



Our Compliance with Common Guidance for Performance Commitments 2024/25

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About this document

This document sets out our compliance with the common reporting guidance set by Ofwat as part of AMP7. The guidance can be found [here](#) on Ofwat's website.

We take reporting our compliance against regulatory requirements very seriously and, this year, we have further improved our compliance reporting transparency.

This document should be read alongside our [Annual Performance Report](#) ('APR') and our [Reporting criteria](#) so that our customers and stakeholders have a full understanding of the information that we are reporting.

Alongside reporting our compliance with common guidance, we also provide confidence gradings for some of our performance commitments ('PCs').

Assessing compliance with common guidance

Common guidance is made up of a number of requirements (or components) that we must follow when we report our performance. Each component is made up of sub requirements (or elements).

We assess our compliance with common guidance using a RAG status, at both an element and overall component level.

We use a materiality threshold consistent with methodology used by our independent assurers.

Compliance at element level:

RAG	Definition
R	Not fully compliant with the guidance and having a material impact on reporting (i.e., greater than a +/- 5% impact)
A	Not compliant with the guidance and having no material impact on reporting (i.e., within +/- 5%)
G	Fully compliant with the guidance

Compliance at component level

RAG	Definition
R	One or more red elements in the component or the combined effect of amber elements is considered to produce a material impact
A	Half or more of the elements in the component are amber but the combined effect of the amber elements is considered not to produce a material impact
G	More than half of the elements in the component are green

Applying a confidence grading

We are also required to apply a confidence grade to our reporting so there is a reasonable basis for qualifying the reliability and accuracy of our data.

The confidence grade combines elements of reliability and accuracy, as shown in the tables below:

Band	Description
A	Sound textual records, procedures, investigations or analysis properly documented, and recognised as the best method of assessment
B	As A, but with minor shortcomings Examples include old assessment, some missing documentation, some reliance on unconfirmed reports, some use of extrapolation
C	Extrapolation from limited sample for which Grade A or B data is available
D	Unconfirmed verbal reports, cursory inspections, or analysis

Band	Accuracy to or within + / -	But outside + / -
1	1%	-
2	5%	1%
3	10%	5%
4	25%	10%
5	50%	25%
6	100%	50%
X	Accuracy outside + / - 100%, small numbers or otherwise incompatible (see table below)	

Summary of our compliance with Common Guidance

In accordance with IN25/02 Expectations for monopoly company annual reporting 2024/25, we confirm that:

- We are fully compliant with common guidance for the performance reporting of mains repairs and sewer collapses; and
- We have areas of amber non compliance against common guidance for the performance reporting of: leakage, PCC, water supply interruptions, unplanned outages and internal sewer flooding.

As our non-compliance has been assessed as amber, in all instances, there is an immaterial impact on our reported performance.

Compliance summary *

PC Name	Red	Amber	Green	Total
Mains repairs	0	0	4	4
Sewer collapses	0	0	4	4
Internal sewer flooding	0	1	10	11
Supply interruptions	0	3	10	13
Unplanned outages	0	3	10	13
Leakage	0	8	68	76
Per capita consumption	0	2	22	24

2024/25

PC Name	Red	Amber	Green	Total
Mains repairs	0	0	4	4
Sewer collapses	0	0	4	4
Internal sewer flooding	0	1	10	11
Supply interruptions	0	3	10	13
Unplanned outages	0	3	10	13
Leakage	0	8	68	76
Per capita consumption	0	2	22	24

*The totals include all elements as well as components without separate elements

Confidence grades applied to our performance commitments

Mains repairs	A2
Data is manually checked	
Sewer collapses	B2
Calculation includes manual collapse verification process (e.g. from photographs of work completed), and involves elements of extrapolation	
Internal sewer flooding	B2
Manual verification and judgement required. Seasonal variations may impact extrapolation	
Supply interruptions	B2
Calculation includes manual verification process	
Unplanned outages	B3
While our systemic processes are clearly documented, this data may be of variable quality and is subject to manual judgement	
Leakage	B2
Calculation requires use of assumptions including reliance on modelling/historic assumptions	
Per capita consumption	B2
Uses the same data set as leakage	

Our compliance at a detailed level is explained on the following pages

Compliance by performance commitment	
Internal sewer flooding	7
Water supply interruptions	8
Unplanned outages	9
Leakage	10
Per capita consumption	16

We are fully compliant with common guidance for mains repairs and sewer collapses

CS03 Internal sewer flooding

Overall compliance (RAG)	Green
Overall confidence grade (data)	B2

Compliance status

Our internal sewer flooding reporting is compliant with the regulatory guidance, except in one area (out of 11) which the company has assessed and deemed immaterial to the accurate reporting of the performance commitment.

	Guidance area	RAG	Data
1	Asset Causing Flooding	G	A2
2	Severe Weather	G	A2
a	Individual rainfall events > 1 in 20 years	G	A1
b	Multiple rainfall events	A	n/a
c	Surface water run-off not originated from public sewer	G	A1
d	River levels >1 in 100 year return period	G	A1
e	FEH13	G	A1
3	Internal or external sewer flooding	G	B2
a	Internal	G	B2
b	External	G	B3
4	Repeat incidents	G	B2
5	Neighbouring Properties	G	B2
6	Records	G	B2

Reasons for non compliance

Severe weather

2b. Multiple rain events

As we already capture and breakdown both sewer flooding other causes (SFOC) and hydraulic flooding in our process, we do not use the specific guidance on multiple rainfall events in our calculations.

Actions we are taking to become compliant

The guidance states, ‘on an exceptional basis, this may be given consideration’ as an exception, so there is no current plan to review all floods with a rainfall of less than 1:20 to identify any that could be classed in this category.

Source: [Sewer flooding Final reporting guidance for PR19](#)

BW03 Water supply interruptions

Overall compliance (RAG)

Green

Overall confidence grade (data)

B2

Compliance status

Our water supply interruptions reporting is compliant with the regulatory guidance, except in three areas (out of 13) which the company has assessed and deemed immaterial to the accurate reporting of the performance commitment.

	Guidance area	RAG	Data
1	Property Counts	A	B2
2	Start Time		B2
a	Evidence to support start time	G	B2
b	Treatment of 3m pressure definition	G	B2
c	Treatment of blocks of flats	A	B2
3	Stop time		B2
a	Evidence to support stop time	G	B2
b	Treatment of 3m pressure definition	G	B2
c	Treatment of blocks of flats	A	B2
4	Short Term Restoration of Supply	G	A2
5	Exclusions	G	AX
6	Calculation of Performance	G	A1
7	Application of Precautionary Principle	G	B2
8	Records	G	Ax
9	Properties affected >1 interruption in a year	G	A2

Reasons for non compliance

1. Property counts

While we have subsidiary data to highlight the multiple properties bill under one account, we do not yet have completed records.

2. Start time

2.c. Treatment of blocks of flats

We treat all properties within multi-storey buildings as if they were on the ground floor. Most companies report this way and it has no material impact on the measure.

3. Stop time

3.c. Treatment of blocks of flats

See above

Actions we are taking to become compliant

We have no plans to change our current methodology for calculating water supply interruptions.

Source: [SI Final reporting guidance for PR19](#)

BW02 Unplanned outages

Compliance status

Our unplanned outages reporting is compliant with the regulatory guidance, except in three areas (out of 13) which the company has assessed and deemed immaterial to the accurate reporting of the performance commitment.

	Guidance	RAG	Data
1	PWPC		B2
a	Annual Review	A	B2
c	PWPC by production site	G	A2
d	Water resource zone PWPC	G	A2
2	Asset failure / unplanned outage		B2
a	Source data	G	B2
3	Planned outages		B2
a	Source data—programme of works	G	B2
4	Duration		B2
a	Start time	G	B2
b	End time	G	B2
c	Rounding	G	A1
	Reduction in capacity	G	A2
a	Reduced capacity	G	A2
b	Total outage	G	A1
5	Exclusions		DX
a	Normal water quality operation band	A	DX
b	Evidence of WQ events	A	DX

Source: [UO final reporting guidance for PR19](#)

Overall compliance (RAG)

Amber

Overall confidence grade (data)

B3

Reasons for non compliance

1a. Annual review

We do not use capacity tests to support PWPC with evidence of actual output or of capacity tests undertaken on a rolling programme each five years use capacity. Instead, we use telemetry data to provide actual output at each site.

5, 5a. and 5b. Exclusions

Normal water quality operation band and evidence of water quality events

As per AR24 we have taken a conservative approach and not applied any raw water quality or water quality event exclusions this year. This is in light of the PR24 guidelines, which remove these exclusions in AMP8.

Actions we are taking to become compliant

We have no plans to change our current methodology for calculating unplanned outages.

BW04 Leakage

Overall compliance (RAG)	Amber
Overall confidence grade (data)	B2

Compliance status

Our leakage reporting is compliant with the regulatory guidance, except in eight areas (out of 76) which the company has assessed and deemed immaterial to the reporting of the performance commitment.

	Guidance	RAG	Data
1	Coverage		A1
a	95% of all properties have continuous night flow monitoring through the year	G	
2	Availability		A1
a	At least 90% of all properties within continuous night flow monitoring networks available for reporting night flow data through the year	A	
3	Properties		A1
a	All properties mapped to defined zones or DMAs using geo-location or similar methods	G	
b	Consistency of property numbers contained within DMAs or zones with company billing system. Valid differences explained	G	
c	Properties that are defined as void excluded from night use allowances unless evidence for use or losses from illegal occupation is available	G	

	Guidance	RAG	Data
d	Leakage allowance applied for properties not within DMAs or monitored zones consistent with other leakage estimates	G	
e	Property data updated at least annually	G	
4	Night flow period and analysis		A2
a	Night flow data frequency at least every 15 minutes	G	
b	Leakage derived from a fixed period during the night of at least a one hour period and up to two hours	G	
c	If the fixed period is varied during the year for some or all DMAs or zones to address significant changes to night use patterns such as during Ramadan evidence for this is provided	G	
d	Leakage allowance applied for properties not within DMAs or monitored zones consistent with other leakage estimates	G	
e	Data infilling for a single DMA or zone does not use more than six months of historic data before moving to area average	G	

BW04 Leakage cont'd

	Guidance	RAG	Data
f	Data infilling for a single DMA or zone does not use more than six months of historic data before moving to area average	G	
g	When a DMA is restored to operability, the subsequent leakage data is used to retrospectively update the data infilling interpolating between pre and post data over at least one month	G	
h	Where NHH properties are continuously monitored, the actual values of flow over the night flow period are used in place of estimates within the night flow analysis	G	
i	Weekly leakage estimates are used for annual reporting with no exclusions for summer months	G	
j	Negative leakage values are used in compiling values of annual average leakage	G	
k	The reasons for any prolonged periods of negative leakage are investigated and explained	G	
5	Household night use		A3
a	The time period for HHNU is the same time period as used for night flow and NHHNU	A	
b	Own data or shared data with proximate companies is used for HHNU	G	

	Guidance	RAG	Data
c	Plumbing losses are included and based on own data	G	
d	Evidence that survey is representative (based on demography, property type or other factors) of the company as a whole	A	
e	Sample size is sufficient to capture continuous and intermittent night use with reasonable confidence	A	
f	Continual monitoring and maintenance of IHM and SAMs monitors	G	
g	HHNU is derived daily with regular, adjustment of values on a weekly or monthly frequency to reflect actual seasonal use. This may be done retrospectively	G	
6	Non household night use		B3
a	The time period for NHHNU is the same time period as used for night flow and HHNU	G	
b	Own data or shared data with proximate companies is used for NHHNU	G	
c	1999 UKWIR methodology with the appropriate time window as used for the night flow and the published outcome of further methodology development is applied	G	

BW04 Leakage cont'd

	Guidance	RAG	Data
d	Stratification of non-households to a number of groups and consumption bands is representative of the varying characteristics of commercial and industrial properties	G	
e	Sample size is sufficient to capture night use by stratification with reasonable confidence	G	
f	Reliable and representative average billed volume (ABV) model based on data logging of the representative sample sufficient to capture demand variations with further seasonal logging where relevant. Continuously logged properties not part of the sample	G	
g	ABV model linked to billing system or replacement database of billed volumes. Average billed volumes updated at least annually	G	
h	Continuous monitoring of selected non-households is carried out where average demand of an individual non-household has a material impact on the ability for a DMA or zone to provide valid and consistent data within operability limits	G	

	Guidance	RAG	Data
7	Hour to day conversion		A2
a	The hour-to-day factor is derived separately for each DMA or zone using pressure logging within each DMA or zone. The factors are updated at least annually or where there are any significant changes to pressure regimes	G	
b	As an alternative, hydraulic models reflecting latest network configuration and pressure changes, are used if they dis-aggregate in sufficient detail at sub-zone level	G	
c	Evidence based N1 value used. Expected range is 1.0 to 1.20	G	
8	Annual distribution leakage		A3
a	Average weekly data is derived from valid daily values of leakage using data points which are representative of the week. Backfilling using the methods described in Section 5.4 – night flow analysis - is done when valid data is not available for three or more data points	G	
b	The annual value of leakage expressed as MI/d is derived from an average of the 52 week data	G	

BW04 Leakage cont'd

	Guidance	RAG	Data
9*	Trunk main losses		C5
a	Company-specific data is used to assess the value of trunk main leakage	G	
b	Proactive leakage monitoring approach applied where trunk main losses form a significant element of total leakage or the MLE water balance gap is greater than +/-2%	G	
c	If trunk main losses greater than 5% of total leakage estimates reviewed annually	G	
10*	Service reservoir losses		B4
a	Company-specific data is used to assess the value of service reservoir losses;	G	
b	Reservoirs with known high leakage, structural deficiencies or at risk of water quality failures are investigated on an individual basis	G	
c	Drop tests (12 hour duration depending on size) carried out every five or ten years. All valves checked for tight close; and losses through overflows investigated. Appropriate monitoring arrangements in place to control and minimise overflow events	G	

	Guidance	RAG	Data
11	Distribution input		A2
a	Distribution input to the system is metered with at least daily readings at all defined locations	G	
b	Meters are appropriate size for the flow to be measured and located at appropriate inputs to the network confirmed by record plans. Any treatment works take-off downstream of a meter are excluded from the DI calculations	G	
c	Data validity checks are carried out at least monthly	G	
d	Missing data is infilled using both pre- and post- data for the location over at least one month, extrapolated from pump hours or use of upstream or downstream meters	G	
e	The data transfer systems from meter output to central database are checked and validated on a risk-based frequency from one up to two years	G	
f	Flow checks are carried out on DI meters consistent with the principles of the document 'EA Abstraction Good Metering Guide' and in particular the frequency of flow checking defined in Table 6.2 of the EA guide	G	

* only applicable if DMA level leakage assessment used

BW04 Leakage cont'd

	Guidance	RAG	Data
12	Measured consumption		A3
a	Metered data is derived from own billing system or from CMOS for non-households	G	
b	Estimate of supply pipe losses is included for internally metered properties consistent with own current assumption of supply pipe losses	G	
c	Inclusion of any leakage allowance is included where a rebate has been applied to a customer's bill	A	
d	Meter under- registration is applied consistent with own estimates. Evidence of MUR available especially for MUR above 3%.	G	
e	Meter replacement consistent with own replacement programme	G	
13	Unmeasured consumption		A3
a	Monitors follow principles set out in the UKWIR Report 'Best Practice for un-measured per- capita consumption monitors 1999' and the more recent report 'Future Estimation of Unmeasured Household Consumption', UKWIR 2017	G	
b	Consumption is derived from own individual household monitor or small area surveys	G	

	Guidance	RAG	Data
c	Evidence that survey is representative (based on demography, property type or other factors) of the company as a whole; Valid data available from at least 80% of monitors as an annual average measure	A	
d	For companies using SAMs - SAM comprises a representative sample of customer' characteristics. The sample size is sufficient to provide a statistically representative sample after allowing for out-ages. Where the proportion of metered properties in an area exceeds 50% of total properties then further data validity tests are applied For companies using IHMs – IHM comprises representative sample of customer characteristics. The sample is at least 1000 properties	G	
e	Uncertainty allocated to un-measured household consumption is estimated and justified	G	
f	There is continual monitoring and maintenance of IHMs and SAM monitors	G	
g	Meters are selected to provide sufficient granularity to detect low continuous flows indicative of plumbing losses or leakage short duration flow variations. The value of meter under registration is less than the company's average meter stock	G	

BW04 Leakage cont'd

	Guidance	RAG	Data
13h	Estimate of plumbing losses is based on own data	G	
13i	Where unmeasured non- household reported volume is less than 2% of total non- household demand, data from a per property consumption study is refreshed every five years	G	
13j	Where unmeasured non- household reported volumes are greater than 2% of non-household demand, data from a property study is refreshed every two years	A	
14	Company own water use		C5
a	All sewage treatment sites and other sites and assets supplied downstream of the DI meters using greater than 10 m3/d (0.01 MI/d) are metered	A	
b	An estimate of total company own use is included in the water balance, based on a clear methodology and actual data	G	
c	Estimate of distribution operational use is evidence based and not greater than 0.6% of distribution input	G	

	Guidance	RAG	Data
15	Other water use		A2
a	Other use components are based on own data	G	
b	Estimate of water delivered unbilled (legally and illegally) is evidence based and not greater than 1.8% of distribution input	G	
c	Estimates are updated when there is a material increase or decrease to volumes	G	
16	Water balance and MLE		A2
a	Fully measured components have a range from 2% to 4%	G	
b	Mainly measured with some estimated adjustments have a range from 2.5% to 5%	G	
c	Estimated using detailed and reliable methods have a range from 8% to 12%	G	
d	Broad estimates not fully detailed or reliable have a range from 20% to 50%.	G	
e	Water balance discrepancy <2% = G >2% and <3% = A >3% = R	G	

Source: [Reporting-guidance-leakage.pdf](#)

BW04 Leakage cont'd

Reasons for non compliance

2. Availability

2a. Availability

Average for the year (based on the weekly availability) fell from 91.2% last year to 86.2%. Based on the company's sensitivity analysis around gap filling, this fall does not make a material difference. District metered areas ('DMA') are used to target leakage reduction work, rather than the flow monitoring zones ('FMZ'), thus avoiding bias associated with not being able to target leakage control activity in unavailable area.

5. Household night use (HHNU)

5a. Time period

The time periods used are listed below. We use a different time period for detached, semi detached and terraced houses as these use historic allowances, as opposed to current allowances used for the other types. (See actions to become compliant.)

Time period	Type
3:00 to 4:00 am	FMZ night flows
3:00 to 4:00 am	Non HHNU (commercial)
3:30 to 4:30 am	Detached, semi-detached and terraced houses
3:00 to 4:00 am	Flats (FLBs and uFSBs)

5d. and 5e. Representative survey and sample size

We use historic night use allowances for HH property types other than flats. We update this data annually for population changes, but not for customer behaviours and plumbing losses.

12. Measured consumption

12c. Leakage allowance

We have not used leakage allowances where a rebate has been applied to the customers bill as our systems are not configured to allow us to obtain this data.

13. Unmeasured consumption

13.c Representative samples

We are fully compliant for all flats (65% of all our properties). We are non compliant for allowances for plumbing losses in all properties other than flats.

13j. Refreshing study

We update unmeasured non household volumes each year using information from the non HH retail market. However, the uplift to account for the difference between billing and actual usage has not been updated since AR17. As in previous years, we have determined that this impacts total annual reported leakage by a maximum of 0.1%.

14. Company water own use

14a Metering of sewage treatment works

Some of our very smallest sewage treatment works are unmetered, and it has not been possible to read all STWs meters.

Actions we are taking to become compliant

We continue to review our methodology to increase our compliance. For example, re compliance for 5a,d,e and 13c, we are close to completing work that will allow us to update night use allowances for detached, semi-detached and terrace properties using our smart meter data. This will provide accurate and up to date information on supply pipe leakage and plumbing losses.

BW05 Per capita consumption

Compliance status

The PCC calculation relies heavily on the water balance model. Our PCC reporting is compliant with the regulatory guidance, except in two areas (out of 24) which the company has assessed and deemed immaterial to the reporting of the performance commitment.

	Guidance	RAG	Data
1	Household population estimates		A2
a	Household population derived using WRMP methodology	G	
b	Evidence for adjustments for clandestine population if any	G	
c	Household population updated annually	G	
d	Exclusion of non household population in accordance with WRMP methods	G	
2	Household property estimates		A1
2a	Definition of household / non household consistent with eligibility under market separation	G	
2b	Evidence of void properties updated annually	G	
2c	Property figures annually updated	G	

Overall compliance (RAG)	Amber
Overall confidence grade (data)	B2

	Guidance	RAG	Data
3	Measured household consumption (Based on leakage PC RAG elements)		A2
3a	Metered data is derived from own billing system	G	
3b	If leakage allowances are applied the process and evidence for this is clearly set out.	G	
3c	Average SPL deductions for externally metered households using company own data updated annually	A	
3d	Company own estimate of MUR for revenue meters which is updated annually.	G	
3e	Meter replacement consistent with own replacement programme	G	
4	Unmeasured household consumption (Based on leakage PC RAG elements)		A3
a	Monitors follow principles set out in the UKWIR Report 'Best Practice for unmeasured per capita consumption monitors 1999' and the more recent report 'Future Estimation of Unmeasured Household Consumption', UKWIR 2017	G	
b	Consumption is derived from own IHM or SAM or evidence to support other method appropriate for high meter penetration companies	G	

BW04 Pcc cont'd

	Guidance	RAG	Data
4c	Evidence that survey is representative (based on demography, property type or other factors) of the company as a whole; Valid data available from at least 80% of monitors as an annual average measure.	A	
4d	For companies using SAMs - SAM comprises a representative sample of customer characteristics. The sample size is sufficient to provide a statistically representative sample after allowing for outages. Where the proportion of metered properties in an area exceeds 50% of total properties then further data validity tests are applied For companies using IHMs - IHM comprises representative sample of customer characteristics. The sample is at least 1000 properties.	G	
4e	Uncertainty allocated to unmeasured household consumption is estimated and justified	G	
4f	There is continual monitoring and maintenance of IHMs and SAM monitors	G	
4g	Meters are selected to provide sufficient granularity to detect low continuous flows indicative of plumbing losses or leakage short duration flow variations. The value of meter under registration is less than the company's average meter stock	G	

	Guidance	RAG	Data
4h	Estimate of plumbing losses is based on own data	G	
4i	Where unmeasured non-household reported volume is less than 2% of total non-household demand, data from a per property consumption study is refreshed every five years	G	
4j	Where unmeasured non-household reported volumes are greater than 2% of non-household demand, data from a property study is refreshed every	G	
4k	Company own estimate of MUR for monitor meters which is updated annually	G	
4l	Meter replacement consistent with own replace-	G	

Source: [Reporting-guidance-per-capita-consumption.pdf](#)

BW05 Pcc cont'd

Reasons for non compliance

3. Measured household consumption

3c. Average SPL deductions data for externally metered households

See 12c. in leakage section.

4. Unmeasured household consumption

4c. Representative samples

See 13c. in leakage section.

Actions we are taking to become compliant

We continue to review our methodology to increase our compliance.

See leakage section for more details.



It's everyone's water