the sea, and stop them coming back to breed. Part of our commitment to protecting and improving our water environment is to find ways to allow fish and other wildlife to move freely, and maximise the benefits to Yorkshire's other wildlife.

The 1.8m high Rodley weir in the river Aire has been preventing fish from passing over it since its construction during the Industrial Revolution. In 2013 we completed a weir by-pass channel, which not only makes it easy for fish to



travel around the weir, but provides a whole new stretch of river habitat for Yorkshire's freshwater wildlife.

Working in partnership with our Environmental Advisory Panel, we've prioritised work on the remaining barriers to fish movement that are under our ownership. Between 2015 and 2020 we'll be working on further barriers to fish passage. This is an investment of over £6 million to open up our rivers to the free movement of migrating and local fish.

You want us to take very good care of the environment

You told us your priorities for the environment

You made it clear that it's critical that we take steps to minimise the effect of our operations on the environment. Pollution of water, air and land from any source is unacceptable to you. You also strongly believe that as well as treating and returning waste water safely to our rivers and coasts, we should carefully manage the amount of water we take from the environment to supply our customers.

We understand our impact on the wider environment and act responsibly

The cost and impact on your bill

£61m

2015/20

2%



The measures of our success*

**Measure value is year 5 commitment*

Energy generation: 12%

Energy generated through renewable technologies



Waste diverted from landfill: 95%

The amount of waste from all Yorkshire Water activities that is recycled or re-used





How we're listening to you

Collecting, treating and distributing water is an energy-hungry process that comes at an environmental cost – one we're determined to minimise. We forecast that our energy needs will continue to rise as we treat water and waste water to ever higher standards, and because climate change will affect the availability of water. So we're having to think differently about how we use our resources to manage and offset this. We're making sure that every single one of our people is conscious of sustainability in their day-to-day work and decision making.

Rising resource costs, natural resource depletion and a growing demand for our services, together with the need to remain a financially sound business, all put further pressure on us. We are committed to being a more sustainable company that considers the environment, and the economic and social needs of customers when making all our long-term decisions.

Some examples of what we are going to do

- **Carry out essential and targeted maintenance** on our sludge treatment facilities to continue our ability to generate electricity from waste water.
- **Understand our impact on the wider environment** through development of sustainability reporting.
- **Minimise our impact on the environment** through initiatives such as zero waste to landfill, sustainable procurement and use of our Environmental Management System.
- **Deliver our climate change strategy** and reduce our greenhouse gas emissions.
- **Drive innovation** to deliver more sustainable ways of working.

“
Recycling waste and renewable energy is very important for all our futures.
”

Household Customer



Case study Our first energy neutral Waste Water Treatment Works

We are reducing our energy consumption, and our reliance on grid electricity, through renewable energy generation and energy efficiency activities. We have finished building our first energy neutral urban sewage plant at Esholt Waste Water Treatment Works near Bradford.

At Esholt we have pioneered a more sustainable route for sludge disposal using a thermal hydrolysis system (Biothelys) combined with anaerobic digestion which generates energy from human waste and effluent. Thermal hydrolysis uses heat and pressure to break down sewage sludge prior to treatment by anaerobic digestion.

The energy-rich bio-gas which is created then produces electricity, which in turn powers most of the plant. The digested sludge can then be used as a fertiliser or soil conditioner for crops, recycling essential nutrients back to agriculture.

This innovative technology enables us to save around £1.3 million a year at this site alone. Among the existing renewable energy technologies at Esholt is also the UK's first sewage screw hydro-generator, which harnesses the energy from waste water as it enters the works, creating around 5% of the site's daily energy requirements.



Case study East Coast Zero Waste

Being responsible means practising what we preach right across our business.

So we're committed to ensuring we buy and use resources responsibly and sustainably, and making sure we live and breathe our waste strategy. We're taking a hard look at our impact on the environment and thinking innovatively about how we can reduce it.

A good example of our sustainable approach is the way we managed to reduce the amount of waste associated with our £110 million



investment in major civil engineering projects to improve Yorkshire's Bathing Water Quality. Using a mixture of careful design, well planned delivery and collaborative working, the Scarborough Bathing Water Quality project team saved thousands of tonnes of material from being sent to landfill, secured cost savings of over half a million pounds and in 2013 were recognised with a Zero Waste Bronze Award.

You want good customer service and acceptable prices

You told us your priorities for retail services

In your feedback you told us you expect good customer service and value service that caters for specific needs at an acceptable price. You want us to make it easy to contact us at any time and expect us to reply in a timely manner. You also told us it is important that we help you with your water use and provide options to conserve water, so you can control the costs you pay.

We provide the level of customer service you expect and value

The cost and impact on your bill

£139m

2015/
20

4%



The measures of our success*

**Measure value is year 5 commitment*

Qualitative measure of customer service: Increase in SIM rating

Ofwat measure of customer service, Service Incentive Mechanism



Service commitment failures: Decrease

The total number of Guaranteed Standards of Service events



Overall customer satisfaction: Increase

Consumer Council for Water annual tracking survey





How we're listening to you

Great customer service is about making sure you can access services in the way you choose, and get the level of customer service you expect. Our aim is to exceed customer expectations wherever we can. And our research tells us that customer expectations are changing. That's why we want to measure our performance against Ofwat's qualitative measure of customer service, the Service Incentive Mechanism (SIM); and we also compare ourselves against all service providers through the UK Customer Service Index (UKCSI), a nationally recognised survey carried out by the Institute of Customer Services.

We also serve around 135,000 business customers. As a company we try to do all that we can to ensure these customers receive a level of service that meets or surpasses their expectations, at a price they are willing to pay. We take the time to recognise that all business customers are not the same; they have different expectations and different requirements in terms of services needed, so we have several different approaches to serving them.

Some examples of what we are going to do

- **Continue to offer great customer service** 24 hours a day, 7 days a week, 365 days a year.
- **We're building a long-term culture of customer service**, which is supported by our Customer Promise. This is a pledge to our customers that we will try at all times to provide the best levels of service, whether that's through our personal approach, how quickly we solve the problem or how simple it is to get the help you need.
- **We will continue to provide** customer service in the format you want to receive it, which is why we've been developing several new communication methods such as Web Chat, phone apps, Twitter and Customer Voice.

“
Good customer service is vital.
”

Household Customer



Case study Helping Hands register

We offer additional services to vulnerable customers through our Helping Hands Register.

This service helps older customers, or those with sight or hearing difficulties, a disability or serious injury, mobility issues or a serious medical condition. We provide a freephone number for Helping Hands enquiries and applications. The same freephone number is also given to, and used by, customers who wish to check the identity of any visitor purporting to represent our company.

Case study Our Customer Voice initiative

We have recently launched Customer Voice as a way of asking for your feedback during or following a piece of work, for instance when a job is handed over from a Yorkshire Water team to another service provider.

It's a way of enabling you to give us real time feedback about a service, or the individuals providing it, which allows us to rapidly react to a problem without you having to call in to report it.

How it works:

- You receive a text message after an interaction with Yorkshire Water and we ask you to provide a score and comments on your level of satisfaction.
- If you are dissatisfied we'll contact you to intervene and solve the issues straight away.
- We also use the results to help us understand the areas where we are performing successfully and those where we need to improve.

Already this is proving a very useful way of interacting with customers, allowing us to respond to their views quickly and effectively.

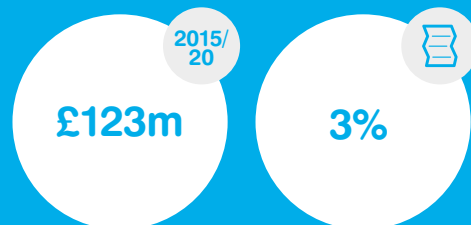
You want good customer service and acceptable prices

You told us your priorities for retail services

In your feedback you told us you expect good customer service and value service that caters for specific needs at an acceptable price. You want us to make it easy to contact us at any time and expect us to reply in a timely manner. You also told us it is important that we help you with your water use and provide options to conserve water, so you can control the costs you pay.

We keep your bills as low as possible

The cost and impact on your bill



The measures of our success*

**Measure value is year 5 commitment*

Helping to pay: Publish

The number of people who we help to pay their bill



Value for money: Increase

Percentage of customers satisfied with value for money as determined by the annual Consumer Council for Water tracking survey



Bad debt: 3.16% sustained

The cost to each bill paying customer of the customers who do not pay their water bill





How we're listening to you

Water is an essential resource for all customers. For some of our largest business customers, water expenses can make a major proportion of their overheads. For others, usage is lower than a domestic household. Regardless of size, we understand how important a constant supply of water and waste water services is for our customers, and we will do all we can to ensure they remain affordable.

We're committed to doing everything we can to make sure your bills represent the best possible service at the lowest possible price. We'll also ensure that they reflect your needs and are accurate. We are passionate about helping customers in need, and will continue to provide support for vulnerable customers and those who find themselves in water poverty.

To do this, we need to remain financially strong because a financially strong Yorkshire Water is good for everyone. Offering acceptable returns to investors means we are able to fund our business and investment plans so that your services are delivered at a price you can afford.

“
It's good to know the most
vulnerable will be looked after.
”

Household Customer

Some examples of what we are going to do

- **We will continue to provide support** for vulnerable customers and to help those of our customers who face difficulties paying.
- **Increase our partnership approach** with both local Credit Unions and debt charities and work with credit reference agency data to understand our customers and help us to differentiate between those who 'can't pay' and those who 'won't pay.'
- **Continue to lead the industry** in managing bad debt to keep average bills low, while providing support to those who face difficulties paying.
- **Promote ways for household and business customers to reduce their bill** by using less water. Where customers would be paying much less based on a meter, they will continue to have the opportunity to switch free of charge. We will continue to give information and advice to those on low incomes who would otherwise continue to pay higher bills than necessary.

You can find out how to save water and money, or apply for a water meter at yorkshirewater.com

Case study

Supporting you when times are hard

We have introduced a range of ways to help when customers find themselves in circumstances where they face difficulties in paying. These include:

Flexible payment plans – provides a more flexible range of choices around how and when to pay that suit your circumstances.

Budgeting advice – we work with a number of different adviser groups who provide help and support to vulnerable customers including Citizens Advice Bureau, MIND, Christians Against Poverty and many smaller Debt Advice groups. We have begun pilots with both local Credit Unions and the charity StepChange to further support this initiative.

WaterSure – a scheme that protects metered customers with unavoidably high water use. It helps customers who are in receipt of benefits and have either a large family or a medical condition causing them to use high volumes of water.

Water Support – Some customers are not eligible for WaterSure but they are still on a low income. Where their charges are relatively high we offer a scheme that reduces their bill to a much more manageable level, helping them to keep out of debt.

Resolve – we match a customer's payment to help them clear their debt and bring them back into good payment habits for the future.

Community Trust – Community Trust is an independent charity run by our parent company Kelda, which brings help to customers with the greatest financial hardship where no other scheme can help.

Water Direct – allows water and sewerage charges to be collected through benefits when customers are in arrears to help budget finances.



Case study

Gaining a better understanding of your circumstances

We're currently the only UK water company that has full membership of a credit reference agency for data sharing. This gives us a better insight into customers' financial circumstances, allowing us to target the right customers with the best means of support.

Full data sharing also improves our ability to recover unpaid bills. Our scorecard tool helps predict customers' ability to pay and also helps us identify those who won't pay, allowing us to take the most appropriate action to collect the unpaid charges. If you're a good payer, you'll benefit when we share your payment history; creating a positive credit record gives you access to high street credit and fraud protection that you may otherwise not have.

We know that people have different financial circumstances. We work with information specific to you to help give you the right help to pay. Since we started data sharing we have reduced our enforcements by half, significantly reducing the amount of court fees we pursue. We have also increased the help we offer through our hardship schemes.

To build on this success, we plan to make further improvements through increasing our partnership approach with both local credit unions and debt charities.



11.

Making our progress visible

To meet the challenges of tomorrow, we're making some pretty big promises and commitments. But we're determined to hold ourselves to account to deliver on them. So how will you know we're working towards these outcomes? Quite simply, because you'll be able to see us doing it.

We will report our progress annually and make the information freely available to everyone in a way that you can access and understand.

We have placed a report on our website to tell you how we are doing in delivering our Blueprint. If we are not meeting your expectations, we'll tell you what we are doing to put it right. You can find our current performance at yorkshirewater.com/about-us



Metric	Current Performance	Target
Customer Satisfaction	85%	90%
Service Reliability	99.5%	99.9%
Environmental Impact	100%	100%
Employee Engagement	80%	85%

Right across Yorkshire's towns, cities and countryside, wherever you see vehicles and our people digging holes, it's a sign we're hard at work, delivering on our promises. We expect to replace nearly 300 km of sewers and mains, which will inevitably mean digging up roads and causing some disruption. However, we believe the benefits for the future in terms of safer, more sustainable, more reliable, high quality water and sewerage services will be well worth it.

The image below is an example of the work we will be carrying out between 2015-2020, replacing old metal pipes with new plastic mains.



Since 2010 we've taken on more than 60 apprentices and expect to take on 160 more in the next 5 years

We can't do it on our own

To deliver on our promises we need the very best people working for us. Top quality staff are at the very heart of our business and have a central role to play in the achievement of our plans. We're immensely proud of our people and the service they provide. We are delighted to have been awarded the Living Wage accreditation to ensure all eligible employees are paid fairly, whether they are our employees or third-party contractors. We employ just over 3,000 staff across the region in our Yorkshire Water and customer contact centre operations, with the biggest concentration being based in Bradford, Leeds and Sheffield.

Working with the best

To help us deliver a high quality service and deliver on our promises we also partner with a number of carefully selected and trusted partner companies and organisations who carry out some aspects of the work on our behalf. We make sure they share our ethos, work to the same high standards and are just as committed to the end result as we are.

Bringing in fresh talent

Recent statistics have highlighted that more than a million 16-24 year olds are currently out of work. However, we're doing our bit to help them and we're pleased to say it's a mutually beneficial arrangement. While our apprenticeship scheme is helping young people who have been hardest hit by unemployment, our apprentices are hard at work helping us deliver on our plans.

Since its launch in 2010, we've taken on more than 60 apprentices in a variety of roles within our business and expect to take on 160 more over the next 5 years, as part of on-going drive to ensure our skills base is maintained and fresh talent and energy are continuously introduced and nurtured.

All our apprentices study for a nationally recognised qualification alongside their on-the-job training and are offered a permanent role at the end of their apprenticeship. Our successful graduate development programme brings fresh new talent in every year, individuals follow a two year structured learning programme where they get real responsibility early on before taking up leadership and technical roles across the business.



12. Innovation

We are committed to continually exploring and developing new ways to do things better. Only by thinking differently will we deliver innovative solutions that challenge and improve the way we do things both now and in the future.

Innovation is one of the key driving forces of our business. It allows us to deliver more at the same time as keeping costs down. It will also help us to continue delivering an exceptional level of service both now and into an increasingly unpredictable future. Innovation will play a key role in helping us cope with the challenges of climate change, population growth and economic pressures.

We're not interested in innovation for innovation's sake. Every new idea, process or improvement must be able to prove that it will bring tangible, positive benefits for our customers and stakeholders. We're determined to be industry leaders in thinking and best practice, ensuring we find better ways of meeting the challenges we face. In particular, we'll be looking at designing the Waste Water Treatment Works of the future, with the aim of delivering a true step change in energy efficiency and sustainable environmental performance.

As an underlying principle, we will seek to aggregate challenges and solutions to demonstrate greater amalgamated potential.

We have five key areas of focus for innovation over the next 5 years:

- 1 Developing innovative solutions to enable sustainable use of our water resources.
- 2 Creating sustainable energy facilities by generating energy from our processes and managing demand effectively.
- 3 Ensuring our customers are provided with the highest quality water.
- 4 Developing leading edge tools for our networks which will prevent discolouration, and produce tools which allow real time monitoring and control of the network, reducing the impact of leakage and sewer flooding.
- 5 Develop state-of-the-art tools to forecast and mitigate the future impacts that climate change will have on Yorkshire.

Case study

Full Flow Anaerobic Sewage Treatment (FFAST)

FFAST is a new form of waste water treatment currently being developed in partnership with Cranfield University.

FFAST includes an anaerobic (without oxygen) process and separate nutrient removal process using 'ion exchange media'. Compared to traditional methods, this new form of treatment significantly reduces energy use meaning lower costs, and produces a higher quality effluent, leading to better quality rivers. The process also allows the separation of useful nutrients

like phosphorus and ammonia, which can then be used for fertiliser or other products. To ensure the technology works and provides best customer value, further research and modelling work is currently under way. If this is successful, we want to build a pilot plant which can prove the concept at full operational scale in the next five years.



Case study

Managing our river catchments in real time

We don't underestimate the scale of the future challenges for the water industry. Achieving 'Good Ecological Status' in our watercourses in the face of population growth and climate change will require innovative new treatment processes and new ways of sustainably managing our assets.

We have 640 waste water treatment works, 55 clean water treatment works, 31,300 km of water pipes and 52,000 km of sewers. All of our systems are connected to a greater or lesser extent, along with the rivers, uplands and boreholes that we collect our water from. Real Time River Integration (rtRIVERi) is about understanding this connection to make our processes more efficient – integrating water taken from our rivers with waste water discharges, into a single optimal system. In a practical sense rtRIVERi involves improving the monitoring and analysis that we do on rivers

sewers and treatment works, and using this to make savings on our pumping and treatment costs.

We have been working on developing our models and monitoring processes on a small scale. This work has already enabled us to understand the interaction between our sewage treatment works and rivers and improve our existing modelling capabilities. We want to implement rtRIVERi across a whole river catchment over the next five years. This will help us deliver increased river quality, improved water supply security and environmental improvements as well as significant reductions in our energy and carbon footprint.



13.

Our ripple effect in Yorkshire

Yorkshire Water plays an important role in underpinning the economic wellbeing of our region. We don't just pump water into our region, we also pump millions of pounds into the local economy.

For every £1 we invest, the knock-on effect in the wider Yorkshire economy is almost double. This ripple effect is a major contributor to Yorkshire's GDP. And it doesn't end there. Our investment in bathing waters also gives a massive tourism boost to the region, with potential for more blue flags and cleaner seas. Our land and reservoirs, so much a part of the fabric of our Yorkshire landscape, are visited by millions of walkers, cyclists and bird-watchers every year.*

*As at December 2014

Creating a £6 billion ripple effect

Employing more than 3,000 colleagues

Supporting more than 1,000 local businesses

Spending £1.35 billion in operating expenditure

Investing £1.86 billion in the region's infrastructure

Yorkshire
Water
Investment

14.

Committed to our role in the community

We always try to be a good neighbour and take our role in the community almost as seriously as we take supplying Yorkshire's drinking water.



Hands Up

Our people are committed to what they do, and to delivering service 24 hours a day, 365 days a year. They also show their commitment by volunteering and connecting with local communities.

We love getting out and doing our bit through volunteering, so we've created our most ambitious community initiative to-date, Hands Up, which operates across four inspiring themes:

Water and Beyond

This theme focuses on volunteering initiatives that allow our colleagues to go out into their local communities and really make a difference. Our Right to Read programme allows our volunteers to help primary school children improve their reading. Our STEM ambassadors introduce pupils to Science, Technology, Engineering and Maths in a fun and interactive way that encourages life-long learning. We train our people to be School Governors, and we run a Speakers Panel where colleagues talk to our customers and community groups about local issues and activities that relate to Yorkshire Water.

Water Force

We have gone into partnership with a number of organisations including the RSPB, Yorkshire Wildlife Trust, Sheffield Wildlife Trust and the Aire Rivers Trust to conserve and enhance the Yorkshire region.

Water Exchange

Water exchange is a great opportunity for us to engage with local school children about key issues facing the water industry such as water treatment, water conservation, pollution and water in the developing world.

WaterAid in Action

This theme sees us continue to support WaterAid in Yorkshire's fundraising activities. We've also joined forces with WaterAid Ethiopia to help ensure that vital work continues to provide clean water and sanitation to those who desperately need it.

Our people do all of this at no extra cost to you.

15. What happens next?

Thank you for taking the time to read our plan for the next five years. We hope that it both reassures and inspires you about the future of Yorkshire's water.

We agreed our plan with Ofwat in February 2015 finalising our charges for the next five years. The new prices will come into force on the 1st April 2015. We will continue to update you on our progress and what it means for you in a clear customer guide in 2015. Our final determination of prices is available on our website yorkshirewater.com

We will continue to work closely with the Customer Forum to ensure that we deliver our commitments to you and are transparent about our actions if we fall short. We will publish our performance annually.

We believe our plan balances investment in your priorities and the environment, at a price you are able to pay. We have consulted with customers and other stakeholders every step of the way in developing 'the right outcome for Yorkshire' and welcome any further feedback you may wish to share with us.

Want to find out more about our Blueprint for Yorkshire?



Visit our website
yorkshirewater.com



Call us
0345 124 24 24



Speak to one of our online team
yorkshirewater.com/contactus



Find us on facebook
facebook.com/yorkshirewater



Follow us on twitter
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Write to us
Yorkshire Water
PO Box 52
Bradford
BD3 7YD

Other useful links

Ofwat
ofwat.gov.uk

Consumer Council for Water
ccwater.org.uk

Environment Agency
environment-agency.gov.uk

Drinking Water Inspectorate
dwi.defra.gov.uk

Natural England
naturalengland.org.uk

If you would like to know more about our Blueprint for Yorkshire

In addition to this guide, we produced more detailed plans explaining our Blueprint, as well as a plan for each of the four price controls we will operate. We also published key documents that have contributed to the development of our plans.

Please feel free to view these more detailed plans by visiting our website yorkshirewater.com

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