

South Staffordshire Water PLC

Final Water Resources Management Plans (WRMP)

Assurance Statement

November 2019

In approving the Final 2019 Water Resources Management Plans, the Directors confirm that they have complied with the following provisions. This statement also sets out how the Board has assured itself of each provision.

1. The Board are satisfied the plan represents the most cost effective and sustainable long term solution.

The Board have been fully engaged in the development of the WRMP which included the consideration of the proposed options and a review of the Executive Summary of the WRMP ahead of it being submitted to DEFRA.

In developing its proposals, the Board have reviewed the process taken in determining the most cost effective and sustainable long term solution which was as follows:

- Identifying options and developing a proposed programme of work using UKWIR's 'WRMP Methods – decision making process guidance'.
- Carrying out a process to define and assess the challenges faced to gain an understanding of their complexity and scale.
- Development of tools to help model a range of future scenarios to ensure that the decisions on future options are well tested.
- Consideration of a range of options to manage both supply and demand over the long term including:
 - reducing leakage on our network;
 - water efficiency measures;
 - more metering;
 - investing in existing groundwater sources
 - replacing our water treatment works;
 - identifying new groundwater sources;
 - identifying new surface water sources and
 - trading water with third parties.

- Evaluation all of these options to come up with a list of feasible proposals followed by a strategic environmental assessment to help understand any potential impact of each option including using a range of scenarios to make sure that the plan is robust.
- Taking into account customers' views during the process covering areas such as:
 - resilience over the long term;
 - impact on the environment; and
 - whether the options are cost effective.
- Undertaking a full appraisal of how much each option was likely to cost to ensure that the most cost-effective solutions were considered.

2. The Board consider that the plan takes into account the views and expectations of customers and other stakeholders including in its SoR.

The Company has ensured that customers' and other key stakeholders' preferences and expectations are a key component of its WRMP. This involved the following:

- Carrying out research to establish and understand customers' priorities;
- Holding a detailed one-day and half-day workshops with residential and business customers to gain feedback on their preferences, service level expectations and things that could be done to help customers who may need extra support;
- Undertaking focused discussions with the Company's 'independent customer panel', which was set up to represent customers and challenge the plans.
- Seeking views from other key stakeholders, including:
 - the independent customer panel;
 - the Consumer Council for Water (CCWater);
 - Cyfoeth Naturiol Cymru (Natural Resources Wales);
 - Defra;
 - Environment Agency;
 - Natural England;
 - Ofwat;
 - Anglian Water;
 - Severn Trent Water.

We published our draft Water Resources Management Plan for twelve weeks' public consultation from 2 March 2018 to 28 May 2018. We thank the organisations that contacted us during this period and we published our SoR to show how we have addressed the points raised. During August 2018, our Board of Directors have reviewed and endorsed our proposed Statement of Response.

Where necessary, we have addressed the points by making changes in our final 2019 Water Resources Management Plan.

3. The Board confirms that there are appropriate systems and processes in place to ensure that the data and information contained within the WRMP is accurate and complies with the relevant Defra guidance.

The Company has assessed the level of assurance required using its published assurance framework. The results of this assessment are set out below:

Risk Score			
Likelihood Score	Impact Score	Total Risk Score	Assurance Risk Category
3	3	9	High

The likelihood score is high due to the level of complexity of the submission requiring interpretation, judgment or the use of a number of assumptions.

The impact score is also high as any inaccurate data could have a moderate impact on customers or have a moderate impact on the Company's compliance with its licence.

In line with this assessment, the Company has used external assurance for the key parts of the submission.

The Company engaged the services of Jacobs to undertake work in three areas considered high risk. These were:

- the underlying deployable output assessment for South Staffs region;
- the household and non-household elements of the Cambridge demand forecasts; and
- the approach to reflecting Water Industry National Environment Programme (WINEP) actions in the plans.

Jacobs also took an overview of the whole plan and the processes in place for developing it.

A risk based approach was taken and focused on identifying any material inconsistencies with the Water Resources Planning Guideline (WRPG), and/or issues with the methods that posed a material risk to the component outputs. This approach was also applied in respect to our SoR.

Although the changes we have made between the revised draft WRMP and the final 2019 WRMP are not material, our Board have been kept regularly informed on progress. Any data changes have been assured using internal assurance.