

WSX22 - Developer services strategy and analysis

Business plan
2025-2030



Wessex Water
YTL GROUP

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WSX22 - Developer services strategy and analysis

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Annexes – None

This supporting document is part of Wessex Water's business plan for 2025-2030.

Please see 'WSX00 – Navigation document' for where this document sits within our business plan submission.

More information can be found at wessexwater.co.uk

Executive summary

Developer Services

Developer Services combines the complementary functions of Planning Liaison and Development Services.

Planning Liaison monitors the long-term development aspirations in our operating region and informs us of future capacity requirements and capital investment delivery timescales.

Development Services is the fundamental enabler to the delivery of fast, efficient and cost reflective connections to clean and waste water services.

Through our integrated Developer Services offering we are fully supportive of growing competition in the development space, while welcoming the introduction of further competition to the market and removal of the activity from the price control.

We have an absolute duty to assist planners and developers across the full customer spectrum operating in our region, irrespective of the scale of their development proposal, or their construction experience.

We are committed to providing excellent service by ensuring customers have all the information available to them to make the right decisions for their development, and the support services to deliver cost reflective solutions that are best for the customer, environment, and the community.

1. Developer services strategy and analysis

1.1. Outcome executive summary

Our success at understanding planning and capacity requirements, and enabling fast, cost reflective connections to our clean and waste water networks that meet our customer's expectations with minimal impact on the environment is monitored through the D-MeX measure.

1.2. Performance commitment summary

Through our strong customer focused culture and going the extra mile approach, we have consistently delivered excellent customer experience for our developer customers, irrespective of their experience or the scale of their development.

D-MeX is made up of a survey measuring the satisfaction of developer services customers who have transacted with the company and a quantitative component, based on the company's performance against a set of selected performance metrics.

We deliver consistent Upper Quartile D-MeX performance as shown in *Table 1* and for 2025-30 we plan to be, at the minimum, an upper quartile company overall.

Table 1: D-MeX - Developer Customer Experience Measure performance

D-MeX score	2020-25					2025-230
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-2030
Qualitative	81.03%	80.18%	80.25%			
Quantitative	97.91%	99.12%	99.53%			
Overall	89.47%	89.65%	89.89%			
Ranking	2 nd (2 nd WaSC)	4 th (2 nd WaSC)	5 th (2 nd WaSC)			Upper quartile of all English and Welsh water companies

2. The challenges we face

Meeting central government aspirations for increased pace of development alongside the regulatory reforms to charging and opening the delivery of assets to a wider field of competition presents wide-reaching challenges to the traditional Developer Services model.

Enabling developers to determine their preferred point of connection to existing networks through a “self-serve” process, with reduced concerns over available capacity has driven the need for earlier engagement in the wider planning process and closer collaboration between all stakeholders.

In the face of these fundamental changes we are committed to delivering a first-class service, working in collaboration with our customers to support their objectives, enabling solutions that meet their specific needs, irrespective of the size of their development.

We will make sure customers have all the information they need to make the right decisions for their development; our charges will be fair, fixed and cost reflective; our processes and procedures will be simple, clear and un-biased towards any specific delivery mechanism – we will listen to the needs of all developers across our customer segmentation and evolve our services to reflect their choices.

We welcome the enhanced focus on customer satisfaction proposed by the changes to D-MeX going forward. We wholly support the need to consistently and transparently compare levels of service delivery and customer satisfaction across the industry, we will actively participate in deriving customer satisfaction measurement metrics and set ourselves stretching targets that positively promote and support rapid development.

We have been fully supportive of the gross changes mandated in the Developer Services market in recent years; embracing and supporting development of the various initiatives that have clearly accelerated the pace of delivering new developments, such as the new Adoption Codes, widening the scope of Self Lay Delivery and the expansion of the NAV market. With further deregulation of Developer Services activity on the horizon we will continue to support and innovate in the development space, recognising our core role of enabling simple, fast and cost-reflective connection of new developments to the existing water and waste networks.

3. Our strategy for 2025-2030

3.1. Business model

To effectively service this wide market, we have evolved a business model that has at its heart a culture of “Development Made Easy”.

This model recognises excellent outcomes for both the customer and the environment can only be achieved by delivering the highest standards of customer service, we seek to achieve excellent outcomes for our customers by clarifying New Connection requirements, simplifying pricing structures, providing informative and supportive customer management, and ensuring consistency in our responses.

We will continue to build on the theme of “Development Made Easy” by enabling rapid and cost-reflective development through close collaboration with customers, developers, and planners.

By extending our strong support of the Catchment Partnership approach to the holistic planning process, we will have a clear agenda in influencing the development of environmental incentives and particularly promotion of SuDS

surface water drainage solutions, thereby facilitating their multiple benefits, which include reduction water demand and flood risk, improvements in water quality, biodiversity, and amenity, benefitting all stakeholders.

We recognise it is essential to deliver more than just the statutory connection services called for by the primary Water Supply legislation. We are effectively an enabler of new development, irrespective of the nature of the developer and development type and have a significant influence in safeguarding the environment by delivering effective and efficient water supply and waste water solutions.

Our culture, systems and delivery models recognise the very diverse demographic of our customer base, which ranges from the single householder seeking to develop a single domestic plot with little or no experience of dealing with Utilities, to the regional offices of the national housebuilders who are very familiar with the technical and commercial aspects of servicing domestic and commercial development sites.

3.2. Customer segmentation

Different customer segments require diverse approaches to each phase of any development; we might have only one opportunity to deliver excellent customer service to the single plot domestic developer who might undertake the task once in their lifetime. These clearly benefit from a bespoke personal interaction experience, where they can be talked through as much or as little detail their case requires. Small and mid-market developers will be familiar with the basic requirements to service a simple development layout, occasionally needing additional assistance to achieve a more complex off-site connection to the existing network. Building long-term relationships between local development engineering offices and the developer is very effective in delivering consistent, excellent outcomes.

Major developers, familiar with both legislation and pricing structures will receive full technical support of their complex network proposals, where the close working relationship fostered between expert teams provide benefits in long-term strategy planning and delivery of complex engineering solutions. Building excellent customer relations and understanding the shifting requirements of both legislation and the market are key to all customer types.

Changes to charging rules introduced in April 2018 significantly shifted the boundaries between contestable and non-contestable activities, introduced greater cost certainty for developers, removed barriers for new entrants into the market and levelled the service provision playing field.

Those changes have naturally promoted self-lay of potable water systems and further encouraged developers to deliver on-site waste water networks - we welcome the wider choice of delivery mechanism these changes present to the customer.

Wider customer choice, simplification of determining point of connection and removal of developer risk associated with capacity issues places greater emphasis on our developing even closer collaborative relationships with developers and planners.

We will continue to innovate in the customer experience space, as we have in 2020-25, to make the customer journey simpler, more cost reflective and offer wider choice of delivery methods, building on the unique Developer Delivered Requisition solution we envisaged and implemented for S98 Requisitions, where the Developer benefits from a clear, incremental, and cost predictable stage gated process from concept to final delivery.

We will play a leading role within our regional development community to develop mechanisms and business models that recognise and deliver service capacity seamlessly with the pace of development, applying infrastructure charges that reflect costs at point of use, consistently applying our theme of charges being fair, fixed and cost reflective.

We anticipate these models will develop and mature throughout 2025-30, as our understanding of customer needs, pace of development and costs of delivery become clearer in practice.

4. Analysis

4.1. Planning Liaison

The majority of our Local Planning Authorities are currently reviewing Local Plans and determining preferred sites for the planning period up to 2038. This makes planning for network improvements to support development difficult and requires an innovative approach.

We have used data from our Drainage and Wastewater Management Plans and Water Resource Management Plans; information from Local Planning Authorities and our own development records and engagement with local asset teams to identify sewer and water supply networks with limited capacity where growth is likely to occur between 2025-2030. Depending on the quantum of growth and complexity of the networks we have assumed the cost for capacity schemes based upon recently completed schemes as follows in Table 2

Table 2: Predicted capital investment to accommodate development

£k	Foul	Water Supply
250	on site storage	Minimal upsizing
500	on site storage significant	Average Upsizing
1,000	storage in network	Significant Upsizing
2,000	storage in network and upsizing	Significant+ upsizing
4,000	storage in network and upsizing significant	

Due to the uncertainty of development, we have applied a percentage reduction in investment depending on the likelihood of development progressing as follows in Table 3

Table 3: Likelihood of planned development progressing

%age	Planning Horizon
10	Allocation in unadopted Local Plan phasing not known
25	Due to start year 4 or 5 or in unadopted local plan and application submitted or speculative and planning application likely to be approved.
50	Due to start year 2 or 3
75	Due to start 2024 or 2025
100	Starting 2020-25 - tipping point 2025-30

A number of sewer improvement schemes are carrying over from 2020-25 due to development in some sewer catchments not matching previous local plan forecasts. These are planned to commence in 2025-30 and include developments located in:

- Warminster
- Fugglestone Red, Salisbury
- North Wimborne
- Yeovil
- Chickerell

We are expecting an increase in water supply network reinforcement schemes due to a significant increase in requests to connect to the public network from residents currently dependent upon supply from private sources. The MOD project to connect bases and holdings within our region is also predicted to generate significant off site work to the water supply network during 2025-30.

4.2. New Connections forecast

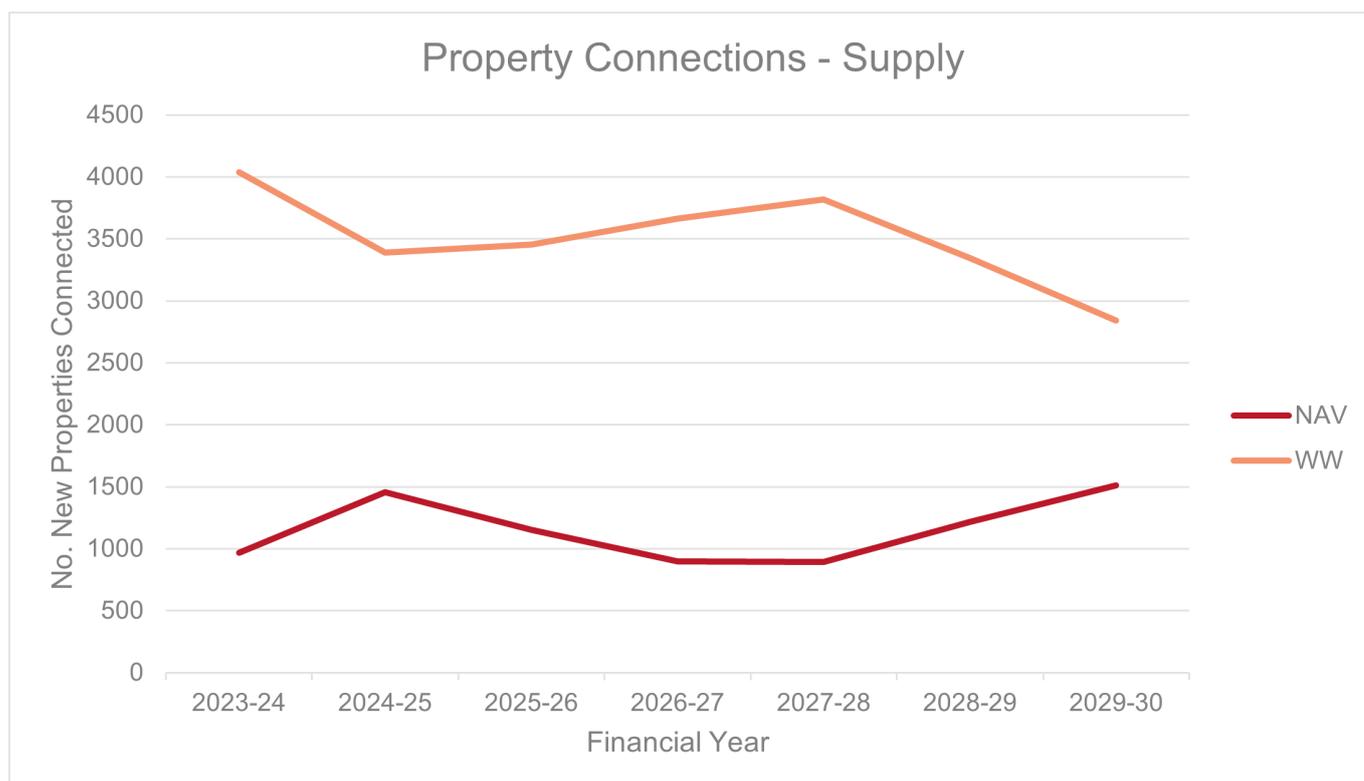
Supply connections

Forecast (2023-30)

Figure 1 illustrates the forecasted data for the anticipated number of new builds completed each year requiring new supply connections, drawn from Wessex Water's Water Resources Management Plan (WRMP)

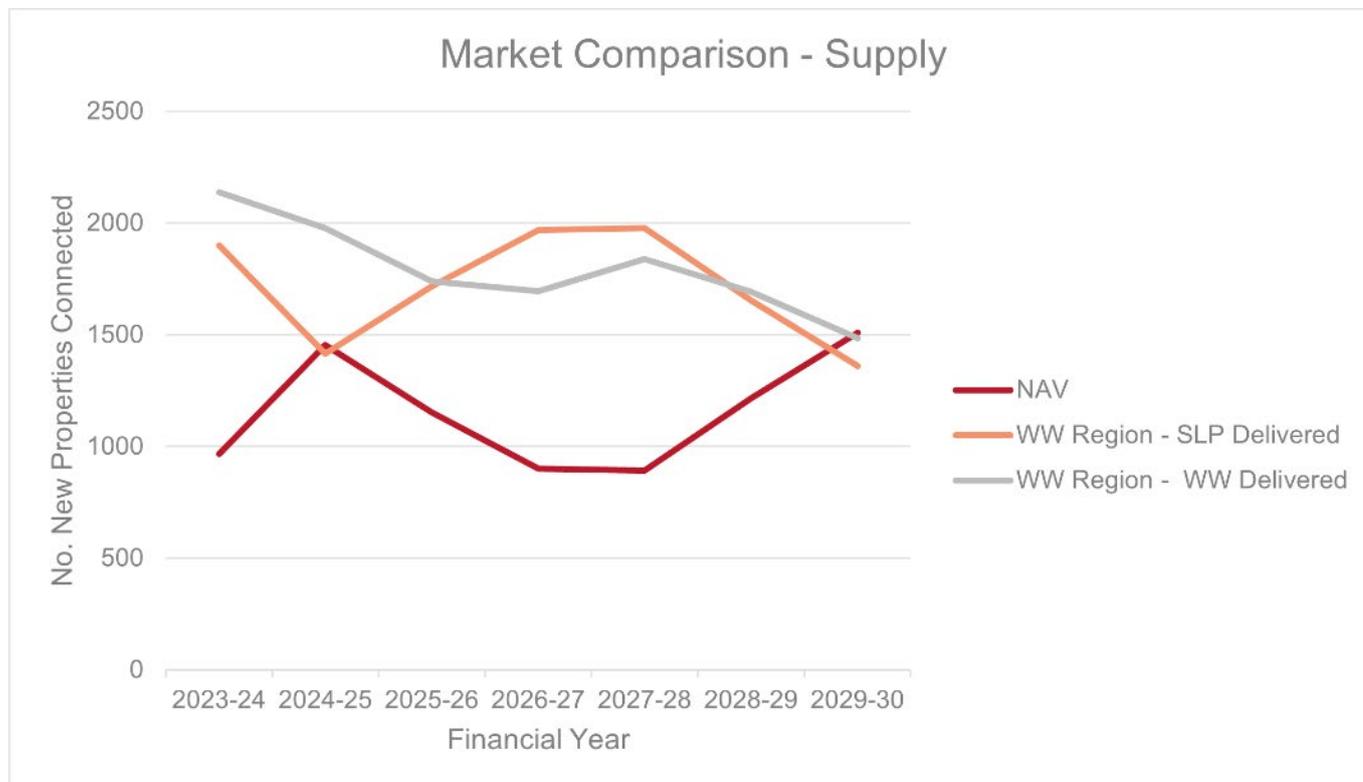
By analysing available planning data across our region we anticipate the split between connections facilitated by Wessex Water (by both internal and SLP resources) and New Appointees and Variations (NAV) as illustrated in Figure 1.

Figure 1: Number of supply property connections predicted to be facilitated by us and NAVs



This analysis is further broken down in to illustrate our estimate of market share between Wessex Water delivered, SLP delivered and NAV delivered connections, illustrated in Figure 2.

Figure 2: Supply property connections market share

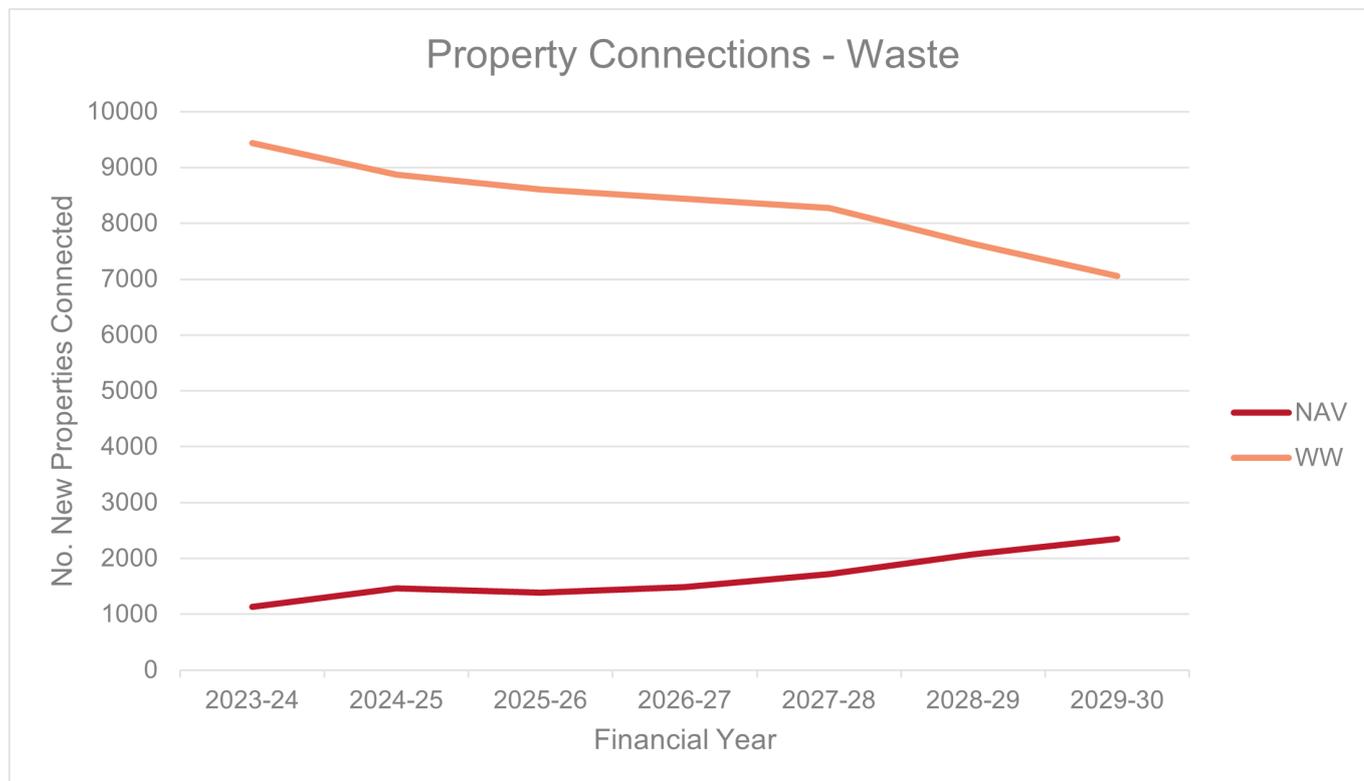


Waste connections

Forecast (2023-30)

Figure 3 illustrates the forecasted data for the anticipated number of new builds completed each year requiring new waste connections, based on Office of National Statistics (ONS) projections of the number of household changes each year.

Figure 3: Number of waste property connections predicted to be delivered by us and NAVs



4.3. D-MeX

Key to improving our D-MeX performance is understanding of customer satisfaction with each of the elements of our delivery processes. Output from the Qualitative element of the D-MeX customer survey is anonymised by Ofwat, making targeted service improvements difficult to identify at an individual experience level, however, we can extract general trends from the survey output, and we do undertake extensive customer experience sampling independent of the D-MeX survey.

Figure 4 is an analysis of our D-MeX customer service feedback. Whilst we are pleased that we continue to score well overall, key areas for improvement indicated here include keeping customers informed, improving the information available to them on our website, and providing value for money.

Figure 4: Customer satisfaction with key aspects of project delivery



Based on a detailed analysis of these scores and our own survey feedback, we also know that there are three key areas which correlate most strongly with a customer's overall satisfaction.

They are:

1. How well we understand their needs
2. The timeliness of our response
3. How easy it is for them to contact us

These themes are also consistent with anecdotal feedback that we obtain during our customer engagement events and from responses to our internal customer surveys.

4.4. Developer requirements

We have been fully supportive of the changes mandated in the Developer Services market in recent years. We have embraced the initiatives that have clearly accelerated the pace of delivering new developments, such as the new Adoption Codes, widening the scope of Self Lay delivery, and the expansion of the NAV market.

With further deregulation of Developer Services activity on the horizon, we will continue to support and innovate in the development space, recognising our core role of enabling simple and fast connection of new developments to the existing water and waste networks.

We know that our customers want an efficient and timely service from us. Development projects can be complex, and we need to understand and respond to their specific needs; delivering services at reasonable cost and making it easy for them to do business with us.

Our service offering will continue to support the wide demographic of our customer base, striking the right balance between enabling rapid development and delivering cost reflective, predictable, and transparent services that realise the multiple benefits of excellent customer service, environmental outcomes, and amenity.

To do this we will:

- Make it even easier for customers to do business with us, adopting a risk-based approach and tailoring processes to suit (for example, implementing a self-certification process for low-risk projects).
- Ensure that our internal processes are optimised and that we have sufficient resources to deliver services quickly and efficiently to customers; exceeding the minimum expectations laid out in the Quantitative Levels of Service Metrics.
- Build on our existing customer service training to ensure teams are provided with the skills to deliver excellent customer experiences across all channels. This will enable us to provide accurate and bespoke information to customers that is unique to their development and helps to address the specific challenges that they face.
- Continue to provide customers with a central point of contact (Case Officer) wherever practicable. Warm handovers to be utilised if the customer needs to be transferred to a different internal team.
- Evolve and expand our web experience; presenting content in a simplified and more engaging way and using videos and illustrations to explain complex processes. This will be designed to cater for both our one-off customer interactions (typically household customers who may need support on what to do next), and the more experienced large developers, SLPs and NAVs who know what they are looking for and require less support or guidance.
- Enhance our online portal to allow customers to log in and see a single view and status of their projects, make payments, and interact with us in real time. Customers will be sent automated, timely updates on their job, and they will be able to seamlessly transition between different delivery models (SLP, NAV or Wessex) should they wish to do so. By removing the need to duplicate entry of their personal information when applying for additional services from us, the administrative burden on customers will be significantly reduced.
- Innovate in the New Connections space to enable wider customer participation in the S45 connection process where appropriate. This will improve the number of options available to customers and help to facilitate the use of shared trenches and highway permits – all of which will improve the customer experience and drive down their overall costs.
- Improve the number of delivery options that developers and customers have, to help foster competition and to improve efficiency and customer service (following the example of the Developer Delivered Requisitions route we established in 2023). We want customers/developers to feel in control of their project.
- Work with Local Authorities/Lead Local Flood Authorities and Highway Agencies authorising surface water management plans to protect the environment and improve efficiency of process.