

SSEN DISTRIBUTION RIIO-ED2

BUSINESS PLAN ASSURANCE

RIIO-ED2 Business Plan Annex S7



Scottish & Southern
Electricity Networks

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1. BUSINESS PLAN ASSURANCE

Our Business Plan has been the subject of extensive review by our customers, independent experts, our Customer Engagement Group (CEG) and our executive Boards throughout the last year. This approach has allowed a robust challenge of our proposals and to ensure our vision is in line with the needs of current and future customers.

We have taken a risk-based approach to our assurance framework based on best practice across other industries, adopting a ‘three-lines of defence model’. This model provides a flexible and iterative view that allows us to adapt as our Business Plan develops. The Assurance Framework used to support a transparent approach has been developed through feedback from our Board, Executive Steering Committee, and with support from our CEG. Their feedback has been supplemented by a detailed internal review process and third-party assurance to ensure accuracy, transparency and completeness.

Recognising our responsibility to deliver a clear, transparent, and accurate plan, we have maintained focus on the requirements set out by Ofgem as in the delivery of our Plan, including:

- Adherence to Ofgem’s Data Assurance Guidance (DAG) in the preparation, review and approval of our Business Plan Data Tables, Network Asset Reliability Measures, and Cost Benefit Analysis
- A clear schedule of where our plan provides evidence to address the minimum requirements set out By Ofgem in the Business Plan Guidance published September 2021
- Direct executive accountability over each Plan area, with independent assurance to provide confidence that our plan is accurate, efficient, deliverable and financeable

. In this annex we will set out

- **Governance of our Plan**
- **Our Assurance Process**
- **Our Assurance Principles**

2. GOVERNANCE OF OUR PLAN

The SSE PLC Group has a robust and well-established governance structure, driving clear oversight and engagement in business strategy and performance, and in compliance with the Corporate Governance Code. In this section of the assurance annex, we explain how our RIIO-ED2 business plan has been developed within the context of this governance framework, maintaining continuous engagement with and challenge from our Board and executive members, and robust assurance through our independent audit teams.

Our Group Governance framework is represented in Figure 1, with the inclusion of Customer Engagement Group. The role of each in ED2 is set out below.

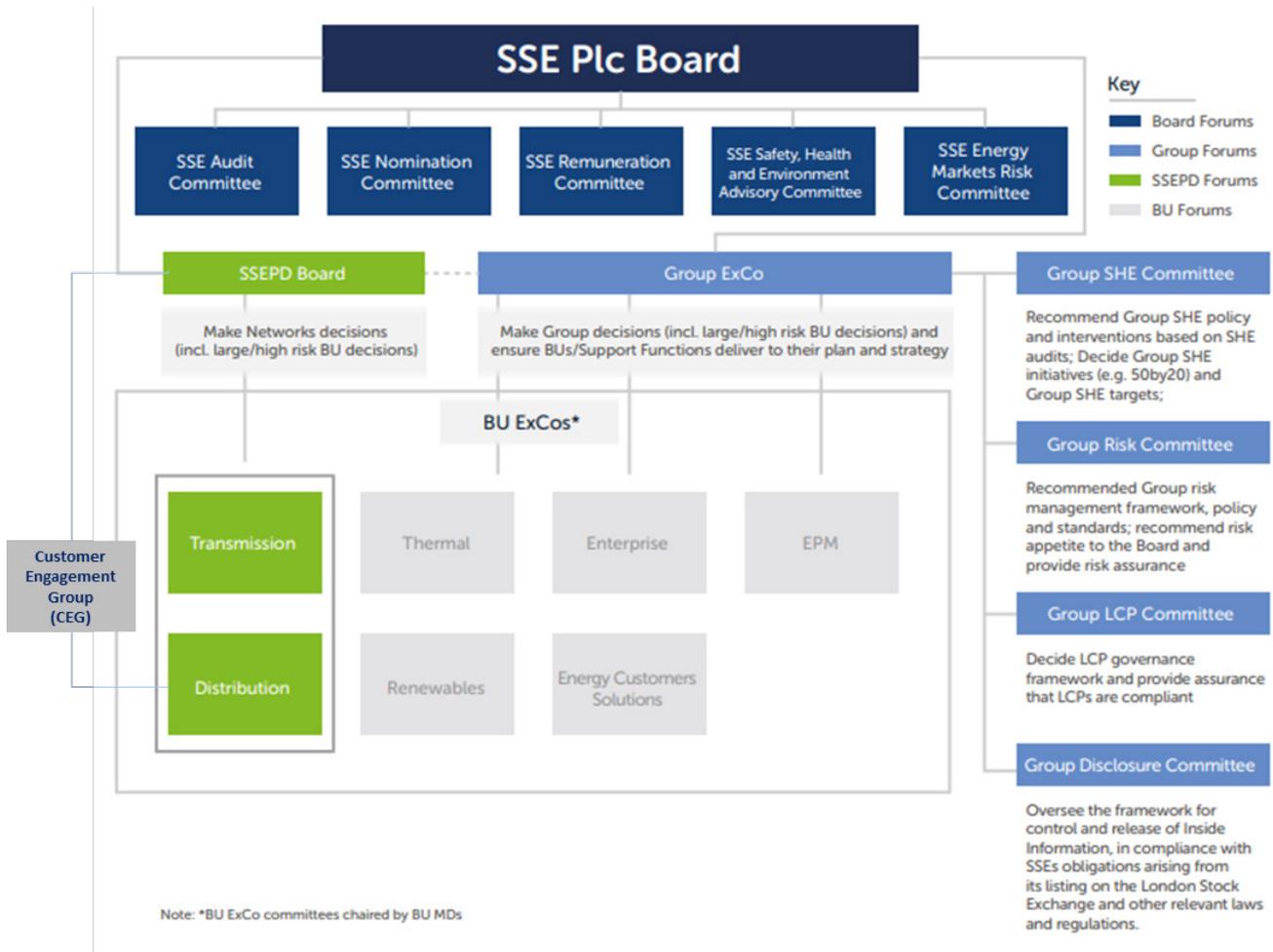


Figure 1 – SSE PLC Governance Structure, including our Customer Engagement Group

SSE PLC BOARD AND GROUP EXECUTIVE SPONSORSHIP

Our PLC Board is responsible for determining the overall strategic direction, values and governance of the SSE Group. In the development of our ED2 business plan, our PLC Board and PLC Group Executive Committee were engaged quarterly throughout to provide oversight and challenge against our strategic ambitions and Plan development. These sessions included engagement and attendance from our CEG Chair to share observations and recommendations.

Our ED2 Plan has been a topic for discussion at six sessions of the SSE PLC Board since summer 2020, with topics discussed including strategic outcomes, reviewing our stakeholder engagement strategy, our approach to digitalisation, customer bill impact, and our draft and final business plan positions.

In addition to our regular PLC Board sessions, we have also held dedicated ED2 Executive sessions, chaired by our Chief Executive and attended by our Group Finance Director, Managing Director of Distribution, and ED2 Programme Director. This forum has been meeting each month since early 2020, providing focussed reviews on our strategic ambitions, deep-dive reviews of individual Plan elements, and scrutiny and support in our approach to the deliverability of our Plan in ED2. This frequent engagement and challenge has been integral to the development of a robust RIIO-ED2 Business Plan.

SSEPD BOARD

The SSEPD Board comprises five executive directors and five non-executive directors. Executive directors are wholly engaged in the day-to-day management and operation of the Distribution business and have no involvement in the activities of affiliates or related undertakings. Two of the non-executive directors are independent of SSE plc. The non-executive Chair is also an executive director of SSE PLC Board.

Our SSEPD Board are accountable for oversight and delivery of our Business Plan and the commitments therein, and have been instrumental in the development of our ambitions through a number of key duties:

- Challenged and led the development of our vision for SSEN Distribution in ED2 based on feedback from our customers and stakeholders
- Reviewed our Strategic Outcomes and ambitions across different parts of our Plan, alongside our Outputs and Customer Value Propositions
- Assessed, challenged and approved the costs and investment profile set out in our Plan
- Reviewed and challenged the proposed impact on consumer bills in ED2
- Reviewed and approved our approach to assurance of the Business Plan
- Invited attendance from members of the Customer Engagement Group to share opinions and feedback on Plan progress.

Our ED2 Plan has been revised by the Board on 10 separate occasions, including dedicated sessions specific to ED2 content. The topics covered have been extensive, including review and direction on our strategic focus and ED2 blueprint based on stakeholder feedback, review of totex, customer bill impact and Financability, but also more dedicated sessions incorporating:

- Our learnings from previous price controls and Gas / Transmission determinations
- Our assurance framework for ED2, including the outcome of independent assurance reviews
- Future Energy Scenarios and our approach to Net Zero
- Digital Strategy and action plan
- Our approach to DSO and Load investment as a Net Zero enabler
- Our North of Scotland Subsea cable strategy
- Approach to deliverability in ED2 to meet our ambitious goals
- Whole system in ED2
- Consumer value propositions and uncertainty mechanisms
- Our draft and final plan submissions.

DISTRIBUTION EXECUTIVE COMMITTEE (DEC)

The DEC have executive responsibility over the strategic, financial, and operational matters required to effectively fulfil Distribution's purpose and operate under delegated authority from the SSEPD Board. In discharging its duties, the Committee has due regard to their legislative and regulatory duty to promote the success of the Distribution Business Unit, and must have regard (amongst other matters) to the following factors:

- the likely consequences of any decision in the long-term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct

The areas of responsibility upon which the DEC consider matters include, but are not limited to, the following:

- Strategy
- Operational & Financial Performance Management
- Capital allocation and budgeting
- People and safety
- Growth and investment
- Governance and compliance

In discharging their duties in development of the ED2 Plan, the DEC have provided delegated powers and authority to the ED2 Steering Committee, as set out in figure 2 below. The DEC maintain oversight of the ED2 plan via a report and update at each session on ED2 Plan progress, including decision and ratification of matters such as totex, strategic direction, people, investment and efficiency.

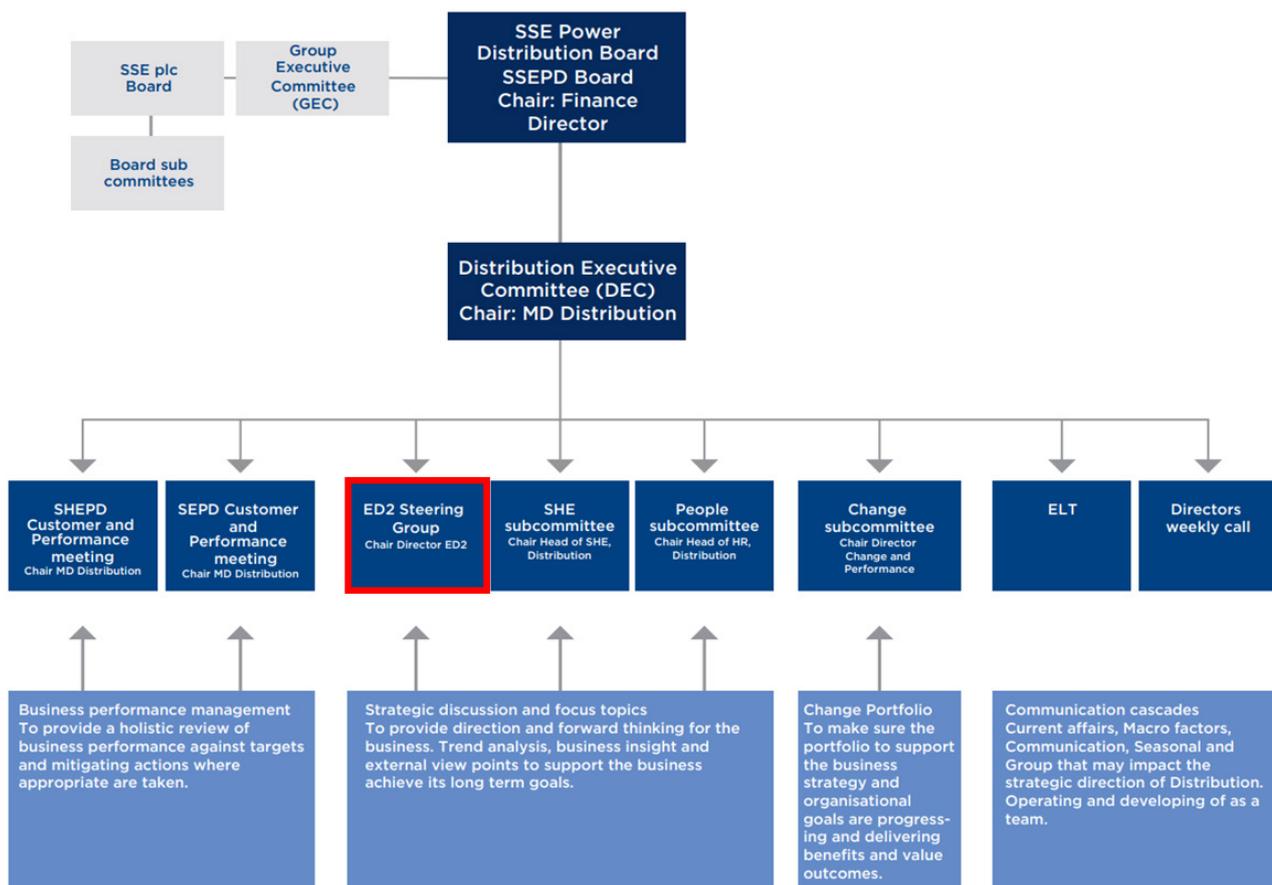


Figure 2: Distribution Executive Committee and sub-committees

ED2 STEERING COMMITTEE & DIRECTOR ACCOUNTABILITY

Our Distribution Executive Committee established a sub-Committee dedicated to the development of SSEN Distribution's ED2 Business Plan, with Director-level membership across our business. This ED2 Executive Steering Committee provides day-to-day management oversight of our business plan, bringing the joint oversight from executive directors across the business, and including senior members of staff from our supporting functions; procurement and commercial, human resources, finance, and IT.

Meeting regularly, the ED2 Steering Committee was established to:

- Manage the development of our stakeholder-led strategic ambitions across all areas of the Plan, ensuring key areas such as innovation, efficiency and deliverability are incorporated
- Provide leadership to ensure that the Business Plan programme and activities were delivered on time, within budget and to the appropriate standard.
- Monitor and review opportunities, risks, and dependencies as the business plan develops with appropriate escalations as required to Executive Committee and Board.
- Ensure that appropriate levels of resource are in place to deliver the programme.
- Support engagement activities with our Customer Engagement Group, and how we are addressing feedback from our engagements

This Committee sits at the heart of our ED2 business plan, with our core business Directors taking direct accountability and oversight for the development and assurance of respective business plan areas. This direct accountability into the business provides clear decision-making, alignment with the ED1 to ED2 transition, and the provision of resource support to deliver an accurate ED2 Plan.

GROUP RISK / AUDIT COMMITTEE

Our Plan was supported by a number of independent internal assurance teams that report directly to the Group Executive and Audit and Risk Management Committees. This independent challenge and assurance over our Plan development was provided by our Group Audit & Compliance Team and our Networks Business Assurance Team. The assurance reviews and subsequent recommendations provided by these functions ensured our robust compliance with the Data Assurance Guidelines, appropriate governance and application of our assurance processes, and adherence to Group risk reporting and management activities.

CUSTOMER ENGAGEMENT GROUP (CEG)

The focus of the Customer Engagement Group is to provide independent challenge and rigour so that customer and stakeholder needs and preferences are fully reflected in SSEN's RIIO-ED2 business plan. To do this, group members have been recruited from a broad range of disciplines and specialisms, ensuring that this external lens can be applied to all parts of the plan.

The group is chaired by Tracey Matthews, an experienced executive with significant experience of business planning, operations management, and business transformation in the utilities industry. Tracey leads a diverse CEG membership group, representing network stakeholders, consumers, energy users, and those with a specialist interest in the development and transition of the electricity distribution network in SSEN's regions. Our CEG has met on a regular basis since 2019, with attendance at our PD Board to ensure direct feedback provided on our plan progress. Further details on our CEG can be found in our Enhanced Engagement Chapter (**Chapter 3**)

3. OUR ASSURANCE PROCESS

Arrangements for assuring the ED2 Business Plan have been developed with extensive consultation with our SSEN Distribution Business Assurance Team. The ED2 Programme has implemented quality assurance plans that incorporate an industry recognised 'three lines of defence' model.

3.1 LEVEL 1: ASSURANCE BUILT INTO OUR PLAN DEVELOPMENT

Level 1 assurance refers to the measures in place to assure that our Plan has been subject to appropriate risk assessment and that our approach and outcome in each area of our plan has been subject to appropriate review in accordance with the requirements set out in the Data Assurance Guidance (see Appendix 1 setting out the data assurance activity options listed in the DAG). To ensure a robust, accurate and transparent process, all elements of our Plan have been subject to a high standard of internal scrutiny through a number of lenses:

- Senior accountable manager in the business providing a second-line review and sign-off against our data tables, individual investment proposals, and business plan sections, ensuring we have confidence in the accuracy, level and type of investment proposed to match our ambitions
- Regulatory specialists partnered to specific plan areas throughout the development of our ED2 plan, ensuring we meet our requirements and are providing a clear and credible position in view of our track record
- Stakeholder engagement leads, reviewing our stakeholder engagements in each plan area and ensuring we are capturing and addressing the feedback we have captured across the Plan
- Director review and approval of numbers, narrative and annexes in our business plan, with a view to assuring that our approach is accurate, ambitious and deliverable

3.2 LEVEL 2: INDEPENDENT ASSURANCE OF THE BUSINESS PLAN

A number of independent assurance and compliance teams were engaged to support a clear, accurate, and compliant plan. Our assurance approach has spanned an 18 month period prior to our submission, with multiple reviews cycles in place to support our ongoing commitment to a well-assured plan. This includes:

- Our independent Networks Business Assurance Team supporting and assuring a risk assessment process in line with the DAG, with process and data audits carried out throughout the period on our submission, including a final assurance review and sign-off in November 2021
- Our Group Audit and Compliance Team. The independent assurance team have provided independent challenge on our governance and controls across the Plan, as well as 'spot checking' of specific parts of the plan to confirm that internal review and approval processes have been effective in eliminating errors.
- These Level 2 assurance teams provide direct reporting to the ED2 Team but have direct reporting links into our wider governance framework, including the PLC and PD Board, as well as the SSE Risk Committee.

3.3 LEVEL 3: SME ASSURANCE OF SPECIFIC CONTENT

Independent expert input and assurance has been engaged to provide specialist reporting, strategy development and assurance across the ED2 Business Plan. This includes specific external SME assurance of our Engineering Justification Papers across all investment drivers; assurance of proposals contained within our digitalisation plan including an assessment of cost against industry standards; the robustness, coverage, and evidencing of stakeholder engagement in our Plan; and assurance of our subsea cable risk and investment methodology.

Further challenge was provided by our CEG, who provided assurance that our ambitions were derived from insights generated during our enhanced engagement process.

3.3.1 INDEPENDENT INSIGHT AND ASSURANCE - STAKEHOLDER ENGAGEMENT

Business Plan Chapter	External Support Partner	Activity Type	Description
03. Enhanced Engagement	Accent	Independent Research/Consumer Engagement	Various activities supporting consumer research and insights, including consumer market testing and willingness to pay
03. Enhanced Engagement	Explain	Independent Research/Consumer Engagement	Various activities supporting consumer research and insights
03. Enhanced Engagement	SIA	Strategy Development	Development of the Enhanced Engagement Strategy - both for development of ED2 plan, as well as the 2023-28 strategy
03. Enhanced Engagement	SIA	Assurance	Stakeholder triangulation assurance and recommendations report
03. Enhanced Engagement	Traverse	Independent Research/Consumer Engagement	Acceptability Testing across the Plan

3.3.2 INDEPENDENT INSIGHT AND ASSURANCE - TRUSTED AND VALUED SERVICE FOR OUR CUSTOMERS AND COMMUNITIES

Business Plan Chapter	External Support Partner	Activity Type	Description
04. A Trusted & Valued Service for Customers / communities	Experience Lab	Strategy Development	Development of the Customer Experience Strategy and Roadmap
04. A Trusted & Valued Service for Customers / communities	Experience Lab	Strategy Development	Customer Service OD optimisation models
05. IT and Digitalisation	Baringa	Strategy Development	Development of the Digitalisation Strategy
05. IT and Digitalisation	Gartner	Assurance	IT Assurance against our investment options to meet the demand

3.3.3 INDEPENDENT INSIGHT AND ASSURANCE - SAFE, RESILIENT AND RESPONSIVE NETWORK

Business Plan Chapter	External Support Partner	Activity Type	Description
07. Maintain a resilient network	EA Technology Limited	Evaluation Report	Evaluation and validation of our NAIM approach
07. Maintain a resilient network	Gartner	Assurance	Assurance of our Cyber proposals
07. Maintain a resilient network	ADAS	Specialist Report	Provision of the 'Tree Cutting Growth Report'
07. Maintain a resilient network	WSP	Specialist SME modelling/input	Development of Non-Load Investment Decision Packs
07. Maintain a resilient network	Cluttons	Specialist Report	Provision of the 'Flood Protection Analysis and Report'
07. Maintain a resilient network	Stantec	Assurance	Critical friend review and assurance review of Investment Decision Packs - all Totex categories
08. Supporting the Scottish Islands	GHD	Specialist SME modelling/input Assurance	Assurance and augmentation of Subsea Cables investment methodology and Investment Decision Packs
08. Supporting the Scottish Islands	Mott McDonald	Specialist Report	Qualitative Analysis for Future Investment and Review of CBA for Skye-Harris 33kV cable replacement

3.3.4 INDEPENDENT INSIGHT AND ASSURANCE - ACCELERATED PROGRESS TOWARDS A NET ZERO WORLD

Business Plan Chapter	External Support Partner	Activity Type	Description
09.Forecasting and Scenarios	RINA	Specialist SME modelling/input	Support on DFES modelling and analysis
10.Our Network as a Net Zero Enabler	Sustainability First	Specialist Report	Provision of the 'Heat Decarbonisation Report'
10.Our Network as a Net Zero Enabler	WSP	Specialist Report	Provision of Electrification of Heat and Transport Report
10.Our Network as a Net Zero Enabler	Siemens	Specialist SME modelling/input	HV Modelling
10.Our Network as a Net Zero Enabler	Stantec	Specialist SME modelling/input	Development of Load Investment Decision Packs
10.Our Network as a Net Zero Enabler	TNEI	Specialist SME modelling/input	Development of Load Investment Decision Packs & development of LV Strategy
10.Our Network as a Net Zero Enabler	WSP	Specialist SME modelling/input	Development of Load Investment Decision Packs
10.Our Network as a Net Zero Enabler	Stantec	Assurance	Critical friend review and assurance review of Investment Decision Packs - all Totex categories
11. DSO	Baringa	Strategy Development	Development of the DSO strategy annex including DSO Metrics
11. DSO	DNV	Strategy Development	Development of the DSO Action Plan
11. DSO	PWC	Strategy Development	Development of the Energy Efficiency CVP
12. Whole systems	PWC	Strategy Development	Strategic Development of Whole System Approach
13. Environmentally Sustainable Network	Anthesis	Strategy Development	Development of SSEN's Science Based Targets and trajectory
13. Environmentally Sustainable Network	Arcadis	Strategy Development	Development of the Sustainability Strategy and Sustainability Investment Decision Packs
13. Environmentally Sustainable Network	Arcadis	Specialist SME modelling/input	Nature Based Carbon Offsetting
13. Environmentally Sustainable Network	Science Based Targets Initiative (SBTi)	Accreditation	Providing accreditation against our science-based targets proposed in ED2

3.3.5 INDEPENDENT INSIGHT AND ASSURANCE - VALUE FOR MONEY FOR CUSTOMERS & FINANCEABILITY

Business Plan Chapter	External Support Partner	Activity Type	Description
15. Costs and efficiency	Baringa	Strategy Development	Support and independent validation of the Cost Efficiency Chapters and Annexes.
15. Costs and efficiency	Pick Everard	Specialist Report	Developed in support of our Control Room proposal
15. Costs and efficiency	NERA Economic Consulting	Specialist Report	Ongoing Efficiency Improvement at RIIO-ED2 Prepared for the Energy Networks Association
15. Costs and efficiency	NERA Economic Consulting	Specialist Report	Price Effects for the RIIO-ED2 Price Control Review
16. Ensuring Deliverability and a Resilient Workforce	Arcadis	Strategy Development	Development of Commercial and Supply Chain Strategy
16. Ensuring Deliverability and a Resilient Workforce	Project Leaders	Strategy Development	Development of Deliverability Strategy
16. Ensuring Deliverability and a Resilient Workforce	Energy and Utility Skills	SME	Provision of strategic workforce planning and skills intelligence services.
17. Uncertainty mechanisms	PWC	Strategy Development	Strategic Development of UMs
19. Finance & Financeability	NERA	Specialist Report	Additional Costs of Borrowing and Small Company Premium at RIIO-ED2
19. Finance & Financeability	Oxera	Specialist Report	Cost of Debt and Financeability Cost of Equity Benchmarking

4. OUR ASSURANCE PRINCIPLES

We have developed a set of Assurance Principles in the development of an ambitious ED2 Plan that meets the needs of consumers for a Net Zero future, delivers clear and efficient investment proposals, and provides a fair return to Investors. Our approach ensures that our Board and senior management team are behind every element of our Plan. Our assurance Principles are as follows:

Principle 1: A high-quality, accurate Plan

Our Plan has been developed to a high degree of accuracy, with appropriate levels of governance and data assurance.

To ensure we meet the standards for a high-quality, accurate Business Plan, an Assurance Framework has been developed to risk-assess our Business Plan. This Assurance Framework takes into account the impact on customers, the environmental and societal impact of our proposals, the financial materiality, and Regulatory requirements. In addition, we have also risk-assessed each part of the Plan in view of our current performance; whether it is an existing or a new service, and the supporting data in place to ensure timely and accurate decisions. The result of this risk assessment has allowed us to consider appropriate internal and external governance and assurance across all part of the Plan, with emphasis on those areas that score high against our Assurance Framework.

Assurance Approach: Level 1 Assurance in line with our internal review process, and Level 2 Assurance with four separate reviews by our Audit, Assurance, and Compliance teams

SSEN Distribution Networks Business Assurance	Oct 2020, June 2021 & Oct 2021	Quality controls within the collation process & management oversight of the collation process, with adherence to DAG.
SSE Group Audit	Oct 2020	Effectiveness of the management of key risks and controls in accordance with Group Policy
SSE Group Compliance Team	May 2021	Assess controls supporting compliance with collation in data tables

Principle 2: Clear, robust and efficient investment proposals

Our investment proposals are efficient, clear, and well justified, and have been developed using a clear and transparent methodology

The SSEPD Board has reviewed the development and refinement of expenditure forecasts and efficiency proposals developed throughout our Business Plan preparation, with a view to ensuring our cost profile is efficient.

The methodology we have applied to develop our investments has been reviewed by our Customer Engagement Group, with ongoing review from our external assurance partner, Stantec.

The feedback and assurance on our approach to investment proposals delivers confidence in a consistent, transparent approach to our investments. All individual investments with a value of more than £2m have been the subject of scrutiny within our business, accompanied by cost-benefit analysis, and have been the subject of external review to ensure robustness, clarity and alignment to stakeholder needs.

Assurance Approach: Level 2 Assurance from an external engineering firm, Stantec, to test our investment case development against Ofgem guidance and best practice and in readiness for final submission.

GHD Consulting	Mar/Apr 2021	Assurance of subsea cable risk / impact methodology and strategic options
Stantec	Jan-May 2021 & Oct-Nov 2021	Investment Decision Pack assurance, and critical-friend support in the development of EJPs/CBAs for Load, Non-Load & Sustainability
Gartner	Mar 2021	Strategic option and investment cost assurance in our Digitalisation Plan
ADAS	Feb-Apr 2021	An evidence-based case for tree clearing approach

Principle 3: Ambitious proposals that will meet the needs of consumers

Our Business Plan meets the needs of consumers, evidenced through their feedback during our enhanced engagement process, and including feedback from our Customer Engagement Group.

In a challenging and changing environment, it is more important now than ever to ensure our Business Plan strikes the balance between a reliable and consistent supply, with the ambition to deliver improved customer service, enhanced digital channels, network flexibility, and our continued drive to reduce emissions by 2050.

The voice of the customer has been at the heart of our Business Plan development, as can be seen from our Stakeholder summary and synthesis reports. Their feedback has been used to shape our proposals across all four corners of our Plan. Throughout the development of the Business Plan, we have taken account of stakeholder feedback and are satisfied that our ambitions match the needs of our customers.

Assurance Approach: Level 2 Assurance from Sia Partners to challenge the robustness and coverage of our stakeholder engagement across the Plan, and a test of the stakeholder evidence vs the proposals submitted in the business plan. Level 2 Assurance from our Customer Engagement Group on our ambitions and the engagement against these to support our ED2 Business Plan.

SIA Partners	Mar/Jun 2021	Assessment of relative and absolute engagement coverage, assessing how well engagement feedback has been used to inform decisions for submission
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Principle 4: Our Business Plan Is financeable

Our Board must be satisfied that the licensee is financeable on both a notional and actual capital structure and that all applicable measures to aid financeability have been considered, including supporting evidence and justification, in support of this submission of the RIIO-ED2 Business Plan.

The SSEPD Board have considered the financeability of our RIIO-ED2 plan and are satisfied that the licensee is technically financeable on both a notional and actual capital structure and that all applicable measures to aid financeability have been considered, including supporting evidence and justification, in support of this submission of our final Plan.

*Assurance Approach: A full assessment of the measures we have taken to ensure our business plan is financeable can be found in our Finance chapter and annex (**Chapter 19, Annex 19.1**).*

APPENDIX 1: DATA ASSURANCE ACTIVITY OPTIONS

	When applies	Who is responsible	What: content/coverage
Planning			
Methodology Statement and Submission Plan	All submissions	Person(s) compiling submission/core team managing the return.	Explains process to produce the submission and should include details of: systems, responsibilities, timings, additional methodologies to complete any calculations required etc. Details the plan to complete the submission, including details of timetable, responsibilities, sign-off and governance meetings as relevant.
Review			
Second Person Review	All submissions	Person with reasonable understanding of requirements. Not status related. Separate from person who completed the submission/table.	Must check the submission in detail and any associated commentary. Confirm adherence to and adequacy of the methodology statement. Confirm accuracy of Data through checking inputs, including any management assumptions and reviewing evidence to support entries/statements.
Internal Expert Review	As identified through Risk Assessment.	A regulatory specialist or someone who understands the return in detail (and may have been directly involved in its preparation).	Responsible for ensuring that returns are complete and accurate and in accordance with any guidance issued by Ofgem. The expert reviewer satisfies him/herself that the return has been completed in full and the key control activities have been performed and any unusual findings investigated and resolved.
Internal Data Audit	As identified through Risk Assessment.	An Independent Internal Assurance Provider, eg a Group Internal Audit Function or Assurance Function (or equivalent) or a subject matter expert not directly involved in the return.	Programme agreed by Audit, Governance or Planning Committee, or equivalent. Responsible for providing evidence of verification of Data. Done through a sampling approach. Intends to determine the level of confidence that can be placed on the entire return through testing a sample of the Data. Reported/documentated through formal governance channels.
Internal Submission Process Audit	As identified through Risk Assessment.	An Independent Internal Assurance Provider, eg a Group Internal Audit Function or Assurance Function (or equivalent).	Programme agreed by Audit, Governance or Planning Committee, or equivalent. Not responsible for ensuring that returns are complete and accurate but to provide an independent challenge to the process to produce the submission. Review of the adequacy and effectiveness of the internal control systems to ensure returns are timely, complete and accurate. Formal report produced. Control gaps/areas for improvement identified and actions logged.
External Data Audit	As identified through Risk Assessment. Useful where specialist knowledge required. Essential for financial accounts.	Audit carried out by a third party outside the company or group. Independent registered audit organisations or independent experts with or without formal audit qualifications, where appropriate.	Programme agreed by Audit, Governance or Planning Committee, or equivalent. Responsible for providing evidence of verification of Data. Done through a sampling approach. Intends to determine the level of confidence that can be placed on the entire return through testing a sample of the Data. Formal report produced.
External Submission Process Audit	As identified through Risk Assessment.	Audit carried out by a third party outside the company or group. Independent registered audit organisations or independent experts with or without formal audit qualifications, where appropriate.	Programme agreed by Audit, Governance or Planning Committee, or equivalent. Not responsible for ensuring that returns are complete and accurate but to provide an independent challenge to the process to produce the submission. Review of the adequacy and effectiveness of the internal control systems to ensure returns are timely, complete and accurate. Formal report produced. Control gaps/areas for improvement identified and actions logged.

	When applies	Who is responsible	What: content/coverage
Sign-off			
Senior Manager Sign-off	All submissions	Accountable senior manager.	<p>This review must be done in line with the minimum review criteria as established by each Licensee.</p> <p>Detailed review of table and the narrative.</p> <p>Complete and sign a record of evidence attesting to confidence in the accuracy of the submission.</p>
Director Sign-off	As identified through Risk Assessment.	A Director of a business function for example Director of Operations or Financial Director.	<p>Must complete a final review prior to submission to Ofgem.</p> <p>This review must be done in line with the minimum review criteria as established by each Licensee and include a challenge of the Senior Manager Sign-off.</p> <p>Must complete and sign a record of evidence attesting to accuracy of the submission.</p> <p>Drives an overall confidence assessment for the submission.</p>
CEO Sign-off	As identified through Risk Assessment.	Chief Executive Officer	<p>High-level oversight.</p> <p>Final layer of challenge to adequacy of submission in terms of completeness and accuracy.</p> <p>Must complete and sign a record of evidence attesting to accuracy of the submission.</p>
Board Sign-off	As identified through Risk Assessment.	Licensee Board	<p>High-level oversight.</p> <p>Board reviews summary of submission and assurance activities followed, as presented by a relevant Director.</p> <p>Detailed review of tables and assurance processes formally delegated to Director who approves with delegated authority on behalf of the Board.</p> <p>Approval of submission must be minuted to enable completion of a record of evidence attesting to accuracy, to be delegated to the CEO or other director identified by the board.</p>