

Risk management and
mitigation

PR19 Supporting Appendix 15

3 September 2018

Pure knowh₂ow

What does this appendix do?

This document supports the submission of South East Water's business plan for 2020-2025 and provides:

- Our approach for assessment and mitigation of risks to the implementation of PR19 business plan
- Our plans for monitoring and mitigation of risks for PR19
- Details of external assurance

The evidence you will find in this appendix

The following evidence is included in this document:

- A summary of our business plan risk assessment
- Comparison with current risks
- Risk statement and mitigation activities

The decisions we have made based on this evidence

We have made the following decisions based on this evidence:

- We have updated our Company Monitoring Framework and our Corporate Risk Register to reflect risks associated with the 2020-25 planning period

The data tables you will find in this document

You will find the following data tables in this document:

- Summary of our risk assessment and effect of mitigation measures on risks

Need further information?

Please email yourwateryoursay@southeastwater.co.uk if you require further information or wish to clarify anything in this document.

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Executive summary

Setting the scene

In its Delivering Water 2020: Our final methodology, Ofwat sets out its expectation for managing and mitigating risks to the delivery of the 2020 business plans' outcomes including a demonstration of a clear understanding of risk and evidence of the risk management measures.

This appendix explains how we have built on our existing Company Monitoring Framework to assess the risks around the plan implementation and achievement of its commitments. It sets out our approach to identifying and assessing these risks, and our plans for monitoring and mitigation of these risk throughout the period.

How we manage risks

We manage our risks using two approaches, via the Corporate Risk Register, and the Company Monitoring Framework.

Our Corporate Risk Register, managed by our Executive and the Board of Directors, includes all risks that are pertinent to the management of the business as a whole. It provides a platform for scrutiny of operational and strategic risks, and is a key indicator of organisation's performance and health.

Our Company Monitoring Framework (CMF) covers the management of risks associated with data and information we publish and with progress we make on achieving our performance commitments. We publish it so that our customers and stakeholders can see how we manage risks associated with the outputs that matter to them. Thanks to the quality of our CMF, Ofwat has placed us into the highest category of self-assured water companies for the last two years.

Assessing our PR19 business plan risks

Our PR19 business plan reflects the regulatory direction and customer preferences by setting very challenging performance targets while, at the same time, increasing efficiency of operations and keeping down the costs to customers.

Inevitably, doing more with less increases risks. To understand and manage them, we have reviewed key risks associated with meeting each new performance commitment. We then updated our Corporate Risk Register and the CMF to reflect the PR19 planning period environment.

Section 4.1 of this appendix includes a risk statement in relation to the delivery of our PR19 business plan and our performance commitments. It outlines all major risks

and explains what controls and mitigation actions we have in place to manage these risks.

Our approach, as well as the register of risks, has been independently assured.

1. Introduction

In its Delivering Water 2020: Our final methodology, Ofwat sets out its expectation for managing and mitigating risks to the delivery of the 2020 business plans' outcomes. It asks companies to demonstrate a "clear understanding of risk and evidence of the risk management measures".

This appendix explains how we have assessed the risks around the plan implementation and achievement of its commitments. It sets out our approach to identifying and assessing these risks, and our plans for monitoring and mitigation.

Our Board statement (see PR19 Appendix 20, Governance and assurance) provides further assurance that the Board has identified the risks associated with delivering the plan, and that the risk mitigation and management plans are appropriate.

Section 2 of this document sets out our approach to assessing and managing risk to the delivery of our PR19 ambitions.

Section 3 shows the results of this assessment in a matrix of risks, and compares it with the current (PR14) risks.

Section 4 outlines risk control and mitigation measures and includes a statement on risks, while section 5 details the external assurance undertaken on our assessment and its results. Section 6 outlines our plans for monitoring and mitigation of risks over the 5-year period of the business plan's implementation.

2. Our approach to managing and mitigating risks

2.1 Introduction

Risk reporting and management is important in the evolving environment where significant emphasis is placed on internal governance and assurance. South East Water manages its risks at two levels, via the Corporate Risk Register, and the Company Monitoring Framework. Both are described in the subsections below.

There is a degree of overlap between the two mechanisms, particularly in areas relevant to outcomes for customers.

2.1.1 Company Monitoring Framework

Company Monitoring Framework (CMF) covers the management of risks associated with data and information we publish and with progress we make on achieving our performance commitments. We publish our CMF so that our customers and stakeholders can see how we manage risks associated with the outputs that matter to them.

Ofwat uses the CMF framework to challenge water companies to provide information that can be trusted, and categorises companies into self-assured, targeted or prescribed category based on the quality of their data assurance. A company that demonstrates an appropriate assurance of its information has a significantly reduced level of prescription in the process it is required to follow. South East Water has been placed by Ofwat into the highest category of self-assured for the last two years.

Our CMF (published on our website¹) sets out what we do to ensure that the data and information we publish is reliable, transparent, timely and appropriate to the audience. It sets out the process we follow to define our risks and assurance. We discuss the management of the CMF risks in section 2.2.3.

2.1.2 Corporate Risk Register

The South East Water Corporate Risk Register (CRR) is an articulation of key risks to the business. It includes risks that are pertinent to the management of the business as a whole. The scope and format of the CRR has provided a platform for scrutiny of

¹ <https://corporate.southeastwater.co.uk/media/2340/180329-sew-company-monitoring-framework-2017-18-final.pdf>

operational and strategic risks, and become a key indicator of organisation performance and health.

The CRR is reviewed regularly by the SEW Executive to ensure risks are considered and documented consistently, and that actions to reduce risks are monitored. The highest level risks are reported to the Board of Directors. Section 2.2.4 outlines the governance of corporate risks.

2.2 Management and governance of risks

2.2.1 Scoring of risks

Both the CRR and CMF use a common methodology for assessing risks. Risk scores are calculated from a combination of likelihood and impact. The matrix below illustrates the combinations of likelihood versus impact that generate an overall risk score on the scale from 1 to 25. The colour coding applied to the matrix denotes the categories of risk, from low (green), medium (amber), high (red), through to extreme (purple). The scoring of risk is underpinned by detailed guidance to help users assess risks consistently, with definitions provided for each grade of likelihood and levels of impact defined for a range of factors such as financial, safety or legal compliance.

Figure 1: Risk matrix

		impact				
		INSIGNIFICANT	MINOR	MODERATE	MAJOR	CATASTROPHIC
likelihood	ALMOST CERTAIN	8	15	22	24	25
	PROBABLE	7	14	19	20	23
	POSSIBLE	5	9	16	18	21
	UNLIKELY	3	4	10	13	17
	REMOTE	1	2	6	11	12

2.2.2 Management and mitigation of risks

We manage all risks in a consistent manner via a framework of controls, responses and actions. Each risk has an initial score based on the strength of current controls, and a target score based on the strength of required actions.

- Controls: one risk may have numerous controls. The strength of controls for each risk is summarised in a single score ranging from no controls, through to very effective.
- Response: every risk has a response and is typically either to reduce or monitor
- Actions/Progress: each risk may have a number of mitigating actions with an overall assessment of progress.

2.2.3 Governance of Company Monitoring Framework

Our CMF underpins our annual reporting. It includes an assessment of risks and quality of information we publish each year. We assess the risks associated with data, information and reporting, and with our performance, using a well-defined and transparent process. This assessment provides a focus for the development of mitigation measures. The CMF, which includes a clear strengths and weaknesses statement, is updated annually and provides the framework for identifying and managing risks in each financial year.

The CMF risks are identified and assessed in regular reviews with risks owners (usually Heads of Departments). Our assurance provider, Jacobs, then provides an external review of our risk register and the assessment of individual risks to ensure that the categorisation of risks is appropriate and the register is comprehensive. We also survey a wide range of our stakeholders and use the results to improve our reporting and public information strategy.

2.2.4 Governance of Corporate Risk Register

The South East Water Board of Directors provides strategic leadership and corporate governance within a framework of effective controls that enable us to identify and manage risks.

Our Board and executive governance is described in section 2.2 of PR19 Appendix 20, Governance and assurance.

Risks with a score greater or equal than 10 are periodically presented to the company Executive for review and are reported on as part of our monthly reporting cycle. This approach therefore covers the majority of medium, plus all high and extreme rated risks. Risks scoring 16, or greater – that is, upper medium, high, and extreme rated risks – are reviewed by the South East Water's Board of Directors. To ensure all potential catastrophic risks are considered by the Board, risks with a high consequence but low probability are also included in Board reports.

The following matrices outline the boundaries of risk review between the Executive and Board.

Figure 2: Reporting of corporate risks

	EXECUTIVE REPORTING					BOARD REPORTING				
	INSIGNIFICANT	MINOR	MODERATE	MAJOR	CATASTROPHIC	INSIGNIFICANT	MINOR	MODERATE	MAJOR	CATASTROPHIC
LIKELIHOOD										
ALMOST CERTAIN	8	15	22	24	25	8	15	22	24	25
PROBABLE	7	14	19	20	23	7	14	19	20	23
POSSIBLE	5	9	16	18	21	5	9	16	18	21
UNLIKELY	3	4	10	13	17	3	4	10	13	17
REMOTE	1	2	6	11	12	1	2	6	11	12

3. Understanding and managing risks to PR19 delivery

3.1 The process

Our PR19 business plan reflects the regulatory direction and customer preferences by setting very challenging performance targets across all of our performance commitments while, at the same time, increasing efficiency of operations and keeping down the costs to customers. Inevitably, doing more with less and increasing reliance on innovation - some of it emerging – increases the risks. Our targets and incentive rates included in our business plan mean that, if we make no improvements in the service we provide above our 2017/18 performance, we would face underperformance payments of £35m over the five year period. This is five times the level for the equivalent calculation at PR14. The financial risks to the company are therefore much more significant than at the last price review.

To understand and manage these risks, we have run a series of workshops and meeting with key staff including Heads of Departments and Directors to identify key risks associated with meeting each performance commitment.

We then used this list to review and produce a 2020-25 Corporate Risk Register and a 2020-25 CMF for the PR19 planning period.

Table 1 shows our performance commitment measures and each outcome they contribute to.

Table 1: Outcomes assessed for risks

Outcome	Measure
Our customers are happy with the service we provide	Customer experience measure
	Vulnerable customer satisfaction with our service
	Vulnerable customer satisfaction with our service during a supply interruption
	Segmented satisfaction (6 segments)
Our customers trust the safety and quality of their tap water	Number of customer contacts about tap water appearance
	Number of customer contacts about tap water taste and odour
	Water quality compliance (CRI)
Developers rate the service we provide to them	Developer experience measure
We help customers out of water poverty	Financial vulnerability – number of customers on social tariff
	Non-financial vulnerability – number of customers on PSR

We give customers extra help when they need it	Satisfaction of stakeholders in relation to assistance schemes offered by SEW
Leakage levels are sustainable and supported by customers	Leakage target
Customers are empowered to reduce their water use	Per capita consumption
All the water we supply is accounted for	Gap sites
	Household voids
	Non-household voids
Our water supplies are maintained during more severe droughts	Risk of severe restrictions in a drought
Our water supply network is resilient for this generation and the next	Unplanned maintenance/outage
	Company sites at risk of flooding
	Event risk index
	Water supply interruptions
	Water mains bursts
	Properties at risk of low pressure
Our environment thrives, now and into the future	Greenhouse gas emissions (H4)
	WINEP programme completion (H3)
	Number of hectares of land enhanced to increase biodiversity (H2)
	Catchment management: proportion of landowners actively engaged (H1)
	Abstraction Incentive Mechanism (AIM) (H5)
	Engaging and working with abstractors to improve catchment resilience to low flows (H6)

We have applied the CMF framework and principles to the management and mitigations of risks associated with the delivery of the business plan over the whole planning period. This framework consists of:

- Risk assessment of key outcomes and outputs of the business plan
- Assessment of impact on customers
- Assessment of controls
- Developing risk mitigation measures
- External assurance
- Progress monitoring and risk management via our annually updated CMF

The corporate risks are managed by the executive team and the Board of Directors.

3.2 2020-25 Company Monitoring Framework

Our performance measures are set out in detail in PR19 Supporting Appendix 2, Performance Commitments and Outcome Delivery Incentives. Each of our PR19

performance measures is owned by a Head of Department who has a responsibility for resourcing, monitoring and delivery.

We have reviewed risks associated with each of the new performance commitments and developed a CMF for the period 2020-25.

This process has identified 129 risks associated with our PR19 performance commitments compared with 96 for PR14. Figure 3 shows the overall risk make-up of the PR19 CMF risks related to performance commitments.

Figure 3: Comparison of risks in PR19 and PR14 CMF

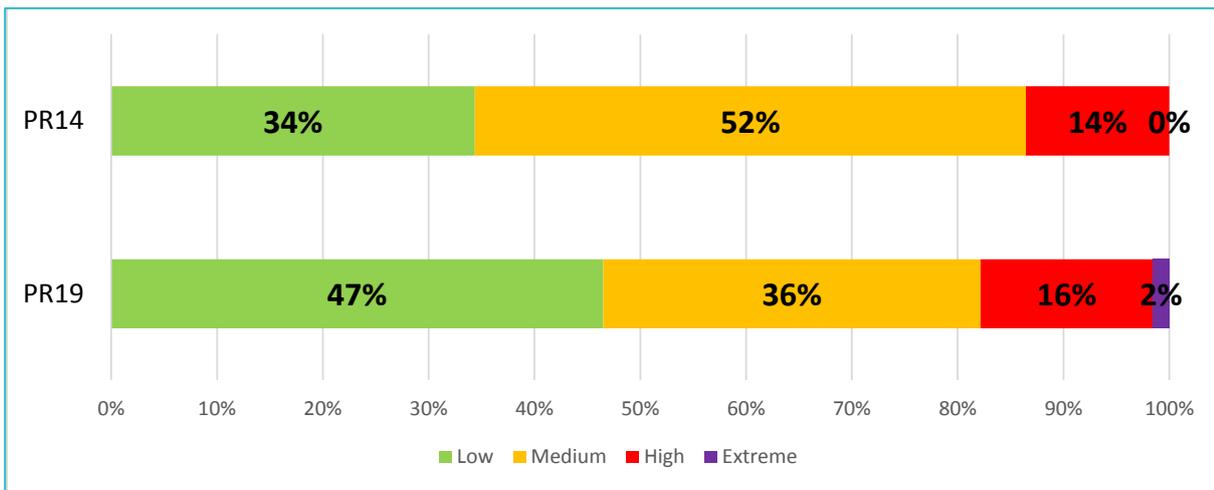


Table 2 shows the risks and impacts associated with each outcome with the overall risk rating for each dictated by the highest risk in each category.

Table 2: Risk assessment summary – before any actions to address the risks

Outcome	Impact to customer	Risk rating	Control	Number of risks
Our customers are happy with the service we provide	Major	High	Adequate	15
Our customers trust the safety and quality of their tap water	Major	High	Adequate	14
Developers rate the service we provide to them	Moderate	Med	Adequate	3
We help customers out of water poverty	Minor	Low	Effective	1
We give customers extra help when they need it	Moderate	Low	Effective	3
Leakage levels are sustainable and supported by customers	Major	High	Adequate	9
Customers are empowered to reduce their water use	Moderate	High	Adequate	4
All the water we supply is accounted for	Minor	Low	Effective	8
Our water supplies are maintained during more severe droughts	Moderate	Med	Effective	4
Our water supply network is resilient for this generation and the next	Moderate	Extreme	Adequate	37
Our environment thrives, now and into the future	Minor	Med	Adequate	31

3.3 2020-25 Corporate Risk Register

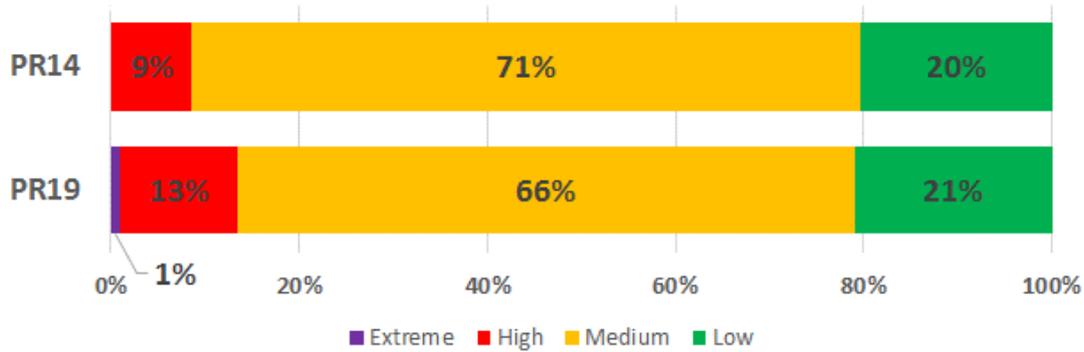
For PR19 we have reviewed our current corporate risk register to identify any new or changed risks for the period 2020-25. This process included the review of 179 risks and resulted in the following:

1. 32 risks amended to reflect a different risk level, or new risks
2. 8 risks removed as no longer applicable

The changes reflect the more challenging PR19 targets and higher penalties (increased risk), but also the increased investment in critical improvements - such as resilience (decreased risk).

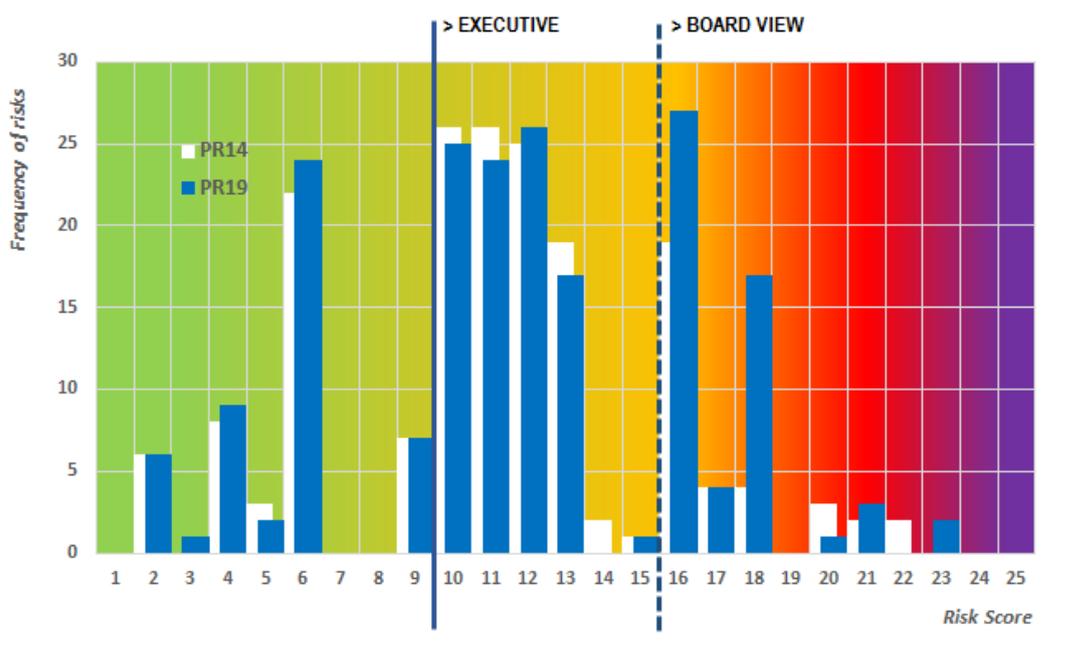
The figure below compares the current allocation (PR14) of risk rating versus future (PR19) risk. It can be seen that the company is carrying greater risk into the 2020-25 period, with 28 high and extreme risks compared to the current 15 (14 per cent compared to the current 9 per cent). This is primarily a reflection of more challenging performance commitments that could lead to reputational or financial impact, and increasing investment/delivery impacts.

Figure 4: Comparison of risks in PR19 and PR14 CRR



The figure below compares the make-up of the PR14 CRR with the PR19 CRR. It can be seen that the number of risks viewed by our Board is set to increase significantly in the next period, from 59 to 80.

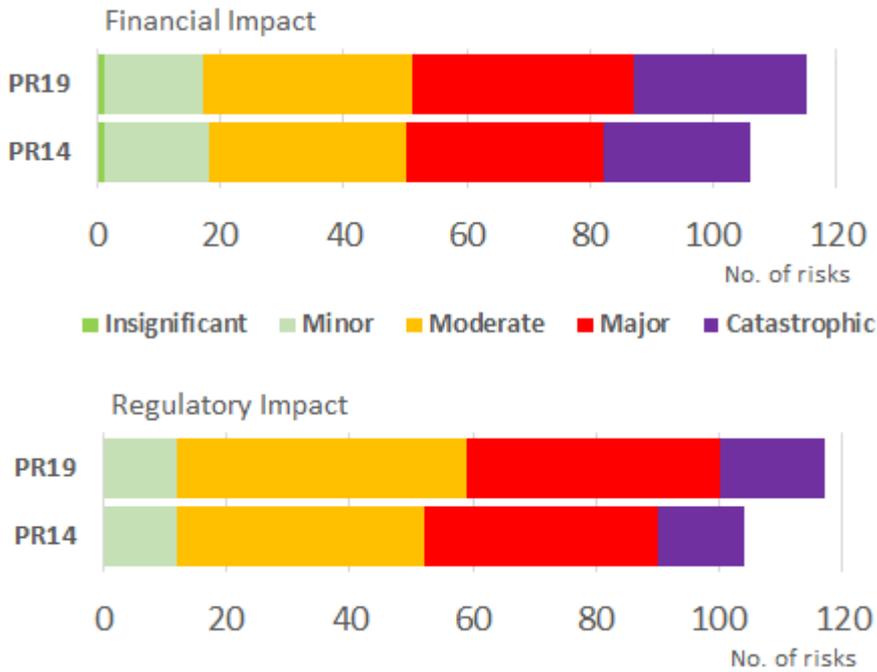
Figure 5: The make-up of the PR19 CRR compared with the PR14 CRR



While the above figures outline an increasing level of risk, the detail of the CRR demonstrates the impact of these risks. Figure 6 shows the increasing financial and regulatory impact of future risk in the 2020-25 period. The number of risks with financial consequences are set to increase from 106 to 115, including an increase of risks with “major” or “catastrophic” impact rising from 56 to 64.

There is a similar increase in risks with a regulatory impact. The total number for those increases from 104 to 117, with risks rated as “major” or “catastrophic” increasing from 52 to 58.

Figure 6: Increase in financial and regulatory impact



The risks shown above have been reviewed by the Board to determine the assessment is robust and to ensure the mitigation actions and controls in place are adequate.

4. 2020-25 CMF Risk Statement

4.1 Risks statement and mitigation activities

The risks shown in the table below are those that score ‘high’ in the risk assessment shown in section 3.2, Table 2, and relate to the delivery of our outcomes and performance commitments.

Table 3: Risk assessment for PR19

Area of risk	Risk detail	Controls and mitigating actions
Customer experience measures	<p>Major incidents occurring impact on C-MeX and satisfaction performance commitments</p> <p>As a result, we receive an increased number of written complaints, telephone contacts and negative media</p>	<p>A sudden change in weather can have a significant impact on our pipes which can cause an interruption to our supply for customers. When the weather gets colder there is a risk of freezing pipes or when the weather gets warmer the ground gets drier and this movement can cause our pipes to crack.</p> <p>Such weather changes are beyond our control and therefore they remain a ‘high’ risk in our framework. We do, however, have comprehensive emergency plans to minimise the impact on customers if these events do occur and continue to invest in our network to maintain and improve our asset resilience. Our actions also include resource management to maximise the amount of water available in anticipation of high demand, and we implement a range of pre-winter readiness checks and plans.</p> <p>A rigorous review is undertaken following any large scale event, including customer research, to ensure lessons can be learned and improvements made.</p> <p>We have a “5 out of 5” customer service team in place to satisfactorily resolve customer queries and complaints should an incident occur, which includes a dedicated customer care team to ensure we provide extra support and assistance to vulnerable customers.</p> <p>We continue to invest in our website and use of social media to ensure we maximise the use of all channels to communicate with our customers and stakeholders.</p>
Water quality compliance (CRI) Event Risk Index (ERI)	<p>Ingress at reservoir sites</p>	<p>A range of existing controls are in place including:</p> <ul style="list-style-type: none"> ▪ internal auditing of our processes ▪ reservoir inspection and cleaning programme ▪ water quality sampling regime ▪ rolling remedial work programme <p>These critical water quality activities are regularly reviewed within the Strategic Water Quality Steering Group to ensure improvements are identified and implemented where possible.</p>

Area of risk	Risk detail	Controls and mitigating actions
Leakage target	<p>Stretching leakage target not achieved</p> <p>Leakage target can be affected by a wide range of factors including: severe weather events, resource constraints, and use of new technology not realising projected savings</p> <p>Failure to meet the target would lead to financial penalty and negative reputational impact which could manifest itself across a range of other performance commitments – e.g. customer satisfaction.</p>	<p>A comprehensive leakage strategy is developed for a five year period with detailed annual activity plans to ensure our targets are achieved. The strategy and work programme is regularly reviewed by a Leakage Steering Group that meets every month.</p> <p>A comprehensive reporting system is in place to monitor in-year progress and activity plans cover all areas of the business. Resources are flexed to meet demand during peak times to ensure our service to customers is maintained.</p> <p>If leakage rises as a result of unusually cold weather, leak detection resource levels are increased in the following months to compensate.</p> <p>Use of new technology is reviewed to ensure it is delivering the anticipated results.</p>
Per capita consumption (PCC)	<p>We are not able to encourage customers to reduce their consumption</p> <p>A wide range of factors influence water use by customers – attitudes/beliefs, weather, demographics, affluence etc</p> <p>Our plan outlines our ‘behavioural change toolbox’ and how we aim to achieve our PCC targets; however customers may not be as responsive and reduce their consumption therefore there is an element of uncertainty whether our target can be achieved.</p>	<p>Our ‘behaviour change toolbox’ is designed to continually test, learn, adapt and adopt new initiatives so that we can find out the most effective ways of working with our customer to encourage them to reduce their use.</p> <p>We will be implementing a new water efficiency plan and will be investigating the market to source potential new delivery partners.</p> <p>We will also be enhancing our internal capability by appointing a dedicated water efficiency team that will work across the business to ensure we are maximising every touch point with customers to work together to achieve our targets.</p> <p>We plan to further develop our understanding and use of behaviour science and enhance our partnership working with stakeholders.</p>
Water supply interruptions	<p>Risk of interruption performance failure could result in disruption and inconvenience to</p>	<p>Our focus is to ensure all interruptions to supply are resolved as quickly as possible. We undertake a wide range of activities to deliver this, including:</p>

Area of risk	Risk detail	Controls and mitigating actions
	<p>customers as well as a failure of our performance commitment and a financial penalty.</p> <p>The potential risk to customers could be higher in areas with a single source of supply.</p>	<ul style="list-style-type: none"> ▪ Training with employees and contractors to encourage methods of repair which do not require interruptions to supply. ▪ Review of emergency planning procedures to ensure they are up to date and include lessons from previous incidents ▪ Review of our core asset data to ensure all of our information is up to date ▪ Strategic valve surveys and replacement programme ▪ Network pressure management ▪ Calm value network operations ▪ Optimised strategic mains replacement programme ▪ Comprehensive leakage strategy ▪ Customer communications plans for when incidents occur <p>Where we have single sources of supply, our business plan includes further investment to introduce more resilience through improving cross-connections across our network.</p>
<p>Water mains bursts</p>	<p>Increase in burst rate frequency</p> <p>This could be due to extreme weather – including changes in temperature and ground conditions, or due to a strategic mains failure.</p> <p>The increased focus on leakage with improved leakage detection will result in greater number of reported bursts.</p>	<p>Mitigation activities for this outcomes are consistent with those undertaken to mitigate the risk of increased water supply interruptions.</p> <p>In addition regular monitoring of our network and analysis of historic performance allows us to target out investment to hotspot areas that are more likely to result in network failure.</p>

4.2 Risk assessment after mitigation actions

The following table shows the risks for each outcomes after the mitigation actions outlined above are completed.

Table 4: Risk assessment summary – after mitigation actions

Outcome	Impact to customer	Risk rating	Control	Number of risks
Our customers are happy with the service we provide	Major	High	Adequate	15
Our customers trust the safety and quality of their tap water	Major	High	Adequate	14
Developers rate the service we provide to them	Moderate	Med	Adequate	3
We help customers out of water poverty	Minor	Low	Effective	1
We give customers extra help when they need it	Moderate	Low	Effective	3
Leakage levels are sustainable and supported by customers	Major	High	Adequate	9
Customers are empowered to reduce their water use	Moderate	Med	Adequate	4
All the water we supply is accounted for	Minor	Low	Effective	8
Our water supplies are maintained during more severe droughts	Moderate	Med	Effective	4
Our water supply network is resilient for this generation and the next	Moderate	High	Adequate	37
Our environment thrives, now and into the future	Minor	Med	Adequate	31

The mitigating measures reduce the risk rating of two outcomes:

1. Customers are empowered to reduce their water use – from high to medium

This outcome relies on our customers reducing their water use as a result of our campaigns.

We designed our ‘behaviour change toolbox’ to help us find out the most effective ways of working with our customer to encourage them to reduce their usage, and we are significantly increasing our resources in this area. However, many factors affect how people use water, and most are largely out of our control. The medium risk rating reflects the continuing risk of not achieving the desired outcome in this area.

2. Our water supply network is resilient for this generation and the next – from extreme to high

The highest risk for this outcome is in the area of interruptions to supply, particularly for customers supplied by single source. This can be heavily influenced by extreme weather which, although of a low probability, has a very significant impact. We have comprehensive emergency plans in place to deal with extreme events and have put in place a number of improvements following lessons learnt from recent events; in

particular, we focus our efforts on resolving all interruptions to supply as quickly as possible through improvements in staff training, review of operational procedures, data and asset management, and customer communications.

Where we have single sources of supply, we are investing in improving network cross-connections to enhance our network resilience.

These measures mitigate the risk initially assessed as extreme; however, its resulting high rating reflects the significant effect of interruptions on customers in areas of single source of supply. The remaining risk of strategic mains failures, although reduced through mitigating measures, also remains high.

Three other outcomes remain with the overall high risk rating. Although they have appropriate controls and mitigation actions, due to the size of the impact of the risk occurring they remain as a high risk. They are:

1. Our customers are happy with the service we provide

The high risk assigned to customer experience measure (C-Mex) reflects the fact major incidents affect customer satisfaction and are reflected in an increased number of contacts and complaints. Such incidents are usually related to weather changes (see also the point on resilience and interruptions in the bullet point above).

2. Our customers trust the safety and quality of their tap water

The risk of ingress at reservoir sites remains high despite the controls and actions we have in place, reflecting the high impact such event would have on customers.

3. Leakage levels are sustainable and supported by customers

The high risk rating remaining despite the controls and actions in place reflects the extent of stretch associated with the 15 per cent reduction in leakage, and the effect a severe weather event could have on leakage levels.

5. External assurance

5.1 External assurance of our risk assessment

5.1.1 Scope

To have confidence that we have identified the main risks and issues associated with PR19 and that our plans to mitigate and manage risks are appropriate, we enlisted our assurance provider, Jacobs to review our approach to risk including our assessment and proposed mitigation actions.

The scope of assurance included:

- Management of risks
- Compliance with guidance
- Robustness of process and data including checks that:
 - The risk categorisation is appropriate
 - the risks are consistent with the outcome
 - the list of risks is comprehensive

5.1.2 Findings from the external assurance

The assurance audit concluded with a risk score of A (low risk - no weaknesses in production of data/forecast) and a summary statement that

“The document is well-structured and is supported by the risk register we have seen; it should be noted that the risk register information referred only to Company Monitoring Framework (CMF) risks and not the Corporate Risk Register (CRR) risks which are held separately. “

6. Monitoring and controlling risks throughout the period

6.1 CMF

We update our risk assessments each year to understand if any new risks should be included, if any risks are no longer relevant or if the impact has changed.

Our framework is built on three core pillars:

- robust data
- clear and reliable information and reporting
- monitoring and proactive management of performance

The processes we undertake as part of the framework are detailed in our Company Monitoring Framework document which is published on our website and regularly updated.

The initial PR19 risk assessment presented in this appendix will form the basis of our risk management throughout the 2020-25 planning period.

6.2 Corporate Risk Register

The CRR will continue to be reviewed and updated throughout the period to ensure that all business risks are managed and mitigated where possible.

Our overall company Risk and Compliance Statement for each year can be found in our Annual Report.

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