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Welcome to our draft assurance plan.

The purpose of the draft assurance plan is to describe our assurance approach and the assurance activities we have planned for the coming year and beyond.

We would welcome your views on how well you think the plan is shaping up and whether our planned activity meets your expectations. We will use your feedback to shape our final assurance plan.

The final assurance plan will be published on the 31 March 2019. Any feedback on this draft assurance plan would be gratefully received by 31 December 2018.

We are really interested in seeking feedback on the following:

- Q1. Are we planning to assure the information that is important to you? If not, what do you think is missing?**
- Q2. Will our planned assurance give you confidence that our information will be accurate and accessible? Is there anything you would change?**
- Q3. Is this plan easy to read and understand? Is there anything you would change?**

You can contact us in the following ways.



Email: publicaffairs@yorkshirewater.co.uk



Sending comments via our website link:
yorkshirewater.com/contactus



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

1. About us

We provide some of life's most essential services to the people and businesses of the Yorkshire and Humberside region, playing a central role in the region's health, wellbeing and prosperity.

We do this by collecting, treating and distributing water in Yorkshire, supplying around 1.3 billion litres of drinking water each day. At the same time we also collect, treat and dispose of about one billion litres of waste water safely back into the environment.

To do this we operate more than 650 water and sewage treatment works and 120 reservoirs, and we look after 83,000 kilometres of pipework.

Our vision is 'Taking responsibility for the water environment for good'. It's about acting responsibly, delivering high standards and meeting your needs today and tomorrow.

In 2015 we worked with you to identify seven things that you want us to achieve between 2015 and 2020.

We called them 'Outcomes for Yorkshire'. These seven outcomes are supported by 26 performance commitments. Our performance commitments are shown on the following page.

Your water bill pays for those outcomes and commitments, supporting the service we deliver, so it's right that we should report to you on how we are doing against these.

We report our performance against these commitments every year in our Annual Performance Report and our Customer Performance Report.

The Performance Commitments

The Seven outcomes

Customer outcomes



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

Our performance commitments:

- Drinking water quality compliance
- Corrective actions
- Drinking water quality contacts
- Stability and reliability factor - water quality



We make sure that you always have enough water

Our performance commitments:

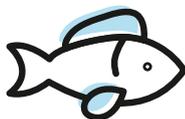
- Leakage
- Water use
- Water supply interruptions
- Stability and reliability factor - water networks



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

Our performance commitments:

- Internal flooding
- External flooding
- Pollution incidents
- Stability and reliability factor - waste water networks



We protect and improve the water environment

Our performance commitments:

- Length of river improved
- Visitor satisfaction
- Working with others
- Bathing water quality
- Land conserved and enhanced
- Stability and reliability factor - waste water quality



We understand our impact on the wider environment and act responsibly

Our performance commitments:

- Energy generation
- Waste diverted from landfill



We provide the level of customer service you expect and value

Our performance commitments:

- Quality of customer service (SIM)
- Service commitment failures
- Overall customer satisfaction



We keep your bills as low as possible

Our performance commitments:

- Number of people who we help to pay their bill
- Value for money
- Bad debt

2. **About this document**



We want to provide you with information that you can trust. Our draft assurance plan explains the assurance we have in place to give you confidence that our publications are accurate, accessible and easy to understand.

We first published our assurance plan in 2016 and since then, we have used your feedback, and the knowledge and experience we have gained to improve our plan.

Last year, we received positive feedback from Ofwat and we were delighted that they assessed both our draft and final assurance plans as exceeding expectations. However, it's important that we continue to improve and use your feedback to improve the quality and content of our 2018/2019 assurance plan.

As a result, we've improved our approach to risks, strengths and weaknesses, we've enhanced the way we assess publication risks and we've restructured our appendices. We've worked hard and we think we have

made significant improvements to our reporting and assurance to make sure that we continue to get it right.

We've previously spoken with you to understand the risks, strengths and weaknesses of our reporting and this year's draft assurance plan contains much clearer links to the information we obtained from you. It describes how our assurance activity will contribute to improving our performance in the areas we have targeted.

We've improved our approach to assessing the risks associated with each of our publications. Using our corporate risk matrix, we have extended our assessment of each publication to include internal and external risk criteria.

As a result of this exercise, there are 12 publications where the impact on customers or regulatory reporting carries a level of risk that requires a greater level of assurance through our external partners, Jacobs and Deloitte.

The remaining nine publications carry a level of risk that we can manage internally by applying our established assurance process. This draft assurance plan describes the outcome of our risk assessment exercise in more detail and the level of assurance we intend to apply to manage these risks.

You can read more about where we have focused our assurance in Section 5.

Finally, we've restructured our appendices to provide you with more useful information and to reduce duplication. In this year's plan, we have used Appendix A to provide detailed information about our assurance plan which is more focussed on why publications are important and how we will assure them. Appendix B provides a summary of our targeted areas, why we've included them in the plan and what assurance we will carry out to improve our performance in these areas.

Our assurance plan covers all the information that we plan to publish in 2018/2019 and 2019/2020. The diagram below explains how to navigate this document;

1. About us Page 04

We start our draft assurance plan with an introduction to Yorkshire Water. Who we are, what we do, our vision and the promises we made to you.

2. About this document Page 06

We have structured this document with increasing levels of information so you can choose how much you would like to read.

3. Glossary Page 10

In this section, we explain the terms and abbreviations we have used in this plan.

4. Our Assurance Approach Page 14

In this section, we explain our three levels of assurance and our risk-based approach.

5. Where we have focused our assurance Page 22

In this section, we describe our risk based approach to applying assurance and a summary of the levels of assurance we apply to our publications.

6. Appendix A - Our detailed assurance plan Page 30

In this section, we provide a detailed summary of why the publication is important and what assurance activities we intend to carry out for each of our publications.

7. Appendix B - Our targeted areas of assurance Page 52

Here we explain our targeted areas, why we've included them in the plan and what assurance we intend to carry out.



What is assurance?

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

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



How does it work?

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

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

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



Why does assurance matter?

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

3. **Glossary**

You've previously told us that you would like to see a glossary at the front of our Assurance Plan and so the next few pages explain the terms and abbreviations we have used in our plan.

Term	Definition
Annual Performance Report (APR)	A report that we publish each year to show we are keeping to our separate price controls, and our performance against the promises we have made to you.
Assurance	Provides confidence and a level of certainty that a piece of information is correct.
Assurance plan	A plan of the activities that we will carry out to provide assurance on the information and publications we provide.
Board	Our board is accountable for controlling the business, our strategy and our decisions. They answer for the quality of our information and publications.
Board Audit Committee (BAC)	The committee reviews the processes and controls in place and the level of assurance. They report their views of the quality of our assurance to the board.
Company monitoring framework	Ofwat's framework that sets out the way in which companies provide performance information to their customers, and others with an interest, between 2015 and 2020.
Control and Risk Self-Assessment (CRSA)	To support this approach, all our senior leaders provide assurance over their team's compliance with relevant legislation, regulation and governance by completing an annual Control and Risk Self-Assessment (CRSA).
Corporate Governance Code	Also known as the UK Corporate Governance Code, this sets out good standards in relation to board leadership and effectiveness, pay, accountability and relations with shareholders.
The Yorkshire Forum for Water Customers	The customer forum is an independent group representing domestic customers, business customers and environmental representatives, including quality regulators. They hold us to account for the quality of our involvement work, our plans and to check we are meeting the promises we made to you.
Data assurance	Processes in place to make sure that the information we produce is accurate.
Data provider and Data manager	Data providers have specific responsibilities as part of our data-assurance process. They will record the steps we follow to gather, analyse, process and report on our performance. They will then include this information in the publication. The data provider is supported by a data manager. The data manager will make sure that the information produced and any supporting explanations match our reporting requirements.
Day-to-day controls	These are the activities that we complete every day as part of our front-line operations. Everything that we do supports the information that we eventually report.
Defra	Defra is the Department for Environment, Food and Rural Affairs. It is a UK government department responsible for protecting our natural environment, supporting the food and farming industry, and maintaining a thriving rural economy.

Term	Definition
Delivery assurance groups	These are teams made up of managers and operational colleagues. They are responsible for monitoring our performance as we deliver the performance commitments that we agreed with you.
DWI	The Drinking Water Inspectorate (DWI) is the independent regulator of drinking water in England and Wales, ensuring that water companies supply safe drinking water that is acceptable to consumers and meets the standards set out in law.
External audit (other)	The independent assurance providers that we hire to review the information we publish. Jacobs are our technical assurance provider. We also work with Deloitte. These groups review the information we publish. This can include interviews with colleagues, tracing information back to source and assessing the quality of our processes.
Internal audit	Internal audit is an independent team, governed by international standards, which focus on higher-risk areas across the business. They review second-line activity and test the design and operation of the controls to make sure we provide accurate information.
ISO 9001 Quality Standard	ISO 9001 is the internationally recognised Quality Management System (QMS). It is the standard that our regulatory reporting process has been judged to meet. By being ISO 9001 accredited, our regulatory reporting process is considered to consistently provide information that meets customer and statutory and regulatory requirements.
MOSL	Market Operator Services Limited. They work with Defra, Ofwat and the water companies as part of the Open Water Programme, which prepared the industry for the opening of the new non-household retail market in April 2017.
NAV's	Refers to New Appointment and Variation organisations that operate within the Yorkshire Water region.
Ofwat	The Office of Water Services is the economic regulator of water services in England and Wales.
Performance commitment	In 2015 we worked with you to identify seven things that you wanted us to achieve between 2015 and 2020. We called them 'Outcomes for Yorkshire'. These seven outcomes are supported by 26 performance commitments. These are our commitments to you and the targets that we are working towards between 2015 and 2020. We have provided information on our performance commitments in Section 1.
PR14	Periodic Review 2014; this is the Ofwat periodic review of price limits completed in 2014 to set prices for 2015 to 2020.
PR19	Periodic Review 2019; this is the Ofwat periodic review of price limits to be completed in 2019 to set prices for 2020 to 2025.
Procedures	A procedures document is completed by the data provider and approved by the senior manager which explains how we gathered the information that we have reported. This makes sure our reporting over the years is consistent.

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

4.

Our assurance approach

The aim of our assurance

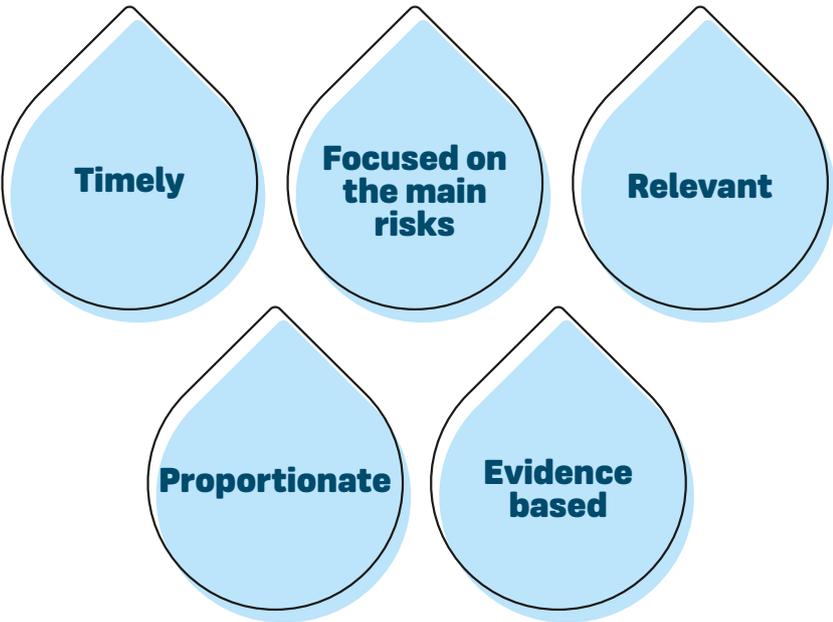
The aim of our assurance is to give you confidence that the information we publish is accurate, accessible and easy to understand. If we don't get it right, we risk losing your trust and confidence. Our Board is accountable for the quality of our information and wants to make sure it meets your needs.

Our approach is risk-based and uses a method called 'three levels of assurance'. This makes sure that our assurance activities are proportionate to the level of risk of error associated with the information or the publication. This is best practice for assurance.

In this section, we explain our three levels of assurance and our risk-based approach. We also describe the assurance processes we follow to make sure our information is accurate and that our publications are accessible and easy to understand.

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

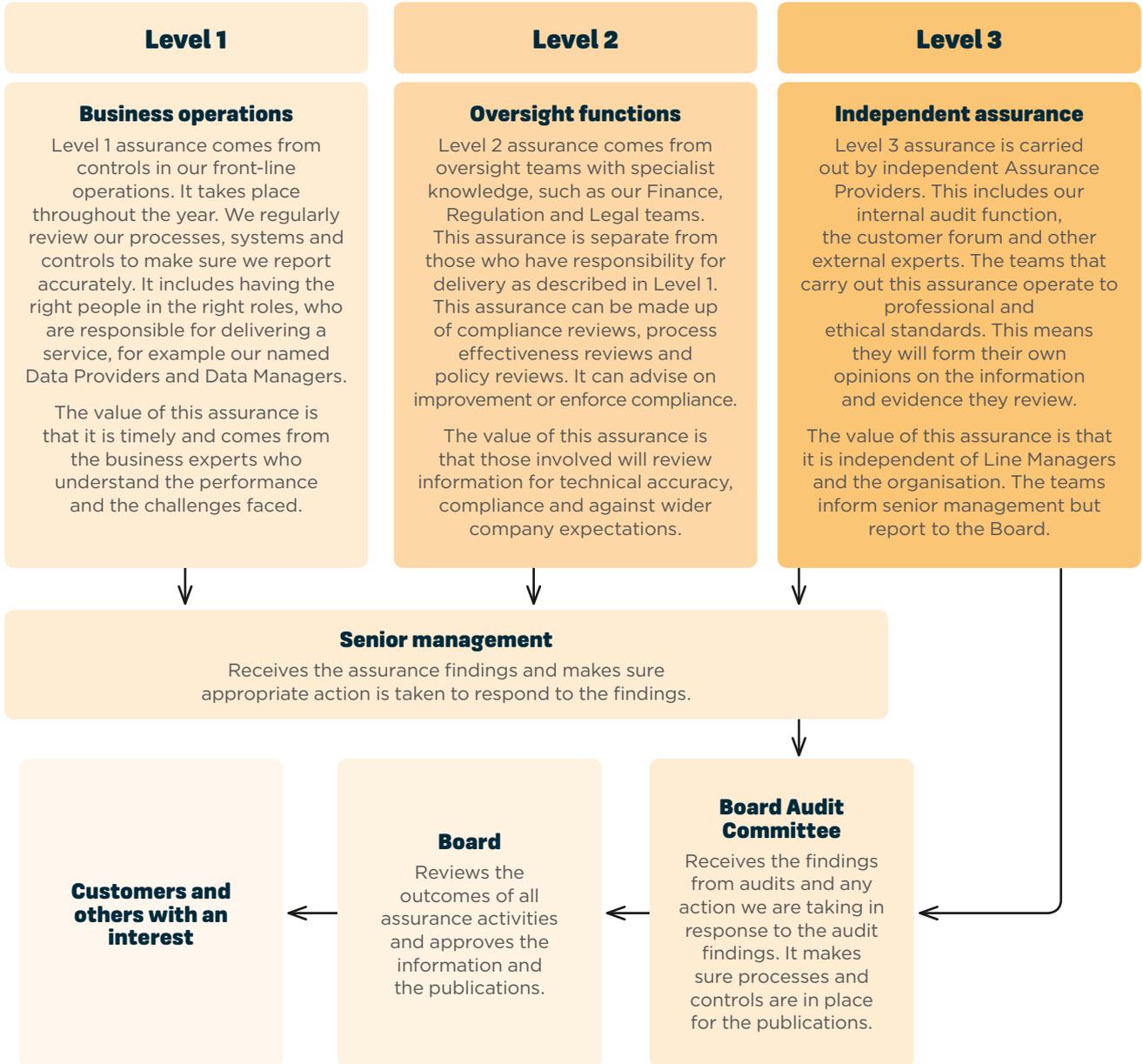
We want to make sure our assurance plan is:



Our three levels of assurance

Our assurance comes from a number of sources and is a year-round activity. We operate three levels of assurance and apply this model to all our reporting.

By putting our assurance activities into three levels, we make sure that we apply the right amount of assurance, at the right time. A description of the levels of assurance is provided in the diagram below;



Later in Section 5 of our plan, we explain the risk-based exercise we have carried out so that we apply the right amount of assurance using the three levels of assurance depending on the report and the information we publish.

In Appendix A there is a detailed summary of the assurance we will apply to each of our publications.

Appendix B is a summary of areas where we will carry out extra assurance activities in areas which we have identified as presenting more risk to our published information. These are our targeted areas of assurance.

Our assurance model is a risk-based approach

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

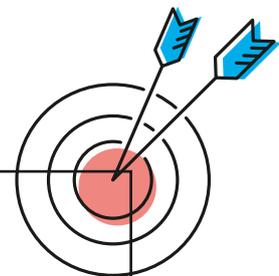
All our information will be checked to make sure it is accurate and meets your needs. This will happen whether the information is considered higher risk or not. The high risk information will just have more assurance overall.

In terms of reporting, risk is defined as an uncertain future outcome that, if it happens, will have negative effects on the quality of the information in our reports. A risk is assessed by the probability of a mistake happening and on the effect if it does happen.

Managing risk is important to us. Our assurance aims to manage any risks which would harm the confidence you place in us or in our published information.

We decide how much assurance we put in place for each piece of published information. Where we identify areas with a higher risk to the accuracy and quality of the information, we will use extra checks to make sure it is right.

To develop our plan, we have assessed the level of risk presented by the information in each of our reports to decide how much assurance we will apply when we use our assurance model. We have explained our approach in Section 5.



The areas where we apply more assurance

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

Where there are financial rewards and penalties involved.

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

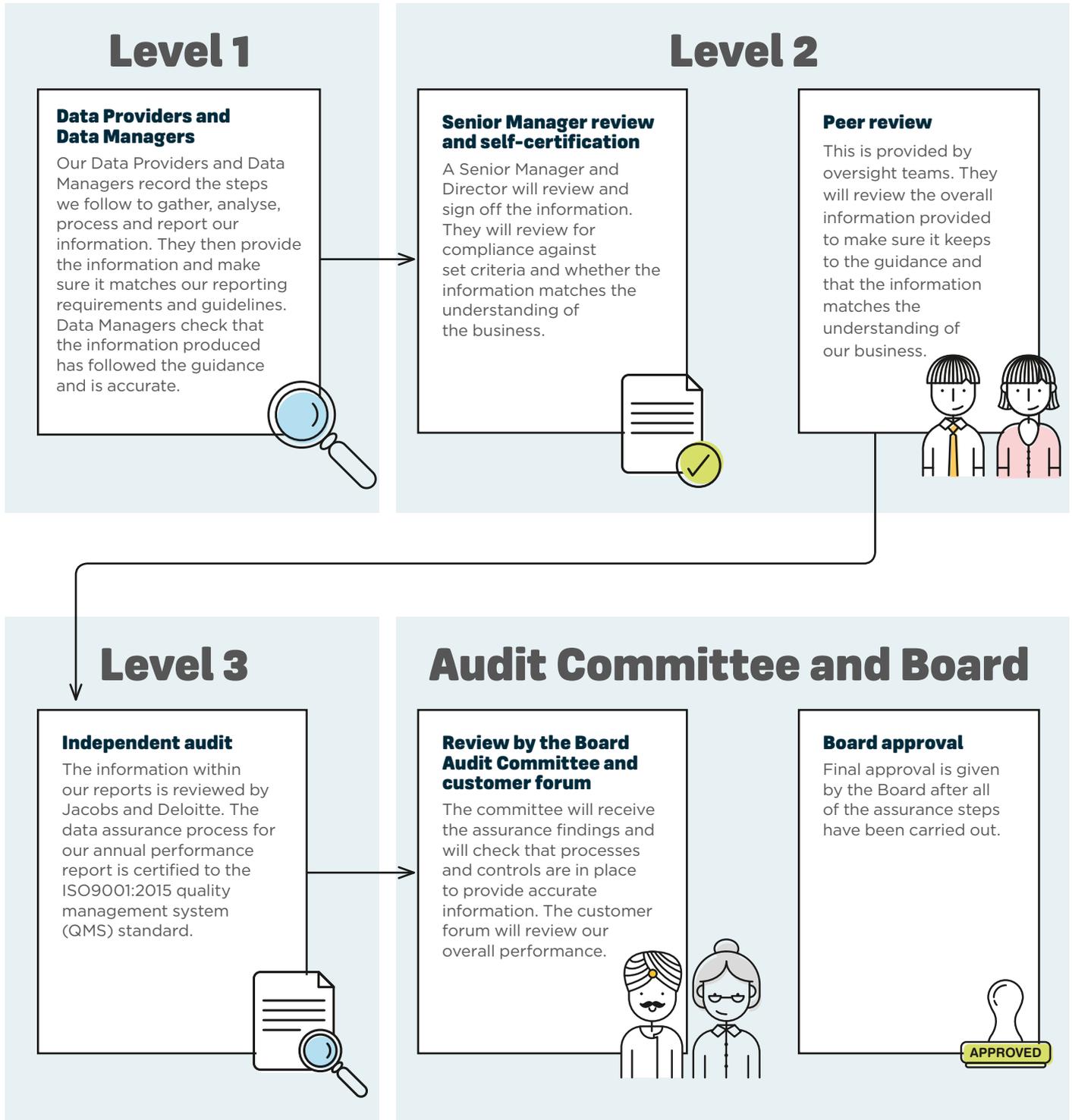
Where we rely on other people and other companies to provide information for our reports.

Where there is change inside or outside the organisation.

Where we forecast that we will not meet our commitments or where we did not meet them in the previous year.

Our data assurance process

Our data assurance process is in place to make sure that the information we produce is accurate. These are the three levels of assurance we carry out to ensure the data we publish is accurate.



Our wider assurance process

Our wider assurance process is in place to make sure that our publications meet any regulatory guidance and are accessible and easy to understand. This includes the assurance we apply to each of our reports as whole documents to make sure they are accurate and meet all our stakeholders needs.

To carry out this process we assign a publication manager who is responsible for:

- understanding the guidance
- designing the format of the report
- choosing data providers
- developing the timeline for the publication
- collecting information for the publication
- writing the publication in plain English
- delivering the publication on time, and
- making sure the publication is easy to understand

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

A senior manager and a director complete a self-certification statement that the publication is true, accurate, easy to read and meets any guidance or requirements.

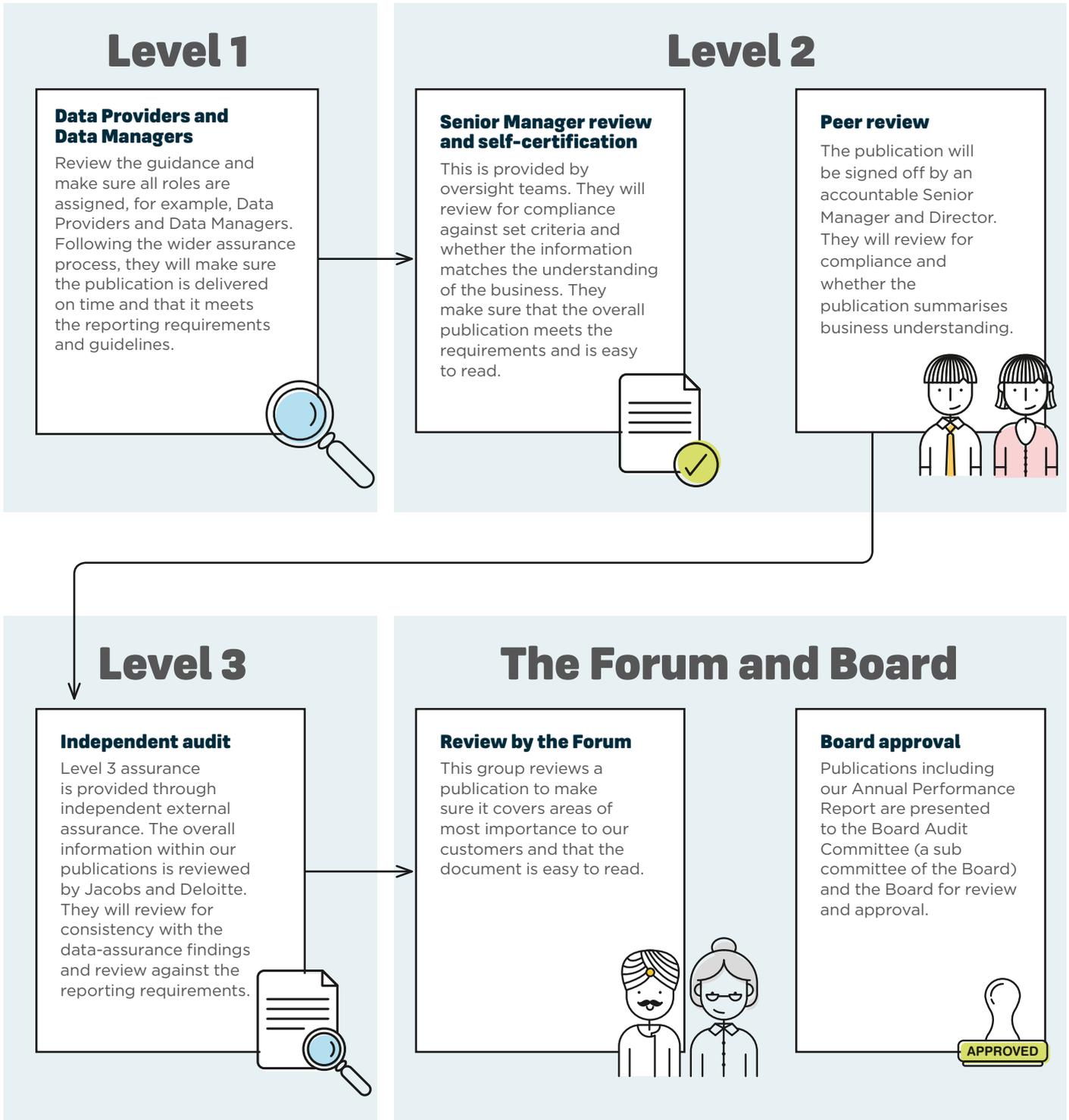
Independent auditors review the overall publication for consistency with the findings from the data-assurance process.

We have a process in place with the customer forum. They hold us to account for meeting the promises we made to you and the accuracy of our reporting.

Our Board approves the publication once we have fully completed our assurance process. Our Board answers for the quality of our publications. The Board owns and approves the publication and releasing of the information we make available for you.

The diagram below describes the processes we go through enabling our Board to provide final approval or the information we publish.

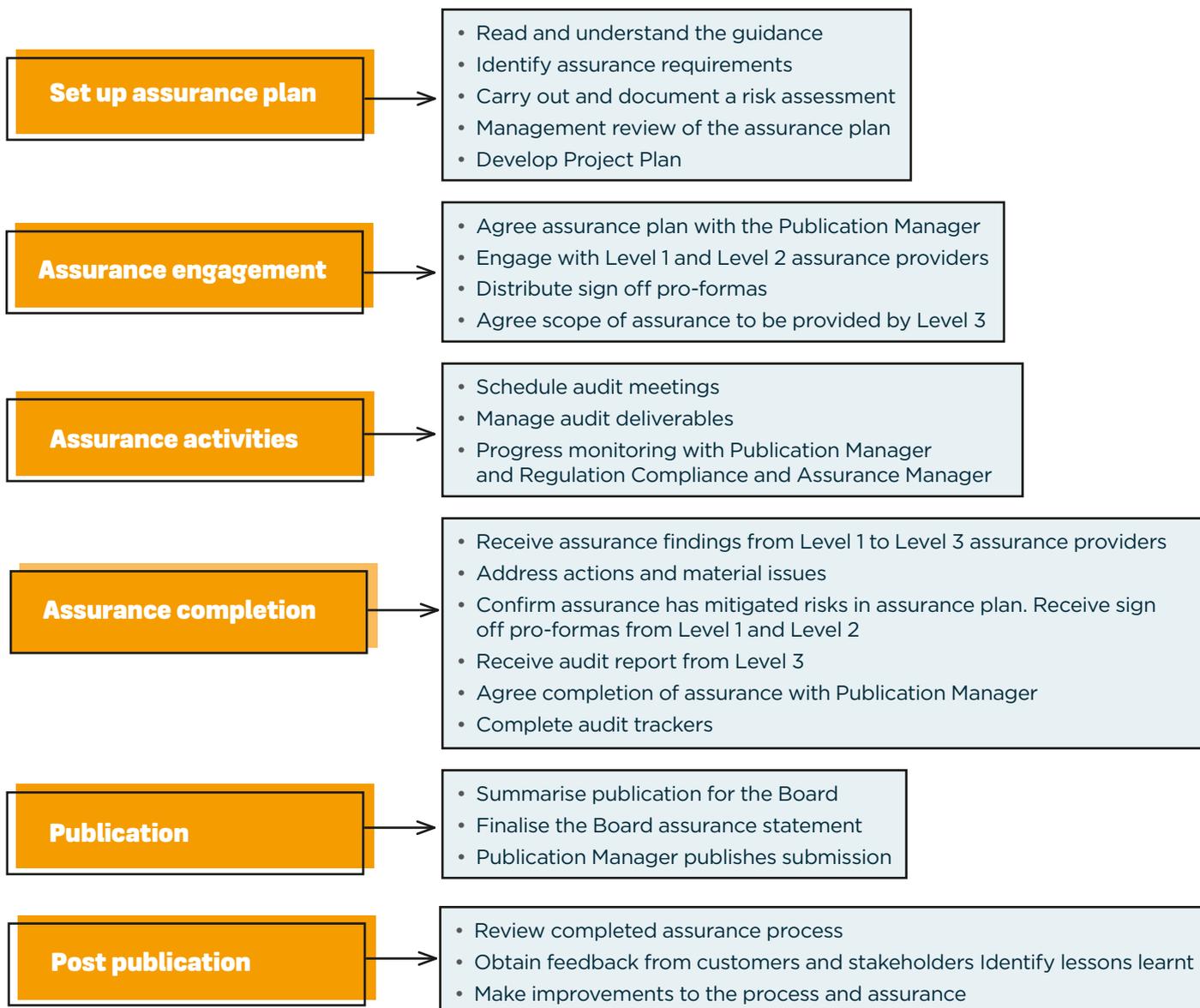
The diagram below shows the three levels of assurance we carry out for the wider assurance of our publications.



Our Regulatory Assurance Methodology

Our wider assurance process needs detailed planning to deliver the quality of publications that our customers and stakeholders expect from us.

The diagram below shows the main activities involved in our assurance process which is part of our Regulatory Assurance Methodology.



Assurance step
 Activities

Our process gives clear responsibilities and guidance to make sure our assurance is carried out in a clear and consistent way. The process has clear methodology and we use templates that are completed by our data providers, data managers and publication managers to apply the process.

Our assurance process applies the principles of the Quality Management System standard ISO9001 and parts of our APR process are certified to the standard. Our aim is to increase the number of our processes which are certified to this standard to improve the quality of our assurance.

Other activities we carry out are covered by separate processes (such as procurement) or are developed specifically for each assurance requirement.

5. **Where we have focused our assurance**

Our assurance activities

Our risk assessment approach

We carry out a risk assessment on our publications to determine what level of assurance we will apply to them.

Our approach is illustrated below.

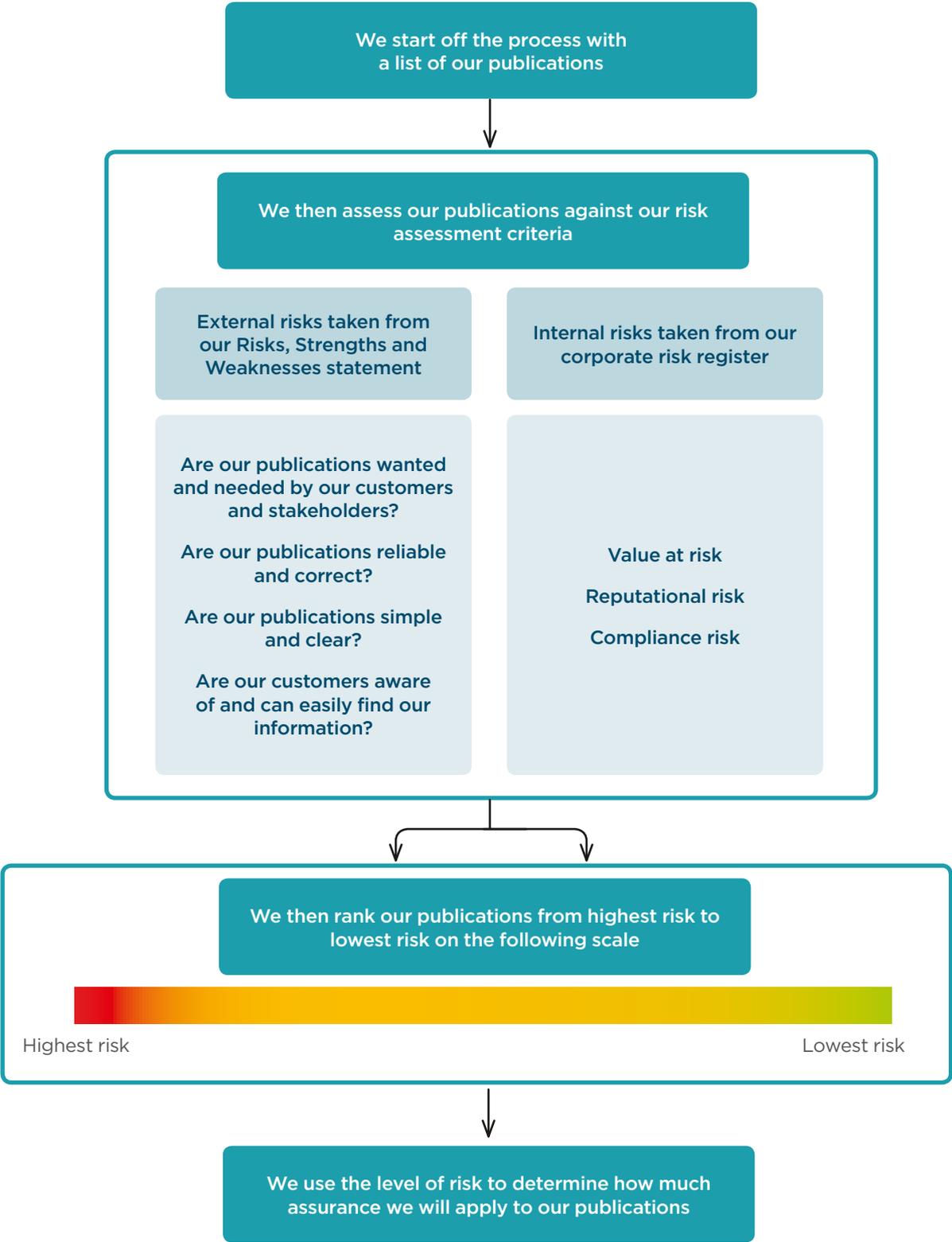


Table 1 provides a summary of our assessment of risk for each of our publications. The table summarises the levels of assurance that we have applied or will apply including review and approval by the Customer Forum, and the Board Audit Committee.

Tables 2 and 3 summarise the levels of assurance that we have applied or will apply including review and approval by the Customer Forum, and the Board Audit Committee.

Table 1: Our Assurance risk matrix

Publication	Publication Date	Risk Assessment
Response to PR19 initial assessment of plans	Mar-19	<p>Risk Key</p> <p>Highest risk</p> <p>← Our highest risk is our Response to PR19 initial assessment of plans.</p> <p>← Our lowest risk is our Operational Market Performance Report.</p> <p>Lowest risk</p>
Annual Performance Report (APR)	Jul-19	
Risk and Compliance Statement	Jul-19	
Indicative Wholesale Charges Scheme	Oct-18	
Wholesale Charges Scheme	Jan-19	
Charges Scheme	Feb-19	
Bioresources Market Information	Jul-19	
Charging arrangements for New Connection Services	Feb-19	
Water Resources Management Plan	Mar-19	
Water Resources Market Information Submission	Mar-19	
Bulk Supply Charges	Jul-19	
Assurance Plan (Draft)	Nov-18	
Interim Financial Statements	Nov-18	
Data Assurance Summary	Jul-19	
Risks, Strengths and Weaknesses Statement	Sep-18	
Condition R Compliance Code Statement	Apr-19	
Performance summary	Jul-19	
Assurance Plan (Final)	Mar-19	
Annual Report and Financial Statements (statutory accounts)	Jul-19	
Casework (information to Ofwat as required)	As required	
Operational Market Performance Report	Monthly	

Our targeted assurance

Every year we consult with our customers and stakeholders about the information we publish. This lets us know where and how we can improve.

Over the past year, based on your feedback, we think we've improved our reporting process. But there are still areas where we can improve. To make sure that we address these areas, we've looked at our risks to reporting, how well we share information with you, and how effective we are at making sure we meet everyone's needs.

The summary of the feedback we have gathered is in our Risks, Strengths and Weaknesses statement. The areas where we will apply targeted assurance are listed below.

Our list of targeted assurance areas

1) Performance commitments where the target was missed in the previous year

We have included these performance commitments because we want to make sure our reporting is correct and provides the most accurate information in areas where we didn't meet our promises to you. Therefore, our targeted assurance will focus specifically on;

- Drinking-water quality
- Drinking-water quality contacts
- Leakage
- Energy generation

Appendix B explains what specific actions we intend to take, and the assurance we will apply to these targeted areas.

2) Performance commitments where we are forecasting a financial incentive reward at September 2018

We have included these performance commitments in 2018/2019 because receiving rewards has an impact on our customers' bills. The level of performance we report will calculate the value of the reward and therefore our data must be accurate.

To make sure we have achieved the rewards we have said we have, we will apply extra assurance in this targeted area.

3) Price control cost allocation

We have included cost allocation as a targeted area in our assurance plan because we made mistakes in 2017/2018 and reported some information with errors.

We have learnt from these errors and to make sure we don't make the same mistakes again, we will apply an increased amount of rigour in the assurance for the technical areas where this is most likely to happen.

<p>4) Customer understanding and awareness of the information we provide</p>	<p>This is an area where we've received positive feedback from our customers and support from the customer forum.</p> <p>We want to build on our strengths and continue to improve. We are targeting this area to make sure that our customers and stakeholders have a clear awareness of the information we publish and that they can understand it.</p>
<p>5) Effect of our internal SAP programme on our reported information</p>	<p>In 2018/2019, we are upgrading our SAP system. We are targeting this area because the accuracy and completeness of the information from our IT systems is central to the overall accuracy of the information we report to you.</p>
<p>6) Meeting regulatory guidance</p>	<p>We have targeted this area because the technical information we publish must meet the requirements and regulatory guidance set by Ofwat.</p> <p>After feedback from Jacobs, our technical assurance provider, and some minor errors highlighted by Ofwat, we have chosen two specific areas to target our assurance this year. These are;</p> <ul style="list-style-type: none"> • Application of principal use • Calculation of average pumping head <p>Appendix B provides more information about these two areas and explains what actions we intend to take, and the assurance we will apply.</p>
<p>7) Accuracy of information</p>	<p>We have included the accuracy of our information as a targeted area because it is not acceptable for our information to be reported with errors.</p> <p>From our own assessment and the Ofwat query process, we identified some errors in our reporting. We have learnt from these errors and to make sure we don't make the same mistakes again, we will apply an increased amount of rigour to the assurance we apply to our reported information.</p>

Appendix B provides detailed information about each of our targeted areas including further information about why we have included them in our plan, the actions that we will take to improve our performance in these areas and an explanation of the assurance that we will carry out.

For further information on our Risks, Strengths and Weaknesses statement please follow the link below.



More focus...



Our Risks, Strengths and Weaknesses Statement

In our risks, strengths and weaknesses statement, we identified areas that need more focused assurance. Our risk-based approach was used to identify these target areas.

Further information can be obtained by following this web link.
yorkshirewater.com/sites/default/files

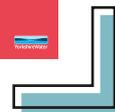


Table 2 – A summary of assurance applied to our publications that include performance information from 1 April 2018 to 31 March 2019.

Publication	Publication Date	Risk Assessment	Targeted Assurance Area	Level One	Level Two	Level Three	The Forum	BAC
Response to PR19 initial assessment of plans	Mar-19		1-4, 6 & 7					✓
Annual Performance Report (APR)	Jul-19		All				✓	✓
Risk and Compliance Statement	Jul-19		1-4, 6 & 7				✓	✓
Indicative Wholesale Charges Scheme	Oct-18		3 to 7					✓
Wholesale Charges Scheme	Jan-19		3 to 7					✓
Charges Scheme	Feb-19		3 to 7					✓
Bioresources Market Information	Jul-19		3 to 7					
Charging arrangements for New Connection Services	Feb-19		3 to 7					✓
Water Resources Management Plan	Mar-19		4, 6 & 7				✓	✓
Water Resources Market Information Submission	Mar-19		4, 6 & 7				✓	✓
Bulk Supply Charges	Jul-19		3 to 7					✓
Assurance Plan (Draft)	Nov-18		4, 5, 6 & 7				✓	✓
Risks, Strengths and Weaknesses Statement	Sep-18		4 & 6				✓	✓
Interim Financial Statements	Nov-18		4, 5 & 7					✓
Data Assurance Summary	Jul-19		4 & 6				✓	✓
Condition R Compliance Code Statement	Apr-19		4 & 6					✓
Performance summary	Jul-19		1, 2, 4, 6 & 7				✓	✓
Assurance Plan (Final)	Mar-19		4 & 6				✓	✓
Annual Report and Financial Statements (statutory accounts)	Jul-19		1, 2, 4, 5 & 7					✓
Casework (information to Ofwat as required)	As required		6 & 7					
Operational Market Performance Reports	Monthly		5 & 7					

Table 3 – A summary of assurance applied to our publications that will include reporting of our performance information from 1 April 2019 to 31 March 2020.

Publication	Publication Date	Risk Assessment	Targeted Assurance Area	Level One	Level Two	Level Three	The Forum	BAC
Annual Performance Report (APR)	Jul-20		All				✓	✓
Risk and Compliance Statement	Jul-20		1-4, 6 & 7				✓	✓
Indicative Wholesale Charges Scheme	Oct-19		3 to 7					✓
Wholesale Charges Scheme	Jan-20		3 to 7					✓
Charges Scheme	Feb-20		3 to 7					✓
Bioresources Market Information	Jul-20		3 to 7					
Charging arrangements for New Connection Services	Feb-20		3 to 7					✓
Bulk Supply Charges	Jul-20		3 to 7					✓
Assurance Plan (Draft)	Nov-19		4, 5, 6 & 7				✓	✓
Risks, Strengths and Weaknesses Statement	Sep-19		4 & 6				✓	✓
Interim Financial Statements	Nov-19		4, 5 & 7					✓
Data Assurance Summary	Jul-20		4 & 6				✓	✓
Condition R Compliance Code Statement	Apr-20		4 & 6					✓
Performance summary	Jul-20		1, 2, 4, 6 & 7				✓	✓
Assurance Plan (Final)	Mar-20		4 & 6				✓	✓
Annual Report and Financial Statements (statutory accounts)	Jul-20		1, 2, 4, 5 & 7					✓
Casework (information to Ofwat as required)	As required		6 & 7					
Operational Market Performance Reports	Monthly		5 & 7					



Assurance provided by external partners, Jacobs & Deloitte



Assurance provided by internal Yorkshire Water colleagues

6.

**Appendix A -
Our detailed
assurance plan
for 2018/2019
and 2019/2020**

Appendix A – Our detailed assurance plan for 2018/2019 and 2019/2020

This appendix provides a description of each of our publications and the assurance activities we intend to carry out before they are published.

October 2018	Risks, Strengths and Weaknesses Statement	Moderate risk
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What is it?

Each year we complete a Risks, Strengths and Weaknesses exercise to identify the areas where we need to provide extra assurance on our published information.

Why is it important to you?

This statement is important because it includes the feedback we obtain from you on the areas of our reporting where there are risks, we have performed well, or we can still improve. Your feedback is valuable because it helps us build an assurance plan to improve how we will assure and report information to you.

Why is it important to us?

Our Risks, Strengths and Weaknesses Statement is important to us because it allows us to demonstrate how we have listened to you and will build more trust and confidence in the information we publish.

Our planned assurance

Level 1	Level 2	Level 3
Our Risks, Strengths and Weaknesses Statement is owned by a publication manager and has used specific data providers to provide the information we needed. Our assurance has included a check on the guidance from Ofwat and a gap analysis to make sure we didn't miss anything. We requested feedback from a wide range of stakeholders and used questionnaires which were customised to the audience who were asked specific questions.	Our Level 2 assurance included a peer review of our statement from our Regulatory Investment and Group Communications Teams. Our Level 2 assurance also included a review by senior management and by the Director of Regulation. They reviewed and approved our approach to compile the statement and approved the final document.	Our Level 3 assurance was provided by our Internal Audit team to confirm that our statement was accurate and had been written to meet the Ofwat guidance. They provided an audit report on this statement with a score of 'significant assurance'. Our statement has been presented to the customer forum who also provided us with their feedback to build the content in this statement.

Outlook for next publication

The **Risks, Strengths and Weaknesses Statement** is an annual publication that is a requirement of Ofwat's Company Monitoring Framework and we will publish our statement again in **October 2019**.

Given the importance of the Statement, we will apply the same level of assurance to this publication in 2019.

**This publication
is prepared by our
Regulation Team**

What is it?

Each year we publish our Indicative Wholesale Charges Scheme. This publication contains primary and non-primary charges for retailers who operate in our region.

Why is it important to you?

It is important because our charges must be correct and accessible to retailers to enable them to budget and to build their business plans.

Why is it important to us?

Our charges scheme is important to us because we want to make sure that we provide consistent and reliable information to all our retailers.

Our planned assurance

Level 1	Level 2	Level 3
<p>All data inputs into the tariff model are from assured data sources, internal experts or forecasts. Our assurance has been provided by our Regulatory Tariff Accountant and our Regulatory Finance Manager.</p> <p>Our Level 1 assurance includes checks on any movements in our tariffs, assessing the effect on bills, and making sure that the effects are reasonable and explained.</p> <p>The team providing Level 1 assurance make sure we keep to the four revenue price controls and guidelines.</p>	<p>Level 2 assurance is provided by the Tariff Steering Group, which includes internal business experts in regulatory finance, retail services and tariffs.</p> <p>Level 2 assurance has also been provided by the Head of Financial Planning and Pricing, the Regulation Director and the Head of Household Retail. As part of the assurance process they are required to sign off and comment on their observations. Any queries raised are resolved prior to the Board review.</p> <p>A qualified member of our internal legal team is asked to agree any changes to our charges scheme book.</p>	<p>Level 3 assurance is provided by our external auditors Jacobs and Deloitte. Deloitte complete a review of the tariff model to confirm that the functionality is correct. Jacobs assure that guidance has been followed, charges are calculated from the tariff model and regulatory requirements have been met.</p> <p>A paper is submitted to BAC including auditor's findings, the timetable for completion and tables comparing charges.</p> <p>We obtain a Board Assurance Statement for this publication.</p> <p>Internal audit also carries out a billing audit each year to confirm that the tariffs have been included in our billing system correctly.</p>

Outlook for next publication

The **Indicative Wholesale Charges Scheme** is an annual publication that is a requirement of our licence and therefore we will publish our statement again in October 2019.

Given the importance of the scheme to ourselves and the industry, we will apply the same level of assurance to this publication in 2019.

**This publication
is prepared by our
Regulation Team**

November 2018

Draft Assurance Plan

Moderate risk

What is it?

Each year we publish an assurance plan for the information that we provide. We publish our draft plan followed by a period of consultation and we update the final plan based on the feedback we have received.

Why is it important to you?

Our assurance plan is important to give you confidence that our published information is accurate, accessible and easy to understand, otherwise we risk losing your trust and confidence. Our plan explains how we will carry out assurance to meet these objectives. Your feedback on our draft plan is valuable to build our final assurance plan.

Why is it important to us?

Our assurance plan is important because it makes sure that our assurance is carried out at the right time, is focused on higher-risk areas, asks the right questions and produces good evidence to support the statements we make. Our statement also identifies the key areas we will focus on with 'targeted assurance'.

Our planned assurance

Level 1	Level 2	Level 3
<p>Our draft assurance plan is owned by a publication manager and has used data providers to provide the information we needed.</p> <p>Our Level 1 assurance has included a check on the guidance from Ofwat and a gap analysis to make sure we didn't miss any information that was needed.</p>	<p>Our Level 2 assurance has included a review by Senior Management and by the Director of Regulation. They have reviewed and approved our approach to compile the draft assurance plan and approved the document before publication.</p>	<p>Our Internal Audit team provided independent assurance to confirm that our draft assurance plan is accurate and meets the Ofwat guidance. They provided an audit report on this plan with a score of full assurance.</p> <p>Our draft assurance plan has been presented to the Yorkshire Forum for water customer who provided us with their initial feedback. Their input will be used in the final assurance plan in March 2019.</p>

Outlook for next publication

The **Draft Assurance Plan** is an annual publication that is a requirement of Ofwat's Company Monitoring Framework and we will publish our draft plan again in **November 2019**.

Given the importance of the Draft Assurance Plan, we will apply the same level of assurance to this publication in 2019 and 2020.

**This publication
is prepared by our
Regulation Team**

What is it?

Our interim financial statements are a requirement of our investors and our regulator Ofwat. This statement is our report for the six-month period ending 30 September 2018.

Why is it important to you?

Our interim financial statements are important to show that we are compliant with our investors and industry regulations. They are important to keep our stakeholders informed of our latest financial results.

Why is it important to us?

The primary purpose of our financial reporting is to make sure we are compliant with regulatory and banking requirements and to share a range of financial and other information. It is important that we respond to the needs of our customers and stakeholders and provide an overview of our latest results.

Our planned assurance

Level 1	Level 2	Level 3
<p>Throughout the year, to apply Level 1 assurance, we have accountants who carry out day-to-day accounting activities, including maintaining accounting systems and performing end-of month reconciliation. We have named data providers and data managers who are responsible for providing accurate financial information in line with the guidance that is provided.</p> <p>Our interim financial statements are prepared by a publication manager and they follow our wider assurance process, making sure that the final document is accurate, accessible and easy to understand.</p>	<p>Throughout the year, our Level 2 assurance includes management oversight of our accountants' activities. This includes senior management review of our monthly financial results and information.</p> <p>Before publication, the interim financial statements are reviewed by the Head of Finance, the Director of Finance, Regulation and Markets, and Board Audit Committee, before they are approved by the Board.</p>	<p>In applying our risk-based approach, we have determined that no Level 3 assurance is required for this publication.</p>

Outlook for next publication

The **Interim Financial Statements** are an annual publication that is a requirement for our investors and Ofwat. Our interim financial statements will be published again **November 2019**.

Given the importance of the statements, we fully expect to apply the same level of assurance to this publication in 2019.

**This publication
is prepared by our
Finance Team**

January 2019

Wholesale Charges Scheme

Higher risk

What is it?

Each year we publish our Wholesale Charges Scheme. This publication contains primary and non-primary charges for retailers who operate in our region.

Why is it important to you?

It is important because our charges must be correct and accessible to retailers to enable them to confirm their business plans.

Why is it important to us?

Our wholesale charges scheme is important to us because we want to make sure that we provide consistent and reliable information to all our retailers.

Our planned assurance**Level 1**

All data inputs into the tariff model are from assured data sources, internal experts or forecasts. Our assurance has been provided by our Regulatory Tariff Accountant and our Regulatory Finance Manager. Our Level 1 assurance checks any movements in tariffs and assesses the effect on bills, making sure that the effects are reasonable and explained.

The team providing Level 1 assurance make sure we keep to the four revenue price controls and the published

Level 2

Level 2 assurance is provided by the Tariff Steering Group, which includes internal business experts in regulatory finance, retail services and tariffs.

Level 2 assurance has also been provided by the Head of Financial Planning and Pricing, the Regulation Director and the Head of Household Retail. As part of the assurance process they are required to sign off and comment on their observations. Any queries raised are resolved prior to the Board review.

A qualified member of our internal legal team is asked to agree any changes to our charges scheme book.

Level 3

Level 3 assurance is provided by our external auditors Jacobs and Deloitte. Deloitte complete a review of the tariff model to confirm that the functionality is correct. Jacobs assure that guidance has been followed, charges are calculated from the tariff model and regulatory requirements have been met.

A paper is submitted to BAC including auditor's findings, the timetable for completion, and tables comparing charges.

We obtain a Board Assurance Statement for this publication.

Internal audit also carries out a billing audit each year to confirm that the tariffs have been included in our billing system correctly.

Outlook for next publication

The **Wholesale Charges Scheme** is an annual publication that is a requirement of our licence and therefore we will publish our statement again in **January 2020**.

Given the importance of the scheme to ourselves and the industry, we will apply the same level of assurance to this publication in 2020.

**This publication
is prepared by our
Regulation Team**

What is it?

Each year we publish our Charging Arrangements for New Connection Services based on Ofwat rules. These are charges for new connections made into our existing networks, including connections for new housing developments.

Why is it important to you?

This information is important because the costs of connection services should be accurate, sensible and easy to understand.

Why is it important to us?

Our charging arrangements for new connection services are important for us to maintain stakeholder confidence, encourage competition and new developments, and to prevent disputes and claims.

Our planned assurance

Level 1	Level 2	Level 3
<p>Our publication with charging arrangements for new connection services is owned by a publication manager. They use expert data providers to provide the information that is needed.</p> <p>Level 1 assurance is provided by a Tariff Specialist and evidenced through a sign off by our Developer Services Manager.</p>	<p>Our Level 2 assurance on these charging arrangements is delivered by a peer review and challenge session with experts from the Developer Services and Regulation departments.</p> <p>Level 2 assurance is signed-off by the Head of Service Delivery and the Director of Regulation.</p>	<p>Our Level 3 assurance is from our external assurance provider Jacobs. Their independent challenge and assurance focuses on our compliance with the charging rules, our systems and processes, the balance of charges between developers and other customers, and how we have demonstrated meaningful consultation with customers who are impacted by these arrangements.</p> <p>A paper is submitted to BAC for sign off on the assurance of our charging arrangements and includes a summary of the Level 3 audit findings.</p> <p>We obtain a Board Assurance Statement for this publication.</p>

Outlook for next publication

The **charging arrangements for new connection services** is an annual publication that is a requirement of our licence and will be published again in **February 2020**.

Given the importance of the scheme to ourselves and the industry, we will apply the same level of assurance to this publication in 2020.

**This publication
is prepared by our
Developer
Services Team**

February 2019

Charges Scheme

Higher risk

What is it?

Every year we publish our Charges Scheme. This contains household and non-household end user charges.

Why is it important to you?

Our charges scheme is important because it sets out our charges for the next twelve months.

Why is it important to us?

Our charges scheme is important because the information in our published charges scheme must be consistent and reliable. This publication is a condition of our licence and must meet Ofwat rules.

Our planned assurance**Level 1**

All data inputs into the tariff model are from assured data sources, internal experts or forecasts. Our assurance has been provided by our Regulatory Tariff Accountant and our Regulatory Finance Manager. Our Level 1 assurance checks any movements in tariffs and assesses the effect on bills, making sure that the effects are reasonable and explained.

The team providing Level 1 assurance make sure we keep to the four revenue price controls and the published charges principles and guidelines.

Level 2

Level 2 assurance is provided by the Tariff Steering Group, which includes internal business experts in regulatory finance, retail services and tariffs.

Level 2 assurance has also been provided by the Head of Financial Planning and Pricing, the Head of Household Retail and the Director of Regulation. As part of the assurance process they are required to sign off and comment on their observations, any queries raised are resolved prior to the Board review.

A qualified member of our internal legal team is asked to agree any changes to our charges scheme book.

Level 3

Level 3 assurance is provided by our external auditors Jacobs and Deloitte. Deloitte complete a review of the tariff model to confirm that the functionality is correct. Jacobs assure that guidance has been followed, charges are calculated from the tariff model and regulatory requirements have been met.

A paper is submitted to BAC including auditor's findings, the timetable for completion, and tables comparing charges. We obtain a Board Assurance Statement for this publication.

Internal audit also carry out a billing audit each year to confirm that the tariffs have been included in our billing system correctly.

Outlook for next publication

The **Charges Scheme** is an annual publication that is a requirement of our licence and we will publish our statement again in **January 2020**.

Given the importance of the scheme to ourselves and customers, we would expect to apply the same level of assurance to this publication in 2020.

**This publication
is prepared by our
Regulation Team**

What is it?

Each year we publish a final assurance plan for the information we provide. Our final assurance plan is based on our draft plan which is updated from feedback from customer and stakeholder consultations.

Why is it important to you?

Our assurance plan is important to give you confidence that our published information is accurate, accessible and easy to understand. If we don't get this right, we risk losing your trust and confidence. Our final assurance plan says how we will carry out specific assurance on our data and publications to meet these objectives.

Why is it important to us?

Our assurance plan is important because it makes sure that our assurance is carried out at the right time, is focused on higher-risk areas, asks the right questions and produces good evidence to support the statements we make. Our plan also identifies the key areas we will focus on with 'targeted assurance'.

Our planned assurance

Level 1	Level 2	Level 3
<p>Our final assurance plan is owned by a publication manager and defined data providers to provide the information we need.</p> <p>Our Level 1 assurance includes a check on the guidance from Ofwat and a gap analysis to make sure we don't miss any information that is needed.</p>	<p>Our Level 2 assurance on our Final Assurance Plan includes a review by Senior Management and the Director of Regulation. They review and approve our approach and approve our final document before its is published.</p>	<p>In applying our risk-based approach, we have determined that Level 3 assurance is not required for this publication.</p>

Outlook for next publication

Our **Final Assurance Plan** is an annual publication that is a requirement of Ofwat's Company Monitoring Framework and we will publish our final plan again in **March 2020**.

Given the importance of the Draft Assurance Plan, we would expect to apply the same level of assurance to this publication in 2020.

This publication is prepared by our Regulation Team

March 2019¹

Water Resources Management Plan (WRMP)

Higher risk

What is it?

Our Water Resources Management Plan (WRMP) sets out how we plan to maintain the balance of water supply and demand across the Yorkshire region. This plan takes a long-term view of at least 25 years.

¹: date for approval of final WRMP by Defra is still to be confirmed.

Why is it important to you?

Our WRMP is important because it forecasts how much water we will need to have available to supply our customers in the future, based on drought, climate change and population forecasts, and our environmental obligations. Our WRMP makes sure we have the right plans to use water efficiently including how we will reduce leakage and promote water efficiency which are all factors that we understand are important to you.

Why is it important to us?

The WRMP is important because it is our main responsibility to provide a clean, safe and continual supply of water now, and 25 years into the future. The WRMP must be correct otherwise we risk not being able to meet our primary responsibility to supply water based on clear plans that will also protect our natural environment.

Our planned assurance

Level 1	Level 2	Level 3
We have named data providers and data managers who are responsible for providing accurate information in line with the WRMP guidance.	The Head of Asset Strategy and Director of Asset Management will review and approve the information we provide.	Our Level 3 technical assurance provider Jacobs will provide independent assurance to confirm that the data in our WRMP is accurate and the submission has been developed in line with the guidance from Defra.
We have a submission manager who makes sure that we use technically skilled data providers and data managers to make sure the submission meets the requirements and guidance and is completed to the relevant timescales.	A peer review of the information and the submission will also be carried out.	Our assurance is presented to BAC and used to obtain a Board Assurance Statement for this publication.

Outlook for next publication

The **WRMP** is published every 5 years and runs alongside our Price Review submissions which correspond to 5 yearly AMP periods.

Our latest assurance is for our plans for AMP7 and there is no further assurance requirement until the new planning period for AMP8 in 2024.

This publication is prepared by our Asset Strategy Team

What is it?

Our Water Resources Market Information Submission will be published at the same time as we finalise our WRMP. The information is published to promote market development and to provide, manage and develop water resources, demand management and leakage activities, and encourage efficiencies through new markets.

¹ date for approval of final WRMP by Defra is still to be confirmed.

Why is it important to you?

This is important because it helps interested parties identify where to look for new opportunities in the water market. This will improve the water services provided to you in the future.

Why is it important to us?

It is important to us that third parties and stakeholders have the right information to make proposals for improvements in the water resources market. These opportunities can only be investigated by interested parties if we publish information that is complete and accurate, and accessible to those who want to use it.

Our planned assurance

Level 1	Level 2	Level 3
<p>We have a submission manager who will make sure that any data providers and data managers are chosen and that the submission is completed to the relevant timescales and in line with the requirements and guidance.</p>	<p>We use named senior managers and directors to review and approve the information provided.</p> <p>We carry out a peer review of the information and the submission before publication.</p>	<p>Jacobs, our Level 3 technical assurance provide independent assurance to confirm that our market information is accurate and the submission has been developed in line with Ofwat guidance.</p> <p>Our assurance will be presented to BAC and used to obtain a Board Assurance Statement for his publication.</p>

Outlook for next publication

The **WRMP** is published every 5 years and runs alongside our Price Review submissions which correspond to 5 yearly AMP periods.

Our latest assurance is for our plans for AMP7 and there is no further assurance requirement until the new planning period for AMP8 in 2024.

This publication is prepared by our Asset Strategy Team

March 2019

Response to PR19 initial
assessment of plans (IAP)

Highest risk

What is it?

Our PR19 submission is the detailed business plan we have worked on with our customers, which sets out how we intend to deliver services to our customers and the environment for the period 2020 to 2025.

Our post IAP submission will be the information we return to Ofwat based on their initial verdict on our plan which we expect to receive on 31 January 2019. At the time of writing there is no specific format for this submission and the content will not be known until 2019 when the initial assessment of our business plan is published by Ofwat.

Why is it important to you?

Our PR19 business plan is important because it aims to deliver affordable bills, great customer service and long term resilience using innovative plans that will deliver services to you from 2020 to 2025. The PR19 business plan must deliver the right outcomes for you and any updated information will determine our final plan up to 2025.

Why is it important to us?

The PR19 detailed business plan we submitted to Ofwat on 3 September 2018 set out our detailed plans on how we propose to deliver our services from 2020 to 2025. It's important that we get these plans right and meet Ofwat's framework requirements and methodology. Any additional information we need to submit after 31 January 2019 will be used to agree our final determination and our final plan for the period 2020 to 2025.

Our PR19 business plan is published on our company website and can be seen on the following web link.
yorkshirewater.com/ourbusinessplan

Our planned assurance

Level 1	Level 2	Level 3
The content for this submission will not be known until 2019 when the initial assessment of our business plan is published. Our assurance will be decided then.	The content for this submission will not be known until 2019 when the initial assessment of our business plan is published. Our assurance will be decided then by appropriate Senior Managers and Directors.	The content for this submission will not be known until 2019 when the initial assessment of our business plan is published. We expect Jacobs and Deloitte to provide Level 3 assurance.

Outlook for next publication

The information we will send to Ofwat in response to the PR19 draft determination is a specific requirement for our PR19 business plan and will not be published again after 2019.

**This publication is
prepared by our
Regulation Team**

What is it?

Our publication sets out our charging arrangements for the provision of bulk supply of services to New Appointment and Variation organisations (NAVs) that operate within the Yorkshire Water region.

Why is it important to you?

This charging information is important to NAVs and developers so that they can evaluate opportunities and understand the relevant upstream and downstream costs that support the prospective new NAV networks.

Why is it important to us?

Our bulk supply and discharge charges support new markets in the water sector in England and Wales. It is important to us that NAVs can consider new developments and compete fairly with other market participants. To enable this, we need to publish charges that are clear, accurate and meet the guidance.

Our planned assurance

Level 1	Level 2	Level 3
<p>All our data input into our bulk supply tariff model is taken from various business sources, some of which have already been assured.</p> <p>We will review and update our tariff model, and the outputs will be assessed for their impact on customers to make sure they are reasonable. The model and publication will be informed by stakeholders including outputs from consultations.</p> <p>Our data managers will make sure the publication is completed on time and in line with Ofwat guidance.</p>	<p>Our Level 2 assurance will use named senior managers and directors who review and approve the tariffs and information provided in this scheme.</p> <p>Our Level 2 assurance will also use our internal tariff steering group, which includes business experts in regulatory finance, retail services and tariffs who will be consulted on the content of the our charging scheme.</p>	<p>Our technical assurance provider, Jacobs will carry out assurance to check that our charges data is accurate and the publication has been developed in line with the Ofwat guidance.</p> <p>Jacobs will provide assurance that we have included suitable feedback from the stakeholder consultation process to compile our charges scheme.</p> <p>Our assurance will be presented to BAC and used to obtain a Board Assurance Statement for this publication.</p>

Outlook for next publication

Our **Bulk Supply Charges publication for NAVs**, will be an annual publication that is required under Ofwat guidance. We will publish our charges again before **April 2020**.

Given the importance of the publication, we would expect to apply the same level of assurance as we do for other charging arrangements that impact developers, self-lay providers and Non Household retailers.

This publication is prepared by our Market Operations Team

April 2019

Condition R Compliance
Code Statement

Moderate risk

What is it?

Our Condition R Compliance Code Statement confirms we have met specific obligations under our licence. It provides transparency to our customers and regulators on how we operate in competitive markets.

Why is it important to you?

Our Condition R Compliance Code statement is important because it demonstrates how we work in a competitive market and provides assurance that we treat all those who do business with us fairly.

Why is it important to us?

This statement is important to us because we fully support competition in our industry and we recognise our regulatory and statutory obligations under Competition Law. This statement is a summary for our regulators of the controls we apply to enable us to operate fairly in competitive markets.

Our planned assurance

Level 1	Level 2	Level 3
Our legal department and compliance officer review the appropriate guidelines and prepare a draft compliance code for us to publish.	Our Level 2 assurance is provided by Senior Competition Lawyer and Director of Regulation. A signed Board Assurance Statement is produced before we publish our statement.	In applying our risk-based approach, we have determined that no independent assurance is required for this publication

Outlook for next publication

Our **Condition R Compliance Code Statement** is published annually and is a requirement of our licence and will be published again in **April 2020**.

Given the importance of the Statement to ourselves and the industry, we will apply the same level of assurance to this publication in 2020.

**This publication is
prepared by our
Market
Compliance Team**

What is it?

Our APR, provides detailed information on our performance against our customer outcomes and commitments and our financial performance. The APR to be published in July 2019 will report our performance from 1 April 2018 to 31 March 2019.

Why is it important to you?

Our APR is important because it tells you how well we are delivering our commitments, including our service levels, cost information and financial performance. You can also compare our performance with other companies in the industry.

Why is it important to us?

Our APR is important because it summarises how well we are delivering the outcomes and performance commitments we agreed for the period 2015 to 2020. Our APR also reports information on how well we have delivered services to our customers, including financial information on income, costs, assets and liabilities in our regulatory accounts.

Our planned assurance

Level 1	Level 2	Level 3
<p>The process for the collection of data in our APR is certified to the ISO9001 Quality Management standard. This process requires data providers and data managers to provide information that is included in the detailed sections in our APR. The same process is followed for production and approval of written narrative for the report which is assured by appropriate technical owners.</p> <p>The governance section of our APR is produced by our Company Secretary team in line with the requirements and approved by their senior managers. The same process is followed for information provided by our Legal, HR and Communications teams.</p> <p>Our publication manager follows our wider assurance process making sure that the overall APR document is accurate, accessible and easy to understand.</p>	<p>Our Level 2 assurance uses an APR working group, and steering group, who review and provide input and assurance on the technical requirements for our APR and makes sure we are meeting the timetable for delivery.</p> <p>Senior managers and directors review the numerical and written information included in our APR.</p> <p>The report is reviewed by the Head of Regulation, Director of Regulation and the Director of Finance, Regulation and Markets.</p> <p>Our final APR is approved for publication by our Director of Regulation.</p>	<p>Level 3 assurance is provided by our technical auditors, Jacobs including detailed assurance our performance commitment results including the information presented in the data tables in the APR document.</p> <p>Level 3 assurance is also completed by Deloitte, on our financial information, including our regulatory accounts to ensure we have met the requirements in Ofwat's regulatory accounting guidelines (RAGs).</p> <p>The APR is independently proof read by our Internal Audit team to check the accuracy of our report.</p> <p>The results of our performance are presented to the customer forum. They challenge us on our performance and how we are delivering against our commitments.</p> <p>The results from our assurance are presented to and approved by BAC.</p> <p>We obtain a Board Assurance Statement for this publication.</p>

Outlook for next publication

The **Annual Performance Report** is an annual publication that is a requirement of our licence and we will publish our statement again in **July 2020**.

Given the importance of the Statement to ourselves, customers and stakeholders, we will apply the same level of assurance to this publication.

This publication is prepared by our Regulation Team

July 2019

Performance Summary

Moderate risk

What is it?

Our performance summary gives an overview of how we have performed against the promises we made to our customers in 2015. The summary presents the results under our seven customer outcomes and the 26 performance commitments that sit under them.

Why is it important to you?

Our performance summary describes our performance against our commitments including the rewards and penalties we have incurred. This is a summary of the detailed information in our APR, in a shorter and simpler format. The performance summary we publish in July 2019 will report our performance from 1 April 2018 to 31 March 2019.

Why is it important to us?

Our performance summary is important to us so our customers can clearly see how we are doing in delivering water and waste services as the leading, responsible business, that we strive to be. It's important because it explains the detailed information in our APR in a simple and clear way.

Our planned assurance

Level 1	Level 2	Level 3
<p>Our Level 1 assurance on our performance information includes the assurance from the monitoring and detailed company reporting on our performance commitments each month.</p> <p>Our performance is reviewed at our Delivery Assurance Groups (DAGs) where our delivery plans are changed if necessary.</p> <p>To prepare the summary we have defined data providers and data managers who are responsible for providing information on our performance commitments based on the relevant guidance. They follow procedure documents and check the consistency of their data with previous years.</p> <p>Our publication manager follows our wider assurance process to make sure our performance summary is accurate, accessible and easy to understand.</p>	<p>Throughout the year, managers oversee our performance reporting activities. Our Board Investment Committee receives and reviews the performance commitment and totex outturns and forecasts.</p> <p>For our publication, our senior managers confirm that the data has been prepared in line with the procedures. Senior managers confirm that the confidence in our data is appropriate, trends in the data are understood and explained and any material assumptions we have made are also explained.</p> <p>Our publication manager makes sure that information is provided in line with the underlying guidance. This includes presenting to our APR steering group.</p> <p>Our Head of Regulation and Director of Regulation will review the summary to confirm consistency with our APR.</p>	<p>In applying our risk-based approach, we have determined that no independent assurance is required for this publication.</p>

Outlook for next publication

The **Performance Summary** is provided as a summary of our APR, including information on our performance commitments. We will to publish the summary again in **July 2020**.

Given the importance of the summary to ourselves and our customers, we will apply the same level of assurance to this publication in 2020.

This publication is prepared by our Regulation Team

What is it?

Our Data Assurance Summary, summarises the risk-based assurance we have completed on our 2018/2019 performance information. It summarises the main findings from the assurance we defined in our final assurance plan.

Why is it important to you?

This summary is important because it provides you with the outcomes of our assurance on targeted areas and the assurance on each of our publications. It should give you trust and confidence in our published data and information.

Why is it important to us?

Our data assurance summary is important because we explain how we have assured our published information and the findings from our assurance activities. It is important because we want to make sure our customers and stakeholders can be sure of the quality of our published information and have trust and confidence in us as a responsible business.

Our planned assurance

Level 1	Level 2	Level 3
<p>The Level 1 assurance on our Data Assurance Summary is managed and documented by a senior manager in our Regulation team in line with the guidance from Ofwat.</p> <p>Our publication manager follows the wider assurance process making sure that the document is written in a format which is accurate, accessible and easy to understand.</p>	<p>Our Data Assurance Summary is delivered at the same time as our APR which includes Level 2 assurance from our APR steering group to review the requirements and make sure these are being met.</p> <p>Our data assurance summary is reviewed by Senior Management and Director of Regulation.</p> <p>Our Regulatory Compliance and Assurance Manager, and Head of Regulation will approve the summary before final publication.</p>	<p>In applying our risk-based approach, we have determined that no independent assurance is required for this publication.</p>

Outlook for next publication

The **Data Assurance Summary** is an annual publication that is a requirement of Ofwat's Company Monitoring Framework and therefore we will publish our statement again in **July 2020**.

Given the importance of the summary, we would expect to apply the same level of assurance to this publication in 2020.

This publication is prepared by our Regulation Team

July 2019

Risk and Compliance Statement

Higher risk

What is it?

Our risk and compliance statement sets out how we have complied with the statutory, licence and regulatory obligations where Ofwat is our regulator. Our statement in July 2019 covers the reporting year 1 April 2018 to 31 March 2019 for all obligations, except environmental compliance and water quality parameters which are reported separately.

Why is it important to you?

The most important responsibilities we have are to provide an uninterrupted supply of clean, safe drinking water and to remove waste water. These must be achieved in a way that is safe and compliant, and protects and enhances our natural environment. This statement is a summary of how we have met with our regulatory and legal obligations.

Why is it important to us?

The statement is important to us because it sets out how we have complied with the statutory, licence and regulatory obligations where Ofwat is our regulator. It demonstrates our clear accountability to both our customers and to Ofwat.

Our planned assurance

Level 1	Level 2	Level 3
<p>The day-to-day activities we carry out are governed by a range of legislation and the requirements of our Licence. To make sure we comply with these requirements we use experts to understand the detail in the requirements and embed compliant policies and procedures for colleagues to apply. This delivers much of our Level 1 assurance.</p> <p>This expertise includes, Legal Services, the Regulation team, Company Secretariat, Financial Services, Health and Safety, Asset and Process Engineers and Human Resources. These teams draw on deeper external expertise to ensure that any changes to our obligations are appropriately applied.</p> <p>This statement is owned by a publication manager who follows the wider assurance process to make sure our final document is accurate, accessible and easy to understand.</p>	<p>Compliance with approved policies and procedures is monitored through our business as usual Level 2 assurance activities. Our assurance is mapped to ensure effective coverage and escalation of issues. Our delivery of integrated assurance through day-to-day activities is being mapped and improved by our Integrated Assurance team.</p> <p>To support this approach, all our senior leaders provide assurance over their team's compliance with relevant legislation, regulation and governance by completing an annual Control and Risk Self-Assessment (CRSA). The results of our CRSA are triangulated with other sources of assurance to make sure our level of compliance is understood.</p> <p>Our risk and compliance statement is reviewed by senior managers and directors. A senior manager approves the final publication.</p>	<p>Our Audit Risk and Assurance team complete a cyclical audit of our CRSA. They check the accuracy and consistency of judgements on the level of compliance on the relevant legislation that is reported in summary in our Risk and Compliance statement.</p> <p>Our technical auditor Jacobs, perform a Level 3 review of the CRSA processes to assess compliance with our obligations. They provide advice on the content and drafting of our risk and compliance statement which is reflected in the final version.</p> <p>We present the statement and our assurance to the BAC.</p>

Outlook for next publication

The **Risk and Compliance Statement** is an annual publication that is a requirement of our licence and will be published again in **July 2020**.

Given the importance of the Statement to ourselves and the industry, we would expect to apply the same level of assurance to this publication.

This publication is prepared by our
Audit Risk & Assurance Team

What is it?

Our Annual Report and Financial Statements (ARFS) are a legal requirement. They report on our strategy and provide detail on how we are governed and our performance in the last financial year. The ARFS is also part of our promise to deliver 'integrated reporting' which explains how we have and will create value for society and shareholders, outside of traditional financial measures, both now and in the future.

Why is it important to you?

Our ARFS are important to show that we are compliant with our investors and industry regulations. The ARFS are important to keep you informed on our latest financial results and strategies. The reporting is prepared to meet your needs as an integrated report, including financial and non financial measures of our performance.

Why is it important to us?

Our ARFS are important because they share detailed financial and other information with our stakeholders. They provide financial reporting on our performance, including additional information for specialist groups and at the same time meet our statutory legal requirements. They also include results from 'integrated reporting' on the economic, environmental and social impacts of our operations which our customers are increasingly interested in hearing about.

Our planned assurance

Level 1	Level 2	Level 3
To deliver Level 1 assurance, throughout the year, our accountants perform day-to-day accounting activities based on defined and documented procedures.	To provide Level 2 assurance, throughout the year, management oversee the activities performed by our accountants. This includes monthly reviews and reporting on our financial information.	Our Internal Audit team complete Level 3 assurance through an annual financial and regulatory accounting audit on the processes and controls for financial accounting.
To produce the ARFS we have named data providers and data managers who are responsible for providing accurate information which supports the financial guidance and regulations which are in place to prepare this publication.	This activity forms part of the in-built three levels of assurance process for activities within our finance teams. This assurance is being mapped through current activity within our Integrated Assurance team.	Our financial auditors Deloitte, audit the year end information in our statutory accounts to assess that it is true and fair, based on company affairs and that the accounts have been prepared in line with our underlying accounting policies.
Our publication manager for the ARFS follows the wider assurance process to make sure that the final document is accurate, accessible and easy to understand.	Before publication, the financial statements are reviewed and approved by the Head of Finance, and the Director of Finance, Regulation and Markets.	The information on our performance commitments in the ARFS is assured by our external technical auditors, Jacobs.
		Our assurance is presented to the BAC and we obtain a Board Assurance Statement for this publication.

Outlook for next publication

The **ARFS** is an annual publication that is a legal requirement and we will publish our statement again in **July 2020**.

Given the importance of the Statement, we fully expect to apply the same level of assurance to this publication in 2020.

This publication is prepared by our Finance Team

July 2019

Bioresources Market Information

Higher risk

What is it?

Our Bioresources Market Information is an annual publication which includes the data that Ofwat ask us to publish to support the development of a bioresource treatment market, and to monitor its operation.

Why is it important to you?

This information is important because it helps to promote market development in bioresources activities. If we publish the right information markets can inform and encourage efficiencies and new ideas for the benefit of customers, the environment and to wider society from new developments in the bioresource market.

Why is it important to us?

This publication is important to us because the creation of the bioresources treatment market will drive efficiency, boost resilience and deliver innovation within our industry. It is important for us to deliver data that is accurate, reliable and accessible and will allow conversations between us and third parties to explore new market opportunities.

Our planned assurance

Level 1	Level 2	Level 3
<p>To deliver our Level 1 assurance our data assurance process is used to make sure the data in our submission is complete and accurate.</p> <p>We have named data providers and data managers who are responsible for providing information in line with Ofwat guidance.</p> <p>Our publication is owned by a submission manager who follows our wider assurance process, to make sure the submission is completed on time and meets the requirements and guidance.</p>	<p>Our Level 2 assurance is provided through our senior management review and sign off.</p> <p>A peer review of the detailed information and the submission is carried out by the Bioresources Steering Group.</p> <p>We also use named senior managers who review and approve the information in our publication.</p> <p>A senior manager approves the report before final publication.</p>	<p>Our technical auditor, Jacobs complete Level 3 assurance to confirm that our data is accurate and meets the guidance. They review and test our methodologies, processes and the supporting evidence on which our market information submission is based. They check the accuracy of our information and the explanations of our activities to make sure they are reasonably based.</p> <p>Jacobs also provide an independent technical assurance statement on this submission which is published on our website.</p>

Outlook for next publication

The publication of our **Bioresources Market Information** is an Ofwat requirement and we will publish this information again in **July 2020**.

Given the importance of this information to ourselves and the industry, we will apply the same level of assurance to this publication in 2020.

This publication is prepared by our Energy & Recycling Team

What is it?

This reporting relates to information we need to provide for the services we deliver to the non-household retail market, which opened in April 2017. The reports are sent to the retail market operator, Market Operator Services Ltd (MOSL). They use this data to publish an industry comparison report every month.

Why is it important to you?

This information is important to retailers in the non-household retail market so they can see and compare how we are performing when we deliver operational service to non-household customers. Ofwat use this information to make sure we are performing as expected as a water wholesaler in the non-household retail market.

Why is it important to us?

Our Operational Market Performance data is important to us because it helps us monitor our wholesale service to non-household customers to ensure it is in line with the service levels we are required to work to.

Our planned assurance

Level 1	Level 2	Level 3
<p>Our Level 1 assurance is provided by a dedicated Wholesale Service Desk that monitors our service level performance daily. We have a system that tracks and produces our data and which is checked by our data providers.</p> <p>Our data manager checks our reports before submission to make sure the information we are reporting meets the requirements.</p>	<p>Our Level 2 assurance is provided by a dedicated Compliance Team that reviews and checks that the data we submit each month in our Operational Market Reports is accurate and in line with the requirements.</p>	<p>In applying our risk-based approach, we have determined that no independent assurance is required for this publication.</p>

Outlook for next publication

The **Operational Performance Standards report** is a monthly publication that is a requirement of our licence and therefore we expect to publish our reports every month in line with MOSL’s timetable.

This publication is prepared by our Wholesale Service Desk

As required	OFWAT Casework	Moderate risk
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What is it?

Casework involves providing information to Ofwat relating to customer disputes about legislation, pricing and other license related issues.

Why is it important to you?

Ofwat casework is important to our customers and stakeholders because it allows them to raise a dispute or challenge with the regulator in relation to our actions and company policy.

Why is it important to us?

Ofwat casework is important to us because it provides customers and stakeholders with confidence that our information is accurate and that our responses to Ofwat are substantive.

Our planned assurance		
Level 1	Level 2	Level 3
<p>For Level 1 assurance and specific casework investigations we assign a case manager to investigate and gather the appropriate information we need to report to Ofwat.</p> <p>The case is reviewed by senior management who draft an initial response document.</p>	<p>Level 2 assurance on case work, is completed by senior managers within our Household Retail department who review and approve the information in our casework response.</p> <p>They review, provide comments and approve the final response to a casework request before it is sent to Ofwat.</p>	<p>In applying our risk-based approach, we have determined that no independent assurance is required for this publication.</p>

Outlook for next publication

Ofwat casework requests are responded to, at the request of Ofwat. The same level of assurance would be applied to all requests for casework information when it is required.

This publication is prepared by our Household Retail Team

7.

Appendix B –

**Our targeted areas
of assurance**

Targeted area - 1. Performance commitments where the target was missed in the previous year

Why we have included it

The performance commitments in this targeted area will have more assurance because we want to make sure we give you the most accurate information on the commitments where we have missed our target.

There is potentially a higher risk to the accuracy of reported information where we are close to missing or have already missed our target. This is why we will carry out extra checks to make sure our published information is correct. If not, we risk losing your trust and confidence.

The performance commitments where we missed our target in 2017/2018 are listed below.

- Drinking-water quality – is the measure of the ‘mean zonal percentage compliance’ of our drinking water quality compared to the regulatory sampling programme from the DWI
- Drinking-water quality contacts – are the number of times customers contact us each year, based on standards on the rate of contacts for appearance, taste, odour of water and illness. There is a penalty connected to our performance if we miss our target
- Leakage – is the total value of distribution losses and supply pipe losses, including uncontrolled losses between our treatment works and customers’ stop taps
- Energy generation – this is the amount of energy (electricity) we generate through renewable technology expressed as a percentage of our total energy consumption

The actions we will take

To make sure our reporting is accurate, we will continue to regularly monitor how we are performing against our performance commitments. This will include review by our DAGs who review and challenge our monthly performance. They set corrective actions when we deviate from our targets.

We will also review our performance commitments at our Business Investment Committee (BIC). BIC review the financial impact of missing our targets and set action plans to make improvements, based on the data that is presented.

We are working with data providers and data managers to develop an automated process for capturing performance commitment data as a business as usual activity to reduce the risk of human error and mistakes. There will be increased focus on these commitments in our APR assurance.

We will continue to publish a performance summary report alongside our APR. We will look for new ways to publish information in formats which are suitable for more of our customers and stakeholders.

Targeted area - 1. Performance commitments where the target was missed in the previous year

The additional assurance that we will carry out

The assurance we carry out will use our 'three levels of assurance' methodology. Using our risk based approach, we will apply assurance to those areas of highest risk.

As part of our assurance we want to check the processes we use to collect data from our corporate systems for our performance commitments. Our aim is to better understand where our information comes from, the processes and controls we apply to improve the accuracy of our reporting. This is part of our current work on a new Integrated Assurance framework.

Our assurance process will continue to work with the customer forum who challenge our performance, when our targets are missed. Their input is particularly valuable particularly in those areas we want to improve the communication on our performance with our customers.

Jacobs, our technical auditor, will perform a detailed review of these performance commitments for the 2018/2019 APR. Our audit investigations include the following key scope items:

- reviews of the current Company methodologies
- review of the supporting data, including sampling and calculation checks
- comparison with regulatory KPI and performance requirements
- cross checks between the commentary and the reported table data
- comparisons with last year's submission
- review and follow-up of previous audit findings and actions
- assessment of confidence grades

When we will complete this by

We will continue to monitor our performance commitments every month at BIC and our DAGs. We will provide an update on the progress of our integrated assurance process in July 2019.

Our detailed assurance, on the performance commitment results in our APR and our performance summary, will be completed and described in detail in our assurance summary in July 2019.

Targeted area - 2. Performance commitments where we are forecasting a financial incentive reward (at September 2018)

Why we have included it

These performance commitments are included as targeted assurance because we are forecasting that we will receive a financial reward. Our reported data is used to calculate our rewards and must be accurate to make sure we have achieved the rewards we have said we have.

The performance commitments where we are forecasting a reward for our performance in 2018/2019 (as at September 2018) are listed below.

- Category 3 pollution incidents – which is the number of minor pollution incidents we cause based on the Environment Agency scale of measurement
- Water-supply interruptions – which is measured by the number of minutes that are lost due to water supply interruptions lasting 3 hours or more as an average for each property we serve
- Internal sewer flooding – which is the number of incidents that have occurred in the reporting period
- Working with others – this is a measure of the number of intervention solutions we have delivered through working with agencies, organisations or individuals

The actions we will take

To make sure our reporting is accurate, we will continue to regularly monitor how we are performing against our performance commitments. This will include reviews by our DAGs who review and challenge our monthly performance. They set corrective actions when we deviate from our targets.

We also review the information that is presented on our performance commitments at our Business Investment Committee (BIC). BIC review the financial impact of missing our targets and set actions plans to make improvements, based on the data that is presented.

We are working with data providers and data managers to develop an automated process for capturing performance commitment data to reduce the risk of human error in our reporting.

We will provide more focus on these performance commitments in our APR.

We will also continue publishing our performance summary in a simple format, alongside our APR. This will include looking for new ways to publish our information in formats which are suitable for even more of our customers and stakeholders.

We will discuss our performance commitments with the customer forum including the details of the schemes we include in our 'Working with others' performance commitment to make sure the information is accurate and correct.

Targeted area - 2. Performance commitments where we are forecasting a financial incentive reward (at September 2018)

The additional assurance that we will carry out

The assurance we carry out will use our three levels of assurance methodology. Using our risk based approach, we will apply our detailed assurance to those areas of highest risk.

As part of our assurance we are planning to check the data collection process we use to collect data for our performance commitments. This will be used to understand where the information comes from, the underlying processes and controls, and the accuracy of our data reporting. This is part of our current work on a new Integrated Assurance framework.

We will continue to meet with the Environment Agency regularly to agree on categorisation of pollution incidents and to discuss any exclusions.

Our assurance process will continue to include work with the Yorkshire Forum for Water Customers who challenge our performance, where our targets are missed. Their input is invaluable, particularly in those areas we want to improve the communication on our performance with our customers.

Jacobs, our technical auditor, will perform a detailed review of these performance commitments for the 2018/2019 APR. Our audit investigations include the following key scope items:

- reviews of the current Company methodologies
- review of the supporting data, including sampling and calculation checks
- comparison with regulatory KPI and performance requirements
- cross checks between the commentary and the reported table data
- comparisons with last year's submission
- review and follow-up of previous audit findings and actions
- assessment of confidence grades

When we will complete this by

We will continue to monitor our performance commitments every month at BIC and our DAGs. We will provide an update on the progress of our integrated assurance process in July 2019.

Our detailed assurance, on the performance commitment results in our APR and our performance summary, will be completed and described in detail in our assurance summary in July 2019.

Targeted area - 3. Price control cost allocation

Why we have included it

- It is important that our reported information is free from error. Our experience has told us that we need to apply more rigour to the assurance we apply to areas where errors are most likely to happen. One of the areas we will target our assurance to is 'price control cost allocation'.
- Ofwat introduced price controls in 2014. There are currently four price controls and cost allocation is how we divide our costs under each of them. All the resources we use generate a cost, these costs are allocated to the individual price controls on an activity basis. However, this can be difficult and requires detailed information and the interpretation of guidance to ensure our reporting is accurate.
- Our technical assurance provider Jacobs identified in our 2017/2018 APR that this area of our reporting requires more attention. Our assurance activity will target this area to deal with the specific risks.

The actions we will take

We are meeting with our data providers and data managers who contribute to our price control cost allocations to understand our current processes, the data and our reporting methodology.

Our review will include a detailed check and comparison with the guidance from Ofwat in RAG 2.07 to understand and improve the method we use to complete price control cost allocations.

As part of our wider assurance process we are also improving our internal sign off process so that there is an increased level of scrutiny and ownership of the data that we provide in our APR.

The additional assurance that we will carry out

The assurance we carry out will use our 'three levels of assurance' methodology. It will make sure our assurance is proportionate to the level of risk of error associated with the information we publish.

Our assurance will make sure there is sufficient checking on the financial costs which are recorded in our financial systems during the year. These are the costs that will be allocated to our four price controls for our annual reporting in 2018/2019.

We will make sure there is the correct level of scrutiny by managers and our finance team on the cost assessments that we run at the end of the year to record where we have spent our money, and to make sure our price cost allocations meet the specific RAG guidance from Ofwat.

Our assurance will check the cost allocation information, manual adjustments, and the assumptions we make to complete our cost assessments which will be recorded in the methodology statement that we publish. This will give a full explanation of the cost allocation method we have used.

We will use our independent technical auditors Jacobs and Deloitte, to review the detail of our cost allocations in our APR for 2018/2019 and provide an opinion in line with Ofwat's audit requirements.

When we will complete this by

Our detailed assurance on the cost assessment allocations in our APR will be completed and described in detail in our assurance summary, which is published in July 2019.

Targeted area - 4. Customer understanding and awareness of the information we provide

Why we have included it

We will target customer understanding and awareness of our information for more rigorous assurance because we want to make sure that our information is published in a way that our customers understand, and our information can be found.

This is an area which we identified as a strength from positive customer feedback and support from the customer forum, but there is always more we can do. We want to build on our strengths and continue to improve in this area.

The information we publish and the feedback we gather enables us to listen to our customers and deliver the outcomes that they and wider society want.

We want to continue to make sure:

- Information published is what customers and stakeholders want and need
- Information is easy to find
- Information is easy to read and understand

The actions we will take

To improve the understanding and awareness of our information we are developing a set of principles to meet our customers and stakeholders needs. Our principles are:

- we will make sure our publications are easy to read and written in plain English,
- we will make sure information in our publications is accurate, reliable and trustworthy,
- publications that are longer than 30 pages, we will include a shorter, customer-friendly version if this is appropriate, and
- we will make sure our publications are easily accessible on our website.

To improve the information we publish, we will continue to use Plain English to review our reports and obtain the Crystal Mark for some reports. This is to provide confidence that our reports are easy to read and understand.

To do this we will,

- continue to increase the use of infographics, colour and tables to explain information in our publications
- test key infographics to make our information easier to understand
- test our website with customers using our online community and take action based on their feedback
- make our publications easier to find by mapping customer journeys on our website and redesigning our website as necessary
- improve our Performance Webpage by making information available on the webpage itself rather than needing to download a PDF
- carry on with our research into the ways we engage with you, including social media, our website, blogger engagement, traditional media and email
- continue to optimise search engine results to make sure the most current and relevant versions of our reports are at the top of the search results
- continue to explore new ways to promote our publications through social media and our website, and
- make sure our customer engagement process is representative of our overall customer base, particularly with customers in vulnerable circumstances

Targeted area - 4. Customer understanding and awareness of the information we provide

The additional assurance that we will carry out

We will continue to use our online research community made up from 1,000 Yorkshire Water customers from across our region to ask for feedback on the information we report.

Our research will also include face-to-face consultation with focus groups. We will tailor our reporting based on feedback on what our customers and stakeholders want and need.

We will continue to work with the customer forum to make sure that the style, format and content of our reporting is tailored to the feedback we receive.

We will use internal audit to review our publications through detailed proof reading exercises to make sure our reporting is accurate and can be understood. The findings will be applied in our reporting.

When we will complete this by

We are already working on the initiatives we have described, and the results and feedback we gather will be applied to all the reporting we complete from now on.

Targeted area - 5. Effect of our internal SAP programme on our reported information

Why we have included it

This is a targeted area of assurance for us in 2018/2019 because we are upgrading our SAP system. Our upgrade project is called our SAP programme, and the accuracy and completeness of the information from our IT systems is central to the overall accuracy of the information we report on.

The actions we will take

The actions we will take will include meetings with the programme management team to find out when key tasks and milestones for the project are taking place and have been completed. The activities that are important to us and will deliver assurance on our data are User Acceptance Testing, workshops, training and dual reporting.

The additional assurance that we will carry out

The assurance model used by our technical teams is based on our three levels of assurance model. There are specific activities that are being completed at each level.

Level one assurance. Our Level 1 assurance is from the Quality Assurance processes we use for our Data Stream process. They cover the data quality and migration work carried out to review and check the quality of our data. This assurance will be completed by the end of December 2018.

Level two assurance. Our Level 2 assurance is from the Quality Assurance function in our SAP Programme Management team included a Quality Review of our strategy and plans. Our Level 2 assurance has and will include stage gates for each phase of our SAP programme to provide assurance on the data stream, our plans, our strategy and results of data loads and migrations.

Level three assurance. Our Level 3 is carried out by Deloitte and the auditors of the programme PwC. PwC, completed data Stream assurance for us in October 2018. Deloitte will complete two audits on our data in January 2019 and May 2019 to confirm the completion of our data migration.

The reports completed by our Level 3 assurers will be reviewed at BAC and Board, where approval will be required before final go live of our new SAP system.

When we will complete this by

The assurance for our SAP project has already been started, and will be completed in around April 2019 when the new SAP system is expected to go live.

Targeted area - 6. Meeting regulatory guidance

Why we have included it

This is a targeted area for us because all the information we publish must meet the requirements set by Ofwat. Our regulator publishes updated requirements and regulatory guidance every year and if we don't understand and meet this, there is a risk information we report that is incorrect.

There are two areas where we have chosen to target our assurance this year after feedback from Jacobs our technical auditor, and by Ofwat in our reporting. The specific areas are -

- **Application of principal use** - our capital spending and associated loss in value of an asset should be directly attributed to one of the four defined price control units. If this is not possible it should be reported in the service where it is used the most with recharges made to the other services to reflect the proportion of the asset used there
- **Calculation of average pumping head** - this is the vertical distance that we are able to pump our water when it is stored in boreholes for example

The actions we will take

We will have workshops with the data providers and data managers involved with principal use and the calculation of average pumping head to discuss the guidance and requirements set by our regulator. This will make sure that our understanding of these requirements are understood internally.

We will update processes and procedures so that they are aligned to the requirements.

The additional assurance that we will carry out

Will make sure our publication managers continue to be trained in the application of our 'three levels of assurance' methodology.

Our training will explain how the information providers and content authors who supply information on principal use and pumping head must understand the guidance from Ofwat to improve our reporting in these two areas.

Our assurance model is defined in our internal Regulatory Assurance Framework and says that we will use Level 1 and Level 2 approvals to confirm that all our reported information is complete and accurate. These statements will be required for all the publications in this plan.

We will use our independent technical auditors Jacobs, to provide Level 3 assurance on our published information on principal use and pumping head in our APR for 2018/2019.

When we will complete this by

Our detailed assurance, on our principal use and pumping head information, will be completed and described in our assurance summary which is published in July 2019.

Targeted area - 7. Accuracy of information

Why we have included it

The accuracy of our information is included targeted for more assurance based on our own internal assessment and minor errors in our recent reporting. To reduce the risk of errors happening we intend to apply an increased amount of rigour in our assurance of reported information to improve the accuracy of our published information.

The actions we will take

There learnings and actions we have identified to address the accuracy of our information are:

Learning 1. There are still opportunities for us to prevent the small number of errors in the data we publish.

Action 1. We will share these cases with our reporting and assurance communities to make sure they are aware of the data checks they need to carry out to prevent errors from happening.

Learning 2. On occasions our reported data can be out of line with the historical trend.

Action 2. Where data is materially different from previous years we will improve our explanation of the trend it is showing.

Learning 3. Each year we seek to improve our reporting, which can lead to a change from previous years.

Action 3. We will explain clearly where we have made improvements to reporting and any material impacts this has on the data.

Learning 4. We need to be confident that every piece of information is in the correct format.

Action 4. We will strengthen our internal processes to ensure that the data is reported in the correct format and is in line with the guidance.

We are also using new technologies to control and protect our data sources with suitably documented quality checks and change controls to prevent accidental corruption.

The additional assurance that we will carry out

Our assurance will make sure our publication managers and all those who contribute information to our reporting process and publications are aware of and can carry out assurance based on our 'three levels of assurance' methodology.

Our wider assurance process will include communication and training to explain how the information we publish must be assured at each of the levels of our assurance model to make sure it is accurate.

Our assurance model has been defined internally in our Regulatory Assurance Framework which specifies that we will use Level 1 and Level 2 approvals to confirm that all our reported information is complete and accurate. These statements will be required for all the publications in this plan.

We will continue use our technical auditors Jacobs, to assure information in our APR, and engage with them on other areas of reporting that have a greater risk around accuracy. Our internal audit team will also be used to carry out Level 3 assurance on our reports to identify and correct errors.

We are also researching data analytic solutions to apply intelligence to our reporting that will allow us to identify and correct errors. This will include checks across our reports to check for data inconsistencies.

When we will complete this by

We are already working on our actions, and the results and feedback we gather will be applied to all the information we include in our future publications.

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