

April 2014

Setting price controls for 2015-20 – guidance on revised data table requirements following Ofwat's risk-based review



OFWAT

1 Introduction

In December 2013 companies were required to submit data tables relating to all aspects of their business plan. Our February 2013 [risk and reward guidance](#) required pre-qualifying companies to re-submit a sub-set of these original tables relating to outcome delivery incentives and financial information.

This document sets out guidance for revised business plan tables to be submitted by enhanced and non-enhanced companies.

Pre-qualified companies have now been awarded enhanced status and are therefore not required to complete all of the tables in this new pack.

We expect all tables to be used by non-enhanced companies to revise their business plans after consideration of our risk-based review feedback, submit outturn performance information needed for our legacy true up calculations that was not previously available and provide revised retail information. Timing of this submission for non-enhanced companies is dependent on the the company choice of draft determination date.

Where data lines are not impacted by any business plan modifications, non-enhanced companies should restate the data that has already been submitted in these revised data tables. The number of tables that will require data changes will depend on how the various parts of the business plan performed in the risk-based review. We suggest that it would be highly unlikely that a company would need to modify data on all of the tables.

Using the new data tables

In line with the tables that were submitted by pre-qualified companies in March, this new pack of tables now includes inbuilt data validation tests. We have introduced these across the tables to improve the robustness of the data collection process. It also allows us to assess revised plans quickly, consistently and with minimal queries to companies.

Four types of validation have been used. These are located to the right of the input cells on each table. They test the data entered in input cells using the following tests.

1. Completion errors – this checks to make sure that all required cells have been completed.

2. Formatting errors – for example, checking that numbers have been inserted instead of text. For all cells, zeros or blanks should be used rather than entering dashes or N/A.
3. Range errors – for example, checking that liabilities and expenditure have been entered as negative values where tables ask for this.
4. Consistency – this checks that there is consistency within and between tables. For example, that trade receivables are consistent between tables A11 and A12.

The blue validation cells display the number of times each data line is currently failing a validation test. Identified errors are summarised centrally in the 'data validation checks' tab. Water-only companies can use the drop-down box in the 'data validation checks' sheet to customise the validation checks to ignore wastewater lines. We do not expect water-only companies to populate the wastewater tables.

The format of each cell has been chosen to match the type of data required. This includes the correct number of decimal places. Particular care should be given to percentages which should be formatted as a percentage in Excel (that is, the underlying number should be expressed as 0.5 or 50% rather than 50).

We have hard wired a series of cross-checks between the tables. These make sure that tables reconcile as a whole. This includes making sure that items such as revenue, borrowings, and trade payables/receivables are consistent between tables. We have included calculations (as Excel formulae) where the product is derived from cells elsewhere in the tables.

Some tables previously had blocks that could be repeated – for example, for each outcome, or for each proposed cost exclusion. Since we now know how many of these items companies are likely to propose in these tables, we have fixed the number of rows in each table and used expandable groups. For these repeating blocks, companies do not need to fill in every row; they can use as many blocks as they need.

Specific guidance for each set of tables is set out in this guidance document. These explain any changes from the original tables as well as giving specific information on the validation checks applied.

General guidance

Standard companies must resubmit all 63 tables (or 44 tables for water only companies), whether or not all or some of the table remains unchanged. Enhanced companies must submit 23 tables (or 14 tables for water only company). The timing

of these submissions varies depending on draft determination date and in some instances table number, table 1 outlines the submission requirement of tables.

The data must be entered into the [revised Excel template](#). For the validation checks to function correctly, macros will need to be enabled – the macros simply protect each worksheet while allowing companies to use the grouping/ungrouping functionality in the outcomes and other tables. We have also hidden some additional sheets within these tables for the purpose of robustly loading this data to our systems.

Companies should only enter data into beige input cells, and should not enter additional columns or rows. For clarity, all other cells have been locked. Companies should mark any changes from the original business plan tables by changing the font colour to red.

If companies need to enter more data than is allowed for in the tables (for example, more cost exclusions than allowed for in the table), they should contact their portfolio lead and we will send a new set of tables.

Companies should not submit their revised tables if the validation checks are showing errors. Errors will be highlighted in 'data validation checks' tab as orange cells. Further information will then be available in each individual table. If companies believe that there is a good reason that the validation checks should not apply, they should contact their portfolio lead to explain this before submitting tables.

Non-enhanced companies should send their completed Excel table template along with any supporting information and commentary to price.review@ofwat.gsi.gov.uk by **9am on 2 May 2014 or 9am on 27 June 2014** (depending on which draft determination they are aiming for).

The exception to this are tables A24, R3 and A19 and R4.

- A24 should be submitted by 9am on 2 May 2014 for all companies.
- Table R3 and A19 should be submitted in line with our '[2014 price review cost allocation for retail and wholesale price controls](#)' document. This states that companies seeking a June draft determination can choose to submit R3 and A19 on 2 May 2014 or 27 June 2014. Note that companies choosing to submit these tables on 27 June must additionally submit table A19 on 2 May.
- R4 should be submitted by 9am on 27 June 2014 irrespective of chosen draft determination date.

Enhanced companies should complete only the required tables. These are stated in table 1 below. Their Excel table template should be submitted by **9am on 27 June 2014**. The exceptions to this are tables R3, A19 and A24. Companies can choose to submit R3 and A19 on 11 April 2014 (by 9am). Table A24 should be submitted by 9am on 2 May 2014.

Table 1 Submission requirements

Submission date	Enhanced companies	June draft determination companies	August draft determination companies
11 April 2014	<p>Optional submission: Retail ACTS R3 Cost recovery A19</p>		
2 May 2014	SIM data A24	<p>Outcomes Water data set W1, W2, W2a, R1, R2, R2a Wastewater data set S1, S2, S2a, R1, R2, R2a</p> <p>Wholesale Water data set W3, W3a, W4, W9, W10, W11, W13, W14, W15, W16, W17, W18, W19, W20, W21, W22 Wastewater data set S3, S3a, S4, S6, S9, S10, S11, S13, S14, S15, S16, S17, S18, S19, S20, S21, S22</p> <p>Appointee A1, A2, A3, A7, A8, A9, A10, A11, A12, A13, A14, A15, A18, A19, A20, A20a, A22, A23, A24, R5</p> <p>Optional submission: Retail ACTS R3 Cost recovery A19</p>	SIM data A24
27 June 2014	<p>Wholesale Water data set W3a, W13, W14, W15, W16, W17, W20, W21, W22 Wastewater data set S3a, S13, S14, S15, S16, S17, S20, S21, S22</p> <p>Appointee A7, A9, R4</p> <p>If not submitted in April: Retail ACTS R3 Cost recovery A19</p>	<p>Default tariffs R4</p> <p>If not submitted in May: Retail ACTS R3 and updated Cost recovery A19</p>	<p>Outcomes Water data set W1, W2, W2a, R1, R2, R2a Wastewater data set S1, S2, S2a, R1, R2, R2a</p> <p>Wholesale Water data set W3, W3a, W4, W9, W10, W11, W13, W14, W15, W16, W17, W18, W19, W20, W21, W22 Wastewater data set S3, S3a, S4, S6, S9, S10, S11, S13, S14, S15, S16, S17, S18, S19, S20, S21, S22</p> <p>Appointee A1, A2, A3, A7, A8, A9, A10, A11, A12, A13, A14, A15, A18, A19, A20, A20a, A22, A23, R3, R4, R5</p>

2 Outcomes tables

Table A1 Outcomes tables at a glance

	Data table	Contents
Wholesale water	W1	Outcomes, performance measures, and associated expenditure
	W2	Outcome delivery incentives
	W2a	Outcome delivery incentives - costs and benefits
Wholesale wastewater	S1	Outcomes, performance measures, and associated expenditure
	S2	Outcome delivery incentives
	S2a	Outcome delivery incentives - costs and benefits
Retail	R1	Outcomes, performance measures, and associated expenditure
	R2	Outcome delivery incentives
	R2a	Outcome delivery incentives - costs and benefits

The new outcomes tables contain the same lines as the original business plan tables, and should be completed in a similar way. There are several key differences.

1. For the water service, we have included blocks A to P for each outcome, allowing for ten performance measures for each outcome. For the sewerage service, we have included A to H for each outcome, allowing for eleven performance measures for each outcome. This reflects the maximum number of outcomes and performance measures submitted by companies in December. Companies should contact their portfolio leads if they expect to include more outcomes or performance measures than the table allows.
2. We have added grouping to the tables, so that the lines for each outcome can be maximised or minimised using the +/- buttons to the left of the table. This makes the table easier to view. Please note that we will include all data entered in these tables as part of the submission, whether it is sent maximised or minimised.
3. We have included validation which helps to explain which cells we require to be completed. For example, validation on table W1 requires that the name of each outcome and performance measure is completed if data has been filled in elsewhere in these lines. This should help companies to fully complete these tables.
4. The names of outcomes and performance measures in tables 2 and 2a are now linked to the titles entered in table 1, for each of water and wastewater. We have

also linked other items that are consistent between these tables, such as the units, performance commitment levels, and 2014-15 starting levels. Companies should be consistent between these three tables – that is, outcome D should refer to the same outcome in all three tables.

In addition to these changes, we have included the capacity for up to two reward incentive rates and two penalty incentives rates in tables W2 and S2. We have also included capacity for up to five assessed performance levels in tables W2a and S2a. These are both based on the maximum number of incentive rates and performance levels proposed in business plans.

3 Wholesale tables

Table 2 Wholesale tables at a glance

	Data table	Contents
Wholesale water	W3	Expenditure by purpose
	W3a	Transitional capital expenditure
	W4	Explanatory variables
	W9	Wholesale revenue projections
	W10	Cost recovery rates
	W11	Proposed costs excluded from cost assessment and menus
	W13	Loggin up, loggin down and shortfalls
	W14	Overlap programme
	W15	CIS reported and projected actual expenditure
	W16	Operating expenditure outperformance
	W17	Revenue correction mechanism
	W18	Weighted average cost of capital
	W19	Wholesale returns
	W20	Legacy reconciliation table
	W21	Serviceability
W22	Local authority rates	
Wholesale wastewater	S3	Expenditure by purpose
	S3a	Transitional capital expenditure
	S4	Explanatory variables
	S6	Information relating to transferred private sewers
	S9	Wholesale revenue projections
	S10	Cost recovery rates
	S11	Proposed costs excluded from cost assessment and menus
	S13	Loggin up, loggin down and shortfalls
	S14	Overlap programme

	Data table	Contents
	S15	CIS reported and projected actual expenditure
	S16	Operating expenditure outperformance
	S17	Revenue correction mechanism
	S18	Weighted average cost of capital
	S19	Wholesale returns
	S20	Legacy reconciliation table
	S21	Serviceability
	S22	Local authority rates

Tables W3 and S3

These tables allow companies to enter wholesale expenditure projections by purpose. These will change if the scope of the business plan and the proposed outcomes are modified. Where non defined expenditure types are submitted a title describing the expenditure should also be submitted.

Two new calculated lines – ‘Totex excluding other cash expenditure’ and ‘Totex including other cash expenditure’ - have been added. The former is used to calculate the PAYG value in Table A19. The latter must reconcile with the Total expenditure to deliver all wholesale outcomes in tables W1 (line 340) and S1 (Line 211).

We have updated guidance for block B to remind companies to include income for connection and infrastructure charges even if they record this income as revenue.

Tables W3a and S3a

These tables allow companies to put forward transition expenditure. This will be recovered from customers in 2015-16 but the expenditure will be delivered in 2014-15. Therefore, all expenditure presented in Tables W3a and S3a should also be included in the 2015-16 column of Tables W3 and S3. These costs will not impact on the companies AMP5 CIS reconciliation.

Tables W4 and S4

We have reduced the amount of information required in tables W4 and S4 since the December business plan submission. Explanatory variables and volume measures may change if business plan modifications include a change in outcome scope.

Tables W9 and S9

These tables include details of wholesale revenues and capital contributions, and we would expect wholesale revenues to change with any new assumptions about the cost of capital. These tables have been linked more closely with table A19, which builds up appointee revenue in much the same way as our financial model. We expect tables W9 and S9 to be consistent with the revenues included in this table.

These tables have been revised slightly to group some lines into 'third party income'.

Companies can record connection and infrastructure charges (including requisitions and self lay) as either revenue (line 2) or a capital contribution (Line 14 in W9 and Line 13 in S9). There should be no overlap between the two lines. Additionally, the contents of these two lines should not be greater than the sum of lines 33 and 34 in W3 and 47 and 48 in S3.

Companies should complete every line in these tables, even if these are zeros. Changes to these data lines are expected if the scope or costing in the business plan are modified.

Tables W10 and S10

These tables include companies' proposals about RCV run-off rates and PAYG ratios. Data lines will change if the company modifies its approach to cost recovery which in turn relates to financeability and affordability.

These tables now also allow companies to choose between entering a single rate for five years, and entering an individual rate for each year in 2015-20.

Companies should enter either 'Straight line' or 'Reducing balance' in line 2 of these tables (no abbreviations).

Tables W11 and S11

These tables include information about costs that the company thinks should be excluded from comparative cost modelling (cost exclusions) or the cost performance incentive (menu exclusions). It also allows companies to set out where the use of an uncertainty mechanism is required for the identified costs. Note that uncertainty mechanisms need not necessarily apply only to cost or menu exclusions. The first three lines of each block will allow companies to identify the reason why the expenditure has been populated.

It would be helpful if companies could set these out in the same order as in their December submissions, and using the same names – but this is not essential if there are reasons why this needs to change.

Companies do not necessarily need to complete any lines in this table (that is, if they are not proposing any cost exclusions, menu exclusions or uncertainty mechanisms). The validation checks test if any blocks are partially complete – for example, if they include a name but no information.

Tables W13, S13, W14, S14, W15, S15, W16, S16, W17 and S17

We have not made any significant changes to the structure of the existing legacy tables since the December business plan submission. Changes in data maybe required where better information is now available.

Specific guidance on legacy adjustments is given in [‘Setting price controls for 2014-20 – further information on reconciling 2010-15 performance’](#)

Tables W18 and S18

These tables ask for information on the cost of capital, under both the companies’ actual and a notional structure.

The validation checks require all cells to be completed with a number or percentage. We have added ‘percentage of index linked debt assumed’ as an extra line for the assumed notional structure, to help us to understand the assumptions companies have made.

These tables will change if the company modifies its approach to financeability and affordability.

Tables W19 and S19

We have not made any significant changes to tables W19 and S19 since the December business plan submission. However, these tables will change if the company modifies its approach to financeability and affordability.

Tables W20 and S20

These are new tables that are required from all companies. They allow for a breakdown of legacy revenue adjustments and how they will be returned to

customers. The total in these tables should reconcile with figures presented in Table A1.

Tables W21 and S21

These are new tables that are required from all companies. They relate to past and forecast projected serviceability indicators data and overall sub service assessments. These tables allow companies to demonstrate that they have delivered their defined output of maintaining stable serviceability performance over the period 2011-15.

Tables W22 and S22

These are new tables that are required from all companies. We are collecting this information to enable us to better understand the business rates costs and the underlying assumptions on future rates costs included in Business Plans.

4 Appointee tables

Table 3 Appointee tables at a glance

	Data table	Contents
Financeability	A1	Proposed price limits and average bills
	A2	Appointee financing
	A3	Wholesale tax
	A7	Adjustments to RCV from disposals of land
	A8	Financial ratios
	A9	Inflation measures
	A10	Income statement
	A11	Balance sheet
	A12	Trade receivables
	A13	Trade payables
	A14	Cash flow statement
	A15	Fixed assets
	A18	Grants and contributions
	A19	Cost recovery
	A20	Scenarios
	A20a	Outcome delivery incentive impacts
	A22	Share capital and dividends
	A23	Debt and interest costs
	A24	SIM legacy performance and predicted turnover
	Retail	R3
R4		Information to set non-household default tariffs
R5		Household retail margins

Companies need to provide sufficient evidence to demonstrate their revised business plans are financeable. This includes resubmitting most of the financial tables.

Table A1

This table collects information about revenues and average bills. This does not collect any new data but now links directly to table A19 for wholesale revenues.

Table A2

This table collects the projected RCV values for each year during the 2015-20 period. Companies should note that the 2014-15 RCV should be the figure at 1 April 2015 – that is, including any midnight adjustments.

Although we do not expect any changes to the opening RCV, changes to the PAYG rates could mean that the year-end values could change during the 2015-20 period.

Table A3

Following IFRS adoption/ UKGAAP transition to IFRS, we understand that the accounting treatment of certain grants and contributions will change, with most companies capitalising and amortising these.

As the tax treatment will follow the accounting treatment, we have added a line to table A3 to separately identify the amortisation of grants and contributions that will be taxed in the year.

Table A7

This table has been simplified to collect actual and forecast landsales where more up to date information is now available.

Table A8

This table has not changed significantly, though we have added space for up to 20 financial ratios under the company's actual capital structure. Companies do not need to complete every line, but should complete the title, price base, units and decimal places for each ratio.

The financial ratios under the notional capital structure should reflect the notional financial position of the business taking into account the notional level of gearing and the notional WACC.

The notional financial position of the company should also take into account the cost of debt and the cost of equity embedded within the WACC.

As set out in our methodology statement, company's proposals for taxation should take account of debt interest payments by using the higher of the company's actual proportion of debt financing and the proportion of debt financing assumed in the notional capital structure, and should reflect the notional cost of debt.

Section A6.3 of our [risk and reward guidance](#) gave more details about how to calculate RORE (line 23 of table A8).

Table A9

This table has not changed significantly, though more confirmed values have been added where they are available. More accurate forecasts of future values should be entered where available.

Table A10

This table has not changed significantly, though we have added links to other tables:

- depreciation (line 4) is set equal to the movement in accumulated depreciation from table A15; and
- deferred tax (line 15) is set equal to the movement in deferred tax from table A11.

We have corrected the calculation for effective tax rate.

This table should be completed on a nominal price base, and should follow accounting conventions (that is, income should be positive and expenditure should be negative).

Table A11

This table has not changed significantly, though we have added links to other tables:

- tangible fixed assets (line 1) is set equal to the total net book value in table A15; and

- called-up share capital (line 29) is set equal to the same line in table A22.

This table also makes some validation checks that compare with other tables:

- the sum of trade receivables (current and non-current) should be equal to the sum of retail and wholesale trade receivables in table A12;
- the sum of trade payables (current and non-current) should be equal to the total trade payables in table A13 (multiplied by -1);
- the capex creditor (line 13) should be calculated from the capex creditor days in table A13 and fixed asset additions in table A15; and
- the sum of current and non-current borrowings should be consistent with the debt lines in block A of table 23.

This table should be completed on a nominal price base, and should follow accounting conventions (that is, assets should be positive and liabilities should be negative).

Table A12

This table has changed since the original business plan requirements – rather than asking for retail debtor days directly, we have asked companies to provide more break-down. We have added a new block C which asks for revenues from measured/unmeasured households and non-households. This is used to calculate retail debtor days in the new block D.

We have also moved the 'measured income accrual rate' lines from table A13 to table A12, and calculated these from the data in blocks A and C.

Table A13

This table has changed since the original business plan requirements – we have added lines on trade payables and advance receipts in block A in order to calculate the creditor days in block C.

We explained in our financial model rule book that we would assume no dividend creditors in 2014-15 – and so the business plan table reflects this assumption.

This table should be completed on a nominal basis. In order to make this table easier to complete and read, trade payables should be expressed as positive numbers (rather than negative).

Table A14

This table has not changed significantly, though we have added links to other tables:

- operating profit (line 1) is now linked to the same line in table A10;
- depreciation (line 2) is now linked to the same line in table A10 (multiplied by -1);
- changes in retirement benefits scheme provision (line 5, previously called 'pension contributions') is now linked to the movement in retirement benefit obligations in table A11; and
- changes in provisions (line 6, previously called 'provisions') is now linked to the movement in current and non-current provisions in table A11.

Note that lines 18 and 20 were previously linked to table A2 in the original table – but the change in price base for table A14 means that this link no longer holds.

This table should be completed on a nominal basis. We expect the capex lines in block F to be negative numbers.

Table A15

This table has changed since the original business plan requirements – we have asked for more information to allow us to calculate average asset lives. So the new blocks B and C ask for additions and disposals of fixed assets.

Our calculation of average asset lives in the financial model is set out in the validation tests for this table – that is: cost minus (additions divided by 2); all divided by the movement in accumulated depreciation. Our validation check allows a tolerance of 5% from this calculated figure for the average asset lives in block F – please explain any difference from this calculation.

This table should be completed on a nominal basis. We expect the fixed assets in this table to reconcile to the capex totals already submitted in tables W3 and S3 (though we do not expect these to be identical as they are in a different price base).

This table should be completed net of any assets which have been funded by grants.

Table A18

This table has not changed since the December business plan submission. It should be updated where more accurate information is now available.

Table A19

This table has changed significantly since the original business plan requirements, in order to make it simpler to understand.

Many of the same lines are included, but this data is now sorted into blocks for each control, with columns for each year – this is now consistent with other tables.

Block A sets out the wholesale water costs. These were included in the table before, except for line 7 for legacy adjustments. Although these are not costs, these adjustments should be made in order to calculate the wholesale charges and are one of the components that make up the wholesale controls.

Block B uses the third party, operating and other income from table W9. The financial model deducts this income from the revenue requirement when calculating the wholesale controls, and the table now reflects this treatment.

Block C asks for the breakdown of wholesale water charges into unmeasured and measured charges. This split already existed in table A19, but we have asked for additional splits into household and non-household to help us to assess the retail controls too.

Blocks G and H set out the retail costs. This includes the net margin, tax and interest (note that this is everything covered by the EBIT margin). Retail costs should be entered in this table at a 2012-13 year average price base and assume 2012-13 costs and revenues prevail across the period. Consequently they should be subject to no deflation or inflation to reach 2012-13 year average values.

Block I sets out the revenues for each control (wholesale, retail household and retail non-household). These are calculated from the charges in the earlier blocks.

We have asked for the breakdown of retail revenues into measured and unmeasured components. These should sum to the total revenues for each retail control (and should not include wholesale charges).

Block J adds other regulated income, and includes connection and infrastructure charges back onto the revenue for each wholesale control. As we explained in the methodology statement, the wholesale controls will include these capital contributions – and this is consistent with the treatment in our financial model.

The total wholesale control lines in block K are used in table A1 to calculate wholesale controls. These include any legacy adjustments.

Those companies that submit their revised business plans on 2 May will only submit their revised table R4 on 27 June, together with the other non-enhanced companies. While we would obviously expect all companies to take account of the default tariff guidance we will be publishing on 4 April in all submissions, we anticipate that early resubmission companies will not necessarily have taken a definitive view on their default tariffs when they submit their revised business plans in May.

Companies should therefore give careful thought to their submission for blocks H and I of table A19, making sure that the amounts submitted there reflect, as best as possible, the company's tentative view of its likely non-household tariff structure. This view, and underlying assumptions, should be set out carefully in the table commentary and other supporting documentation.

Table A20

Table A20 has changed since the original business plan requirements – as discussed in the risk and reward guidance, this now only includes Block I (the combined scenario). There are also some minor changes since this table was resubmitted following queries in January 2014.

- We have added calculations in lines 10, 11, 48, and 49 to reflect the calculations already described for these lines.
- We have added a price base column to remind companies that table A20 is to be completed in real 2012-13 prices.
- We have moved the individual outcome delivery incentive impacts to table A20a, leaving totals in table A20.
- We have added lines for financing performance impact. As discussed in the risk and reward guidance, these lines aim to capture companies' exposure to changes in interest rates.

Note, however, that the information provided should reflect our assumptions about the notional company, as set out in our risk and reward guidance. That is to say, the impact should be calculated using the gearing level, the percentage of embedded debt and the percentage of fixed-interest debt of a notional company.

- We have added lines for uncertainty mechanisms. Note that these lines should capture only the incremental allocation to customers, relative to the 50% cost sharing rate already in place through the cost performance incentive.
- The RoRE values in lines 33 and 77 should be calculated on the basis of our update of 13 March, meaning that 100% of any overspend or underspend should be treated as "fast money". We have added lines for the element-level

RoRE values and margins in the high case, in the low case, and in the base case.

For Welsh companies, the information on non-household retail margins is needed for the non-household retail risk test, and for all companies it contributes to our assessment of risk at the whole company level.

Table A20a

This is a new table since the original business plan requirements. This table allows companies to enter the individual impacts for each outcome delivery incentive – with the total impact used in table A20. This is consistent with the query in January 2014.

We have allowed space for 25 wholesale water ODIs, 25 wholesale wastewater ODIS, and 10 retail ODIs. At the moment, they are simply numbered, but companies should indicate carefully which ODI each line refers to.

Table A22

This table has changed since the original business plan requirements – we have included new lines asking for the share premium and the total number of preference shares.

Table A23

This table has not changed since the business plan requirements.

Values should reconcile to the borrowings figures included in A11 (including both current and non-current liabilities) and should exclude any amounts which have been reported as derivative financial instruments.

Table A24

This is a new table that is required from all companies. It allows 2013-14 data needed for the calculation of the SIM post financeability adjustment.

This table should be submitted by all companies on 2 May.

Table R3

This table has been updated to include pension deficit recovery costs and additional lines added so individual adjustment requests can be input individually. We have

also included a line for new retail capex line to support the depreciation line included in the table. We have also updated line descriptions and text to provide more guidance.

Table R4

This table has been adapted to include more built-in cross-checks. See the further guidance for more information.

All companies are required to submit R4 by 27 June.

Table R5

We have removed most of the lines in this table, as we do not need these revised. Lines 1 to 3 in the new table are consistent with the original business plan requirements, but the table now calculates the retail margin using new lines copied from table A19 (the household wholesale charge and household retail costs).

Line 7 calculates the household retail service revenue using the margin in line 6 and costs in lines 4 and 5, according to the formula shared at the [retail workshop in September 2013](#).

Ofwat (The Water Services Regulation Authority) is a non-ministerial government department. We are responsible for making sure that the water sector in England and Wales provides customers with a good quality and efficient service at a fair price.



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