

Wessex Water

YTL GROUP



14 November 2023



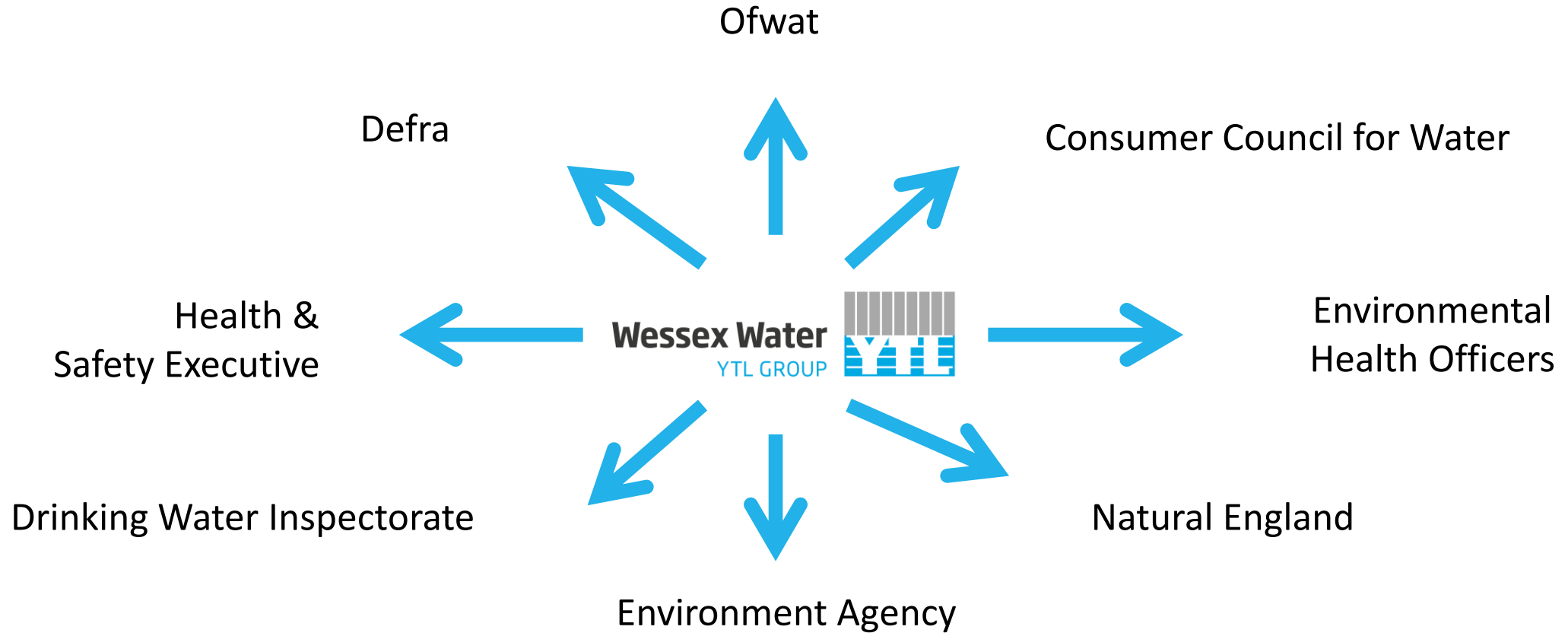
Wessex Water
YTL GROUP



Colin Skellett
Chief Executive



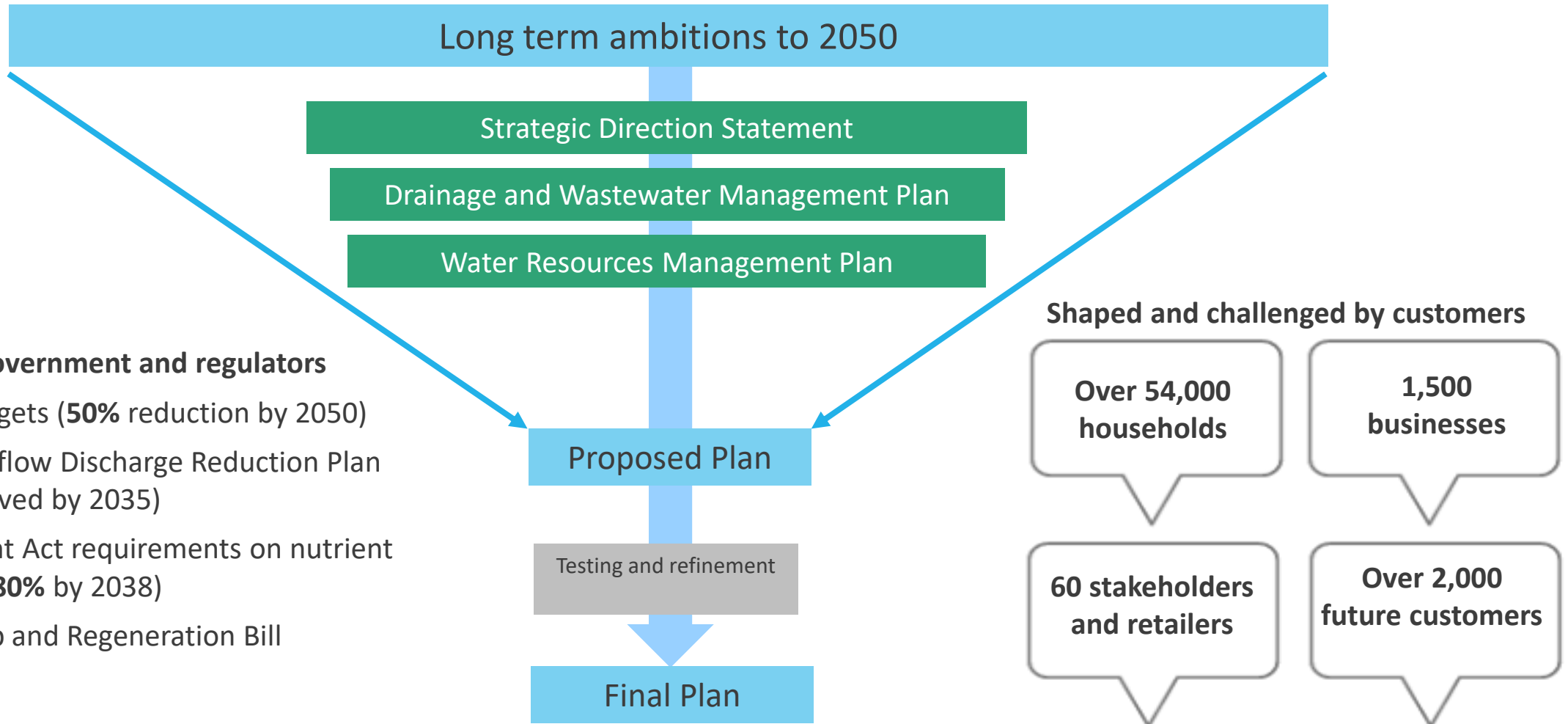
Our regulators



Business Plan and Price Review






- Every five years investment plans submitted to Ofwat
- Plans include requirements of legislation and quality regulators, customer service improvements, servicing new developments and asset renewal
- Ofwat takes account of current performance, efficiency and quality of service
- Bills are set by Ofwat based on the approved business plan
- For the current five years 2020/2025 the investment programme is £1.5bn with average prices reduced by 7%

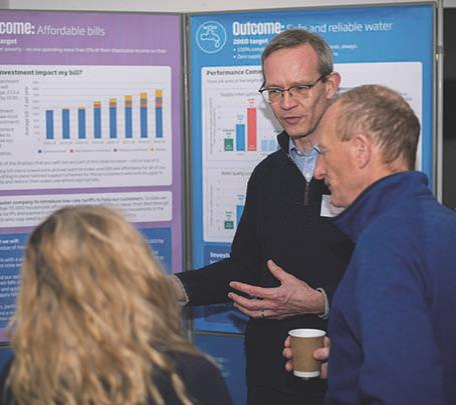
Developing our plan for 2025-2030



More than doubling current investment – from **£1.5 billion** to **£3.5 billion**

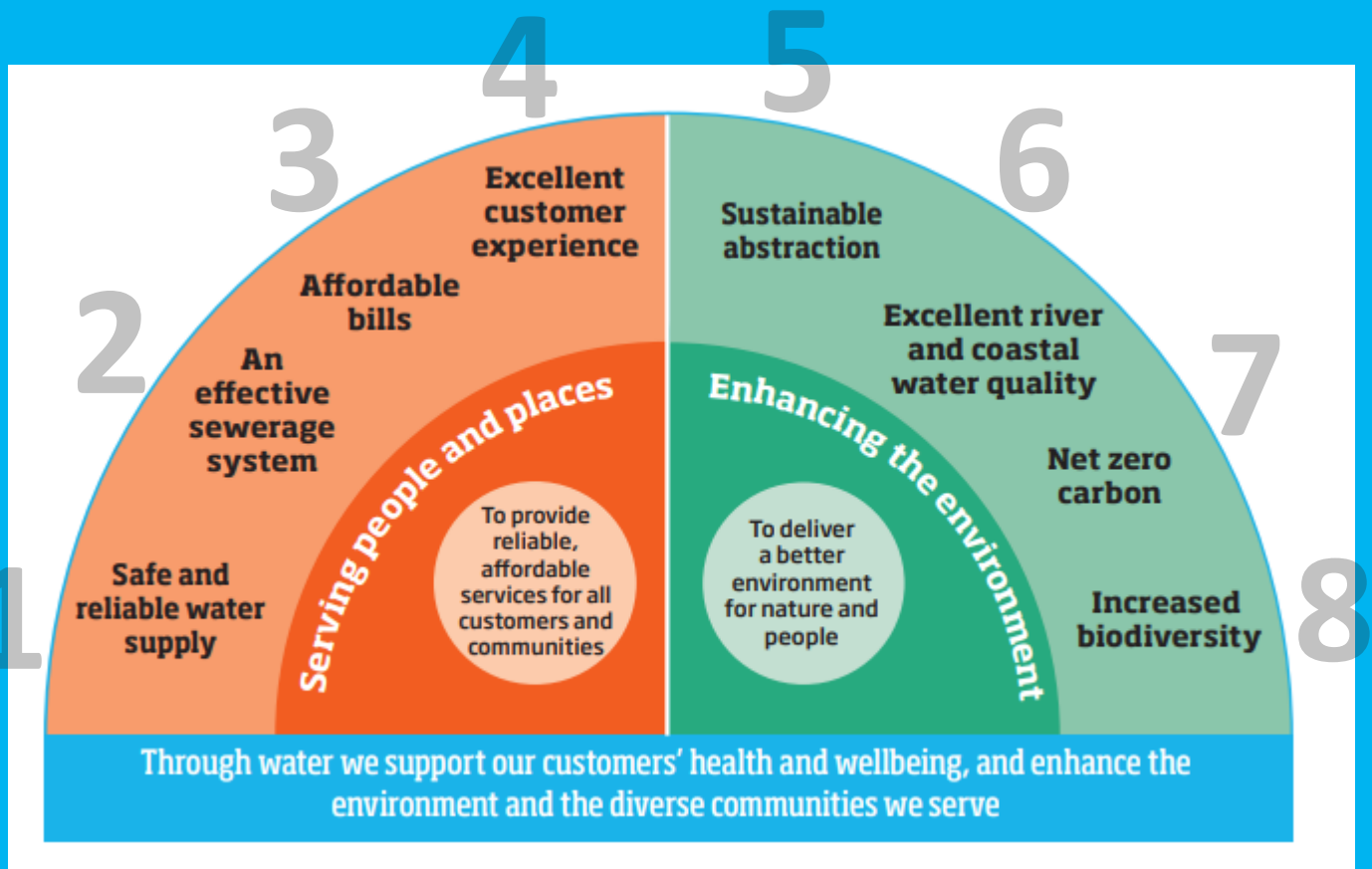
You said we did....

	Early plans	Feedback	Revised plan
 Storm overflows	£750 million to improve 148 overflows by 2030	High priority – but need to balance with cost	£400 million to deliver 128 highest impact schemes
 River quality	£1.4 billion on removing nutrients from rivers and coastal waters	High priority – but need to balance with cost	Reduced cost to £900 million through use of innovative nature-based solutions
 Safe and reliable water	Maintain industry-leading track record for quality / reliability of water supply	Current performance is good – priority is to maintain this	No change to plan
 Smart metering	75% rollout across region by 2030	Not a key priority for 2030	Rollout scaled back to 40% of households and non-households
 Bills and affordability	45% increase in bills by 2030	62% felt plan was acceptable 46% reported some difficulty affording proposed increase in bills	29% bill increase with commitment to eradicate water poverty by 2030



OUR EIGHT OUTCOMES

Our outcomes have been co-created with customers and stakeholders to reflect their key priorities



Our proposed investment

Environmental outcomes

Outcome	Current position	2030 deliverable	2050 ambition
Sustainable abstraction	<p>145 litres of water used per person per day</p> <p>72% of customers with basic meters</p> <p>Leakage halved since 1990</p>	<p>135 litres per person per day (7% reduction)</p> <p>Roll out smart meters to 40% of customers</p> <p>Further 7.5% reduction in leakage volumes</p>	<p>110 litres per person per day (25% reduction)</p> <p>Extend smart meters to all feasible households / businesses</p> <p>Leakage halved from 2020 levels</p>
Excellent river & coastal water quality	<p>1,600 tonnes of phosphorus and nitrogen removed</p>	<p>Further 400 tonnes of phosphorus and nitrogen removed</p>	<p>Ensure we have no adverse impact on health of rivers and coastal waters</p>

Our proposed investment

Environmental outcomes

Outcome	Current position	2030 deliverable	2050 ambition
Net zero carbon	109,000 tonnes CO ₂ equivalent	Reach operational net zero carbon	Be a fully net zero carbon business by 2040
Biodiversity	Improved 280 hectares of land for biodiversity	Improve a further 716 hectares of land for biodiversity	Double our contribution to the region's biodiversity

Our proposed investment

Customer outcomes

Outcome	Current position	2030 deliverable	2050 ambition
Safe & reliable water supply	<p>99.94% compliance with drinking water quality standards</p> <p>Industry leader – lowest water supply interruptions</p>	<p>100% compliance</p> <p>Maintain current performance on supply interruptions</p>	<p>100% compliance</p> <p>Zero supply interruptions</p>
Effective sewerage system	<p>Internal flooding incidents affect fewer than 0.015% of properties</p> <p>Improving 67 storm overflow sites between 2020 and 2025</p>	<p>Reduce internal flooding incidents by a further 20%</p> <p>Improve a further 128 storm overflows at key sites</p>	<p>Reduce internal flooding incidents by a further 50%</p> <p>Improve or eliminate all storm overflows</p>

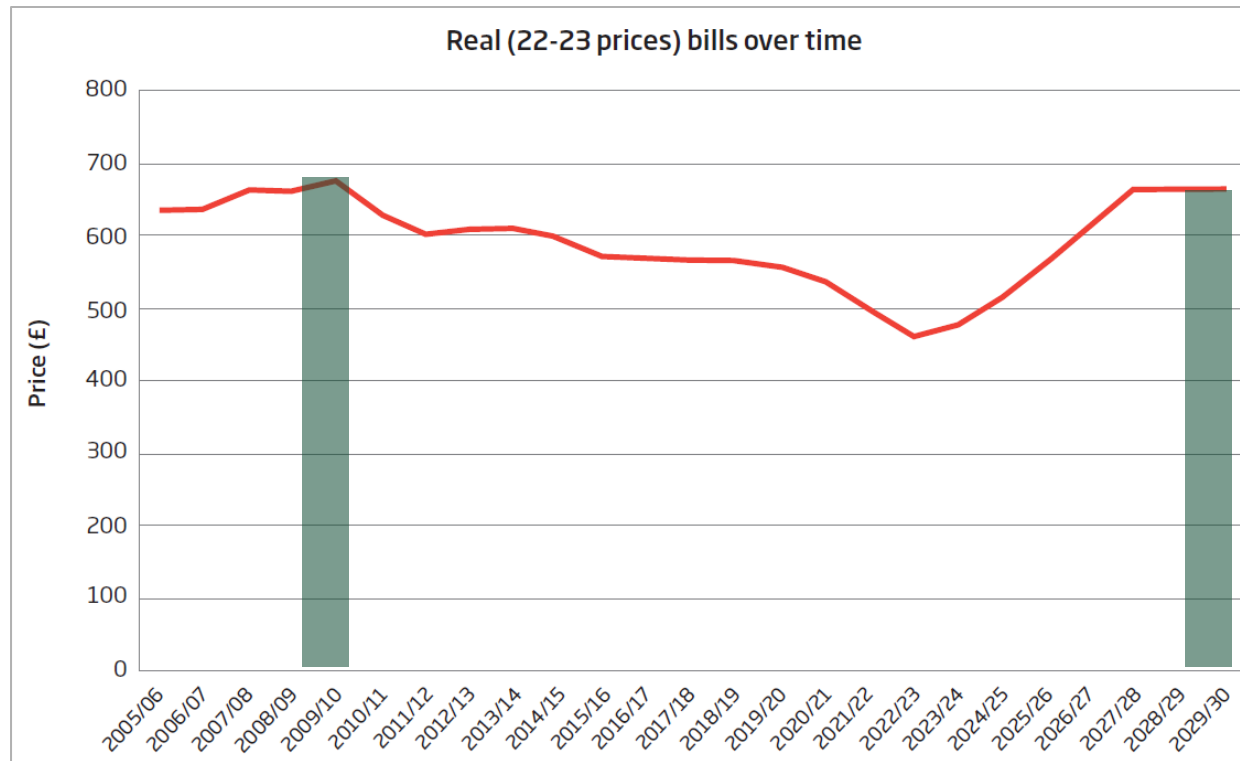
Our proposed investment

Customer outcomes

Outcome	Current position	2030 deliverable	2050 ambition
Excellent customer service	The top water industry provider	Maintain top water industry position Top 50 – UK Customer Satisfaction Index (all sectors)	Maintain top water industry position Top 10 - UK Customer Satisfaction Index (all sectors)
Affordable bills	Providing financial support with bills to over 55,000 households	Increasing financial support to 140,000 households Eradicate water poverty	Continue to maintain zero water poverty

Customer bills

Average annual customer bill (real terms)



£13 / month increase on average bill between 2024-25 and 2029-30
– but bills still below 2009-10 (in real terms)



Extending our Tailored Assistance Programme to support 140,000 households through low-rate tariffs, flexible payment plans and debt support



300 partnerships with debt advice specialists, local charities and community organisations to help us to find and reach those in need



Upgraded e-billing service and greater communication around bill changes

Our 2025-2030 plan – key facts

Upgrading 10 water treatment centres

716 hectares of improved biodiversity

Cutting leakage by 3.5 million litres per day

£900 million to remove nutrients from rivers and seas

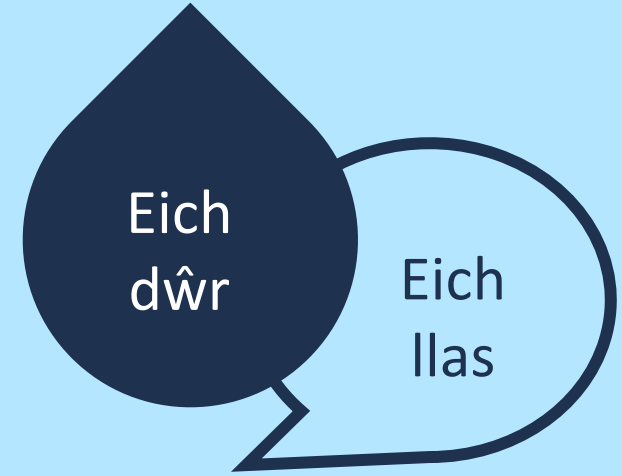
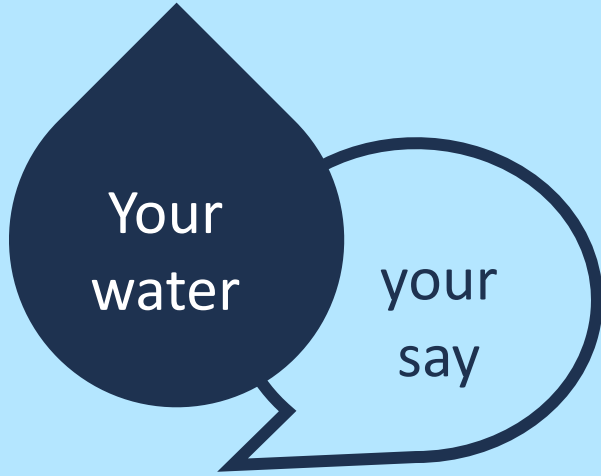
£400 million in storm overflow improvements

16% less water taken from the environment

Average bill increase of £13 per month by 2030

Eradicating water poverty by 2030

Visiting 60,000 homes through our 'Home Check' water saving programme



Link - [Your water, your say survey - Ofwat](#)

