

2022/23 Data Assurance Summary



About this document

In the course of the year, we publish a range of information on the services we provide and our performance against key targets, including those contained within Ofwat's 2019 Final Determination. Building and maintaining a high level of customer trust and confidence is of paramount importance. We, therefore, have in place robust assurance arrangements to ensure that the information we publish is reliable and accurate and that we are providing the level of information and delivering the level of service that our customers expect.

We see assurance as a day-to-day activity and an important part of our continuous improvement programme, and, as we continue to engage with our key stakeholders, we will use their feedback to tailor our assurance activities to match their expectations.

In April 2023, we published [Our Assurance Activities for 2022/23](#). Having firstly assessed the risks, strengths and weaknesses associated with meeting our obligations and commitments, we outlined the measures we intend putting in place to assure all relevant data. This Data Assurance Summary, published alongside our Annual Performance Report (APR), summarises the outcomes of this assurance.

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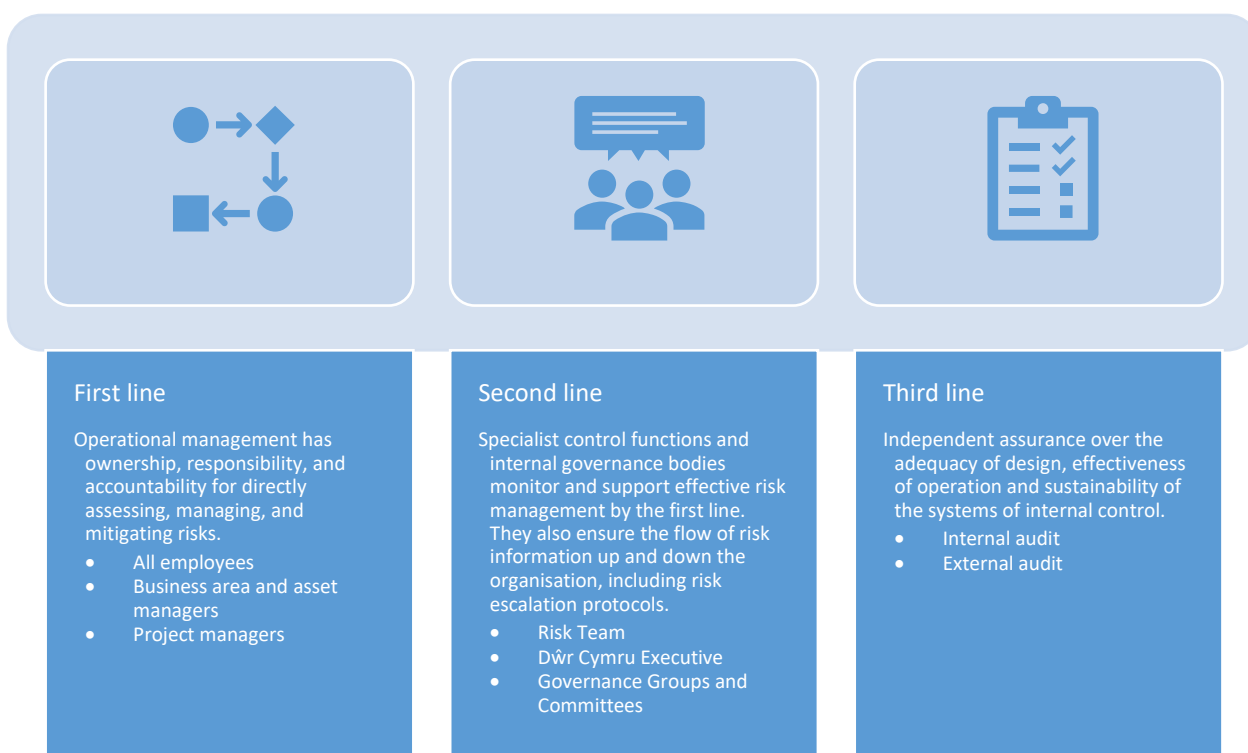
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Summary of our Assurance Approach

We are committed to making available to customers, information that is reliable and accurate, is easy to understand and navigate and which allows them to understand how we are performing. Providing information to a consistently high standard also helps build trust and confidence in everything we do. Much of the information we produce is provided to our regulatory stakeholders and other stakeholder groups periodically or published in our Annual Performance Report (APR) and on our website.

We have in place an audit and assurance framework which allows for the systematic monitoring and evaluation of our performance. This involves having appropriate governance arrangements, close involvement by our Board in the assurance process, and the right level of independent review and challenge. It helps ensure that our statutory and regulatory reporting requirements are met in full with a high level of assurance.

We have an established framework to provide for the effective management of risk. We operate the ‘three lines of assurance model’ which distinguishes between first line (risks and controls), second line (oversight functions) and third line (independent assurance). This is illustrated in the image below:



The Audit Committee and Board sit outside the three lines of defence and receive reports and assurance from the three lines.

Our data assurance framework is underpinned by four key areas:

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1. **Robust assurance principles** – we operate a ‘three lines of assurance model,’ targeted at areas of greatest risk;
 2. **Clear ownership and accountability** – we have clear lines of ownership and accountability for both the delivery of performance and the accuracy and reliability of the data provided;
 3. **Effective governance** – we are subject to scrutiny by our Board, Audit Committee, Quality and Safety Committee and the Dŵr Cymru Executive (DCE) with additional challenge provided by the Independent Challenge Group (ICG);
 4. **Transparency and accountability** – we publicly report on our performance and hold ourselves to account where we do not meet our commitments.
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In the next section we detail the assurance activities we have carried out on the specific areas listed within [Our Assurance Activities 2022-23](#).

Data Assurance Summary

Annual Performance Report (APR)

This is an annual report which provides cost information, financial performance and information on our performance against our customer outcomes and commitments. The latest APR has been published alongside this document in July 2023.

Assurance Activities	
All data had been signed off by individual data owners and their Heads of Service. The Regulation and Finance teams have reviewed the data and ensured stated processes were followed through due diligence sessions. All data owners have attended external assurance meetings. Our Dŵr Cymru Executive reviewed the finding of the assurance activities undertaken and approved the final APR before issuing to our Audit Committee and finally, our Board gave us approval to publish at their meeting on 6 July.	✓
Information packs containing all relevant information were made available on our dedicated Intranet page for all data owners.	✓
<p>Between April and June and prior to the external audits, due diligence meetings took place with all data owners. Amongst the matters reviewed were:</p> <ul style="list-style-type: none"> • The application of the appropriate; Methodology Statements and reporting requirements; • Assumptions and judgements; and • Data Commentaries explaining performance by reference to targets and historical data. <p>Verification checks by reference to previously reported data were also carried out.</p>	✓
A Board Assurance Statement is available for all data contained within the APR and can be found in the Annual Performance Report Overview document.	✓

Annual Report and Accounts

This is an annual report which allows stakeholders to assess our business model, strategy, operation of our business, including its governance, and our results and financial performance, set within the context of our strategic objectives. Our Annual Report and Accounts is published on our website in July each year, and our half-yearly Interim Report is published in November each year.

Assurance Activities	
Licence /regulatory compliance assured by Compliance team.	✓
Close liaison with the Regulatory Reporting Team to ensure consistency of information contained within the Annual Report and Accounts and the Annual Performance Report.	✓
Statutory audit undertaken by independent External Auditors who issue a report to the Members of the Company within the Annual Report and Accounts.	✓
Final draft critically reviewed by Audit Committee prior to review and approval by the Board, and submission to Members as part of the Annual Report and Accounts.	✓
Board approval before publication.	✓

Bioresources Market Information

Market information on where Bioresources are produced and the quality of data is key to supporting the Bioresources market in so far as it helps promote and encourage efficient entry and development of the market.

To allow third parties to identify market opportunities and thus facilitate discussions companies are required to publish Bioresources Market Information as frequently as they deem necessary, but this must be updated at least annually. The annual publication must be made by 31 July each year.

Assurance Activities	
The data assurance programme was implemented as planned. There were no material issues identified and the governance stages, e.g., sign off of data at different levels operated as planned. Detailed internal Methodology Statements have been developed which include a step-by-step guide on how the data is obtained, the checks and balances in place, any assumptions made, and any exclusions applied.	✓
The Head of Service and the Biosolids Manager both undertook a full review of the data and methodologies and verified them against historic information and applied operational experience. All data has been signed off by the data owner, his manager and the appropriate director.	✓
Jacobs (our Technical Auditor) undertook a process and data review in accordance with an agreed Audit Plan. Jacobs concluded that the data is accurate and in line with published guidance.	✓

PR24 data and business plan submissions

Every five years, Ofwat sets limits on the prices which each water company in England and Wales can charge to their customers and sets the performance targets that they must achieve. This process is known as a price review. Ofwat is currently working on the price review for 2024 (PR24) that will cover the prices, investments and service levels for the period 2025 to 2030. Revenues are set to enable companies to deliver the services required of them over the period, including allowances for maintenance of assets, ensuring security of supply, meeting drinking water and environmental quality requirements, and covering the costs of financing the business.

It is vital for the business that we prepare a sound regulatory business plan for submission to Ofwat as part of the price review, to ensure that we secure the required investment to provide a resilient service to customers and the environment over the long-term. Our assurance framework therefore includes measures to ensure that the preparations for the price review are on track for delivery.

Assurance Activities	
The Board play an active role in the development of the PR24 business plan. Meetings on all main aspects of the plan have been held monthly with a particular dedicated focus at Board Strategy days in November 2021 and November 2022. The Board will continue to be involved in the development of the plan at each meeting through to provision of an assurance statement and submission of the plan in October 2023.	✓
A PR24 Steering Group has met monthly and has reported on progress to the executive team. A Detailed programme plan has is being used to track deliverables.	✓
Attendance at Ofwat workshops on given subjects. Regular liaison meetings with Ofwat Director for Wales. Tracking and responding to Ofwat consultations.	✓
A full assurance plan has been developed to provide evidence to the Board and Ofwat on the quality of the business plan and the process followed in preparing the plan itself.	✓

Our Published Charges

We are required to publish a number of charges schemes each year in compliance with Licence Condition D and Ofwat’s Charges Scheme Rules. These documents set out the company’s charges for services provided and the terms and conditions of those charges. The documents are:

Scheme of Charges – This document sets out the company’s charges for water and sewerage services for household and non-household customers.

Wholesale Tariff Document – This document sets out the primary charges for wholesale water supplies and services to eligible sites that could be supplied with water by a water supply licensee with a retail or restricted retail authorisation. This document also includes non-primary charges that would be payable by a water retailer for sundry services provided by our wholesale business.

Developer Services Schedule of Charges – This document sets out the charges for new connections and other activities to support developers.

Assurance Activities	
Charges policies are reviewed and agreed by our Charges Policy Steering Group, which meets monthly and is chaired by the Head of Charges and Regulation. A compliance manual is maintained which details how our policies are compliant with Ofwat’s Charging Rules and Guidance.	✓
All charges calculations are subject to checks within the Charges team. An external peer reviewer checks all key models and calculations. Charges are reviewed and approved by the Head of Charges and Regulation and the Strategy and Regulation Director, prior to provision to Board.	✓
External assurance on our approach to charges is carried out by Jacobs, who provide a report to the Board.	✓
Indicative and Final Charges are presented to the Board who provide and publish assurance statements for each set of charges	✓