



PR24 Assurance Statement

AtkinsRéalis was commissioned by Affinity Water to act as technical assurers on aspects of its PR24 Business Plan. The areas in scope were data, methodology and (where applicable) commentary for:

- Investment programme
- Water Industry Strategic Environmental Requirements (WISER) Report
- Outcomes: OUT1 to OUT4, OUT6 and 7 (water company lines), OUT10, OUT11
- Overall outcome Performance Commitments and Bespoke Performance Commitments
- Costs (wholesale) water: CW1, CW1a, CW2 to CW3 (capex only); CW4 to CW6; CW7, CW7a (technical only) CW8; CW13 to CW16 (capex only) CW17; CW19 to CW21
- Water resources: RES1
- Developer Services: DS4; DS6
- Supplementary: SUP1a (water company) SUP1b; SUP12; SUP14; SUP15 (except bad debt)
- Table Past delivery: PD6

Among the areas out of scope for assurance were:

- Business Plan Submission (200 pages) and associated Board Assurance Statement
- Long Term Delivery Strategy (100 pages) and associated data tables LS1 to LS7 (all)
- Customer engagement research beyond transcription of data reported in Table SUP14

Our assurance focused on two aspects of the Business Plan submission:

- A review of the processes used to derive the AMP8 Investment Programme, structured to provide the general commentary on the process of development and the challenge that has been applied to the Investment Programme and the associated Business Cases, noting material uncertainty or inconsistency between cost elements and Performance Commitment (PC) targets, or inconsistencies with historic expenditure.
- A check on the data tables contained within our scope of work, to comment on whether they are reliable, accurate and complete; compliant with the Ofwat guidance; supported by commentary that complies with Ofwat guidance and reconciles with technical cases where audited; and specifically in relation to Performance Commitments, a review of the process used to set the PCs to confirm whether the definition of the metrics aligns with Ofwat's stated guidance and the approach to forecasting performance is both clear and appears reasonable and appropriate.

Detail of our assurance of Affinity Water's PR24 Business Plan is provided in PR24 Atkins Assurance Report – Affinity Water. To the extent revealed by our audits and, we can provide the following statements in relation to these areas of the PR24 submission.

Development of Costs and Outcomes

To the extent revealed by the audits of the Common Performance Commitments we carried out, we were able to confirm that definitions of PCs, and associated generation of forecasts were developed in accordance with Ofwat requirements. The plans to delivery of the investments and outcomes presented to us are plausible and reconcile with the base data used and should provide sufficient information for the Board to challenge and review the deliverability of the PR24 submission.

Table Data

For the tables covered by our audits we confirm that they have been collated in accordance with the reporting requirements. Where appropriate, the table data provided reconciles with the methodologies and data used to support the other assurance areas described above.

Jonathan Archer
Regulation Director
Providing Technical Assurance Services to Affinity Water